## SENATE

MONDAY, *January 21, 1929*

*(Legislative day of Thursday, January 17, 1929)*

The Senate reassembled in closed executive session at 12 o'clock meridian, on the expiration of the recess.

After three hours and five minutes spent in executive session the doors were reopened.

### PRESERVATION AND IMPROVEMENT OF THE NIAGARA FALLS

In executive session to-day, on motion of Mr. BORAH, the injunction of secrecy was removed from the following convention:

*To the Senate:*

To the end that I may receive the advice and consent of the Senate to their ratification, I transmit herewith a convention between the United States and His Majesty the King of Great Britain, Ireland, and the British Dominions beyond the seas, Emperor of India, for the preservation and improvement of the scenic beauty of the Niagara Falls and rapids, signed at Ottawa on January 2, 1929, and a protocol signed on the same day.

The convention and protocol had my approval and were signed by the American minister at Ottawa by virtue of full powers issued to him by me.

I invite the attention of the Senate to the accompanying report by the Secretary of State on the subject.

CALVIN COOLIDGE.

THE WHITE HOUSE,
*Washington, January 16, 1929.*

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The PRESIDENT:

With a view to their transmission to the Senate to receive the advice and consent of that body to ratification, the undersigned, the Secretary of State, has the honor to lay before the President a convention between the United States and His Majesty the King of Great Britain, Ireland, and the British Dominions beyond the seas, Emperor of India, for the preservation and improvement of the scenic beauty of the Niagara Falls and rapids, concluded at Ottawa on January 2, 1929, and a protocol signed on the same day.

In relation to the convention, the undersigned respectfully submits a report, as follows:

Pursuant to correspondence exchanged between the Department of State and the British Embassy at Washington, there was established in 1925 a Special International Niagara Board to study and report upon questions relating to the Niagara Falls and the Niagara River.

With a view to determining how the scenic beauty of the Niagara Falls and rapids could be best maintained and by what means and to what extent the impairment of the Falls by erosion or otherwise might be overcome, the special International Niagara Board was asked more specifically to inquire into and report upon the following questions:

(a) Whether and to what extent the scenic beauty of Niagara Falls has been, is being, or is likely in the future to be adversely affected by erosion or otherwise.

(b) Whether any ascertained or prospective impairment of the scenic beauty of the Falls can be remedied or prevented, and if so, by what measures or works.

(c) What would be the character, general location, sequence of construction, and cost of any works required.

(d) Upon the carrying out of the proposals of the board under the foregoing paragraphs, what would be the flow of water required to preserve the scenic beauty of the Falls and river.

(e) What flow may be expected in the Niagara River from time to time, taking into consideration the conditions, including climatic changes, affecting the lake levels and the outflow of the lakes.

(f) What quantity of water might, consistently with the complete preservation of the scenic beauty of the Falls and river, be permitted to be diverted from the latter temporarily or permanently.

(g) From what sections of the river would it be proper to permit any diversions not already provided for by treaty, and to what extent might additional diversions be permitted in each of these sections.

The board was instructed—

(a) Not to make a recommendation as to the apportionment of any additional water available for diversion.

(b) To make such progress reports as may be appropriate, and to complete its inquiry as expeditiously as practicable.

On December 14, 1927, the Special International Niagara Board submitted an interim report in which it recommended the early construction of works at the United States flank of the Horseshoe Falls, at the Canadian flank of the Horseshoe Falls, and in the Chippewa Grass Island Pool. A printed copy of the board's report is attached. The works recommended for the United States flank and the Canadian flank of the Horseshoe Falls were to consist of excavations and the construction of submerged weirs for the purpose of rewatering the two flanks of the Horseshoe Falls. The works in the Chippewa Grass Island Pool were to consist of the construction of a submerged weir for the purpose of raising the level of the Grass Island Pool, so as to throw more water against the head of Goat Island. The results which the board anticipated from the construction of the works on the two flanks of the Horseshoe Falls were the insurance at all seasons of an unbroken crest line from shore to shore, the maintenance of the present blended green and white color effects of the Horseshoe Falls, and in a measure a modification of the rate of erosion in the bend of the Horseshoe Falls. The works in Grass Island pool would insure an adequate flow in the American rapids and falls and by the Three Sister Islands.

In a letter dated April 9, 1928 (a copy of which is attached), signed jointly in behalf of the Hydro-Electric Power Commission of Ontario and the Niagara Falls Power Co. of New York, and addressed to the Special International Niagara Board, the commission and the company submitted drawings showing proposed works in the Niagara River which were calculated to conform to the recommendations of the board made in its interim report of December 14, 1927. A description of the proposed works and estimates of the cost of construction accompanied this joint letter to the board. The commission and the company jointly offered to construct at their own expense the initial remedial works shown on the drawings submitted by them, subject to the following conditions:

1. Detailed plans, designs, methods of construction, and sequence of operations will be prepared by the commission and the company and submitted to the board for its approval within three months after notice of acceptance of this proposal. Modification of details, as the work progresses, will be made as directed by the board.

2. The board will use its best efforts to assist the commission and the company to obtain from all governmental authorities, whose consent is required by law, the necessary permits for the construction of the proposed works.

3. Construction of the proposed works on the flanks of the Horseshoe Falls will be commenced not later than 90 days after receipt by the commission and the company of the approval of the board and all other governmental authorities, and, subject to any interruption occasioned by governmental authority, will be completed within two years after commencement, except for such reasonable extensions of time as may be granted by the board.

4. Construction of the proposed weir in the Grass Island Pool will be commenced at such time as may be directed by the board after completion of the works on the flanks of the Horseshoe Falls and after receipt by the commission and the company of the approval of the designs of the weir by the board and all governmental authorities, and, subject to any interruption occasioned by governmental authority, will be completed within two years after commencement, except for such reasonable extensions of time as may be granted by the board.

5. To permit observation of the effects of remedial works, after a substantial beginning shall have been made upon the works on the flanks of the Horseshoe Falls, the amount of water which, under the international treaty, may be diverted for power purposes from the Niagara River above the Falls on each side of the river shall be increased by an amount not exceeding in the aggregate a daily diversion at the rate of 10,000 cubic feet of water per second during the nontourist season from October 1 to March 31, inclusive, yearly.

6. The board shall have complete supervision and control over the additional waters permitted to be diverted, with power to diminish or suspend such additional diversions.

7. It is understood that diversions for observation purposes, referred to under section (5) hereof, shall be discontinued upon six months' notice given by the Government to the commission and the company after a period of not less than 10 years from the date of authorization.

8. The construction of the works herein specified shall not be considered as effecting any change in the existing ownership of or title to those parts of the bed of the Niagara River upon which they have been constructed.

In a report dated May 3, 1928 (a copy of which is inclosed), which the Special International Niagara Board addressed to the Secretary of State of the United States and the Minister of the Interior of Canada, the board referred to the letter of April 9, 1928, from the Hydroelectric Power Commission of Ontario and the Niagara Falls Power Co. and stated that works which the commission and the company offered to build were those

recommended by the board in its interim report. The board stated, further, that if constructed according to the general plans which accompanied the joint letter, modified in detail during construction to secure the effects desired, the works would materially improve present scenic conditions and would demonstrate beyond doubt whether the normally injurious effects of additional diversions for power purposes could be neutralized by the use of such works. The board recommended that the joint proposal of the commission and the company to construct the remedial works should be accepted subject to the following conditions and understandings:

1. Detailed plans, designs, methods of construction, and sequence of operations shall be prepared by the commission and the company and submitted to the board for its approval within three months after notice of acceptance of this proposal. Modification of details, as the work progresses, shall be made as directed by the board.

2. The commission and the company shall secure from all Federal, Dominion, State, and Provincial authorities, whose consent is required by law, the necessary permits for the construction of the proposed works. The board will use its best efforts to assist the commission and the company in obtaining the said permits.

3. Construction of the proposed works on the flanks of the Horseshoe Falls shall be commenced not later than 90 days after receipt by the commission and the company of the approval of the board and all other governmental authorities, and, subject to any interruption occasioned by governmental authority, shall be completed within two years after commencement, except for such reasonable extensions of time as may be granted by the board.

4. Construction of the proposed weir in the Grass Island Pool shall be commenced at such time as may be directed by the board after completion of the works on the flanks of the Horseshoe Falls and after receipt by the commission and company of the approval of the designs of the weir by the board and all governmental authorities, and, subject to any interruption occasioned by governmental authority, shall be completed within two years after commencement, except for such reasonable extensions of time as may be granted by the board.

5. To permit observation of the effects of remedial works, after a substantial beginning shall have been made upon the works on the flanks of the Horseshoe Falls the amount of water which under the international treaty may be diverted for power purposes from the Niagara River above the Falls on each side of the river shall be increased by an amount not exceeding in the aggregate a daily diversion at the rate of 10,000 cubic feet of water per second during the nontourist season from October 1 to March 31, inclusive, yearly.

6. The board shall have complete supervision and control over the additional waters permitted to be diverted, with power to diminish or suspend such additional diversions.

7. If, upon completion of said remedial works, the withdrawal of the additional 20,000 cubic feet per second or some part thereof shall not, in the opinion of the board, appreciably affect the scenic value of the falls and the integrity of the river, it is understood that diversions for observation purposes, referred to under section (5) hereof, may be continued only so long, not exceeding seven years from date of beginning field construction, as may be necessary to enable negotiations to be undertaken and concluded for the modification of the present international treaty so as to permit permanent additional diversions of such amount as may then be agreed upon.

8. After construction of the works herein specified, they shall be considered as parts of the bed of the Niagara River and subject to the same ownership and control as those parts of the river in which they have been constructed.

According to the boundary waters treaty between the United States and His Majesty's Government concluded January 11, 1909, the diversion within the State of New York of the waters of the Niagara River above the Falls of Niagara for power purposes not exceeding in the aggregate a daily diversion of 20,000 cubic feet of water per second is permissible. Under the treaty mentioned the diversion within the Province of Ontario not exceeding in the aggregate a daily diversion of 36,000 cubic feet of water per second is permissible. The proposals of the Hydro-Electric Power Commission of Ontario and the Niagara Falls Power Co. contemplate a diversion at the rate of 10,000 cubic feet of water per second from the Niagara River above the falls on each side of the international boundary in excess of the amount of water which it is permissible under the treaty of January 11, 1909, to divert.

Representatives of the Canadian Government visited Washington on November 12 to 14 last, when a draft of a convention and protocol to give effect to the recommendations of the Special International Niagara Board was tentatively agreed upon. With a note dated December 3 the Canadian minister at Washington formally submitted to the Department of State a draft of a convention and protocol, and stated that the Canadian Government was prepared to sign the convention and protocol in the form submitted. The draft of convention and draft of protocol were referred to the Secretary of War, who informed the undersigned that he regarded them as satisfactory and that he deemed it desirable that the convention be concluded and the protocol signed.

In pursuance of the authority conferred by the President upon the American minister at Ottawa and the authority conferred upon the Prime Minister and Secretary of State for External Affairs of Canada by His Britannic Majesty, the convention and protocol were signed by them on January 2, 1929.

Respectfully submitted.

FRANK B. KELLOGG.

DEPARTMENT OF STATE,
*Washington, January 16, 1929.*

A true copy of the signed original. M.

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The President of the United States of America;

And His Majesty the King of Great Britain, Ireland and the British Dominions beyond the Seas, Emperor of India,

Considering that a Special International Niagara Board was established in 1926 by the Government of the United States and the Government of the Dominion of Canada to study and submit to the two Governments a report upon certain questions relating to the Niagara Falls and the Niagara River, more particularly the questions how the scenic beauty of the Niagara Falls and Rapids could be best maintained, by what means and to what extent the impairment thereof by erosion or otherwise might be overcome and prevented, and what quantity of water might consistent therewith be diverted from the river above the Falls;

And that on the fourteenth day of December, 1927, the said Special International Niagara Board submitted to the two Governments an interim report recommending the construction of certain works in the Niagara River for preserving and improving the scenic beauty of the Falls and Rapids;

And considering that Article 5 of the treaty with respect to the boundary waters between the United States and Canada, concluded between the United States of America and His Majesty on January 11th, 1909, limits the quantity of water which may be withdrawn from the Niagara River above the Falls;

And that the Special International Niagara Board considers it desirable to make temporary diversions of water from the Niagara River above the Falls in excess of those permitted by Article 5 of the treaty of 1909, as a means of observing and testing the efficacy of the proposed works under widely varying conditions;

Have deemed it necessary to preserve and improve the scenic beauty of the Niagara Falls and Rapids, and to that end to adopt the recommendations of the said Special International Niagara Board, and have resolved to conclude a Convention, and for that purpose have appointed as their respective Plenipotentiaries:

The President: The Honourable William Phillips, Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Canada; and

His Britannic Majesty, for the Dominion of Canada: The Right Honourable William Lyon Mackenzie King, Prime Minister and Secretary of State for External Affairs;

Who, after having communicated to one another their full powers, found in good and due form, have agreed upon the following Articles:

ARTICLE I

The High Contracting Parties agree that remedial works shall be constructed in the Niagara River above the Niagara Falls, designed to distribute the waters of the river so as to ensure at all seasons unbroken crestlines on both the American and the Canadian Falls and an enhancement of their present scenic beauty.

ARTICLE II

Concurrently with the construction and tests of the remedial works and as a temporary and experimental measure, diversions of the waters of the Niagara River above the Falls from the natural course and stream thereof additional to the amounts specified in Article 5 of the Boundary Waters Treaty of January 11th, 1909, may be permitted to the extent and subject to the conditions hereinafter provided:

(1) The additional diversions shall be permitted only within the period beginning each year on the first day of October and ending on the thirty-first day of March of the following year, both dates inclusive.

(2) The additional diversion to be permitted within the State of New York shall not exceed in the aggregate a daily diversion at the rate of ten thousand cubic feet of water per second.

(3) The additional diversion to be permitted within the Province of Ontario shall not exceed in the aggregate a daily diversion at the rate of ten thousand cubic feet of water per second.

(4) The provisions of this Article shall terminate seven years from the date of the initial additional diversion authorized under this Convention.

ARTICLE III

The present Convention shall be ratified by the President of the United States of America by and with the advice and consent of the Senate thereof and by His Britannic Majesty in accordance with constitutional practice. The ratifications shall be exchanged at Ottawa as soon as possible and the Convention shall take effect on the date of the exchange of ratifications.

IN FAITH WHEREOF the respective Plenipotentiaries have signed this Convention in duplicate and have hereto affixed their seals.

Done at Ottawa on the second day of January in the year of Our Lord One Thousand Nine Hundred and Twenty-Nine.

WILLIAM PHILLIPS.
W. L. MACKENZIE KING.

PROTOCOL

At the moment of signing the Convention between the United States of America and His Britannic Majesty for maintaining the scenic beauty of the Niagara Falls and Rapids in accordance with the recommendation of the Special International Niagara Board in its interim report dated the 14th day of December 1927, as referred to in the preamble to the Convention, the undersigned Plenipotentiaries have agreed as follows:

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The construction of the remedial works contemplated in the Board's interim report and authorized in Article I of the Convention, the provision for the cost and for the control thereof, as well as the control of the diversions of water authorized in Article II of the Convention shall be carried out in accordance with the recommendations of the Special International Niagara Board as set forth in its report dated the 3rd day of May 1928, forwarding to the two Governments a joint proposal, dated the 9th day of April 1928, made by the Niagara Falls Power Company of Niagara Falls, New York, and the Hydro-Electric Power Commission of Ontario, which report and proposal are set out in the annex hereto.

WILLIAM PHILLIPS.
W. L. MACKENZIE KING.

NEWSPRINT MONOPOLY

Mr. SCHALL. Mr. President, since the introduction of my resolution (S. Res. 292) in the Senate a few days ago calling for the appointment of a select committee of five Senators to investigate the newsprint monopoly there has been a growing recognition for a thorough investigation. A hearing on this resolution, which has been suggested for January 30, will show the urgent need for an investigation and the necessity of creative legislation.

I call the attention of the Senate to the leading article and editorials appearing in the American Press, the official publication of the American Press Association. The January issue shows that foreign interests are conscious of the fact that they have the newspaper publishers of this country by the throat. While a few large buyers of newsprint may derive a temporary advantage, yet in the end they will feel the effects of monopolistic control. The newsprint problem is far-reaching.

This is not the first time that the Senate has been obliged to consider the welfare of the newspaper publishers when they were at the mercy of the Newsprint Trust. For 20 years this trust has harassed the newspaper publishers. The same companies that took advantage of a war emergency are identified with the present newsprint crisis.

While during this period the newsprint manufacturers have controlled output and prices, it was not until a week ago that they had the effrontery to announce publicly that they had organized the newsprint institution in Canada, which organization will in the future dictate what American publishers will pay for paper.

I ask that the article and editorials from the American Press be printed in the RECORD following my remarks; also from the Financial Post, of Toronto, January 4, 1929, and from the Paper Trade Journal, November 8, 1928, and from the Scranton Republican, January 19, 1929.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

[Editorials from the American Press, New York, January, 1929]

WE'LL SEE

Will the United States Government sit idly by and permit newsprint manufacturers to fix a price for newsprint that will allow United States publishers to be gouged?

The Newsprint Institute of Canada has been formed after many weeks of conferences among manufacturers to limit production and fix prices. Many of these conferences were held in Canada, but some were held in New York City. What about the Sherman antitrust law?

Naturally, the Canadian anticombines act may not be brought into play because the great market for newsprint lies in the United States. But will the incoming administration allow the publishers of the United States to be forced into paying unfair prices for their newsprint fixed by a manufacturers' combine?

Several United States Senators are already leading a movement intended to bring about a congressional investigation of the newsprint situation and possible court action. More power to them and to the paper committee of the American Newspaper Publishers' Association, which has promised to call a convention of members for a full discussion of the situation and the "adoption of such measures as may be calculated to conserve the best interests of the newspaper industry."

What will be the outcome?

We'll see.

NEWSPRINT TRUST FORMED TO FIX PRICES AND CURTAIL PRODUCTION—CLAIM MADE THAT PUBLISHERS CAN'T ENFORCE ANTITRUST LAW

Organization of the Newsprint Institute of Canada, if its objectives are realized, will take the newsprint price out of the realm of free competition and put it in the hands of a board of control.

P. B. Wilson, manager of the Newsprint Institute, says the time is not yet ripe for a statement on the function and purposes of the recently formed institute. It is understood, however, that the organization is intended to be the agency for carrying out the agreement expected to be reached by the manufacturers to curtail production and fix prices.

A production limit is reported to have been already agreed upon, and unofficially the majority of manufacturers now in conference in Montreal are said to favor a price of $55 per ton.

The possibility of enforcing antitrust legislation has already been considered in Canada. The Financial Post, of Toronto, for January 4 carried a story headed "Antitrust Act Is Ineffective with Newsprint," the second deck of the headline saying "Fortunately no danger of United States publishers being able to employ act."

In the body of the story appears this quotation: "True, Canada has an anticombine act. It is a Dominion Government law which has been in force about three years. It provides that if a written complaint be made to the Government regarding the operation of any group or combine that an investigation shall be made by the Government, and if it is found that the operations being carried on be against the public interest the Government shall institute proceedings for the prosecution of the offender.

"But only a negligible proportion of the output of the Canadian newsprint mills is sold to Canadian newspapers. The great market is in the United States. Hence there is no doubt that the maintenance and an increase in newsprint prices would undoubtedly be in the public weal."

Newspaper publishers in the United States are objecting, however, to conserving the public weal of Canada by paying unfair newsprint prices fixed by manufacturers' combines.

And some of the conferences held by manufacturers in their efforts to reach a price and limit production so as not to raise too strenuous protests from United States publishers were held in New York City. American publishers hold this constituted a violation of the Sherman antitrust law and are urging a congressional investigation. Several United States Senators are understood to be leading a move to bring about the investigation.

A Senate investigation of the activities of foreign-controlled newsprint manufacturers who are said to have spent $16,000,000 to buy control of an unnamed chain of American newspapers in order to compel these newspapers to enter into long-term contracts for newsprint has been asked by Senator SCHALL, of Minnesota.

The Financial Post's story goes on to say: "It is true that the Canadian newspaper publishers will make an immediate profit from the recent cut in the price of newsprint. Their immediate gains will be substantial, but the ultimate result of the cut will certainly react unfavorably on Canadian newspaper publishers, as it can mean nothing else but a decline in consumer buying power. A decline in consumer buying power, or any factor tending to retard an increase in consumer buying power, naturally has a very direct bearing on the amount of advertising space which will be purchased in Canadian newspapers. Hence the Canadian publishers as a whole are not anxious to see the newsprint producers operating at a reduced scale of profits.

"The provisions of the anticombines act came into play against the Proprietary Articles Trade Association, which was formed to maintain prices on drug lines sold through the retailer. But this situation was

decidedly different from that now prevailing with the newsprint industry."

The difference, of course, is that the newsprint is being sold for the most part to United States publishers.

The paper committee of the American Newspaper Publishers' Association is marking time until definite announcement as to the agreements reached by the manufacturers comes from Montreal.

Some time ago the paper committee issued a bulletin, signed by Chairman S. E. Thomason, saying: "Should the situation develop to the point where the newsprint price is taken out of the realm of free competition and put into the control of a 'board of control,' or should it appear that the abandonment of the uniform price principle is contemplated, it is the intention of the directors promptly to call a convention of members in New York for a full discussion of the situation and the adoption of such measures as may be calculated to conserve the best interests of the newspaper industry."

J. L. Fearing, vice president of the International Paper Co., which is reported to have signed a contract with Hearst newspapers at a price of $50 a ton, less commissions, maintains that when International's price for 1929 is announced it will involve no deviation from that company's standard price policy.

"What we desire most," says Mr. Fearing, "is a fair and satisfactory solution, but we are not in shape to say anything definite at this time, which fact we regret very much, indeed."

The bulletin issued by the American Newspaper Publishers' Association paper committee says that at a conference in New York, attended by L. A. Taschereau, Premier of Quebec; A. R. Graustein, president of International; Frank Clarke, president of the Anglo-Canadian Pulp & Paper Mills, which has under contract a share of the Hearst tonnage; and David Town, representing the Hearst newspapers, pressure was brought to bear on International to charge a price to other customers higher than the reported Hearst price.

"The paper committee was informed," says the bulletin, "that at this conference it was pointed out to the International Paper Co. that unless it abandoned the intention announced in its telegrams of October 30 and December 5 and established for its other customers the $55 price for 1929 the government of Quebec would find methods to compel this action."

A prominent Canadian newspaper publisher, who asked that his name be withheld, points out the inadvisability of accepting as fact any of the rumors so prevalent in New York and Montreal about the activities of the provincial premiers.

"You must not overlook the very strong sentiment among the people of Canada," says this Canadian publisher, "against the devastation of their forest reserves for the purpose of supplying newsprint to the world at prices which do not permit of scientific woodland operations and adequate reforestation measures.

"I believe that when the smoke of battle has cleared away we will find the Canadian premiers occupying the high ground of a policy which would discourage discrimination against Canadian and American publishers in favor of Mr. Hearst or anyone else, and which will involve such scientific and economic operation of Canadian woodlands, including adequate reforestation measures as will tend to secure for consumers of Canadian newsprint an adequate supply for all time at reasonble prices."

Incidentally, the Hearst contract, the American Press is told, is split up this way: International, 150,000 tons; Anglo-Canadian, 110,000 tons; Lake St. John, 65,000 tons; Brompton, 65,000; Algonquin, 28,000 tons; and Wisconsin River, 22,000 tons.

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A NEWSPRINT TRUST?

In the face of attempts to form a newsprint trust to fix prices and cut production, it seems proper to inquire why the law of supply and demand should be flouted in the newsprint industry. If the industry is in as bad shape as newsprint manufacturers would have us believe, why are so many new machines being installed? Does not the answer lie in the fact that for the last year in which figures are available more newsprint firms showed a profit than did those in any other of 17 major lines of business?

Ordinarily, when a line of business is flourishing and high profits are being made, new firms enter the field and old firms expand until the law of supply and demand gets to functioning and makes the profit more nearly equal to that in other lines of business. For a number of years now newsprint prices have been arbitrarily fixed at a figure that allowed a good, fat profit to be made. The period of expansion that has been and is still going on in the newsprint industry is proof enough that the price fixed has been a profitable one. But for one reason or another the association that had much to do with fixing the price collapsed. The way was open for the law of supply and demand to get in its work. At once arose the cry for more price fixing and production curtailing. Granted that overproduction might force some newsprint firms to take a loss, it does not follow that the newspaper publisher should be penalized by prices fixed to protect the newsprint industry from conditions that arose because it was too profitable.

Will it be necessary, we wonder, to enforce the Sherman antitrust law to protect the newspaper publisher from being gouged by unfair prices made in combination in conferences in the United States by Canadian manufacturers?

Mr. SCHALL. Mr. President, the International Paper & Power Co. is unquestionably the controlling factor in the price warfare which has upset the newsprint and newspaper publishing industries.

The Paper Trade Journal, an American publication, under date of November 8, said:

The general opinion is that while there is no hope of a general appreciation in newsprint prices for a long time, present events will go far toward bringing newsprint interests together and hastening the time when the industry will be controlled by two or three big corporations.

The influence of the International Paper & Power Co. in bringing about control through mergers and patents is pointed out in another issue of the Paper Trade Journal of September 15, which reads as follows:

CONTROL OF NEWSPRINT PAPER OUTPUT OPPOSED

In view of the many rumors which are flying around, attention is inevitably directed to the vast program of expansion which the International Paper Co. has pursued during the past few years, and is still pursuing. This company, by its acquisition of enormous forest areas in Canada and Newfoundland and by its development of large plants and stupendous power enterprises, has come to exercise a predominant influence in the newsprint field in North America; so much so, indeed, that the papers are discussing the question as to whether or not the ultimate ambition of President Graustein is to get full control of the entire situation and establish a newsprint trust without parallel in industry and finance.

The Financial Post appears to think that there is something in this suggestion, and in confirmation thereof quotes the rumor that negotiations have already taken place between the International Paper Co. and the Abitibi Power & Paper Co. for a merger, which, if consummated, would bring under one control about 30 per cent of the newsprint industry of North America. In this connection it sees significance in the fact that the International Paper Co. has—so it states—already purchased a minority interest in various companies, including the E. B. Eddy Co., and a controlling interest in the Bathurst Power & Paper Co.

The paper adds that if the above inferences are well founded the present unsatisfactory situation in the newsprint industry must have been foreseen and provided for, adding: "It can be taken for granted, therefore, that the present somewhat unsatisfactory earning power position of the International Paper Co. is no surprise to its management. It is probable, therefore, that the present situation of International Paper is merely regarded by the directors as an incidental step in its progress toward their ultimate objective which, as has been said, may be the control of the whole newsprint industry on this continent. It is impossible to say definitely that Mr. Graustein's one aim is to acquire control of the industry, but the signs and portents all point this way. Moreover, if such be his intention, he is going about it in a businesslike and efficient way. Many newsprint men admire the courage which he has shown in carrying out his plans, although some of them are inclined to feel that his program requires great speculative nerve in its execution. But everyone admires a good gambler.

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[From the Financial Post, January 4, 1929]

ANTITRUST ACT IS INEFFECTIVE WITH NEWSPRINT—FORTUNATELY NO DANGER OF UNITED STATES PUBLISHERS BEING ABLE TO EMPLOY ACT

MONTREAL.—Some newspaper publishers in the United States are now beginning to wonder if antitrust legislation can not be enforced in Canada to prevent the newsprint producers coming to an agreement touching production and so setting a price level for 1929 which will, at least, permit the payment of fixed charges and preferred dividends.

For Canadian business as a whole, it seems fortunate that the antitrust bogey, which has so often been used in the United States, has little grip on the popular imagination here.

Any efforts to hamper the Canadian newsprint industry would have a decidedly deleterious effect on Canadian business as a whole, for the newsprint industry is the largest single industry of the Dominion. The thin times through which the industry will pass in 1929 will undoubtedly have a decided bearing on the general business level.

AFFECTS COUNTRY ADVERSELY

The capital invested in the pulp and paper industry as a whole amounts to over $500,000,000 and of this figure the newsprint mills constitute by far the greatest proportion. The industry's annual wage bill is enormous, and, in addition, thousands of settlers are enabled to augment a meager living from farming by selling their pulpwood output to newsprint companies.

Obviously, declining profits among the newsprint mills must mean a very extensive decline in consumer purchasing power in all the provinces, save Alberta and Saskatchewan.

HAS ANTICOMBINE ACT

True, Canada has an anticombine act. It is a Dominion Government law which has been in force about three years. It provides that if a written complaint be made to the Government regarding the operation of any group or combine, that an investigation shall be made by the Government, and if it is found that the operations being carried on be against the public interest, the Government shall institute proceedings for the prosecution of the offender.

But only a negligible proportion of the output of the Canadian newsprint mills is sold to Canadian newspapers. The great market is in the United States. Hence, there is no doubt that the maintenance and an increase in newsprint prices would undoubtedly be in the general public weal.

PUBLISHERS HERE SATISFIED

It is true that the Canadian newspaper publishers will make an immediate profit from the recent cut in the price of newsprint. Their immediate gains will be substantial, but the ultimate result of the cut will certainly react unfavorably on Canadian newspaper publishers, as it can mean nothing else but a decline in consumer buying power. A decline in consumer buying power, or any factor tending to retard an increase in consumer buying power, naturally has a very direct bearing on the amount of advertising space which will be purchased in Canadian newspapers. Hence the Canadian publishers as a whole are not anxious to see the newsprint producers operating at a reduced scale of profits.

The provisions of the anticombines act came into play against the Proprietary Articles Trade Association, which was formed to maintain prices on drug lines sold through the retailer. But this situation was decidedly different to that now prevailing with the newsprint industry.

GOVERNMENT SYMPATHETIC

The governments of Ontario and Quebec are completely in accord touching the efforts of the producers to maintain the proper scale of output commensurate with the demand and in their efforts to obtain higher and more satisfactory prices for their production. Moreover, the two Provinces would hardly brook Federal interference with the industry, as both have taken a stand which they consider to be in the best interests of both Provinces and in the best interests of the Dominion as a whole.

The two provincial governments are in a position to enforce an even scale of production at the various mills, because many of the licenses to cut wood on Crown lands are issued on an annual basis if an individual producer fails to stick to his agreement, the Province, at its pleasure, could cancel important rights.

It is generally realized by the public that the broad interests of the country as a whole are best served by conserving the valuable forest resources and in not permitting pulp wood to be cut down and sold in the form of newsprint for a mess of pottage. With newsprint prices at their present level this is just what is occurring. Moreover, there can be no doubt that the Federal authorities approve of the present efforts to better the position occupied by the industry.

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[From the Scranton Republican, January 19, 1929]

THE PAPER MANUFACTURING PROBLEM

From Washington there comes a story that is almost incomprehensible; a story which has been placed in the CONGRESSIONAL RECORD for general information by United States Senator THOMAS D. SCHALL, of Minnesota.

This story is to the effect that a vast fund of $16,000,000 has been raised by foreign newsprint manufacturers to effect the defeat of a bill introduced by Senator SCHALL to bring about the manufacture of paper from farm waste such as cornstalks, flax, rice, and wheat straw, and sugar-cane pulp.

When one first saw in the newspaper reports stories about the speed with which paper could be manufactured from cornstalks there was wonder why this was not being done, why extraordinary effort was not being employed to produce paper which could be used for all purposes, including newsprint, at a minimum of present prices.

Admitting the possibility of exaggeration on the part of Senator SCHALL, it is highly improper to even attempt to subsidize newspapers, even small newspapers, in favor of a product competing with American manufacture.

On January 7 last Senator SCHALL introduced in the Senate a resolution calling attention to the use of this $16,000,000 fund to finance American newspapers and directing the appointment of a committee of five Senators to investigate the activities of this group of foreign citizens seeking to control the white paper supply in this country, and determine whether such activities would have the result of creating a monopoly in the supplying of paper to publishers of small daily newspapers.

We regard this as a matter of the deepest interest and the greatest public importance. There is an unending supply in America of cornstalks, wheat straw, sugar-cane pulp, and flax and rice straw. Paper could be made from these materials cheaply, and it has been shown with the greatest dispatch.

Not only that, but use of such material for paper making would mean that this tremendously rapid leveling of our forests would cease, because newsprint, and not lumber, is the great need that causes the felling of trees at a rate that threatens to leave no worth-while trees standing. So forest conservation would be promoted by Senator SCHALL'S bill.

Congress should outlaw the effort of foreign paper makers to tie up, in a sinister way, the owners and publishers of American newspapers, and should strongly encourage the work of perfecting manufacture of paper from farm waste, because it is the answer to one of the biggest problems now confronting the makers of the newspapers which are in practically all our homes.

MORRIS FOX CHERRY

The VICE PRESIDENT laid before the Senate the action of the House of Representatives disagreeing to the amendment of the Senate to the bill (H. R. 12538) for the benefit of Morris Fox Cherry, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. REED of Pennsylvania. I move that the Senate insist on its amendment, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. REED of Pennsylvania, Mr. GREENE, and Mr. FLETCHER conferees on the part of the Senate.

EQUALIZING RANK OF CERTAIN OFFICERS OF ARMY AND NAVY

The VICE PRESIDENT laid before the Senate the action of the House of Representatives disagreeing to the amendment of the Senate to the bill (H. R. 9961) to equalize the rank of officers in positions of great responsibility in the Army and Navy, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. REED of Pennsylvania. I move that the Senate insist on its amendment, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. REED of Pennsylvania, Mr. GREENE, and Mr. FLETCHER conferees on the part of the Senate.

IMPROVEMENT OF THE OREGON CAVES

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 3162) to authorize the improvement of the Oregon Caves in the Siskiyou National Forest, Oreg., and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. MCNARY. I move that the Senate disagree to the amendments of the House, accede to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. MCNARY, Mr. CAPPER, and Mr. KENDRICK conferees on the part of the Senate.

ADDITIONAL SECRETARIES TO THE PRESIDENT

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, a supplemental estimate of appropriation for the Executive Office for the fiscal year 1930, in the sum of $10,000, to provide an additional secretary to the President, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed (S. Doc. 207).

He also laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, a supplemental estimate of appropriation for the fiscal year 1930, in the sum of $10,000, to provide an additional secretary to the President, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed (S. Doc. 208).

OIL PORTRAIT OF THE PRESIDENT (S. DOC. NO. 206)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, a supplemental estimate of appropriation for the fiscal year ending June 30, 1930, in the sum of $5,000, for the purchase of an oil portrait of the President, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

MAINTENANCE OF EXECUTIVE MANSION AND GROUNDS (S. DOC. NO. 205)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, a supplemental estimate of appropriation for

the fiscal year 1930, in the sum of $50,000, to provide for alterations in the Executive Office and other improvements, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

NATIONAL-BANK NOTES

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury referring to his annual report for the fiscal year 1928, submitted to the Congress last December, and stating in part: "I have concluded that it would be inadvisable to submit to Congress at this time a program looking to early retirement of our national-bank note circulation. Accordingly, when the new size paper currency is issued on or about July 1, 1929, the Treasury Department will be prepared shortly thereafter to make available national-bank notes in the reduced size," which was referred to the Committee on Finance.

DISPOSITION OF USELESS PAPERS

The VICE PRESIDENT laid before the Senate a communication from the Director of the United States Veterans' Bureau, transmitting, pursuant to law, a list of papers on the files of that bureau no longer useful in its current work or of historical value, and asking for action looking toward their disposition, which 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. SIMMONS members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Mr. WATERMAN presented resolutions adopted by the Lions Club, the Rotary Club, and the Chamber of Commerce of Grand Junction, Colo., favoring the passage of the bill (S. 2829) to provide for aided and directed settlement on Federal reclamation projects, which were referred to the Committee on Irrigation and Reclamation.

Mr. BLAINE presented a resolution adopted by Romulus Carl Berens Post, No. 6, the American Legion, of Stevens Point, Wis., favoring the passage of the bill (H. R. 11526) to authorize the construction of certain naval vessels, and for other purposes, which was ordered to lie on the table.

He also presented resolutions adopted at a meeting of the Wisconsin State Union, American Society of Equity, at Plymouth, Wis., protesting against the making of appropriations for further preparedness of the Army and Navy, and also any further activities of the armed forces of the United States in Nicaragua, which were referred to the Committee on Appropriations.

He also presented resolutions adopted at a meeting of the Wisconsin State Union, American Society of Equity, at Plymouth, Wis., favoring the curtailment of further development of lands for agriculture through irrigation and drainage; favoring changes in the taxation system to remove part of the burden on the farmer, and favoring revaluation of farm land on the basis of the earning capacity of the land, which were referred to the Committee on Irrigation and Reclamation.

INDEPENDENT OFFICES APPROPRIATION BILL

Mr. WARREN. I report back favorably from the Committee on Appropriations with amendments the bill (H. R. 16301) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1930, and for other purposes, and I submit a report (No. 1474) thereon. I give notice that I shall undertake to call up the bill for action on an early day.

The VICE PRESIDENT. The bill will be placed on the calendar.

REPORTS OF COMMITTEES

Mr. NYE, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 4704) to authorize the Secretary of the Interior to investigate and report to Congress on the advisability and practicability of establishing a national park to be known as the Tropical Everglades National Park, in the State of Florida, and for other purposes, reported it with amendments and submitted a report (No. 1475) thereon.

Mr. KENDRICK, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 9570) to provide for the transfer of the returns office from the Interior Department to the General Accounting Office, and for other purposes, reported it without amendment and submitted a report (No. 1476) thereon.

Mr. BROOKHART, from the Committee on Military Affairs, to which was referred the bill (H. R. 3268) for the relief of John G. DeCamp, reported it without amendment and submitted a report (No. 1477) thereon.

Mr. STEIWER, from the Committee on the Judiciary, to which was referred the bill (H. R. 7200) to amend section 321 of the Penal Code, reported it with an amendment and submitted a report (No. 1478) thereon.

He also, from the Special Committee Investigating Presidential Campaign Expenditures, pursuant to Senate Resolution 214, agreed to April 30, 1928, submitted a report (No. 1480).

Mr. McNARY from the Committee on Public Lands and Surveys, to which was referred the bill (S. 4604) for the relief of James L. McCulloch, reported it with an amendment and submitted a report (No. 1479) thereon.

Mr. PHIPPS, from the Committee on Irrigation and Reclamation, to which was referred the bill (S. 4710) authorizing the sale of surplus power developed under the Grand Valley reclamation project, Colorado, reported it with an amendment and submitted a report (No. 1481) thereon.

Mr. BLACK, from the Committee on Military Affairs, to which was referred the bill (H. R. 3893) for the relief of Francis L. Sexton, reported adversely thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMOOT:

A bill (S. 5452) to amend the trading with the enemy act so as to extend the time within which claims may be filed with the Alien Property Custodian; to the Committee on Finance.

By Mr. EDGE:

A bill (S. 5453) authorizing the payment of Government life insurance to Etta Pearce Fulper; to the Committee on Finance.

A bill (S. 5454) for the relief of Harry W. Bellis; to the Committee on Claims.

By Mr. DILL:

A bill (S. 5455) granting a pension to William Muncey; to the Committee on Pensions.

By Mr. FESS:

A bill (S. 5456) granting an increase of pension to Sarah E. Ragan; to the Committee on Pensions.

By Mr. BINGHAM:

A bill (S. 5457) granting compensation to William T. Ring; and

A bill (S. 5458) granting compensation to the daughters of James P. Gallivan (with accompanying papers); to the Committee on Claims.

By Mr. JOHNSON:

A bill (S. 5459) for the relief of Darby M. Callaway (with accompanying papers); to the Committee on Naval Affairs.

A bill (S. 5460) for the relief of Samuel A. Welsh (with accompanying papers); and

A bill (S. 5461) for the relief of John D. Miller (with accompanying papers); to the Committee on Military Affairs.

A bill (S. 5462) to preserve the right of the public to fish in waters on public lands hereafter patented; to the Committee on Commerce.

By Mr. WHEELER:

A bill (S. 5463) granting a pension to McJimpsey Campbell; to the Committee on Pensions.

By Mr. REED of Pennsylvania:

A bill (S. 5464) granting the consent of Congress to the Pittsburgh & West Virginia Railway Co., to construct, maintain, and operate a railroad bridge across the Monongahela River; to the Committee on Commerce.

By Mr. TYDINGS:

A bill (S. 5465) authorizing V. Calvin Trice, his heirs, legal representatives, and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Choptank River at a point at or near Cambridge, Md., suitable to the interest of navigation, between Dorchester County, Md., and a point opposite thereto in Talbot County, Md.; to the Committee on Commerce.

By Mr. COUZENS:

A bill (S. 5466) authorizing the President to present in the name of Congress a gold medal of appropriate design to Edward S. Evans; to the Committee on Military Affairs.

By Mr. BROOKHART:

A bill (S. 5467) to preserve the national battle flags; to the Committee on Military Affairs.

A bill (S. 5468) granting an increase of pension to Mary E. Monroe (with accompanying papers); to the Committee on Pensions.

By Mr. McNARY:

A bill (S. 5469) granting an increase of pension to Bertha Mead; to the Committee on Pensions.

By Mr. WATSON:

A bill (S. 5470) granting a pension to Hannah F. Clarke (with accompanying papers); to the Committee on Pensions.

A bill (S. 5471) to provide for the return of unused premiums collected on policies issued on the lives of seamen during the World War; to the Committee on Finance.

By Mr. STEPHENS:

A bill (S. 5472) to amend the immigration act of 1924, as amended, with regard to the issuance of immigration visas, and for other purposes; to the Committee on Immigration.

By Mr. RANSDELL:

A bill (S. 5473) granting a pension to Mary H. Goldberger; to the Committee on Pensions.

By Mr. HEFLIN:

A bill (S. 5474) authorizing the Director of the Census to collect and publish certain additional cotton statistics; to the Committee on Agriculture and Forestry.

By Mr. WATSON (for Mr. ROBINSON of Indiana):

A bill (S. 5475) granting a pension to Lucy C. Senges; to the Committee on Pensions.

LEVY AND COLLECTION OF COTTON TAX

Mr. HEFLIN. I submit a resolution and ask for its present consideration.

The resolution (S. Res. 302) was read, as follows:

*Resolved*, That the Secretary of the Treasury is hereby requested to furnish to the Senate such facts and figures regarding the levy and collection of the cotton tax that will show when the tax was levied and what States paid it, and the amounts that were paid by each of them.

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

Mr. HALE. I should like to know whether it will lead to debate.

Mr. HEFLIN. There will be no debate. It is merely a resolution calling for information.

The resolution was considered by unanimous consent and agreed to.

PROMOTIONS IN THE REGULAR ARMY

Mr. REED of Pennsylvania. Mr. President, I send to the desk and ask to have incorporated in the RECORD a memorandum by Senator FRANK L. GREENE, of Vermont, formerly Representative GREENE, then of the House Military Affairs Committee, explaining the intent of Congress in regard to section 24c of the Army reorganization act of June 4, 1920, regarding class B officers of the Regular Army and the whole structure of the Army promotion list.

There being no objection, the memorandum was referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

PROMOTION OF OFFICERS UNDER THE NATIONAL DEFENSE ACT OF 1920

By FRANK L. GREENE, Committee on Military Affairs, House of Representatives

The inequality of promotion in the various arms of the service in the Regular Army of the United States grew to such serious proportions that for many years previous to the passage of the Army reorganization act approved June 4, 1920, the Congress was constantly urged to take up the matter and provide some remedy for it in legislation.

The inequality arose from the fact that there were separate rosters of commissioned officers for each branch of the service and the officers in each branch were promoted only as vacancies occurred on the list of their own arm or branch, regardless of the vacancies that might occur in other parts of the Army. In some parts of the Army, therefore, promotion might be very slow for long periods, whereas in the same time another arm or several other arms might have greatly accelerated promotion.

The result of this was frequently an unjust and discouraging discrepancy in the promotions of men who entered the Army on the same day, for instance, but who were assigned to different arms of the service. In exactly the same number of years of experience one officer might be several grades ahead of the other, all gained by sheer good fortune in circumstances and not through any pretence of superior merit or dessert whatever.

The best solution that years of experience and study appeared to have evolved was the so-called single-list idea, which, stripped of technicalities, meant the arrangement of all the commissioned officers of the Army on one roster regardless of their branch of the service, one name following another as nearly as might be in the order of seniority of service. Then all promotions were to be made in the order that the names stood on this roster, regardless of an officer's present grade or arm of the service, whenever a vacancy occurred above his name.

It was apparent that in the first assembling of the names on a single list, and for some time thereafter, the names, while following each other in the order of actual or constructive seniority in the service, nevertheless could not follow each other in strict order of grade, and for the very reason that brought about the single list in the first place, i. e., some men of long service were in grades inferior to men of shorter service. Placed on the list in the order of seniority of service some lieutenant colonels would lead colonels, some captains would lead majors, some second litutenants might even lead some captains.

But as each succeeding promotion advanced the senior to a vacancy in the strict order of his seniority regardless of his present grade, even permitting him to jump a grade if necessary in order to do so, it was plain that within a very few years practically all the names on this single list would automatically become rearranged so that the period of service and the grade of office would coincide, and officers would be arranged so that the oldest in service would have the highest grade, the next oldest would be next in files to him, and so on down through the list to the junior.

In the actual establishment of the single-list idea in the act of June 4, 1920, it was necessary to create two lists at the start, one that assembled all officers on a single list in their respective grades in the order of their seniority in each grade, which list would be a roster of the commissioned personnel in existing grade and rank, and in effect something like a duty roster, perhaps, and the other that assembled commissioned officers on one list in the order of their seniority in the service regardless of grade, which was to be known as the promotion list, and by means of which promotions would be made in the way already indicated. But, as has been suggested, in time the single list as a duty roster and the single list as a promotion list would come to be identical.

How this scheme was worked out in the new law is told in sections 24, 24a, and 24c of the Army reorganization act of June 4, 1920.

Section 24a creating the promotion list plainly says:

"The names on the list shall be arranged, in general, so that the first name on the list shall be that of the officer having the longest commissioned service; the second name that of the officer having the next longest commissioned service, and so on."

Then follows a detailed plan for the construction of such a list, making explicit provision for cases arising under exceptional conditions known to exist under the law as it then was, for the purpose of reconciling them with the new single-list idea.

It was plain at the outset that the most practical way to make up this new single list for promotion purposes was to divide the roster of the commissioned personnel of the Regular Army into two parts, the first to include all officers already in the Regular Army April 6, 1917, the date of our entry into the World War, and the second to include all officers of the Regular Army commissioned since that date. The first part would thus comprise all the elders, and therefore the most glaring instances of discrepancies in comparative grades of officers of equivalent service that long experience under the old system had produced among them. The second part would include young men whose terms of service all ranged from not over about three years at the most down to as many months, perhaps. There were some slight discrepancies in comparative grades or relative positions in the files among these juniors, owing to the fact that they had entered the Regular Army during the haste of war time and sometimes under circumstances not making for as deliberate and well-considered details of policy as in normal times, to say nothing of the effect of some old laws now found to be out of touch with new conditions. The senior of these officers in age was yet very young, and the seniors in point of military service were only seniors over the least of the juniors by a very few months, generally speaking. So that this rearrangement in grades and files would not unjustly affect their standing with regard to one another in the order of promotion because they were all in the same class of comparatively limited period of service.

Thus, while the Army reorganization act, sections 24 and 24a, went into much carefully prepared detail to provide a means for taking care of the many exceptional cases that made discrepancies in grade among officers of the same period of service on the first part of the list and had to lay out a scheme of arbitrary construction in some cases in order to effect an approximate equalization, it was a comparatively simple matter to lay out a plain and understandable policy of law to operate on the second part of the list. The law simply said:

"Third. Captains and lieutenants of the Regular Army and Philippine Scouts, originally appointed since April 6, 1917, shall be arranged among themselves according to commissioned service rendered prior to November 11, 1918, and shall be placed at the foot of the list as prepared to this point."

And in section 24a this commissioned service was defined to be "all active commissioned service in the Army performed while under appointment from the United States Government, whether in the regular, provisional, or temporary forces, except service under a reserve commission while in attendance at a school or camp for the training of candidates for commission; also commissioned service in the National Guard while in active service since April 6, 1917, under a call by the President; and also commissioned service in the Marine Corps when detached for service with the Army by order of the President."

Having in mind, therefore, the plain provisions of the law already quoted, i. e., "The names on the list shall be arranged, in general, so that the first name on the list shall be that of the officer having the longest commissioned service; the second name that of the officer having the next longest commissioned service, and so on," these captains and lieutenants originally appointed since April 6, 1917, were to be "arranged among themselves," not by grades or by seniority in grades, but

in the order of their seniority of commissioned service, regardless of grades.

Thus far, it will be observed, the single list was to be prepared out of the commissioned officers already in the Regular Army at the time of the passage of the Army reorganization act, or the date when it took effect.

Now there must be provision for introducing into their proper places in this single list those former emergency officers of the World War whom it was proposed, under the terms of section 24 of the act, to take into the Regular Army. So here again, in the case of those emergency officers taken into the Regular Army in what are known as field grades, from major to colonel, both inclusive, and whose place would, therefore, be in the first part of the single list, it was necessary for the law to lay down certain arbitrary rules because it was obvious that the new officers could not be intermingled with the old officers already in the Regular Army on that part of the list if it were to be done by adjusting them in the files according to relative lengths of commissioned service, as they did not match up length of service with that group. Provision was, therefore, made for incorporating them into the first part of the list by arbitrary methods in each grade.

With the cases of the emergency officers taken into the Regular Army under the new law in the grades of captain and first and second lieutenant, however, the business was simple enough. The law provided:

"Fourth. Persons to be appointed as captains or lieutenants under the provisions of section 24 hereof shall be placed according to commissioned service rendered prior to November 11, 1918, among the officers referred to in the next preceding clause (the junior regulars who had been commissioned in the Regular Army since April 6, 1917); and where such commissioned service is equal, officers now in the Regular Army shall precede persons to be appointed under the provisions of this act, and the latter shall be arranged according to age."

Here again it was made plain that these emergency officers taken into the second part of the single list were to be arranged, not by grades, but among the Regulars already on that list, and who had already been rearranged "among themselves," not by grades, but "according to commissioned service rendered prior to November 11, 1918." On such a basis the two groups could instantly blend and intermingle without any arbitrary provisions or the creation of any constructive service reckonings at all, because the service of the two groups was all performed in the same period.

Moreover, such an arrangement would automatically arrange these two groups of young officers into equivalent grades compared with each other, regardless of the grades held by either during the war. For instance, the emergency officer during the war was carried on no general lineal or promotion list with all of the other similar officers of the service, and did not have to take his chances of promotion by passing step by step up the files of such a great list to his seniority. Not only that, but he often came into the emergency service originally at a grade higher than second lieutenant and after that was promoted here and there in the field as occasion served and necessity demanded, regardless of whether any other emergency officers were then to be promoted or not. Consequently it would not be fair to compare the grades of these officers one with another as a certain indication of their relative merits and qualifications. A man might get to be a captain on one sector, perhaps, or even a major or higher, whereas exactly the same kind of a man, or better, serving somewhere else never drew a chance to get above second lieutenant, or maybe first. In this way and for this reason the average rank held by emergency officers in the war was considerably higher than that held by the young Regulars on this second part of the list, and whose commisisoned service began since April 6, 1917, too. These latter young men had to enter the Regular Army as second lieutenants, if they entered it at all; their names were all on long lineal lists and they could only be permanently promoted from grade to grade by moving slowly up the files of those lists, step by step, and reaching a new grade only when every man ahead of them had been disposed of as a casualty or by promotion. Plainly, in arranging for the entrance of the new emergency officers into this list to give them the benefit of the rank held by them in the war and match it up with the permanent rank held by these young Regulars to see which should have precedence would be grossly unfair.

Therefore if the young Regular officers were to line up among themselves in the grades and files according to their relative seniority among themselves, it was only fair that the emergency officers who were to come into the second part of the list with them should do the same thing among themselves; in short, that both groups should match up their periods of service with each other and with the other group, and thus the whole second part of the list would start clear and clean and exactly in the spirit of the new single-list idea from the very outset. And as thereafter all candidates coming into the commissioned personnel were to be placed at the foot of the list in accordance with the date of commission, in time, as this now junior or part of the single list aged to become the senior part of it, the whole of the original intention would be complete and the single list and the promotion list would at last be identical.

It is plain, then, that all of these officers taken into the Regular Army since April 6, 1917, whether officers already in at the passage of the Army reorganization act or emergency men to be taken in under the terms of that act, were to be thrown into a pool together, so to say, regardless of present rank for the Regulars or grade at which taken in, if emergency men. And that thereafter the automatic operation of the law assigning promotion by seniority of commissioned service would separate so many of the elders into the grade of captain, so many of the next eldest into the grade of first lieutenant, and the remainder into the grade of second lieutenant.

And to this end section 24 of the act provided that after the emergency officers were taken into the Regular Army in such numbers that "not less than one-half of the total number of vacancies caused by this act, exclusive of those in the Medical Department and among chaplains, shall be filled" by them, such appointments to date from July 1, 1920, the "vacancies remaining in grades above the lowest which are not filled by such appointments shall be filled by promotion to date from July 1, 1920, in accordance with section 24c."

Here is another emphasis of the intention of the law that, at whatever grade the emergency officer might be appointed to the Regular Army under the terms of the act, as soon as the requisite number of appointments had been made promotions of the entire roster as it was then carried on the promotion list should take place, to date from the very same day of original entry into the Army under the act. And we have seen that this promotion list shall have the names of officers "arranged, in general, so that the first name on the list shall be that of the officer having the longest commissioned service," etc., and further, that as provided in section 24c here cited, it was to be "the promotion of officers in the order in which they stand on the promotion list," not in the order of their grades.

Every one of the boards of officers scattered throughout the country examining candidates for Regular Army appointments was advised of the law, of course. Every one of the candidates was himself presumed to know the terms of the act of whose provisions he was proposing to obtain the benefits. These examining boards were numerous, and necessarily candidates could not all pass before the same board and receive appointment in grades as the result of competition among themselves and in view of their relative standing. Each case of appointment would have to stand alone and be judged on its merits. Because one candidate might be admitted as a captain and another as a second lieutenant need not necessarily indicate that the second man had not been found worthy to be admitted as a captain. It might be that the first man would be of an age when, if he went into the Army at all, it must be in some such grade as captain. It might be that when the two should be afterwards compared, if they ever came to be, the second lieutenant would be found to be equally deserving of the captain's grade. But the appointing board would have the record of each candidate and the grade to which originally appointed would make no difference with the general result in the end, because the law provided that upon the very same date as that of original appointment there was to be a general promotion that would even off all inequalities in the contemplation of the policy of the law through the automatic operation of the rule of promotion by seniority of service, each officer retaining at least the grade to which he was originally appointed, but perhaps gaining in files or grade if, in the matching up of seniority of service, he came out among the personnel in advance of his present file or grade.

So it could not be true that under the law, or a wrong interpretation of the law (either way), a man once taken into the Regular Army in a certain grade might find himself afterwards arbitrarily "jumped" by one taken in at a lesser grade. Both would have come in on the plain text of the law that provided for exactly what took place.

The effect of the law as it was passed was intended to be the same as if it had provided that in the generality of cases the emergency men taken into the Regular Army under its terms and assigned to the second part of the single list should have been given commissions with the grade left blank; that all the Regulars in the grades of captain and lieutenants on the same part of the list should have the grade stricken out of their commissions; and that then all of the them, Regulars and emergency men, were to be lined up in the order of their seniority of commissioned service, and grades bestowed upon them in that order. The law called for so many captains; therefore that many of the seniors should stand aside as captains. The law called for so many first lieutenants; therefore that number of those next in seniority should stand aside as first lieutenants; the remainder to be second lieutenants, of course.

At all events, that is exactly what the law was planned to do and what those persons concerned in framing it in committee room and explaining it to the Congress understood at the time it would do. Indeed, at one stage of the proceedings in the House of Representatives during the debate on this act (CONGRESSIONAL RECORD, March 16, 1920, p. 4412) an amendment was proposed providing that "no officer shall be promoted over another occupying a higher grade,"

the very point at issue in this case, and after a careful explanation by the proponents of the act the amendment was promptly voted down.

EMERGENCY OFFICERS' RETIREMENT ACT

Mr. TYSON. Mr. President, I ask unanimous consent to have printed in the RECORD two opinions of the Attorney General of the United States in regard to the emergency officers' retirement act of May 24, 1928.

The VICE PRESIDENT. Without objection, they will be printed in the RECORD.

The opinions are as follows:

UNITED STATES VETERANS' BUREAU,
OFFICE OF THE DIRECTOR,
*Washington, January 19, 1929.*

Hon. LAWRENCE D. TYSON,
*United States Senate, Washington, D. C.*

MY DEAR SENATOR TYSON: I have just received two very important opinions from the Attorney General of the United States, each as of January 18, 1929, in which he construes the emergency officers' retirement act of May 24, 1928 (45 Stat. 735, 736), and particularly certain language contained therein.

The opinions quote the questions presented by me to the Attorney General and are, therefore, fully self-explanatory.

For your information I inclose a copy of each opinion.

Very truly yours,

FRANK T. HINES, *Director.*

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DEPARTMENT OF JUSTICE,
*Washington, January 18, 1929.*

SIR: I have the honor to acknowledge the receipt of your letter of December 1, 1928, requesting my opinion as to the meaning of the language:

"* * * who have been, or may hereafter, within one year be rated in accordance with law at not less than 30 per cent permanent disability by the United States Veterans' Bureau for disability resulting directly from such war service * * *,"

contained in section 1 of the Tyson-Fitzgerald emergency officers' retirement act of May 24, 1928 (45 Stat. 735, 736), which reads:

"That all persons who have served as officers of the Army, Navy, or Marine Corps of the United States during the World War, other than as officers of the Regular Army, Navy, or Marine Corps, who during such service have incurred physical disability in line of duty, and who have been, or may hereafter, within one year, be, rated in accordance with law at not less than 30 per cent permanent disability by the United States Veterans' Bureau for disability resulting directly from such war service, shall, from date of receipt of application by the Director of the United States Veterans' Bureau, be placed upon, and thereafter continued on, separate retired lists, hereby created as part of the Army, Navy, and Marine Corps of the United States, to be known as the emergency officers' retired list of the Army, Navy, or Marine Corps of the United States, respectively, with the rank held by them when discharged from their commissioned service, and shall be entitled to the same privileges as are now or may hereafter be provided for by law or regulations for officers of the Regular Army, Navy, or Marine Corps who have been retired for physical disability incurred in line of duty, and shall be entitled to all hospitalization privileges and medical treatment as are now or may hereafter be authorized by the United States Veterans' Bureau, and shall receive from date of receipt of their application retired pay at the rate of 75 per cent of the pay to which they were entitled at the time of their discharge from their commissioned service, except pay under the act of May 18, 1920: *Provided*, That all pay and allowances to which such persons or officers may be entitled under the provisions of this law shall be paid solely out of the military and naval compensation appropriation fund of the United States Veterans' Bureau, and shall be in lieu of all disability compensation benefits to such officers or persons provided in the World War veterans' act, 1924, and amendments thereto, except as otherwise authorized herein, and except as provided by the act of December 18, 1922: *Provided further*, That all persons who have served as officers of the Army, Navy, or Marine Corps of the United States during the World War, other than as officers of the Regular Army, Navy, or Marine Corps, who during such service have incurred physical disability in line of duty, and who have heretofore or may hereafter be rated less than 30 per cent and more than 10 per cent permanent disability by the United States Veterans' Bureau, for disability resulting directly from such war service, shall, from date of receipt of application by the Director of the United States Veterans' Bureau, be placed upon, and thereafter continued on, the appropriate emergency officers' retired list, created by this act, with the rank held by them when discharged from their commissioned service, but without retired pay, and shall be entitled only to such compensation and other benefits as are now or may hereafter be provided by law or regulations of the United States Veterans' Bureau, together with all privileges as are now or may hereafter be provided by law or regulations for officers of the Regular Army, Navy, or Marine Corps who have been retired for physical disability incurred in line of duty: *And provided further*, That the retired list created by this act of officers of the Army shall be published annually in the Army Register, and said retired lists of officers of the Navy and Marine Corps, respectively, shall be published annually in the Navy Register."

In this connection you desire to be advised upon the following questions:

(1) Has an officer who received a 30 per cent permanent partial disability rating prior to the passage of this act, but whose rating since the passage of this act has been less than 10 per cent permanent disability, any rights under the provisions of this act as long as his rating remains less than 10 per cent permanent?

(2) In a case where an officer has heretofore been rated 30 per cent permanently disabled for disability incurred in line of duty directly resulting from war service, and the file now shows that the rating was in error under the law or the facts, or both, may the bureau reexamine and rerate the applicant?

(3) Where an officer has heretofore been rated 30 per cent or more permanently disabled for a disability incurred in line of duty directly resulting from war service and such rating was correct under the law and the schedule of disability ratings in effect at that time, but such rating would not be the same under the schedule of disability ratings in effect at the present time, is there authority to place the man on the retirement list on the strength of the former rating, or must a rerating be made under the present disability rating schedule?

(4) In a case where an officer has been rated 30 per cent or more permanently disabled under the laws, regulations, and schedules of disability ratings in effect at the time the rating was made, for a disability incurred in line of duty directly resulting from war service, but the evidence now shows that he is not at the present time permanently disabled to a degree of 30 per cent or more, must the old rating be accepted and the benefits of the retirement act be accorded? Or should he be reexamined and rerated under the law and schedule of disability ratings in effect on May 29, 1928, or that in effect on the date of administrative determination?

The Veterans' Bureau, it appears, in determining the permanency of a disability and the percentage thereof, considers all the elements, including the progressive character of the disability, and once a permanent rating and the percentage thereof has been determined, it always remains the same unless the determination was based upon an erroneous finding of fact or a misconception of the law, and the subsequent change in the physical condition of an officer presupposes that the original rating was based upon an erroneous finding of fact in that the progressive character of his disability was incorrectly determined.

Hence, testing the language—

"who have been, or may hereafter, within one year, be rated in accordance with law at not less than 30 per cent permanent disability by the United States Veterans' Bureau for disability resulting directly from such service"

by the rule of construction that Congress is presumed to use words in their known and accepted meaning, unless that sense is repelled by the context, it is clear that the words—

"who have been * * * rated in accordance with law at not less than 30 per cent permanent disability"—

includes only those emergency officers who have been correctly rated at not less than 30 per cent permanent disability prior to the passage of the act. Those are excluded who, prior to the passage of the act, have been rated at not less than 30 per cent permanent disability and subsequently have been reduced in rating to less than 30 per cent permanent disability.

It is also clear that the words—

"or may hereafter, within one year, be, rated in accordance with law"

include only those who are correctly rated at not less than 30 per cent permanent disability within one year after the passage of the act. Whether the rating has been made prior to the passage of the act or is made within one year thereafter, it must be in accordance with the schedule of ratings in effect at the time it was or is made, otherwise it will not be "in accordance with law."

The legislative history of the act confirms this conclusion. The meaning of the language—

"who have been, or may hereafter, within one year, be, rated in accordance with law at not less than 30 per cent permanent disability"—

was explained to their respective Houses by Senator TYSON and Representative FITZGERALD. The former was a member of the Senate Committee on Military Affairs and the latter was a member of the House Committee on World War Veterans' Legislation, and sponsored this act. These committees had charge of the bill S. 777, which became the act under consideration.

In explaining to the Senate the meaning of this language, the coauthor of bill S. 777, Senator TYSON, said (CONGRESSIONAL RECORD, vol. 69, pt. 5, p. 4687, March 14, 1928, 70th Cong., 1st sess.):

"An officer is to be retired who has not less than 30 per cent of permanent disability according to the ratings of the United States Veterans' Bureau. Officers who are found to be below 30 per cent are not retired under the provisions of the bill."

The occasion for the explanation of this language to the House by Representative FITZGERALD, arose in the following manner:

Mr. MILLIGAN of Missouri, made the statement that (CONGRESSIONAL RECORD, vol. 69, pt. 8, p. 8456, May 11, 1928, 70th Cong., 1st sess.):

"There is a provision on page 1 of the bill that includes officers who to-day have no disability whatever, officers to-day who are drawing no compensation from the Government, who are recognized as having no compensable disability. Yet they are included in this bill. We find that in lines 6, 7, and 8 on page 1 of the bill in the following language: 'who during such service have incurred physical disability in line of duty, and who have been or may hereafter within one year be rated in accordance with law at not less than 30 per cent permanent disability by the United States Veterans' Bureau.'

"The words 'who have been' include cases of officers who to-day have no disability but who some time since their discharge have had a rating of 30 per cent permanent disability. You include those men whom the records show have recovered."

In reply, Mr. FITZGERALD said (CONGRESSIONAL RECORD, vol. 69, pt. 8, p. 8457, May 11, 1928, 70th Cong., 1st sess.):

"It has been called to my attention by the gentleman from Missouri that this bill is so drawn that there is a chance that a man who has once received a rating of 30 per cent would be entitled to its benefits even though he had recovered. I wish to say that is a fallacy; it is very specious, although my good friend may have justification for placing that construction upon the language of the bill. We use your knowledge of legal phrases and common sense. If a man has been rated permanently disabled, what does that mean? It means rated honestly, fairly, and legally as permanently disabled. If a mistake has been made and has been corrected, the Veterans' Bureau will never grant retirement because of a known mistake since corrected. If a man is not rated now as having a 30 per cent permanent disability, although he had been once so rated erroneously, he would not get retirement, though my good friend so misapprehends it. The change, necessarily a correction, would show that the original rating was not correct."

The following discussion then ensued (CONGRESSIONAL RECORD, vol. 69, pt. 8, p. 8457, May 11, 1928, 70th Cong., 1st sess.):

"Mr. MILLIGAN. What is meant by the words in line 7, on page 1, 'who have been'?

"Mr. ROY G. FITZGERALD. That means those who have been correctly rated, but because a mistake has been made that would not justify them in retiring a man.

"Mr. MILLIGAN. Has the gentleman gone to the Veterans' Bureau for an interpretation?

"Mr. ROY G. FITZGERALD. No; I have not, but that must be so.

"Mr. MILLIGAN. I understand they do not so interpret it.

"Mr. ROY G. FITZGERALD. If they have made a mistake and have corrected it, that mistake would not warrant them in putting a man under the provisions of this bill, and no man would be retired because of a mistake.

"Mr. MILLIGAN. I will say that these officers have been informed by those who are promulgating this legislation that they are included.

"Mr. ROY G. FITZGERALD. I am very sorry if that is so, because I am sure that that is a misrepresentation.

"Mr. BURTNESS. What about a case which at one time received a permanent rating, as an illustration, of 35 per cent, and then it is cut down to 25 per cent permanent? The permanent rating as such remains, but the percentage has been cut from a figure sufficient to come within this bill down to one that would not permit the bill to operate on such an individual. Would he not under this language be included?

"Mr. ROY G. FITZGERALD. I fear not, because that is a correction. If a mistake has been made and a correction has been made, I am sure he could not be included under this bill. Under this bill, if it becomes a law, and under the language of this bill, retirement would be given only as a result of a correct or final rating of 30 per cent or more of disability.

"Mr. BURTNESS. If I understand correctly, it may not necessarily be a mistake.

"Mr. ROY G. FITZGERALD. It would necessarily have to be a mistake, because a man may have a 100 per cent temporary disability and at the same time a 30 per cent permanent disability, but the permanent degree can never change.

"Mr. BURTNESS. A person may have a permanent rating and gradually a man's condition is aggravated so that the permanent rating changes, not in its permanency, but in its percentage, and it is increased from time to time. I have secured increases for a great many such individuals myself.

"Mr. ROY G. FITZGERALD. But the permanent rating should always be the same. All elements should be considered, including the progressive character of the disability, and the permanent rating, if correctly made, should remain unchanged.

"Mr. BURTNESS. Certainly; I agree with the gentleman, but the percentage may vary, depending on the circumstances."

However, assuming that the percentage of a permanent rating may be changed from time to time, a reading of the entire act in the light of its legislative history inevitably leads to the conclusion that Congress intended the words "who have been * * * rated in accordance with law" to include only those emergency officers who on the date the benefits of the act are awarded to them have a correct rating of not less than 30 per cent permanent disability; that is, their physical condition must support their old rating of not less than 30 per cent permanent disability or justify such a rating under the schedule of disability ratings in effect at that time, for otherwise an emergency officer who before the passage of the act had a rating of not less than 30 per cent permanent disability, but who now has been reduced to a rating of 10 per cent permanent disability, or even to no disability at all, would enjoy the benefits of the act, while an emergency officer who now has a rating of 29 per cent permanent disability would not be entitled to its benefits.

It is inconceivable that Congress intended the act to have such effect and its purpose precludes any such conclusion. It was enacted to enable emergency officers who are now rated at not less than 30 per cent permanent disability to support themselves and their families which they are unable to do because of reduced earning power resulting from their disabilities. Congress unquestionably did not intend to give a bonus of 75 per cent of his pay at the time he was discharged from the service to an emergency officer who now has no disability whatever simply because he once was given a 30 per cent permanent disability rating.

In the final analysis Congress intended that nothing less than a correct rating of at least 30 per cent permanent disability should form the basis for conferring the benefits of the act; that is, that on the date the benefits of the act are awarded the officer's physical condition must support his old rating of not less than 30 per cent permanent disability or justify such a rating under the schedule of disability ratings in effect at that time.

My opinion, therefore, is that your questions should be answered as follows:

1. No. An officer who has received a 30 per cent disability rating prior to the passage of the act, but whose rating under the same schedule since the passage of the act has been less than 10 per cent permanent disability is not entitled to the benefits of the act for the reason that he never has had a correct rating of 30 per cent permanent disability. The reduction of his rating from 30 per cent permanent disability to less than 10 per cent permanent disability indicates that the former rating was erroneous.

2. Yes. The answer to this question is based on the same reason given under the answer to the above question.

3. No rerating must be made if a correct rating of not less than 30 per cent permanent disability has heretofore been made.

4. Assuming the administrative determination (i. e., the rating in question) was made before May 29, 1928, the officer may be reexamined and rerated in accordance with the schedule in effect when the rating was made in order that the error as to the permanency or degree of his disability may be corrected and his rating established "in accordance with law"; and if such reexamination and rerating lowers his rating to less than 30 per cent permanent disability, but his physical condition would justify a rating of not less than 30 per cent permanent disability under the schedule of disability ratings in effect on and subsequent to May 29, 1928, he may be reexamined and rerated in accordance with such schedule, so that he may come within that class "who * * * may hereafter, within one year, be rated in accordance with law at not less than 30 per cent permanent disability."

Respectfully,

JNO. E. SARGENT, *Attorney General.*

Hon. FRANK T. HINES,
*Director United States Veterans' Bureau,*
*Washington, D. C.*

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DEPARTMENT OF JUSTICE,
*Washington, January 18, 1929.*

SIR: I have the honor to acknowledge the receipt of your letter and inclosures of November 3, 1928, requesting my opinion as to the meaning of the language (1) "rated in accordance with law," and (2) "resulting directly from such war service" contained in section 1 of the emergency officers' retirement act of May 24, 1928 (45 Stat. 735, 736), which reads:

"That all persons who have served as officers of the Army, Navy, or Marine Corps of the United States during the World War other than as officers of the Regular Army, Navy, or Marine Corps who during such service have incurred physical disability in line of duty and who have been, or may hereafter, within one year, be, rated in accordance with law at not less than 30 per cent permanent disability by the United States Veterans' Bureau for disability resulting directly from such war service, * * * shall receive from date of receipt of their application retired pay at the rate of 75 per cent of the pay to which they were entitled at the time of their discharge from their commissioned service, * * *."

You submit the following classes of cases:

"1. Cases wherein the disabilities have been connected with the service during the World War under the statutory presumption of service origin for tuberculosis, neuropsychiatric, and other specified con-

ditions contained in section 200 of the World War veterans' act, as amended, or section 300 of the war risk insurance act, as amended.

"2. Cases wherein the disabilities have been connected with the service during the World War through direct evidence, as, for instance, medical records of the Army, but in which nothing tangible can be found under which a finding that the disabilities were directly the result of war service can be based.

"3. Cases wherein the disabilities have been connected with the service during the World War upon medical presumption.

"4. Cases wherein the disabilities have been connected with the service during the World War through a presumption of soundness contained in section 300 of the war risk insurance act, as amended, and section 200 of the World War veterans' act, as amended.

"5. Cases wherein a disability was noted at time of enlistment which increased in degree during service, but wherein it has been impossible to show that the aggravation was directly the result of war service and in line of duty as distinguished from the natural progress of disease."

and inquire (1) whether such disabled emergency officers are entitled to ratings for permanent disabilities under the war risk insurance act as amended (40 Stat. 373; 42 Stat. 153, 1522), or the World War veterans' act as amended (43 Stat. 607, 1305; 44 Stat. 793), and (2) whether their disabilities were incurred "in line of duty" and resulted "directly from such war service."

When the emergency officers' retirement act was enacted on May 24, 1928, the Veterans' Bureau was operating under the World War veterans' act as amended. Hence, the language "rated in accordance with law" refers to the World War veterans' act as amended, rating schedules, regulations, and general orders pursuant thereto not inconsistent with the provisions of the emergency officers' retirement act. It may also have reference to the war risk insurance act. For example, if prior to June 7, 1924 (the date of the World War veterans' act), a disabled officer had been rated correctly, under the war risk insurance act, rating schedules, regulations, and general orders in effect at the time, at not less than 30 per cent permanent disability, and such officer has never been reexamined and rerated under the World War veterans' act, he is clearly one of those within the meaning of the language, "who have been * * * rated in accordance with law at not less than 30 per cent permanent disability."

The emergency officers' retirement act provides, in effect, that no one shall be entitled to its benefits unless he has (1) "incurred physical disability in line of duty" (2) "resulting directly from such war service."

The phrase "in line of duty," as used in section 300 of the war risk insurance act (40 Stat. 611), was interpreted by Attorney General Palmer in an opinion of the Secretary of the Treasury (32 O. A. G. 12).

Section 300 of the war risk insurance act provides (40 Stat. 611):

"That for death or disability resulting from personal injury suffered or disease contracted in the line of duty, by any commissioned officer or enlisted man or by any member of the Army Nurse Corps (female) or of the Navy Nurse Corps (female) when employed in the active service under the War Department or Navy Department, the United States shall pay compensation as hereinafter provided; but no compensation shall be paid if the injury or disease has been caused by his own willful misconduct: *Provided*, That for the purposes of this section said officer, enlisted man, or other member shall be held and taken to have been in sound condition when examined, accepted, and enrolled for service. * * *."

In construing the above section Attorney General Palmer said (pp. 19, 22, 23):

"The mere fact that an injury or disease is coincident in time with service is not sufficient to class it as suffered or contracted 'in line of duty.' It must have been caused by the presence of its victim in the line of duty when it was received or contracted. But the relation of causation is sufficiently shown when it appears that the victim was at a place and doing what was required or permitted by his duty as a soldier, and that, between his presence and conduct and the injury or disease, no adequate and sufficient cause, for which he is responsible, intervened * * *."

"While in the active service and submitting to its rules and regulations he is, in general, in the line of duty, and an injury suffered or disease contracted under these circumstances is suffered or contracted in the line of duty unless it is actually caused by something for which he is responsible which intervenes between his services or performance of duty and the injury or disease. * * *."

I think the above interpretation is the correct one, and applies equally to the phrase as used in the emergency officers' retirement act.

Section 300 of the war risk insurance act, as amended, was repealed by section 200 of the World War veterans' act of 1924, as amended. Section 200, as amended by the act of July 2, 1926 (44 Stat. 793, 794), provides:

"For death or disability resulting from personal injury suffered or disease contracted in the military or naval service on or after April 6, 1917, and before July 2, 1921, or for an aggravation or recurrence of a disability existing prior to examination, acceptance, and enrollment for service, when such aggravation was suffered or contracted in or such recurrence was caused by the military or naval service on or after April 6, 1917, and before July 2, 1921, by any commissioned officer or enlisted man * * * the United States shall pay to such commissioned officer or enlisted man * * * or, in the discretion of the director, separately to his or her dependents, compensation as hereinafter provided; but no compensation shall be paid if the injury, disease, aggravation, or recurrence has been caused by his own willful misconduct: * * * That for the purposes of this act every such officer, enlisted man * * * shall be conclusively held and taken to have been in sound condition when examined, accepted, and enrolled for service, except as to defects, disorders, or infirmities made of record in any manner by proper authorities of the United States at the time of or prior to inception of active service, to the extent to which any such defect, disorder, or infirmity was so made of record: *Provided*, That an ex-service man who is shown to have or, if deceased, to have had prior to January 1, 1925, neuropsychiatric disease and spinal meningitis, an active tuberculosis disease, paralysis agitans, encephalitis lethargica, or amœbic dysentery developing a 10 per cent degree of disability or more, in accordance with the provisions of subdivision (4) of section 202 of this act, shall be presumed to have acquired his disability in such service between April 6, 1917, and July 2, 1921, or to have suffered an aggravation of a preexisting neuropsychiatric disease and spinal meningitis, tuberculosis, paralysis agitans, encephalitis lethargica, or amœbic dysentery in such service between said dates, and said presumption shall be conclusive in cases of active tuberculosis disease and spinal meningitis, but in all other cases said presumption shall be rebuttable by clear and convincing evidence; * * *."

It will be observed that the phrase "in line of duty" which appeared in section 300 of the war risk insurance act does not appear in section 200 of the World War veterans' act, as amended. Instead there appear the words "in the military or naval service" and "no compensation shall be paid if the injury, disease, aggravation, or recurrence has been caused by his own willful misconduct." Considering this language in the light of what Attorney General Palmer said about the meaning of the phrase "in line of duty" as used in section 300 of the war risk insurance act, it appears that the words "in the military or naval service" are not any broader in scope than the words "in line of duty." Nor does it appear that Congress intended by the use of the words "in line of duty" to exclude disabled emergency officers from the benefits of the emergency officers' retirement act who have been or may hereafter be awarded compensation and rated, under sections 200 and 202 (4) of the World War veterans' act, at not less than 30 per cent permanent for "injury suffered or disease contracted in the military or naval service."

When the first emergency officers' retirement bill was introduced into Congress almost 10 years ago it contained the words "in line of duty." At that time the Veterans' Bureau was operating under section 300 of the war risk insurance act, which section also contained the words "in line of duty." During each succeeding Congress emergency officers' retirement bills were introduced, each of which contained the words "in line of duty." All of them proposed to confer their benefits upon those disabled emergency officers who had been, or might thereafter, within a specified time, be awarded compensation and receive a certain rating under sections 300 and 302 (2) of the war risk insurance act. In 1924 section 300 of the war risk insurance act was repealed by section 200 of the World War veterans' act. The words "in line of duty" were left out of section 200 and instead were inserted the words "in the military or naval service." Notwithstanding this change in phraseology, the original or similar bills were reintroduced each succeeding Congress subsequent to the repeal of section 300 of the war risk insurance act without any change in the words "in line of duty."

Although these bills were reintroduced by those who were Members of Congress when section 300 of the war risk insurance act was repealed by section 200 of the World War veterans' act, there is nothing to indicate that after the repeal of section 300 those Members, by continuing to use in such bills the phrase "in line of duty," intended to deny their benefits to any disabled emergency officer who had suffered injury or contracted disease "in the military or naval service."

That Congress intended to confer the benefits of the emergency officers' retirement act upon all disabled emergency officers who suffered injury or contracted disease "in the military or naval service" and "who have been, or may hereafter, within one year, be," awarded compensation and rated, under sections 200 and 202 of the World War veterans' act, at not less than 30 per cent permanent disability, is clearly indicated by the legislative history of the act which will be referred to hereinafter.

Hence, all disabled emergency officers "who have been, or may hereafter, within one year, be," awarded compensation and rated, under sections 200 and 202 of the World War veterans' act, at not less than 30 per cent permanent disability, are entitled to the benefits of the emergency officers' retirement act unless excluded therefrom by the phrase "disability resulting directly from such war service."

Notwithstanding this legislation had been pending for over nine years and the act was passed on May 24, 1928, the language "resulting directly from such war service" appeared for the first time in Senate bill 777 (which became the act under consideration), by amendment on March 15, 1928. On the latter date, Senator HALE offered several

amendments, including one embodying the language "resulting directly from such war service," the effect of all of which he said would be "to bring the officers of the Navy and Marine Corps under the provisions of the bill (CONGRESSIONAL RECORD, vol. 69, pt. 5, pp. 4799, 4800).

Up to the time of such amendments only emergency Army officers came within the scope of the bill. The Secretary of the Navy thought that emergency Navy and Marine officers should be entitled to the benefits of the act, and he proposed to Senator HALE, chairman of the Senate Committee on Naval Affairs, that they be included. In a letter to the Senator dated April 8, 1926, he said:

"The Navy Department believes that if the bill * * * is to be enacted that it should be amended so as to include former temporary and reserve officers of the Navy and Marine Corps who feel that they are entitled to retirement on account of physical disability alleged to have been incurred in line of duty during the World War. Accordingly, the Navy Department recommends that the following changes be made in the bill * * * so as to make the same applicable to former temporary and reserve officers of the Navy and Marine Corps.

"(1) In line 2 of the title of the bill, after the word 'Army,' insert a comma and add the words 'Navy and Marine Corps.'

* * * * * * *

"(5) In line 9, page 1, insert after the comma at the end of the line the words 'for disability resulting directly from such war service.'

* * * * * * *

"(16) In lines 19, 20, and 21, page 3, strike out the last proviso and substitute therefor the following:

"'*And provided further*, That the retired list created by this act of officers of the Army shall be published annually in the Army Register, and said retired lists of officers of the Navy and Marine Corps, respectively, shall be published annually in the Navy Register.'"

There is nothing in the files of the Navy Department to indicate why that department considered it necessary to insert the language "resulting directly from such war service" into the act to enable emergency Navy and marine officers to obtain its benefits. Nor is it clear how that language could in any wise assist in accomplishing that result. In view of the purpose of the amendment "to include former temporary and reserve officers of the Navy and Marine Corps who feel that they are entitled to retirement on account of physical disability alleged to have been incurred in line of duty during the World War," the language "resulting directly from such war service" would seem to be redundant.

That Congress did not intend that language to deny the benefits of the act to any disabled emergency officer who otherwise would be entitled to the same by reason of having "incurred physical disability in line of duty," although the disabled emergency officer's case might be within one of the five classes mentioned in your letter, viz, statutory presumption, medical presumption, etc., is evidenced by the legislative history of the act, as set forth in the margin. It may be presumed that while Senate bill 777 was pending and at the time it was enacted into law, Congress knew that there were disabled emergency officers in the five classes set forth in the letter of the Director of the Veterans' Bureau to the Attorney General, dated November 3, 1928, who had been awarded compensation and rated, under sections 200 and 202 of the World War veterans' act, at not less than 30 per cent permanent disability by reason of having suffered injury or contracted disease "in the military or naval service." While this legislation was pending Congress from time to time called upon the Director of the Veterans' Bureau to submit lists of all disabled emergency officers who were rated at not less than 30 per cent permanent disability. The lists furnished contain the names of all emergency officers within the five classes set forth in the director's letter of November 3, 1928.

On March 14, 1928, Senator TYSON, coauthor of Senate bill 777, in explaining its provisions to the Senate, said (CONGRESSIONAL RECORD, vol. 69, p. 4687):

"I will state for the information of the Senate that a list of those who will be retired under the terms of the bill has been prepared by the United States Veterans' Bureau. Including all the officers of the Army and of the Navy and of the Marine Corps who have now been found to be 30 per cent permanently disabled there will be 3,251, and the actual expense to the Government, if the bill is enacted into law, will be $4,985,100 annually. We are now paying out in annual compensation to these officers $2,841,960. Deducting that from the total under the bill would leave $2,143,140 annual increased cost of retirement."

On March 15, 1928, Senator BINGHAM, member of the Committee on Military Affairs, made the following statement (CONGRESSIONAL RECORD, vol. 69, p. 4745):

"It is always difficult to speak in the abstract, but when we have concrete cases before us it is easier. Whenever we pass bills granting claims of any amount whatsoever to different persons, or when we pass an omnibus pension bill, we give to the country the names of the beneficiaries in order that the people, whose taxes we are expending, may know exactly who is benefited by the legislation. I have before me, Mr. President, the names of all those officers who were rated as permanently disabled at 30 per cent or more, together with the amount they are now receiving, their percentage of disability, and the amount which they would receive under the bill. I should like to have this list printed in the RECORD, without any reference to the nature of their disability, because I esteem their disability a private and personal matter, in which the public is not or ought not to be interested. I ask unanimous consent to have the list printed in the RECORD."

At the conclusion of which the President of the Senate ordered the list printed in the RECORD.

On March 30, 1928, Senator BINGHAM read into the CONGRESSIONAL RECORD a letter from the Director of the Veterans' Bureau, dated March 23, 1928, and accompanying estimate of the cost of the bill. The estimate bears the following heading:

"Emergency officers rated on a permanent basis at 30 per cent or more, showing amount of compensation and cost of retirement December 31, 1927."

Under the heading appears a table showing the grades and the number of officers in each grade who will benefit by the act, the total number being 3,251. Then follows a statement which indicates that the table has been revised to March 21, 1928. The last statement following the table reads:

"This statement excludes the following arrested tuberculosis cases receiving a statutory $50 award where the tuberculosis has been evaluated according to the rating schedule at less than 30 per cent permanent partial: Army, 1,134; Navy, 66; Marine, 3." (CONGRESSIONAL RECORD, vol. 69, p. 5666.)

On page 4 of House Report No. 1082 on Senate bill 777, submitted by the Committee on World War Veterans' Legislation, there appears this statement:

"The number of disabled emergency officers to be benefited by this proposed act is estimated by the Director of the United States Veterans' Bureau under date of March 21, 1928, to be 3,251."

On page 4 of Senate Report No. 115 on the same bill, submitted by the Committee on Military Affairs, it is said:

"The number of disabled emergency Army officers to be benefited by this proposed act, together with its costs, are shown in the appended letter and table from the Director of the Veterans' Bureau dated January 19, 1928, which are made a part of this report."

In the letter to Senator REED of Pennsylvania, chairman of the Committee on Military Affairs, dated January 19, 1928, which was made a part of Senate Report No. 115, the Director of the Veterans' Bureau said (p. 6):

"The committee is advised that according to a recent study made in connection with this legislation it is estimated that there are at present 3,030 ex-emergency officers of the World War who are permanently disabled to a degree of 30 per cent or more and who are now receiving compensation totaling $216,436 monthly. The cost of retiring these men at 75 per cent of their pay rate would be $388,137.50 per month, or $4,657,650 annually, the total increased annual cost being $2,060,418. This statement does not include 960 officers who are now drawing compensation of $50 per month under statutory awards for arrested tuberculosis. These cases, if rerated under the schedule of disability ratings and found to be actually disabled to a degree of 30 per cent or more, would increase the cost approximately $118,931.50 per month, or $1,427,178 per annum.

"Were the bill amended to provide for the retirement of disabled ex-emergency officers of the Navy and Marine Corps as well as those of the Army, it is estimated that the total number of officers affected would be raised to 3,225, the monthly payment of compensation for that number now being $231,999, and that the cost of retiring this total number at 75 per cent of their pay rate would be $411,593.75 monthly, or an annual cost of $4,939,125, an increased annual cost of $2,155,137."

At the time this letter was written there were 3,030 emergency officers permanently disabled to a degree of 30 per cent or more. Also, at that time Senate bill 777 only contained the language "incurred physical disability in line of duty," the language "resulting directly from such war service" not having been incorporated into the bill until March 15, 1928, and then only for the purpose, as the Secretary of the Navy and Senator HALE stated, of including within the provisions of the bill "former temporary and reserve officers of the Navy and Marine Corps who feel that they are entitled to retirement on account of physical disability alleged to have been incurred in line of duty during the World War." This amendment having passed the Senate, the director submitted another list, revised to March 21, 1928, which showed an increase to 3,251 in the total number of officers permanently disabled to a degree of 30 per cent or more, instead of a decrease, as would be expected if the insertion into the bill of the language "resulting directly from such war service" had been for the purpose of denying the benefits of the act to some disabled emergency officers who otherwise would be entitled to the same by reason of having "incurred physical disability in line of duty."

The increase indicates as the director states that he did not exclude from the list, on account of the incorporation into the bill of the language "resulting directly from such war service," the five classes of cases set forth in his letter of November 3, 1928, viz, statutory presumption, medical presumption, etc.

No contention was made during the debates in either the Senate or the House that Senate bill 777 did not include cases of statutory presumption, medical presumption, etc. On the contrary, Senator REED of Pennsylvania, chairman of the Committee on Military Affairs, which had charge of Senate bill 777 in the Senate, pointed out to that body that the bill clearly included those who are by law presumed to have contracted their disabilities in the service. His statement follows (CONGRESSIONAL RECORD, vol. 69, p. 4731):

"Take just such cases as this: I had a friend who came to Washington on November 6, 1918, a civilian, with no military training whatsoever. He was given a commission as a lieutenant colonel in the Judge Advocate General's Department of the Army, and he was a member of the World War Army for exactly six days, because he was discharged the day after the armistice. Under the present legislation, which is intentionally liberal so as to make it easy for soldiers who suffer constitutional diseases traceable back to war time to connect their injury with their service, it is provided that insanity or tuberculosis occurring prior to January 1, 1925, is conclusively presumed to be due to one's war service. Apply that to this lieutenant colonel who served six days in uniform in Washington. If that man were to have gone crazy prior to the 1st of January, 1925, he would now go on retirement pay at $2,625 a year. * * * Now I want to call your attention to another case in Pennsylvania, which we will leave nameless for obvious reasons—another physician. He lives down near Philadelphia. He is now 54 years old. He never got anywhere near the front. He never left the United States. He is classed permanently totally disabled because he has diabetes; and the bets are a hundred to one that if he had never seen the Army, and if there had never been any war, he would have had the same case of diabetes that he has to-day. This bill advances that gentleman—and I am not making fun of him at all—from $100 to $150.

"Senator FRAZIER. If this man is given total disability for diabetes, it must be because the examining physician decided that it was caused by his service in the Army.

"Senator REED of Pennsylvania. It is because the first symptoms of diabetes occurred while he was holding his commission. It was an injury incurred in line of duty, therefore, or a disease contracted within the meaning of the law, and he gets the compensation, although the Senator knows, as I do, that the chances are a hundred to one that he would have had the same diabetes if there never had been any war at all."

In this connection the following statement of Senator BINGHAM is very significant (CONGRESSIONAL RECORD, vol. 69, p. 4697):

"But under the terms of the bill, even though a man may have served here in Washington but a week before the armistice and acquired tuberculosis since then and gets a 30 per cent rating of disability as many of us easily could, if he had had luck enough to get a commission as lieutenant colonel he would get for the rest of his life $225 a month instead of $30 a month."

Representative ROYAL S. JOHNSON, chairman of the Committee on World War Veterans' Legislation, which had charge of Senate bill 777 in the House, explained at length to the House the differences between the original bill of 10 years before and Senate bill 777, in the course of which explanation he emphasized the fact that the bill included those disabled emergency officers who are by law presumed to have suffered or contracted their disabilities in the service. His statement, so far as material here, is as follows (CONGRESSIONAL RECORD, vol. 69, pp. 8444, 8445, 8446):

"Its history, as has been said by other Members, begins early after the war, when the gentleman from South Carolina [Mr. STEVENSON] introduced the original measure. That measure, however, differed in form from this one, as shown in the RECORD published this morning. Later I introduced the bill in an entirely different form from the measure presented to the House to-day, affecting not nearly so many men and having very vital differences from the present proposed law.

"My reasons for introducing that measure are as clear to-day as they were 10 years ago. Together with a great many other men in the United States now living I happened to serve with some of the men affected, and in a hospital in France, in the fall of 1918, I saw different classes of officers being given entirely different compensation.

"The original measure was introduced to take care of what we knew at that time were battle casualties, and they should be taken care of by every country in this world, and particularly by this, the greatest and wealthiest country in the entire world. But conditions have changed again. In this Congress, the House and the Senate, in trying to do what ought to be done for disabled men, have been very liberal in some other degrees by presuming disabilities. For instance, the law has read, and now reads, that anyone who contracted tuberculosis, mental diseases, sleeping sickness, and some other diseases, whose technical names I shall not use, would be presumed to have secured those diseases in the service in line of duty if contracted prior to January 1, 1925. So the bill as it now reads, Senate bill 777, would take into this retirement list a large number of men that I do not believe any medical testimony in the world would say had received their diseases in line of duty and from the service. I have always thought—though I have not discussed the matter on the floor of the House to any great extent, because we have not had much discussion on this legislation—that probably not over 25 per cent of the men who were presumptively connected under the veterans' act and its amendments to be disabled, secured their disabilities in the service, but that it was better to compensate the other 75 per cent that medical testimony would not say had secured their injuries in line of duty than to allow the 25 per cent that medical testimony said might have secured their injuries or diseases in line of duty to go without compensation. For that reason I have favored the enactment of these presumptive statutes. But, as matters now develop, I think this proposed law needs amendment, and I am going to offer amendments if no one else does so (which he did but they were rejected).

"I now want to discuss some of the concrete cases under this law. It is very easy to talk about a law from an academic viewpoint, and theories sometimes are helpful. Concrete illustrations are the most instructive. There happen to be five men in the second congressional district of South Dakota—and every one of them is my close, personal, intimate friend—who served in the Army with me, and with many of them I served in the National Guard from the time I was 18 years old. They are all affected by this act.

"On page 4780 of the RECORD—and I presume that is in the minority report also—you will find a list of these men. One is Col. William Adam Hazle, who lives in my own city, whose office is right across the street from mine. * * *

"Right across the street from him is Alfred D. Haugen. I have known him for years. * * *

"In the same city lives Lester Kirkpatrick. * * *

"Another gentleman on this list was presumpted into a service-connected disability under one of the laws that I sponsored, and I do not think any medical testimony in the world would say that this gentleman did necessarily receive his injuries in the service, and yet this law would materially increase his pension."

Other Senators and Congressmen expressed the same view; none expressed a contrary view.

The legislative history of the act clearly indicates that Congress intended the language "incurred physical disability in line of duty" in section 1 of the emergency officers' retirement act to have the same meaning and effect as the language "injury suffered or disease contracted in the military or naval service" in section 200 of the World War veterans' act as amended and also that Congress believed and intended the effect of the words "resulting directly from such war service" to be merely, as Senator HALE stated, "to bring the (emergency) officers of the Navy and Marine Corps under the provisions of the bill," and not to limit the meaning, or change the effect, of the words "incurred physical disability in line of duty" by denying the benefits of the act to any emergency officer who otherwise would be entitled to the same by reason of having "incurred physical disability in line of duty."

Congress intended to confer the benefits of the act upon all emergency officers who suffered injury or contracted disease "in the military or naval service" and "who have been, or may hereafter, within one year, be, rated in accordance with law at not less than 30 per cent permanent disability," and also intended to confer the benefits of the act upon all emergency officers who entered the service with a disability which increased in degree during such service and "who have been, or may hereafter, within one year, be, rated in accordance with law at not less than 30 per cent" more than they were disabled at the time of entry into the service, and where it is impossible to show that the aggravation was suffered or contracted in the service as distinguished from the natural progress of the disability or disease, the presumption is that the aggravation was suffered or contracted in the service.

My opinion, therefore, is that those disabled emergency officers of the first four classes mentioned in your letter of November 3, 1928, "who have been, or may hereafter, within one year, be rated in accordance with law at not less than 30 per cent permanent disability," are entitled to the benefits of the emergency officers' retirement act of May 24, 1928, and those of the fifth class, "who have been, or may hereafter, within one year, be rated in accordance with law at not less than 30 per cent" more than they were disabled at the time of entry into the service, are likewise entitled to the benefits of the act.

Respectfully,

JOHN G. SARGENT,
*Attorney General.*

HON. FRANK T. HINES,
*Director United States Veterans' Bureau,*
*Washington, D. C.*

RATES FOR ELECTRICITY

Mr. BLAINE. Mr. President, I ask unanimous consent to have printed in the RECORD an article by Hon. Alvin C. Reis, a member of the Wisconsin Legislature, published in the December, 1928, La Follette Magazine, on the subject, Ontario Points Way to Cheap Electricity.

The VICE PRESIDENT. Without objection, it is so ordered.

The article is as follows:

ONTARIO POINTS WAY TO CHEAP ELECTRICITY—WISCONSIN LEGISLATIVE COMMITTEE ON TRIP TO CANADA DISCOVERS THE TRUTH ABOUT LOW RATES—FACTS REVEALED ARE STARTLING

By Alvin C. Reis, member of Wisconsin Legislature

[Alvin C. Reis, Progressive floor leader of the lower house of the Wisconsin Legislature, and a member of a special committee appointed to investigate the power question, has just returned from a trip to the Government power plants of Ontario, Canada. Mr. Reis has recorded his findings in this article for La Follette's Magazine. Keeping in mind the situation in Wisconsin, Mr. Reis has made a comparison with existing conditions in Canada. Some of his findings are startling. It is one of the most readable and comprehensive articles on this subject which has been prepared.—Managing Editor.]

The greatest battle, not only of the 1929 session of the legislature but of the next quarter of a century, in Wisconsin will be to control and conserve for the people of this great State the water powers which God has put here.

Electric power is the greatest economic problem of a tangible nature before the American people to-day. The most far-reaching and intensive monopoly, barring none, is developing throughout the Nation in the business of producing and distributing electric power.

The national power situation may be summarized in one sentence: Twelve corporations representing ten billions of dollars control 65 per cent of the electric power of the entire United States. Three control Wisconsin.

Within the last two years it has been announced right here in our own section of the country that one single utility company had perfected mergers and consolidations which give it control of the utility service in 1,269 cities, towns, and villages.

RATES ARE EXTORTIONATE

Water power means more to the people of Wisconsin than to the people of almost any other State, with few exceptions. Forty-eight per cent of all electric power produced by public utilities in Wisconsin comes from water power. On the other hand, in Illinois, for instance, only 4⅕ per cent of electric power is water power. The rest is steam power. The problem of water power, in other words, is twelve times as important to the State of Wisconsin as it is to the State of Illinois.

What is the solution to this most important of all problems facing Wisconsin? The solution is that the State of Wisconsin must hold all of its remaining water powers and must recapture from the present owners those powers which have already been alienated, and must keep all of those water powers for the benefit of Wisconsin's people and their posterity.

THE ONTARIO SOLUTION

One other great government whose people and whose children and children's children can have the benefit of the waters which nature put there has taken action. The Province of Ontario, Canada, has invested $300,000,000 in the most gigantic and most successful water-power project in the world, and the government of the Province of Ontario to-day sells electricity to its people cheaper than the people of any other place in the world receive it.

The last session of the Wisconsin Legislature created a special legislative committee to investigate the water-power problem and report to the 1929 session. We have returned recently from an extensive trip through Ontario, and I am going to give you the results of my findings.

Let us start from Madison. The rate to the domestic consumers in Madison is 7½ cents per kilowatt-hour as the primary rate and 6½ cents as the secondary rate and then it drops for the large user. The ordinary domestic consumer does not get out of the first and second brackets. His rate averages 7 cents per kilowatt-hour.

Madison's rate is lower than the average in this section. The general manager of the Wisconsin Power & Light Co. stated before the committee at one of its hearings in the capitol that the average price paid to that company by the domestic consumer in its territory was 9.4 cents per kilowatt-hour.

ELECTRICITY IN ONTARIO

The first city in the Ontario system which you strike in entering Canada is Windsor, which is right across the river from Detroit. The rate at Windsor which the domestic consumer pays for his electricity is 1.6 cents per kilowatt-hour; 7 cents in Madison; 9.4 cents in the central part of Wisconsin; in contrast, 1.6 cents in Windsor, Canada, under a system operated by the provincial government and its municipalities.

The interesting fact about this figure of 1.6 cents is the reflection from it. The average consumption of electricity in a home in Madison or throughout this part of Wisconsin is from 25 to 30 kilowatt-hours per month. The consumption in Windsor, Canada, last year, was 189 kilowatt-hours per month. Seven times the use made of electricity by the home owner. Seven times the comfort. Seven times the cleanliness—and, in great measure, seven times the happiness in living.



Windsor and the border cities have a population of 100,000. There are 22,000 electric meters installed in homes. Counting every man, woman, and child and assuming the size of the average family, it is almost safe to say that the 22,000 homes which have electricity in this population of 100,000 cover just about every home that is in that city.

Another fact is even more startling. Of the 22,000 homes which use electricity, 19,000 have electric stoves. How many electric stoves have you ever seen in any city in Wisconsin?

If I asked you: "What do you use electricity for?" you would probably say: "For lighting my house." The main thing and practically the only thing that electricity means to the consumer in Wisconsin is lighting. We refer to our "electric light" bills. The official report of the Windsor power commission shows that the greatest use for electricity in Windsor is not lighting, but cooking.

USED FOR COOKING

In Madison and in general throughout Wisconsin the peak load, by which is meant the heaviest load that the power company has to supply, comes between 5 and 6 o'clock at night, at least in the wintertime, which is just the time when the lights are going on and when the factories or part of them have not shut down. The peak load at Windsor, Canada, throughout the year is between 11 o'clock and 12 o'clock noon when the housewives are cooking their dinners.

The great use of electricity in Windsor for cooking is not due to gas being expensive, for gas is as cheap there as it is here; but electricity is so much cheaper.

There is another interesting fact about Windsor. In the 22,000 homes which have electricity there are 5,000 electric water heaters. Have you ever seen an electric water heater in Wisconsin?

It may be noted in this connection that Madison's electricity comes from Prairie du Sac, which is 25 miles away, and sells for 7 cents to the domestic consumer. The electricity at Windsor comes from Niagara Falls, Canada, which is 238 miles away and sells at 1.6 cents to the domestic consumer. The distance of transmission is ten times as great, but the electricity sells for about one-fifth the price.

PRODUCING POWER IN ONTARIO

We went to Niagara Falls, Canada. We saw the tremendous Queenstown plant of the Ontario government, the largest and most magnificent water power generating plant in the world, in which the people of Canada have invested $76,000,000. It took 6,000 men three years to build this plant and canal. Here in a single plant is generated as much water power as is produced in the entire State of Wisconsin among all its plants.

It might be supposed that the reason for cheap power in Ontario is the existence of this single generating plant of such tremendous capacity and great operating efficiency.

And it is some reason, but how much? The cost of producing the power at the Queenstown plant in Ontario is about 3 mills per kilowatt-hour. This is very cheap. But the cost of producing water power in Wisconsin averages only 7 or 8 mills per kilowatt-hour. This difference of one-half cent does not explain the difference between a rate of 1.6 cents at Windsor, indeed, a rate of only 1.2 cents at Niagara Falls—and such rates as prevail in Wisconsin: 7 cents, 9.4 cents, 14 cents, and 16 cents.

There is a very interesting fact to be observed in this connection. Across the Niagara River at Niagara Falls is the International Bridge. The lighting of the Canadian half comes from the Canadian Government power plant. The lighting of the American half comes from a private American power plant. It is said to cost $4.10 per hundred watts installed per year to light the Canadian half. It is said to cost $12.31 per hundred watts installed per year to light the American half. The same bridge, the same river. Three times as much to light the American half as the Canadian half.

There is another interesting observation at Niagara Falls, Canada. A few hundred yards from the Canadian Government's plant is the plant of a privately owned Canadian power utility. Both plants are on the Canadian side of the river. The Canadian Government plant sends its electricity to Windsor, as I have said, 238 miles away and sells it at a price of 1.6 cents. This private Canadian utility sends its electricity to Buffalo, N. Y., 28 miles away, and sells it at good American prices, 6 cents or 7 cents. The same river, the same falls, the same power and plants within a few hundred yards of each other, on the same side of the river, shipping the same electricity, costing three or four times as much in an American city as it costs in a Canadian city ten times as far away.

TRANSMISSION OF POWER IN ONTARIO

If it is not production cost which creates the difference between Ontario and Wisconsin prices on electricity, it might be supposed that the difference lies in the cost of transmission and distribution. Reference may be made to the fact that in Ontario there is one big government system, one single set of transmission lines, no duplication of transmission lines, fewer transmission lines, and naturally the cost of getting the current to the consumer would be cheaper. A monopoly, it is said.

The answer is that we have the monopoly in Wisconsin, only it does not belong to the Government, it belongs to private interests. Three power companies control Wisconsin and they each have a practical monopoly within their own territory. Insull does not go into Byllesby's territory, Byllesby does not invade North American territory, North American does not intrude upon Insull's territory—to any appreciable extent. The duplication of lines is a theory. There is no more duplication of lines between Prairie du Sac and Madison than there is between Windsor and Niagara Falls, Canada, but the lines are ten times as long in Canada and the electricity at the end of the line is five times as cheap. The balance is fiftyfold in favor of Canada.

Let me say one thing on the cost of transmission. Recently I spoke at Boyd, Wis., which is served by the Northern States Power Co. Boyd is 18 miles from Chippewa Falls, where the Northern States Power Co. produces its power. The rate at Boyd is 14 cents. The rate at Chippewa Falls is 10 cents—4 cents difference for transmission of 18 miles, Windsor, Canada, is 238 miles from Niagara Falls, Canada, where the power is produced. The rate at Windsor is 1.6 cents. The rate at Niagara Falls is 1.2 cents—four-tenths of a cent difference for transmission of 238 miles.

Canada shipped the electricity thirteen times as far for one-tenth the cost! Do you mean to tell me there are one hundred and thirty times as many transmission lines between Boyd, Wis., and Chippewa Falls as there are between Windsor, Canada, and Niagara Falls?

The conclusive answer to the plea that the large overhead monopolistic operation of its transmission system is the thing which makes Ontario rates so cheap, was found when the committee reached the little city of Orillia in north central Ontario. Orillia has no connection with the provincial government's hydro system. Orillia is a little city of only a couple of thousand and has its own power plant. This plant is situated far away from the city and we had to go up the river for two hours in order to reach it. The city bears the entire cost of all the transmission and distribution system itself. And what do you think the rate at Orillia was?

The rate was 1 cent flat, with 10 per cent off for cash.

It is true that Orillia has no capital charges to pay on its generating plant, as that was paid for by the Federal Government in conjunction with Government locks which are operated in connection with the plant. But even considering the cost of generation as 8 mills—which is the average for Wisconsin—the most difference that saving the capital charges on generation could mean would be 5 or 6 mills, bringing the price back to 1.6 cents—which is the normal price for Ontario, large plant or small plant.

I met a man who had just come out of the Orillia Public Service office after paying his bill. I asked to look at his bill and when I saw it I asked him to give to me, and I have it.

There are two remarkable things about that bill. The first is that in the month of May he consumed in his home 1,330 kilowatt-hours. You will remember that the average consumption in Wisconsin is from 25 to 30 kilowatt-hours per month. He had consumed forty-five times that much in his home, not a factory. The second remarkable thing is that 1,330 kilowatt-hours cost him $12.77.

I suggest that each of you take your last month's electric bill and then figure out what it would cost you if you used forty-five times as much.

ELECTRICITY SO CHEAP IT IS WASTED

I asked this man how in the world he could use that much electricity in a month and he said they simply used it for everything, cooking, heating, washing, and ironing. And he added, "And I am frank to say to you that we waste it. We never turn off the lights. Nobody in Canada does any more. It is too much trouble."

And that appears to be about the truth. You travel that road from Windsor, Canada, to Niagara Falls, Canada, and the country stores are lighted up in a blaze of glory, inside and outside. Clusters of lights. And the filling stations! If you are on a straight road you can see them for miles away. Around all four gables are rows of lights so close that you could scarcely get another set of bulbs between them. They are 3 or 4 inches apart. From a distance these gasoline stations show up like lighthouses.

In fact, the greatest problem now facing the Canadian Government's water-power project is that the people are squandering electricity. The Government is no longer able to supply the load. It is bringing down 80,000 horsepower from the Ottawa River far up north, because the electricity has gotten so cheap that the people are using it for every conceivable purpose and in some cases, as has been said, are not even taking the trouble to turn it off. The members of the Provincial commission at Toronto told us that they could reduce the rates even lower, but that they are afraid to do so because the people will squander just that much more electricity and the Government will be unable to supply the demand with its present facilities.

GOVERNMENT GIVES REFUNDS

There are several other interesting facts relative to the conduct of the Ontario hydroelectric project. Recently the hydroelectric commission sent out 10,000 checks to farmers giving them a refund of eight months' service on their rural lines. The commission found that in spite of the rates charged they could not help building up a surplus, and since the Government is not in the business for profit but aims to sell only at cost, it has sent back, as I have said, to 10,000 farmers its checks covering a refund of eight months' service paid in cash. Incidentally the farmers in Ontario are using electricity—for pumping water, cutting wood, cutting silage, churning butter, even milking cows; and the farmhouses have electric ranges. Thirty-five cities did substantially the same thing that the hydroelectric commission did in the rural districts. These 35 cities gave their consumers receipted bills for six months' service. The city of Chatham, looking back over its last five years of operation, found that it had overcharged its customers to such an extent that it gave them a refund of 11 months' service. Eleven months free service in five years, practically one year in five free; and this in spite of the fact that the rate at Chatham is the standard rate throughout the Niagara system, namely, 1.8 cents.

ONTARIO LOCAL POWER COMMISSION

Mr. Sharp, chairman of the local commission at Midland, said to us in these words: "If we give them electricity any cheaper we will practically be giving it to them for nothing. We would give it to them more cheaply, but we are afraid to do so because we do not believe we could supply the load."

Mr. Lange, who is chairman of the local commission at Kitchener, said to us in these words: "If we could charge Buffalo rates for our electricity, the people of Kitchener would not have to pay a cent in taxes. We could make enough money off the operation of our water-power service to pay the entire cost of our city government."

You may be interested to learn about the personnel of these local commissions. In each city there is a local power commission consisting of four men who are elected and the mayor, ex officio.

Mr. Lange, who is chairman of the government ownership commission at Kitchener, is the largest manufacturer of leather in Canada. The other members of the committee are Mr. Cross, a button manufacturer; Mr. Doerr, a candy manufacturer; Mr. Kranz, an insurance man and the mayor, ex officio. We found in general that the members of these local government ownership commissions were the outstanding manufacturers of the city. In other words, Canadian manufacturers have some brains. They recognize that cheaper power means economy for them, and the public recognize that cheap power means not only cheaper electricity and more electricity in their homes, but it also means that the cost of operation of Canadian industries is less, and hence the price of the Canadian products to the public should be less.

WHY LOW PRICES IN ONTARIO?

What is the real reason for the Canadian Government's ability to sell electricity at low prices? I will not say that it is the reason, but I will call it a reason.

Guy Tripp, chairman of the board of directors of the Westinghouse Co., is authority for the statement that 80 per cent of the cost of producing electricity from water power is fixed charges. Mr. Gano Dunn, from a result of his compilations, says that 77.4 per cent of the cost of producing electricity by water power is fixed charges.

Fixed charges mean principally dividends on stock and interest on bonds (and normally depreciation, and perhaps some other elements, according to some methods of accounting, but the main factors in fixed charges are the capital charges, dividends on stock, and interest on bonds). And I repeat that 80 per cent of the cost of producing electricity by water power is the fixed charges.

Now, that is not true of any other business. In the ordinary manufacturing business the elements which go to make up the cost are principally labor and material. In the mining business it is practically all labor and transportation. Go into an ordinary manufacturing plant and you will find swarms of working men and piles of material.

Go into a power plant and you will find nothing sitting there but an investment. In the enormous plants along the Menominee River in Wisconsin you will find generally only one man around, and he really isn't necessary in most cases except as a watchman. The lower plants are run from the plant up above on the river. They are classed as automatic or semiautomatic. There is no labor cost. There is no material cost. There is no operating cost to any extent. Practically the whole cost of that electricity is paying the charges on the investment, the dividends on the stock, and the interest on the bonds.

REDUCES FIXED CHARGES

What, then, is the point? It is this: The Canadian Government, or the government of the State of Wisconsin, or the Government of the United States (which was recently authorized by Congress to take over Muscle Shoals) can borrow money at from 4 to 5 per cent. The private utility in Wisconsin is entitled to earn a return on its investment of 7, perhaps 8, per cent (and, indeed, under the recent decision of the United States Supreme Court is entitled to earn this on its reproduction value). Now, this difference between 4 or 5 per cent and 7 or 8 per cent—we will say an average of 3 per cent difference—would make a saving in rates in Wisconsin of $5,000,000 annually. The valuation of Wisconsin electric-power utilities in 1926 was $139,000,000. Three per

cent on that would be $4,170,000, and the valuations have recently been increased to such an extent that 3 per cent thereon will net $5,000,000 which could be saved to the consumers in rates each year if the State government financed electric powers instead of private utilities having the right to earn their rate of return upon them.

But that is not the important factor. The important one is this: That this 3 per cent amortized over a period of less than 20 years will retire the entire investment. Two per cent amortized over 25 years or so will retire the original investment completely.

CUTTING DOWN CAPITAL INVESTMENT

When you get rid of your original investment you then get rid of these fixed capital charges which apparently are the principal item in the cost of water power. If you retire your original investment down to only one-half you have still cut down your capital charges by one-half and are able to cut your rate accordingly.

And that is exactly what the Canadian system is doing. The provincial government system, which is the producing system, is financed on a debenture issue covering 40 years in some cases and 30 years in others. The local distributing systems are financed normally on a 20-year debenture basis, and part of that bond issue is retired annually. Indeed, 70 cities have completely retired their original investment and are absolutely debt free. They have no capital charges. Some have cut their indebtedness substantially but not entirely. For instance, the city of Midland has an investment of $250,000 and has $60,000 in bonds outstanding against it. Now, the 5 per cent which it has to earn on $60,000 is the same as about 1 per cent on a quarter of a million. In other words, if Midland was operating a private utility in Wisconsin, it would be entitled to earn 7 per cent on a quarter of a million, or even more if you consider reproduction value, but in Canada, with its investment appreciably retired, all it has to earn is the equivalent of 1 per cent on a quarter of a million—a saving of 6 per cent on a quarter of a million, thus practically wiping out its fixed charges. The city of Barrie has an investment of a quarter of a million and only $18,500 against it. All it has to earn is one-third of 1 per cent on its investment. The city of Owen Sound has an investment of $400,000. It has $50,000 outstanding against that, but it has built up a sinking fund of $40,000 and has $29,000 in the bank, so that it could pay off its obligations to-morrow and be absolutely free of capital charges.

Two hundred and fifty-two municipalities of Ontario in addition to the rural power districts are now linked with the Government water-power system. These municipalities, with total assets of $82,000,000 at the present date, have only $47,000,000 out against this figure.

Incidentally, it may be added that in the early years when the Government water-power system was new, the cities came in by a vote of their citizens of only 2 to 1, sometimes a bare majority; but to-day they are coming in by votes of as high as 14 to 1 and in some places by unanimous vote. And may it not be remembered that bankers and manufacturers and business men as well as poor people have votes.

WHAT ONTARIO IS DOING

To summarize, the Ontario water-power project, which is the greatest in the world, is doing three things:

First, it is setting aside a sinking fund to completely pay for its present system in a certain number of years and thus to render it free of capital charges which are the principal part of the cost of water power.

Second, it is setting aside a depreciation fund to entirely rebuild the present system when it needs rebuilding.

Third, in spite of setting aside these two funds, it is selling electricity at about one-third to one-fourth the price that prevails in Wisconsin.

Therein lies the happy outlook for Ontario. The rates in Ontario are going to go lower, as the investment continues to be wiped out and their fixed charges become lowered. In Wisconsin the holders of the $139,000,000 (or whatever the figure may be) in stocks and bonds in electrical utilities will never grow less—if anything they will mount higher and higher—and the fixed charges—the 7, the 8 per cent—will go on forever, as long as these utilities are in private hands.

WHAT WILL WISCONSIN DO?

What is the State of Wisconsin going to do? At the last session of the legislature it was my privilege to introduce joint resolution 81A amending the constitution to allow the State of Wisconsin to recapture and operate its water powers as a government project just as is done in Ontario, just as Congress has authorized the Federal Government to do at Muscle Shoals. That resolution passed the assembly 70 to 13. It was killed in the senate 20 to 10.

The defeat of that resolution in the senate led one newspaper to say editorially: "When conservation interferes with personal profits for some one the mock conservationists sneak to cover."

That resolution to amend the constitution must be passed by two successive legislatures and then be approved by the people. The ultimate accomplishment can therefore not come before the legislative session of 1933. Is it worth while to work on this problem?

WISCONSIN'S GREAT PROBLEM

The history of Wisconsin may be wrapped up in our water powers. Forty-eight per cent of the power supplied by public utilities in Wisconsin to-day comes from falling water. The electric lighting of half our cities is due to Wisconsin's rivers. Seventy-six per cent of the paper mills of Wisconsin are turned by water.

Wisconsin may also point to the unique fact that the first water-power plant in the world was built at Appleton in 1882.

We face this fact: Wisconsin has no coal. Wisconsin has no oil. Our sole natural source of mechanical enegry is water power.

What is the water-power situation in Wisconsin to-day? There are 48 water-power sites, and only 48, left in Wisconsin. Two-thirds of our water power has already been developed and is under control. One-third remains undeveloped—an unharnessed, as yet unutilized pool of power. Wisconsin, eighth State in the Union in amount of developed water power, stands first among the east North-central States in the quantity of remaining undeveloped potential power.

Wisconsin is to-day among the greatest of agricultural States. Producer of almost 80 per cent of the cheese of the Nation, 55 per cent of the canned peas—our 3,000 cheese factories, 800 creameries, and 164 canneries are demanding cheaper and more reliable power, particularly in the face of the fact that the national coal supply is constantly decreasing, with ever-increasing price and freight rates becoming ever more prohibitive.

Our industries from Milwaukee to Ashland and from Green Bay to La Crosse will need during the next 25 years more economical and stable power, and let it be borne in mind that a recent report of the tax commission shows that Wisconsin, thirteenth among the States in area and twenty-second in population, stands as the eighth in the number of manufacturing plants and amount of capital invested in manufacturing.

One million horsepower! That is the gift of nature to Wisconsin. No coal, but God has given us the Fox and the Wolf, the Chippewa and the St. Croix, the Flambeau and the immortal Wisconsin.

A writer in the New York Times uses these words: "Our great rivers have come to us like gods incarnate. Their rushing waters speak to us. To those who listen they make audible prophecy. They tell us what in the majesty of their power they are going to do with us and with our history."

In the beautiful plant of the Ontario government at Niagara Falls, Canada, the most picturesque of its kind in the world and a monument to the ability of its own government engineers, 300 feet above the roar of the rushing waters, on a tablet of bronze, are inscribed these words in Latin: "Dona naturae pro populo sunt"—"The gifts of nature are for the people!"

AMERICAN FEDERATION OF LABOR BROADCASTING STATION

Mr. McKELLAR. Mr. President, I have in my hand a statement from Hope Thompson, of Chicago, representing the American Federation of Labor and the Broadcasting Station WCFL. It is a very interesting statement, which I think ought to be printed in the RECORD, and I ask unanimous consent that that may be done.

There being no objection, the statement was ordered to be printed in the RECORD as follows:

We wish to express our approval of the statement and attitude of Judge Robinson, chairman of the Federal Radio Commission, before this committee. We are in accord with the views he expressed.

The radio act of 1927 evidently contemplated that the commission could, within the first year of its existence, complete the substantial part of its duties as enumerated in section 4 of the act. On that assumption the act provided that the greater portion of the power and authority of the commission should at the end of the first year be vested in the Secretary of Commerce. Presumably Congress believed the administration of the act after the first year would be largely a routine matter which could readily be taken care of as a subordinate part of the duties of the Secretary of Commerce.

Before the first year had expired it was apparent that the work of the commission was so incomplete that Congress extended the previous authority for another year.

It is now proposed to extend this authority for yet another year.

We believe this should be done, provided the personnel of the commission shall be so changed as to assure an administration of the law in accordance with its true intent.

It is evident to all who are familiar with radio that the task originally assigned to the Federal Radio Commission is far more difficult, intricate, and important than it was assumed to be two years ago. The work of the commission seems to be increasing and unfolding as the art and the industry develop. Instead of having completed the major duties vested in it by the act, the commission is daily confronted with new problems, new controversies, old problems unsolved, old controversies unending, and perhaps an occasional criticism.

Like Sisyphus, the commission is doomed to a perpetual struggle to roll the stone up the hill, but never to reach the top.

We believe that at the proper time, but not now, Congress should create a permanent commission in charge of wireless and possibly wired communications. In the meantime it is of urgent importance that the Federal Radio Commission continue to function without interruption, confusion, or delay.

We appreciate the extraordinary difficulties and problems that have confronted the commission and the magnitude of the work it has had to do. We have no desire to indulge in fruitless criticism. Rather, in the hope of making a small contribution to the usefulness and efficiency of the commission, we call attention to the following matters, which we think it can and we hope it will do if granted another year of its present authority:

1. A substantial amount of engineering tests and surveys are necessary in order that the commission may have accurate information regarding radio interference, efficiency in the use of channels and frequencies, the relative advantages of high and low power, the utilization of short-wave frequencies, and many similar matters. The law can not be efficiently administered by anybody until a vast amount of accurate scientific data has been assembled.

2. Proceedings before the commission are quasi judicial. A hearing on an application for license usually involves two or more contestants, with witnesses, lawyers, decision, and appeal. For practical purposes, such a hearing is substantially equivalent to a hearing in court, with five judges on the bench. The issues involved may be of very great value to the litigants. If an appeal is taken, it must be on the record and evidence taken at the hearing. In view of all this, it would seem highly improper for a commissioner to permit one of the litigants to confer with him privately in regard to the controversy, to urge his claims, and possibly to present matters which are no part of the record or evidence in the case. So long as this custom continues, decisions will be subject to suspicion.

3. A study of the present allocation of broadcasting facilities, coupled with our own experience, convinces us that the commission has been influenced by matters not in the record. It can not be otherwise if the commissioners visit, or are visited by applicants or persons on their behalf, listen to their statements and persuasive arguments, and give consideration to privately acquired information or secret complaints. It is our belief that the commission should set up a system of procedure which will reduce to a minimum the attempts privately to influence its action, and which will insure that all decisions of the commission are based solely on the law and the evidence of record in each case.

4. The radio act provides for five commissioners, one to be chosen from each zone. But the duties and authority granted are granted to the commission as a body. Certainly it was not the purpose of Congress to authorize or permit the procedure now in practice, whereby each commissioner takes practically exclusive charge of radio affairs in his zone. This practice should be abandoned and a proper procedure set up by the commission in order that the spirit and purpose of the law may be carried out.

5. In allocating channels, power, and time of operation to broadcasters we think the commission has failed properly to apply the sole test provided by the radio act, viz, "the public interest, necessity, and convenience."

Many exclusive, cleared channels, with high power and unlimited time of operation, have been granted to great corporations and metropolitan newspapers. In fact, nearly all desirable channels have been so parceled out, leaving the proverbial "chips and whetstones" for all the rest of the country.

General Electric Co., Westinghouse Electric & Manufacturing Co., and Radio Corporation of America own some 11 stations with aggregate power of about 320,000 watts and have been granted seven cleared channels. These three great corporations already have a stranglehold on the radio industry by reason of some 2,000 patents which they have cross-licensed to each other. Whether or not they are violating the antitrust laws, as some allege, it seems too evident for argument that it is not in the public interest, necessity, and convenience to hand over to them so large a portion of the limited broadcasting facilities, while denying any adequate facility to other applicants, some of whom represent reputable and substantial citizens in very large groups.

Westinghouse Co. owns five stations, all in the National Broadcasting chain, on cleared channels, and three of them with high power. In fact, it has so many it leases KYW to the Chicago Herald-Examiner. This is a 5,000-watt station, located in the heart of Chicago in violation of the rules of the commission, and over our protest. It blankets our station, WCFL, which has 1,500 watts power. Another Westinghouse station, KDKA, at Pittsburgh, with 50,000 watts power on a cleared channel adjacent to WCFL, causes a great deal of interference with our progress.

Other illustrations might be cited of what appears to us to be a misapplication of the test of public interest, necessity, and convenience, as, for instance, the granting of so many exclusive channels with high power to influential metropolitan newspapers; the consideration amounting, as we think, to favoritism, shown for chain stations, of which there are now 108 stations in 78 cities in the National Broadcasting Co. and Columbia chains. In Chicago eight high-powered, cleared-channel stations are in these chain systems. All of these chain programs come out of New York. All of these stations—or practically all—are operating for profit, either directly or indirectly. There are many stations in the country which are not operating for commercial profit; but they have practically all been restricted to very limited facilities.

With full appreciation of the statement published by the commission on August 23, 1928 (F. R. C. report, p. 166), on this subject, it is our opinion that the commission has gone far astray in interpreting this crucial "public interest" clause in the statute, and even further astray in working out its proper application in the granting of licenses.

We believe this subject should receive a much broader consideration than has yet been apparent. We regard radio broadcasting as the most effective means known to man for influencing public opinion, for instruction, and education, as well as for entertainment. We believe it is destined to produce far-reaching results in the thinking, the habits, the culture, and the general welfare of our entire population. If this be true, then it follows that grave and serious consideration must be given to the sources from which radio programs emanate; the probable future sources and control of such programs; the probable effect they will have on the character and habits of the people; the diversity of programs generally, whether or not they give adequate opportunity of expression to and supply the needs of all the various fields of interest within the Nation, and many similar considerations.

Up to the present time it seems to have been assumed that if a station furnished entertainment popular with many people it was ipso facto, operating "in the public interest, necessity, and convenience," and that the station with the greatest number of listeners was the "best" station. Acknowledging that there is much to justify those who hold to this view, and with a full appreciation of the important element of entertainment in a radio program, we submit that popularity is an inadequate test for "public interest, necessity, and convenience." The most popular of entertainments is a prize fight. Next to that a ball game. The most popular books are usually sex novels. We offer no criticism of those things, but we do not regard them as standing first in the test of public interest, necessity, and convenience. We believe that radio is too great, too close to the daily lives of all of the people, to be devoted almost entirely to popular entertainment.

Some stations may well be devoted entirely to this kind of programs. Probably all stations should furnish some of it. But we think the public interest requires that radio cover many fields of human interest; that some stations may well be devoted to subjects that do not interest the multitude, and yet be rendering a greater public service than some others that entertain a great audience. The public interest may be more truly served if 10,000 people listen to a scientific lecture, than if 1,000,000 weep over "Old Pal."

To further illustrate: Suppose there were only 89 printing presses available in the United States for all kinds of printing, and these were under Government control, licensed to users. Would these presses be licensed solely, or chiefly, for printing "best seller" novels? Would any degree of "popular demand" for sporting news and murder stories prove that such publications were in the public interest, convenience, and necessity, to the exclusion of books of science, history, biography, and economics?

Certainly a wise licensing authority would make a broad study of the needs of all the people; it would allocate a reasonable service to entertainment, to news of the day, to books of all kinds; it would give opportunity for expression to every reputable and substantial class or group. It would not let any single user monopolize even one of these precious printing presses, even though he promised to print what he considered a "diversified" output. Such a licensing authority would not say to the millions of organized working men and women of the country: "You can not use any of these printing presses to promulgate your principles, ideals, and policies; they are all needed to supply the public demand for books of entertainment and metropolitan newspapers." Those printing presses would be treasured as the sacred heritage of all the people.

We think of the 89 radio broadcasting channels in the same way. We believe the Federal Radio Commission has yet to perform its greatest service in a true interpretation and application of the "public interest, necessity, and convenience" in the administration of the radio law. It is our hope that this will be done within the coming year and that there will be substantial changes in the allocation of broadcasting facilities.

6. The Federal Radio Commission has before it most serious problems relative to radio facilities outside of the broadcasting band. While less obvious to the layman, and almost unknown to the people generally, these so-called long and short wave channels are becoming daily more significant and may quite possibly overshadow the broadcasting band in their commercial value. This is a field requiring great study and statesmanship if the public interest is to be adequately protected.

It would be unfortunate if these great functions of the Federal Radio Commission, now in process, should be hindered or delayed. They should be in the exclusive care of the ablest men available with ample funds and adequate authority.

7. A further reason for continuing the commission another year is to keep the whole radio situation fluid under the control of Congress.

The art is new. It is developing rapidly. It is different from anything else in human experience. It is rigidly limited as to the number who may engage in it.

We believe it to be of the very first importance that there be more time for development, for study of the art and its problems, and for a better evaluation of all the elements involved before any permanent administration is established or any final policy adopted.

Another reputable witness on behalf of the National Association of Broadcasters has urged an early stabilization of administration. The National Association of Broadcasters may be designated as "the happy family." They have got what they wanted. They have no serious complaint. Now they want stabilization of administration and longer license periods. Why do they want this? The reason they give is for the purpose of protecting "capital investments" and "future commitments." We emphatically disagree. We see in this suggestion the advance guard of an army to protect "vested interests" in radio. The very suggestion is a warning. For our own station we claim no "vested rights" to continue broadcasting. We built our station with full knowledge of the law and of the possibility that an order of the Federal Radio Commission may render our investment worthless. That is a chance we and all other broadcasters took and shall take in future. The thing we most fear is that the claim of "vested rights," subtly suggested, and persistently urged, may result in "freezing" the broadcasting set up so that, notwithstanding the letter of the law, the result will be virtually to turn over to a few great corporations this immeasurably valuable public franchise in perpetuity.

Some broadcasters are now urging in court that any restriction of their broadcasting operations is an invasion of their "property rights." In effect they deny the power of Congress to regulate this new form of interstate commerce, at least without compensating them for alleged damages. We affirm that a broadcaster has no more property right to the use of a cleared channel, even if he was the first to use it, than had the man who first floated a raft on the Mississippi River to claim that river as his private highway.

General Electric Co., with a high-powered, exclusive channel station at Oakland, and another at Denver, is now in court demanding that its "property right" to operate a third station in New York with 150,000 watts power on a third cleared exclusive channel, be protected!

It is clearly evident that, even if the legal right be denied, there will be an almost irresistible demand, on alleged equitable, moral, political, and other grounds, that stations now on the air with high power and cleared channels be permitted to continue, and the theoretical short-time license will gradually metamorphose into a perpetual franchise.

We regard it of the utmost importance that the whole matter be kept fluid until Congress has had time adequately to study the subject and to enact suitable legislation. The whole matter is of such great and growing importance, the development of radio so rapid, and its possibilities so bewildering that we believe there should be a broad and extended study of the subject by Congress before the administration of the law or the law itself is permanently stabilized.

8. We believe the commission has most seriously misinterpreted the public-interest clause of the statute in establishing 40 cleared channels and permitting the use of so much high power. We have applied for a permit to build a 50,000-watt station and for the use of a cleared channel. If such high power is to be used by others, we want the same privilege, otherwise we shall be smothered. If cleared channels are to be granted to corporations, then organized labor, with millions of members and a real message for the world, wants a cleared channel. But we believe excessive power and many cleared channels are not in the public interest. They are in the interest of the corporation that owns them; they add to its power and prestige; they help to smother and destroy other stations; they bring good advertising contracts. But they are not in the public interest as they are now being operated, and in the present state of the art, and with private competitive conditions as they now exist in the industry. We do not say there should not under any circumstances be cleared channels and high power. It is probably desirable that there should be a few such stations; but we think they should be very few, and that exceptional care should be taken to make sure they are established and operated "in the public interest, convenience, and necessity," in the truest and broadest meaning of that clause of the statute.

We are ready to abandon our own high-powered station, even after it is built, and to accept part time with other stations, provided all are treated alike.

We believe the demand for ever greater and greater power will continue. Applications are now pending for 100,000 and 150,000 watts power. We think it is monopolistic, inefficient, unnecessary, unfair to other broadcasters and to the public.

In our judgment, and with all due respect for experts and radio engineers, the public will be better served throughout the years if the number of cleared channels shall be greatly reduced and the power of all or nearly all stations limited to relatively low wattage.

This statement is made as applying to the present state of the art and the present competitive conditions in the industry. Changes in either of these may justify cleared channels and high power.

Even if it could be scientifically demonstrated, which we think has not yet been done, that cleared channels and high power afford greater efficiency in the aggregate use of the limited radio facilities, still there remains the question as to whether or not a more than compensating loss may result from monopolistic control, from centralizing the source of radio programs, from depriving many communities, groups, and fields of interest of any opportunity for self-expression. Efficiency may take too great a toll.

We believe the certain tendency of high power, cleared channels, and chain hook-ups is to centralize and monopolize the industry; that the ultimate result will be to eliminate the smaller stations, to force all the rest into chains and central control, and so to place in the hands of a few great corporations the power to select the entertainment, choose the speakers, and determine the kind of messages that shall flow daily into the homes of the land. The power to do this insures the power to dominate the thoughts, habits, and culture of the Nation.

Granted that their musical programs are superb; that their talent is the best in the world; that at the present time there is no harmful propaganda. Still, is it in the public interest, necessity, and convenience for all the people of this Nation to be dependent for their radio programs on the city of New York and on a few great corporations? And for those corporations to control this marvelous new means of communication?

Quite likely the great majority of radio listeners prefer the chain programs. They care little who sings the song or tells the story. They have little information about it, except that it gives them pleasure. They have no true appreciation of its power to direct the thinking, the habits, and the culture of the Nation. They have no vision of the place radio will occupy in the coming years. Their interests and the interests of posterity must be guarded by those of you who have been "act as watchmen on the walls."

Organized labor of America is blowing the ram's horn.

## FIRST DEFICIENCY APPROPRIATIONS

Mr. WARREN. Mr. President, I ask that the deficiency appropriation bill be proceeded with.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 15848) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1929, and prior fiscal years, to provide urgent supplemental appropriations for the fiscal year ending June 30, 1929, and for other purposes.

The VICE PRESIDENT. The question is on the amendment of the Senator from Georgia [Mr. HARRIS] to the substitute amendment of the Senator from Washington [Mr. JONES] to the committee amendment on page 16, line 16.

Mr. BLAINE. Mr. President, I understand there are under consideration three amendments to the deficiency appropriation bill.

Mr. WARREN. Mr. President, will the Senator yield?

Mr. BLAINE. I yield.

Mr. WARREN. I will say to the Senator that it is true—that there are three amendments. First is the amendment offered by the Senator from Washington [Mr. JONES], who proposed as a substitute a lesser amount than that contained in the original committee amendment. There is a further amendment submitted by the Senator from Georgia [Mr. HARRIS], which proposes the same language as the original except that it cuts off $1,000,000 from the appropriation, so that the amount proposed is $24,000,000 instead of $25,000,000. Then there is a third amendment, offered by the Senator from Virginia [Mr. GLASS], which puts the proposal in different language but with a lesser amount of money than the original amendment contemplated.

Mr. BLAINE. Mr. President, I have sought an opportunity to discuss the pending amendments. I understand they are open to debate.

I want to invite attention to the matter along lines which I suggested the other day. I observe that the amendment proposed by the Senator from Washington [Mr. JONES] proposes to appropriate $250,000 for the dissemination of information and an appeal for law observance and law enforcement. Mr. President, in my opinion, our Republic has come to a very sad state of affairs when it is proposed in a legislative body to appropriate money out of the Public Treasury to disseminate information appealing for law observance and law enforcement. That proposed amendment is the greatest indictment that has ever been brought against the people of any nation. It is also an indictment against a law which does not have the sanction of the public conscience. That is not my opinion alone, and I submit the amendment itself is proof of the assertion I have just made. The amendment is an attempt to charge the people of the country with being law violators—a charge not only against a part of the people but a charge against all of the people.

Can it be that there are Members of the Senate or others within the United States who proclaim themselves "holier than thou" and who propose to make their pretended holiness a subject for an educational campaign? The amendment fails to recognize either the origin of law or the development of law.

I presumed before the amendment was called to my attention that the subject of a political campaign was a matter within the voluntary action of the people themselves and that such a campaign would be financed by the people. But here comes a proposal to appropriate a quarter of a million dollars out of public funds in order to disseminate information, not as to the evil use of a thing, not as to the misuse of something in the interest of public health, but to issue public documents denouncing the widespread disobedience of law, such information to be disseminated by a political organization holding an official position, whose prejudices may be for the eighteenth amendment and the Volstead Act or whose prejudices may be against the eighteenth amendment and the Volstead Act.

Mr. President, this is the first time in the history of America when it has been proposed to place in the hands of a governmental department the authority to go forth and lecture the people of America. It is a misconception of the relationship of the people to their Government, and before I conclude I shall direct my remarks along that line. Moreover, this proposed amendment seeks to provide a million dollars with which to pay the expenses in connection with travel of Federal officers and employees "in attending meetings of sheriffs and chiefs of police and other meetings in the interest of law enforcement." In other words, it is proposed by this amendment to appropriate out of the public funds the traveling and other expenses and the salaries of Federal officials, so that, perchance, they may go to meetings of the Anti-Saloon League or the Ku-Klux Klan or the Lord's Day Alliance to aid them in their political propaganda. The amendment specifically provides for the payment of expenses in connection with travel of officers and employees, not only in attending meetings of sheriffs and chiefs of police but other meetings, indeed, any meeting in the interest of law enforcement. Could there be a more effective weapon placed in the hands of public officials than that with which to control the public opinion of America according to the personal views of such officials?

Mr. HARRISON. Mr. President, the Senator from Wisconsin, I presume, is speaking of the so-called Jones amendment, is he not?

Mr. BLAINE. I am speaking of the Jones amendment. I can not subscribe to that doctrine, and before I conclude I shall endeavor to outline the reasons why I can not subscribe to it.

I observed the other day that the distinguished Senator from Texas [Mr. SHEPPARD] directed the attention of the Senate to certain information which he submitted. That information purported to show the advance of the cause of prohibition upon the theory that the more prosecutions there are, the greater the number of men and women who are put in jail, the more fines there are collected, the greater is the success of the law. In my conception of a well-ordered community the fewer men and women who are put in jail, the fewer the fines that are imposed, the better is the evidence that the law is a just one. The information submitted by the Senator from Texas, however, proves conclusively that jails, imprisonment, fines, prohibition spies, agents provocateur have not deterred violations of the Volstead Act. It is a strange philosophy that would suggest that the greater the number of prosecutions the greater is the evidence of the law's efficiency. There is no relation whatever between the efficiency of law and the imposition of a large number of penalties. The less frequent the prosecutions the greater is the evidence as to the efficiency of any law, whether it be the prohibition law or any other rule of action prescribed by a legislative body.

Mr. President, there is something fundamental about this proposition. We are not going to get at the root of this question by appropriating more money for the enforcement of national prohibition.

There are two categories of crimes. One category includes those transgressions against organized society that involve a condition or, more properly speaking, a custom which has grown into written law that recognizes something as criminal per se that is bad of itself. That category of crimes or offenses was never created by any legislative body in this world; it developed out of the law of custom. From time immemorial, from the cave man on through the ages down to the time of the development of modern civilization, custom has determined that which is wrong in itself, that which is criminal per se. That is true of all crimes involving violence, involving cheats and frauds, involving the violation of the sanctity of human life. They were crimes to the same extent without the written statute as with it.

Through the growth and development of social organization, involving social compacts, certain measures became necessary for the protection of those compacts, and out of that necessity grew customs. In the higher developed state of civilization penalties for the violation of those customs is expressed in the written word; but the written word, the written law, does not add one iota of power and strength to those customs. All that written law does is to provide rewards for the obedience of the rules so established by custom and to prescribe punishment for their violation.

As has been said by the great writer on the origin of law, Mr. Carter, of the New York bar, law is custom; all custom, however, may not be the law. So that under the law or the custom that grew up in the gradual development and advancement of mankind it was regarded as wrong per se to kill a member of the organized community, of the social compact; and when there was no written law providing for the punishment of that offense against custom, the custom provided its own system of punishment.

And so with all other crimes or offenses. Take the case of stealing: When one tribe stole the domestic animal of the other tribe, or individuals within a tribe stole the common property of the tribe, punishment was inflicted, not by any written law, but by the custom of the organization, the undeveloped social compact. So with cheating, and fraud, and violence as against the person and as against the virtue and the chastity of members of the tribe.

Then we developed our legislative system. Then came the written law. Then came the writing of these customs into the law of this social compact. The written law provided its rewards and its punishments; but in all the development of law, in high and low estate, custom, of necessity, has been the basis for law.

Those customs included within their prohibitions that which was wrong of itself, that which the great majority found necessary for its self-defense, its self-preservation, and the preservation of the individual members. But it was a long process. Customs grew slowly, gradually, but certainly. But custom so developed never placed its taboo on those things which were not wrong per se, which were not wrong of themselves. Custom never indicated a prohibition or a rule against human action that was not conceded by everyone to be wrong, unrighteous.

Then came our modern machinery of legislation. We accepted the customs as law. We wrote into the books prohibitions against murder, against frauds, against cheats, against violence; but every one of those customs recognized as the fundamental basis for their sanctity and their force the agreement among men, the agreement of mankind, that what was prohibited was wrong. Consensus of opinion denounced those wrongs. It was the early inception of our written law; and all the written law did, as I have suggested, was to provide rewards for obedience to law and punishments for disobedience to law.

Then there began to develop in organized society a multitude of busybodies, men and women who wanted to do something to people and not for people, and then began a veritable diarrhea of legislation. Organizations grew out of the notion of some individual or out of the prejudice of some individual, and that individual proceeded to organize and to enforce his prejudices and his notions upon the body politic. And so these busybodies brought their grist to the legislative mill, and there it has been ground out, until to-day no country is so afflicted with legislation creating new sins and new crimes as is America. The end is not yet.

In modern times some of these organizations are undertaking to develop new crimes and new sins—things that are not wrong in and of themselves, things that are not criminal per se, things that do not violate any custom, until those new crimes and those new sins are written into legislation in violation of the unwritten law of customs.

What are some of these things? I am speaking of modern times. Humanity has been afflicted with these movements for the last 500 years. What are some of their aims and purposes?

The abolition of tobacco.

The prohibition of all Sunday sports.

Tabooing Sunday concerts or entertainments.

Prohibiting Sunday newspapers.

Prohibiting the opening of any store of any kind on Sunday.

Movements to prohibit motion-picture shows. These are quite modern movements. The earlier movements were to prohibit the legitimate theater from presenting the drama on Sunday.

Drastic restrictions of Sunday travel.

Even going into the domestic affairs of men and women in imposing somebody's notion on how the marriage ceremony might be performed—yes; even suggesting that there should be a single standard of morality wherein the best of us could be no better than the worst of us.

Then they intruded themselves into the private affairs of men and women to have certain forms of dress designated by law or

prohibited by law. There were other movements to prohibit criticism of the preachers.

They have even gone into the realm of the wooers in their wooing, and determined how courtship must be conducted. Attendance at divine service has proven a fruitful source for legislation and regulation. In their urge for legislation they scarcely forgot the weather.

What are some of these modern reform movements and organizations? We have the Lord's Day Alliance, the Women's National Sabbath Alliance, the International Reform Bureau, the National Woman's Christian Temperance Union, the National Anti-Divorce League, the Anti-Saloon League. If one will take the telephone directory of the city of Washington, he can name similar organizations almost by the score. It seems to be the pastime of these organizations to bring their grist to the legislative mill and here have it ground out and the law fed to the people, not as custom has proclaimed but as may be the misguided notion of some individual.

I want to quote just briefly two passages from that great Irish historian, Lecky, in his History of England of the Eighteenth Century. It is first stated that in Great Britain, where was born individual liberty, there were no official spies, no mercenary informers. The Englishman spoke with complacency, even with pride, of a substantive law that was not the decree of absolutism. Then it was recognized as the perfection of civil liberty. The historian Lecky says:

> This is the most perfect state of civil liberty of which we can form any idea. Here we see a greater number of laws than in any other country, while the people at the same time obey only such as are immediately conducive to the interests of society; several are unnoticed, many unknown, some kept to be revived and enforced upon proper occasions, others left to grow obsolete even without the necessity of abrogation.
>
> There is scarcely an Englishman who does not every day of his life offend with impunity against some express law and for which in a certain conjuncture of circumstances he would receive punishment.
>
> But the law in this case like an indulgent parent still keeps the rod though the child is seldom corrected.

This amendment providing for an additional $25,000,000 for the enforcement of the prohibition law is not merely the keeping of the rod, but it purposes to impose upon the people of this country the prohibition law, by force, and through a spy system. I shall discuss that in greater detail before I conclude.

I want to go back to the historian Lecky. He says:

> Few people do more mischief in the world than those who are perpetually inventing crimes. In circles where smoking or field sports or going to the play or reading novels or indulging in any boisterous games or in the most harmless Sunday amusement are treated as if they were grave moral offenses young men constantly grow up who end by looking on grave moral offenses as not worse than these things. They lose all sense of proportion or perspective in morals, and those who are always straining at gnats are often peculiarly apt to swallow camels.

Mr. President, that is the situation in which America finds herself at the present time. I desire to apply these observations on fundamentals to the proposed amendments. Let us have just a brief survey of prohibition as it relates to civilization.

There are two ways by which prohibition has been attempted. One way has been by legislation, the other through religious edict. The most outstanding examples of countries having prohibition either by legislation or by religious edict are Turkey and the United States of America. Every nation that has adopted prohibition as a national policy, either through legislation or religious edict, and has continued that policy through several decades, has become a decadent nation. That is the historical background, in brief. Let us search for the reasons just a moment.

The reasons do not lie in the fact that drink is prohibited That of itself is a very inconsequential element in the consideration of the prohibition question. There are other elements of far greater importance and yielding a far greater influence in relation to the question than the mere matter of the use or refraining from the use of liquors. I am not concerned about that aspect of the problem in this debate, but I am concerned about that which flows from this type of legislation which prohibits or undertakes to prohibit something which in and of itself is not a crime, is not a sin, and was not considered a sin until it was designated as such by legislative mandate. It not only was not a sin or crime but a custom so long in practice that it became necessary in the adoption of prohibition to overturn the custom of centuries and overnight turn our backs upon that custom.

What grows out of that kind of condition? What would naturally grow from that condition? I think the answer is plain. We had it in the Colonies three or four hundred years ago. It does not make any difference whether the prohibition is against the use of liquor or is against some habit that has prevailed through long centuries of practice until it has developed into a well-defined custom. It is not essential in the consideration of the question to enter upon a discussion of the use or misuse of that which has been prohibited. We have only to take another step until the same prohibition may apply to the use of other things, as it did during the colonial days.

I am not going to discuss the question of the degree to which men may go in eating, drinking, or dressing without doing themselves personal harm. That is not the question. That was not the question in Massachusetts, where some of the settlers, both Puritans and Pilgrims, believed in the feasibility of establishing what one author has described as "the kingdom of heaven on earth," nor was that the question when, through a method of legislation, there was an attempt to suppress "vain disputes which persons may beget as to religion."

Of course there was a legislative attempt to suppress such disputes in the name of peace and unity for the Colonies. But all of the peace and unity was to be followed only by the bitterest persecutions.

Then the people were commanded by legislative edict to "provide plentiful provisions of godly ministers." I come down through history to colonial legislation when the tobacco decree prohibited the use of tobacco even as to the drinking of the juice. Just to what extent there was that use of tobacco I do not know, but it was all prohibited, and any use of tobacco was prohibited, and as frequently as the legislative body passed such prohibitory law just as frequently was it violated.

In the colonial days the church controlled the electorate, and by law no one not a full member was allowed to vote. Severe punishments were inflicted for violations or attempted violations. Notwithstanding the Puritan's urge for more laws, there was no one who liked his tobacco so well, his drink so well, and hated his neighbor, who belonged to a different church, so much. While the laws were imposed upon themselves they repudiated the new-made sins.

What was true in one of the Colonies was true in all of the Colonies. The prohibitions extended to all of them, some in greater degree, some in lesser degree; but they all felt the heavy hand of the legislative miller in turning out the grist of new crimes and new sins.

But the opportunities for mischief-making in those days, Mr. President, were no greater than they are in these days. They went into every avenue of life. They regulated the dress of the women and if, perchance, some who still had the sense of artistic beauty chose to border their neckbands with a little touch of lace they were told the kind of lace they might use; but the restriction in most cases provided for the lawful use of only the most ugly adornment.

Restrictive laws were carried still further. The servant might drive his master to church, but beyond that he was compelled to sit in silence for the remainder of the Sabbath. Young men and young women were regulated as to the manner in which they should conduct their courtship. Every device of which the human mind was capable was resorted to in order to destroy the individual liberty of every human being and to reduce men and women to a standard where the best could be no better than the worst.

Then came into existence this category of sins and crimes—created by man and sanctified by legislation—until the moral stamina of the Colonies was threatened. The differences between those days and these days are not very great. The colonists soon made up their minds that one-half of the people, or less than one-half of the people, could not put all the other people in jail. The colonists knew that those things which were prohibited—their harmless Sunday amusements and entertainments, the expression of the artistic attainments of the young women and the older women in devising garments in which they at least might look natural instead of ugly—could not be prohibited indefinitely.

There is no legislative body now, there never has been a legislative body, and there never will be a legislative body that can succeed in making an act a crime and sin which is not in fact a crime and a sin.

So what happened to the taboos of the colonial days? I have briefly reviewed the results which flowed from the excesses of legislation, which were more sinful and more harmful than all of the new-found, new-made sins and crimes which were invented by legislation. What happened to them? That which will happen to any law that does not find its sanction in the conscience of the people, arrived at through a long process in the formation of a custom.

An individual may indulge in excesses; they may be harmful to himself; but so long as they do not offend against some one

else his punishment is one that should come from his own act, and it does so come without legislative mandate.

I can conceive that the prohibition of the eighteenth amendment might be extended to prohibit gluttony. I know of nothing which is more obnoxious than the personal habits of a glutton; but that personal sin, if it may be called a sin—I would prefer to call it "a personal vice"—brings its own punishment. If I do not like to be with him, I have the privilege of absenting myself from the presence of one who choses to indulge himself in gluttony. All such sins and crimes with which man is cursed are of his own choosing; and he has the opportunity to bring upon himself reward or punishment as he may be able to control his own appetite, whether it is an appetite for meat, for drink, or for dress.

What happened in the colonial history of our country when the personal affairs of mankind were subjected to punishment? I shall recall the fact that when the lawmakers found their petty prohibitions, impositions, and inquisitions ineffective, they provided for more severe penalties. They attempted to make the restrictive laws more drastic. They did not propose to leave a single loophole through which the colonial dames and gentlemen might escape. So they met in special session to repair every hole, every defect, in their legislative enactments; and still the law was not observed.

Then, because these ladies and gentlemen so flagrantly violated the sacred rules that had been laid down to regulate and determine the conduct of men and women, they proposed to make the penalties more severe, to change the fines into sentences to prison, to bring into effect the whipping post and the stocks and the hanging by thumbs. In fact, they adopted the most cruel punishments that could be devised.

Mr. BRUCE. Mr. President, may I interrupt the Senator for a moment to ask a question?

The PRESIDING OFFICER (Mr. HASTINGS in the chair). Does the Senator from Wisconsin yield to the Senator from Maryland?

Mr. BLAINE. I do.

Mr. BRUCE. Is the Senator referring now to the prohibitive experiment made in England in the eighteenth century?

Mr. BLAINE. No; I was referring to the Colonies.

Mr. BRUCE. I happened to be out of the Chamber when the Senator began that part of his remarks.

Mr. BLAINE. The same thing took place in the Colonies in more or less severity.

Mr. BRUCE. Yes; I know it did. The experience of colonial Georgia is being repeated, as I understand, at the present time.

Mr. BLAINE. I want to pay a tribute to Georgia before I get through, if the Senator from Georgia will accept it; and I hope he will. I do not ask him to be bound in advance, however.

The culprit still existed. Then these same legislative bodies designed an espionage system and provided funds for spies to search out the crimes and the sins that had been manufactured by legislative bodies. But the spy system did not succeed. The contest went on between legislator and subject. The more numerous the restrictions, the severer the penalties; the more cruel the punishments, the swifter became the race; and thus, while the contest apparently was an unequal one, the people won. So these silly prohibitions and restrictions were either repealed or they went into decay through disuse, or, more often, the prohibitions were so openly violated that the violations of the prohibitions became the custom of the Colonies, and finally their law.

It was well, Mr. President, that that was so; for had the men and women of those colonial days yielded to the legislation of that day, their moral fiber would have been destroyed, and there could have been no America. Had a weak, spineless, indifferent people yielded to the nonsense of that day, we would not have had a people with sufficient courage and moral stamina to build this Republic.

But this urge for legislation and mischief-making did not cease with the colonial days. The struggle has been going on. I presume it will continue to go on. The decalogue of crimes has not been finished. There are other new crimes and sins to be created. There are a great many people who would like to create more and more and more. The eighteenth amendment is not the last. No one knows when the end may come to this urge—more laws, more legislation to create more sins, more crimes, more spies.

But the urge for the type of restrictive legislation to which I have referred is more serious than the mere creation of new sins and crimes. In their zeal for prohibition and like legislation, the proponents in and out of legislative bodies propose to extend a system of tyranny in disregard of the constitutional guaranties.

Prohibition has introduced into America the most vicious system of tyranny. The cossacks of Russia under the régime of the Czar, and the Black and Tan of the days before the Irish revolution, were no more to be detested than the spies and agents provocateur engrafted upon the American system.

Rome in her palmiest days, infested with 10,000 spies, became a decadent nation for a thousand years. Spy government is bad government. A government that must depend upon force is a weak government. There is a limit to all force. A government that must depend upon spies for the enforcement of its laws is facing a danger not unlike that of other countries under a spy system.

In the debate on this proposition it has been urged that the present prohibition law is not sufficiently enforced because of lack of enforcement agents. Mr. Mellon, Secretary of the Treasury, has been criticized severely for his failure to enforce the law. Here is a proposition where those who contend that Mr. Mellon has failed to enforce prohibition in the same breath declare that nonenforcement is due to lack of prohibition enforcement agents. No one who knows me can charge that I am a friend of the Secretary of the Treasury. I do not believe that Mr. Mellon has impartially enforced the prohibition law. I do not believe that he can enforce the prohibition law.

This law is characteristic of all that type of legislation which proposes to make a sin and a crime out of something which centuries have held to be sinless. The prohibition law is that type of law which breeds the very things that have been charged against Mr. Mellon. The enforcement of this law admits in the very nature of things abuses that can not be remedied so long as the law exists. The law admits of the gravest abuses for political purposes.

The prohibition law is one which affects the individual, a law which says that he must not indulge in drink; a law which says he must not touch a prohibited beverage; a law that deals wholly and exclusively with the individual use of intoxicating liquors; a law that has no sanction in custom; a law that has no sanction in the conscience of the people; a law, therefore, filled with opportunities for its abuse in any attempted enforcement of it; a law which political organizations may use to promote candidates for office and promote party success; a law that permits coercion and coercive methods in controlling large portions of the electorate of our country. It is a law which can be used in secret and a law the nonenforcement of which can be accomplished in secret.

What is bound to come out of that kind of a law? No good thing can come out of it. The most evil consequences flow from it. The Secretary of the Treasury may be so far removed from responsibility that not even a suggestion could be made as to his personal direction of its enforcement, yet the same abuses exist. Place in the hands of the official head of the Anti-Saloon League the enforcement of this law, make him responsible for it, give him the power, and he will be unable to prevent the abuses that flow from the law.

Let us look into just one or two features of this law along that line. The amendment offered by the Senator from Washington proposes to pay the traveling expenses of Federal prohibition agents in their conferences with State and local officers. During this debate some of the Senators have related their own personal experiences. I am going to take a similar privilege.

I had the honor of serving my State as governor. I remember that the President of the United States called a conference of the governors to meet at Washington. As I understood, at that conference it was proposed that the governors should take another oath of office, that they should pledge themselves to the kind of enforcement that might be suggested to them. I declined the offer. I had taken my oath under the dome of the capitol of the State of Wisconsin. I was bound by that oath, and I did not propose to take another oath.

Shortly after that conference the State of Wisconsin was asked to go into a conference with the Federal director of prohibition in that State. I was consulted. I said that I would regard such a conference as unfriendly to me. We did not join the conference. I knew that at the prior session of the legislature, the gentleman who was in charge of the enforcement of the Federal prohibition law was a member of our lower house, that he voted for every prohibition measure and to provide more drastic legislation, and I was reliably informed that he was hauled to his hotel in a taxicab after casting his prohibition votes. There is no harm in being hauled home in a taxicab, but the gentleman was in no condition to get home any other way.

Mr. BLEASE. Mr. President, will the Senator yield?

Mr. BLAINE. I yield.

Mr. BLEASE. The Senator does not think that is the only prohibitionist who ever got drunk, does he?

Mr. BLAINE. Oh, no; I am not thinking on that subject now. If a man leaves me alone, I do not regard it as any of my personal affair whether he drinks or remains sober.

Mr. BLEASE. But that was not the point to my question. I understood the Senator to say that this gentleman advocated prohibition but drank liquor. The Senator does not think that is an unusual matter, does he?

Mr. BLAINE. No; but that was not the point I was making. My State had been asked to join in a conference on prohibition enforcement over which that gentleman was to preside. I preferred not to join in such a conference.

My misgivings were justified, because it was not long after when that gentleman was sentenced to the Federal penitentiary for accepting a bribe as an official in the Prohibition Department of the Federal Government. They ask that the respective State authorities are to cooperate with the Federal department when not one, but many, of the Federal enforcement officers have served in Federal prisons for violation of the very law they had taken an oath to enforce! Nor have the Federal spies improved.

Mr. President, this does not surprise me. This is the result of a spy system of Government. Men who go into prohibition enforcement are not men of the highest character. There is no man of honor who desires to stoop to the practices of a spy. If perchance some honorable man should enter the service it is not long until he has lost his honor. There is no more detestable, despicable character than a spy. In war, when a spy is discovered or captured he is taken before the firing squad. Spies in peace times are as reprehensible as are spies in war times. These men who go into the enforcement bureau—oh, I do not damn them, I have sympathy for them—are creatures of environment and of a system. The training of the spy is along those lines that bring out the very worst characteristics of mankind, and so the spy, whether he is under the prohibition law or any other law, becomes a victim of the spy system. We are bound to have corruption, we are bound to have bribery. The whole system begets bribery and begets debauchery. No government can stand up under a spy system of government.

So, my objection to the Federal prohibition law and my objection to an increased appropriation under the existing law is my objection to the spy system of government. Yet there are honorable Members of this body who, condemning Mr. Mellon for his nonenforcement and condemning the enforcement agencies under him, are yet willing to appropriate $25,000,000 more to create a veritable army of more spies to produce more corruption and to engage in more bribery.

The prohibition law is not impartially enforced, because it is subjected to all the manipulations of politicians. It is charged, and has been charged in the public press in my own State, that those who vote right will receive immunity and those who vote wrong will be prosecuted.

I think it was suggested on the floor of the Senate—I confess that I could not find it in the RECORD the next day, however—that the oath of office of a Senator implied that he should support an appropriation for the enforcement of national prohibition. I find no such implication in the oath. I find no such duty devolving upon a Senator. The Constitution makes no such requirement. My own opinion is that if prohibition enforcement can be made effective it must be through local enforcement. My own opinion is that there is no law relating to police regulation, such as we understand it is within the power of the State to make, and such as the prohibition law, that can be effectively enforced by any centralized government. The Government of the United States was constructed along entirely different lines. Our Constitution provides that—

> The enumeration of certain rights shall not be construed to deny or disparage others retained by the people.

And it provides further:

> 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.

The whole design of our Government as conceived by the Constitution builders, as conceived by Jefferson, as conceived by the fathers, was to leave police powers to the States. Those men were familiar with the origin and development of law, and with the organization of governments; and they knew that in the very nature of things it was necessary to create States and subdivisions of States in order that there should be effective law enforcement under the police power.

Why? The answer is plain; the reason is fundamental. The sanction for law abides in the people; there is no other sanction for law. Unless a great majority of the people believe in a law—I do not mean believe in it through coercion, but through conviction—unless the law has their sanction, there can be no enforcement. So Jefferson and the other Constitution builders appreciated that the police powers of government must rest in the States—to-day 48 States of the Union—and the States, in turn, delegate that power to local communities, to towns, cities, villages, counties, parishes, where the power may best serve the purpose of law enforcement. That is the logical arrangement of government. It is the only arrangement that can be made if we are to have any kind of enforcement of any law.

The Federal Government was designed along the lines of a Federal system. Therefore to it was intrusted the regulation of commerce among the States and with foreign nations, and the duty to take care of that which is Federal; to it were given all of those powers necessary to make a Federal Government possible. The Constitution builders recognized the weight of that necessity. That idea was the only one which could be read from our constitutional provisions until the adoption of the eighteenth amendment, when we departed from the theory of government observed by the fathers and recognized by history.

The difficulties, therefore, in the enforcement of prohibition come about because of the violation of the fundamentals out of which our structure of Government grew. Because we have departed from that system we have brought about the very evils that have been described on the floor of this Chamber. The centralized Government is too far away from the people, and so the centralization of power brings abuses and justifies the very criticism that has been made upon this floor. As the senior Senator from Arkansas [Mr. ROBINSON] said the other day, if I correctly understood his remarks, this thing of political control goes far deeper than the mere appointment of prohibition officers. It goes to the very proposition that under the prohibition law or any law of a similar character, which breaches the police powers of the States, the centralized Government may use that law for coercive purposes in political campaigns. That is another curse growing out of prohibition.

Out of the same situation grows another evil. In the earlier part of my remarks I called attention to a quotation from the historian, Lecky. It is recognized, I think, by all except the officers of the Anti-Saloon League, who desire to keep the prohibition question alive so that they may continue to receive their fat emoluments, that, as the debate has demonstrated, there is practically no enforcement, and my opinion is there can never be enforcement. This situation breeds disrespect for all law.

(At this point Mr. BLAINE yielded to Mr. CAPPER to request the consideration of Senate Joint Resolution 180, which was considered and passed.)

Mr. HEFLIN. Mr. President, with the permission of the Senator from Wisconsin, I should like to ask him if he knows what the program is? It is now 5.30 o'clock, and I wonder if we can not arrive at some agreement to take a vote on the so-called Harris amendment to the pending appropriation bill?

Mr. BLAINE. I have not as yet concluded, and I can not promise at what time I may conclude.

Mr. WARREN. I hope the Senator from Wisconsin may have time to finish his remarks.

Mr. BLAINE. I am not asking for that privilege.

Mr. WARREN. I hope it will be accorded to the Senator.

The PRESIDING OFFICER. The Senator from Wisconsin will proceed.

Mr. BLAINE. Mr. President, before the interruption I suggested that the general, universal violation of the prohibition law was bringing about disrespect and violation of all law. The secret of that is well known. I want to read just a few lines from a very able author on this question of sanction for law.

Speaking of laws by which the most innocent actions of individuals are made crimes, and quoting from Mr. Towner, who wrote two very splendid volumes on the philosophy of civilization, he says:

> The psychological effect is tremendous. Popular feeling differentiates murder from all lesser crimes. It was so in republican Rome, where human life was notably safer than in any contemporaneous state where inquisitorial criminal procedure was employed to punish all offenses. It was equally so in England during the eighteenth and nineteenth centuries. The complacency with which Goldsmith viewed unpunished violations of a multitude of penal statutes did not extend to murder. In all English literature during this period murder occupies a position by itself. Hood's poem, Eugene Aram, is a fair example. School boys shivered as they declaimed the lines:
>
> "And Eugene Aram walked between
> With gyves upon his wrists."

That psychology is no longer possible under a system of legislation that creates a multitude of sins and crimes, contrary to the human conception of ancient customs. So, as Lecky said, we lose all sense of proportion or perspective in morals, and those who are always straining at gnats are often peculiarly apt

to swallow camels; and so the more serious crimes are looked upon with the same complacency as are the lesser crimes—sins which have been created by law, and law only.

I am not surprised, in fact I am not discouraged, as I listen to the criticism of the Secretary of the Treasury. I think I have made my remarks sufficiently emphatic to indicate clearly that I have no faith in the rectitude of the present enforcement of prohibition. I think the case against Mr. Mellon has been established. There has been no impartial enforcement of the law. The law has become a political instrument, to be used and abused as those in power may choose.

You may appropriate millions upon billions, but you will not change that which characterizes the law to-day and that which condemns its enforcement.

Nor do I look upon its nonenforcement as a weakness of government. I have endeavored to demonstrate that this type of legislation is not capable of enforcement. I know there are those who will protest against that philosophy; but let me call your attention to a few pertinent facts of history.

I recall the history of the Civil War. I recall how some of the northern armies marched through the South into the State of the distinguished Senator from Georgia, into Mississippi, into Alabama, into South Carolina; how homes were pillaged, cities burned, and the little belongings of the inhabitants carried away. Then following the success of the northern armies came the surrender of General Lee and the signing of the terms and conditions of surrender. There was a conquered people, their lands laid waste, their cities destroyed, even some of the choicest and dearest personal possessions of their women carried away; and then what? Then came the force bill, and with the force bill went the carpetbaggers. They went into the fair South, political puppets, subservient to the worst gang of political marauders that ever controlled America, there took possession of the State governments, and endeavored to force upon a conquered people their whims and their prejudices and their oppression.

What happened? There were yet men of honor in the South, conquered as they were; but when the conquering powers attempted to impose upon them a repressive government, an unjust government, an unholy government, the glory and the honor of the men of the South, through their courage, beat it back.

Sometimes it became necessary for them to resist the oppressors by force, sometimes by nonresistance; but the force bill and some of the so-called reconstruction bills, with the decree of carpetbaggers, were laws that found no sanction in the hearts of the people either in the South or in the North. Those legislative acts were held as naught by all the Nation. Thank God that the red blood in the veins of the North and South made it possible to throw off the curse of that oppression! The laws of Congress, the commands of the carpetbaggers, and all the tyranny that was attempted upon the Southern States was as naught, because those laws found no sanction in the customs of civilization or in the conscience of the people of America.

So with your prohibitory laws, in the enforcement of which you attempt to destroy every constitutional guaranty. Why, the zeal of some men is such that they would break down the constitutional guaranty against search and seizure. They would break down the constitutional guaranty against the invasion of the home. They would break down the constitutional guaranty of the right of trial by jury. There are some so violent in their zeal for the enforcement of this unholy and unjust imposition that they would call out the armies and the navies to enforce it.

Mr. President, when a people are confronted with that sort of thing, the spirit of our fathers, the brave men of the North and the South, returns to us. Tyranny, whether in the name of prohibition or any other name, will never be able to make its power felt in America.

Mr. BRUCE. Mr. President, will the Senator yield?

Mr. BLAINE. I yield.

Mr. BRUCE. I want to ask the Senator whether his attention has been called to the fact that there has been a fourth individual in the last day or so sentenced to imprisonment for life in the State of Michigan for violation of the Volstead Act?

Mr. BLAINE. Oh, yes; some, in their zeal, would advocate prison sentences for life, some would advocate hanging. They are already advocating that the death penalty be imposed.

Mr. BRUCE. In that connection, I will ask the Senator to allow me to refresh his memory to the extent of reminding him that in the recent essays written pursuant to the competition that was invited by Mr. Durant, not a few of the essayists even advocated torture, and whipping, and all sorts of extreme physical penalties, for violation of the Volstead Act, all of which, it seems to me, tends to bear out the famous historic statement of the Senator from New Hampshire [Mr. MOSES] that the Volstead law is a jackass law.

Mr. HEFLIN. Mr. President, will the Senator yield to me to make the point of no quorum?

Mr. BLAINE. I choose to conclude my remarks for the day so far as they apply to the particular question I am now discussing. I would like to close that part of my remarks without the interruption caused by the call of a quorum.

Mr. WARREN. I hope the Senator may be given time to complete what he wishes to say.

Mr. BLAINE. I thank the Senator from Wyoming.

Mr. HEFLIN. Considering the tenor of the debate, I am sorry that the other Members of the Senate are not here. They would be enlightened and inspired, and I would like to have them come in and hear the debate.

Mr. BLAINE. Mr. President, following my remarks upon the impotency of legislation, the sanction for which does not abide in the people, as I have demonstrated by the recitation of very recent history, I want to discuss the question of repeal.

If I understand the origin of law, if I have any conception of what constitutes the sanction for law, I conceive that there are four ways by which a law may be repealed. A law may be repealed indirectly, and in effect, by a common consent, by permitting the law to become a mere rod to be placed back of the clock, but to be used sparingly, if at all. That is one method for the repeal of a law, and a method that has been often practiced in America and in all English-speaking nations.

Another method is by nonresistance, a method which I have described as applied to the force law, and some of the reconstruction laws following the Civil War.

There is another way—that is, by revolution, by the overturning of the government. That method has been observed in many countries and at many times. We have had that method observed in very recent history.

The period of revolution that impresses us the most obtained in Europe about the time of the French Revolution, out of which grew the overthrow of many governments.

There is the fourth method—that is, by direct repeal by the legislative body creating the law.

There may never come the day when repeal of the Volstead Act or renouncement of the eighteenth amendment will be by legislative act, but if the debate on this amendment is any measure of the prospect of repeal by nonresistance and by common consent, the time is drawing near when the Volstead Act will be effectually repealed and prohibition held as naught. The "noble experiment" is going the same way as the noble experiments of the colonial days.

As I sat here and listened to the debate on this proposition it appeared to me that the repeal of the Volstead Act and the nullification of the eighteenth amendment are being effectuated by the method of nonresistance, and by common consent that the law shall not be observed. So I conclude that any law can not be enforced when one-half of the people must put the other half in jail.

### ARRANGEMENTS FOR PRESIDENTIAL INAUGURATION

During the delivery of Mr. BLAINE's speech—

Mr. CAPPER. Mr. President, will the Senator from Wisconsin yield to me for a moment?

The PRESIDING OFFICER (Mr. HASTINGS in the chair). Does the Senator from Wisconsin yield to the Senator from Kansas?

Mr. BLAINE. I yield.

Mr. CAPPER. I ask unanimous consent for the immediate consideration of Order of Business No. 1476, being Senate Joint Resolution 180. It is the joint resolution which authorizes the necessary arrangements to be made for the inauguration of the incoming President.

Mr. McKELLAR. Let the joint resolution be read.

Mr. CAPPER. I will say to the Senator it merely authorizes the inaugural committee to use certain grounds and equipment and to build reviewing stands. It is similar to joint resolutions which have been adopted in past years to provide for the presidential inauguration. The passage of the joint resolution is asked for by the inaugural committee and the District Commissioners and the legal department of the Government.

Mr. MOSES. Let me ask the Senator if that is the joint resolution which was brought to his attention by Commissioner Dougherty?

Mr. CAPPER. Yes; it has the approval of Commissioner Dougherty.

Mr. MOSES. The joint committee on arrangements is very familiar with the joint resolution. As the Senator from Kansas has stated, it is one of the routine measures in connection with the inauguration ceremonies.

Mr. WARREN. Mr. President, I shall have to object if the consideration of the joint resolution leads to any debate.

Mr. MOSES. There will not be any, I will say to the Senator from Wyoming.

Mr. McKELLAR. Mr. President, let me ask the Senator if the joint resolution was reported unanimously by the committee?

Mr. CAPPER. Yes; and it has been on the calendar several days, but I have been unable to secure consideration for it because of the executive session. The failure to act on it is delaying the inaugural program in the city.

Mr. MOSES. The joint resolution is in the same form, I will say to the Senator from Tennessee, that was employed in connection with the passage of similar joint resolutions for the inaugurations of 4 years ago and 8 years ago and as far back as 16 years ago.

Mr. McKELLAR. I have no objection to the consideration of the joint resolution.

The PRESIDING OFFICER. Is there objection to the consideration of the joint resolution?

Mr. WARREN. I will have to object if it shall lead to debate; otherwise, I have no objection.

The PRESIDING OFFICER. The Chair hears no objection.

The Senate, as in Committee of the Whole proceeded to consider the joint resolution (S. J. Res. 180) authorizing the granting of permits to the committee on inaugural ceremonies on the occasion of the inauguration of the President elect in March, 1929, and for other purposes, which had been reported from the Committee on the District of Columbia with an amendment in section 4, page 5, line 10, after the word "Company" to insert "the Chesapeake & Potomac Telephone Co., and radio broadcasting companies," so as to make the joint resolution read:

*Resolved, etc.*, That the Director of Public Buildings and Public Parks of the National Capital is hereby authorized to grant permits, under such restrictions as he may deem necessary, to the Committee on Inaugural Ceremonies for the use of any reservations or other public spaces in the city of Washington under his control on the occasion of the inauguration of the President elect in March, 1929: *Provided*, That in his opinion no serious or permanent injuries will be thereby inflicted upon such reservations or public spaces or statuary thereon; and the Commissioners of the District of Columbia may designate for such and other purposes on the occasion aforesaid such streets, avenues, and sidewalks in said city of Washington under their control as they may deem proper and necessary: *Provided, however*, That all stands or platforms that may be erected on the public spaces aforesaid, including such as may be erected in connection with the display of fireworks, shall be under the supervision of the said inaugural committee, and in accordance with the plans and designs to be approved by the engineer commissioner of the District of Columbia, the officer in charge of public buildings and grounds, and the Architect of the United States Capitol: *And provided further*, That the reservations or public spaces occupied by the stands or other structures shall after the inauguration be promptly restored to their condition before such occupation, and that the inaugural committee shall indemnify the War Department for any damage of any kind whatsoever upon such reservations or spaces by reason of such use.

SEC. 2. The Commissioners of the District of Columbia are hereby authorized to permit the committee on illumination of the inaugural committee for said inaugural ceremonies to stretch suitable overhead conductors, with sufficient supports wherever necessary, for the purpose of connecting with the present supply of light for the purpose of effecting the said illumination: *Provided*, That if it shall be necessary to erect wires for illuminating or other purposes over any park or reservation in the District of Columbia the work of erection and removal of said wires shall be under the supervision of the official in charge of said park or reservation: *Provided further*, That the said conductors shall not be used for conveying electrical currents after March 8, 1929, and shall, with their supports, be fully and entirely removed from the streets and avenues of the said city of Washington on or before March 15, 1929: *And provided further*, That the stretching and removing of the said wires shall be under the supervision of the Commissioners of the District of Columbia, who shall see that the provisions of this resolution are enforced, that all needful precautions are taken for the protection of the public, and that the pavement of any street, avenue, or alley disturbed is replaced in as good condition as before entering upon the work herein authorized: *And provided further*, That no expense or damage on account of or due to the stretching, operation, or removal of the said temporary overhead conductors shall be incurred by the United States or the District of Columbia.

SEC. 3. The Secretary of War and the Secretary of the Navy be, and they are hereby, authorized to loan to the Committee on Inaugural Ceremonies such hospital tents, smaller tents, camp appliances, ensigns, flags, and signal numbers, etc., belonging to the Government of the United States—except battle flags—that are not now in use and may be suitable and proper for decoration, and which may, in their judgment, be spared without detriment to the public service, such flags to be used in connection with said ceremonies by said committee under such regulations and restrictions as may be prescribed by the said Secretaries, or either of them, in decorating the fronts of public buildings and other places on the line of march between the Capitol and the Executive Mansion and the interior of the reception hall: *Provided*, That the loan of the said hospital tents, smaller tents, camp appliances, ensigns, flags and signal numbers, etc., to said committee shall not take place prior to the 23d of February, and they shall be returned by the 9th day of March, 1929: *Provided further*, That the said committee shall indemnify the said departments, or either of them, for any loss or damage to such flags not necessarily incident to such use. That the Secretary of War is hereby authorized to loan to the inaugural committee for the purpose of caring for the sick, injured, and infirm on the occasion of said inauguration such hospital tents and camp appliances, and other necessaries, hospital furniture and utensils of all descriptions, ambulances, horses, drivers, stretchers, and Red Cross flags and poles belonging to the Government of the United States as in his judgment may be spared and are not in use by the Government at the time of the inauguration: *And provided further*, That the inaugural committee shall indemnify the War Department for any loss or damage to such hospital tents and appliances, as aforesaid, not necessarily incident to such use.

SEC. 4. The Commissioners of the District of Columbia be, and they are hereby, authorized to permit the Western Union Telegraph Co. and the Postal Telegraph Co., the Chesapeake & Potomac Telephone Co., and radio broadcasting companies to extend overhead wires to such points along the line of parade as shall be deemed by the chief marshal convenient for use in connection with the parade and other inaugural purposes, the said wires to be taken down within 10 days after the conclusion of the ceremonies.

The amendment was agreed to.

The joint resolution was reported to the Senate as amended and the amendment was concurred in.

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

### FIRST DEFICIENCY APPROPRIATIONS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 15848) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1929, and prior fiscal years, to provide urgent supplemental appropriations for the fiscal year ending June 30, 1929, and for other purposes.

Mr. BLAINE having concluded his speech for the day,

Mr. CURTIS. I understand the Senator from Georgia [Mr. HARRIS] does not care to discuss his amendment further, and I ask unanimous consent that when the Senate concludes its business to-day it recess until 12 o'clock to-morrow; that a vote be had on the pending amendment, and all amendments thereto, by 1 o'clock to-morrow; that a vote be had on the McKellar amendment at not later than 3 o'clock to-morrow; and that after 3 o'clock all debate be limited on the bill and amendments to 10 minutes.

Mr. BLAINE. Mr. President, I can not consent to all of those conditions, and I make this suggestion: There are very few Senators present at this time; there are many Senators, perhaps, interested in this matter, although I do not know, as I have not conferred with them, and I think that in fairness to the absent Senators, the Senator from Kansas is taking in altogether too much territory. Therefore I would object.

Mr. CURTIS. Then I want to make another suggestion.

Mr. WARREN. I would find fault with the Senator from Kansas because he does not ask enough. I do not know what my friend the Senator from Wisconsin could want more than to allow Senators after a while to express their opinions through their votes. He must be aware of the fact that every Member of the Senate knows how he is going to vote. Why keep Senators waiting two or three days?

Mr. BLAINE. I am not in that fortunate situation where I know how the Members of the Senate are going to vote or how many may want to debate the proposition.

Mr. CURTIS. Mr. President, no notice was given of a meeting to-night, and I think it would be unfair to hold for a night session the Senators who are here.

Mr. HEFLIN. Mr. President——

Mr. CURTIS. Just a moment. I hope the Senator from Wyoming who is in charge of the bill will give notice now that upon to-morrow he will insist upon Senators staying and have a night meeting, if necessary, until we can dispose of the bill.

Mr. WARREN. I shall certainly ask when we meet to-morrow that we shall remain in session until the bill has been disposed of.

Mr. CURTIS. I shall take it upon myself to notify Senators in person, or have them notified, that they will be asked to remain to-morrow until the bill shall have been disposed of.

Mr. HEFLIN. I believe that if the Senator would leave out the 10-minute limitation, we might agree on the vote at 1 o'clock and the vote at 3 o'clock. We can probably get an agreement to-morrow on a 10 or 15 minutes' limitation. I would not combine that with the other two requests. I believe we can agree on the other two. I will agree, so far as I am concerned.

Mr. BLAINE. As to the suggestion of the Senator from Kansas that the Senator from Wyoming ask that the bill be taken up at 12 o'clock to-morrow and proceeded with until it is disposed of, I shall not object to that; but I do not want a unanimous-consent agreement in regard to it. I am perfectly willing, however, to go ahead and finish this measure if it takes all winter.

Mr. WARREN. I take it from that that the Senator is willing, when we start work to-morrow, to remain at work until we finish the consideration of the bill, although it may be as late as we are working to-night or even later. So far as I am concerned, it would not matter if the Senators wish to debate the bill until any hour in the night. I should enjoy it, of course, as I have already enjoyed being here many hours last week and several hours this afternoon listening to Senators debate the bill.

Mr. GEORGE. Mr. President, may I suggest that we might be able to get an agreement to vote on the pending amendment and the substitute amendment therefor and all amendments thereto, omitting any reference in the agreement to the McKellar amendment?

Mr. CURTIS. At not later than 1 o'clock to-morrow.

Mr. MOSES. Meeting at 12 o'clock?

Mr. HEFLIN. I suggest that the Senator make it a quarter after 1. We might have a quorum call and that would take some time.

Mr. BLAINE. My understanding is that there are other Senators who wish to debate the pending question. That was my understanding this afternoon. I do not know that I should have undertaken to consume so much time to-day.

Mr. CURTIS. Does the Senator object to the last suggestion made?

Mr. BLAINE. I think the suggestion of the Senator from Wyoming is good, that we recess until 12 o'clock to-morrow. Then the Senate will have charge of the matter, and if it is necessary to remain in session at night to finish the consideration of the bill, I think we will be willing to stay here for that purpose.

Mr. MOSES. We can do that anyway without any agreement.

Mr. BLAINE. The attendance is too small now to agree otherwise.

Mr. MOSES. Even with or without the acquiescence of the Senator from Wisconsin, we can do that.

Mr. BLAINE. Oh, I may be able to persuade the leaders to follow me in the matter.

Mr. HEFLIN. I wonder if the Senator from Wisconsin would object to voting on the Harris amendment not later than a quarter after 1 to-morrow?

Mr. BLAINE. I object to any unanimous-consent agreement for voting.

Mr. MOSES. It is not a final vote on the bill, the Senator understands.

Mr. BLAINE. I understand, but the only important issue is the amendment and not the bill itself.

Mr. MOSES. Oh, no; the question involved in the contention of the Senator from Tennessee [Mr. McKELLAR] is quite as important.

Mr. HEFLIN. That involves the refund of taxes. There is quite a big fight involved in that matter.

Mr. BLAINE. I have not debated that question yet, and the Senator from Tennessee has not debated it.

Mr. HEFLIN. But the Senator from Tennessee is going to debate it before it is disposed of.

Mr. GEORGE. That is why I suggested that the two be not coupled together, because the McKellar amendment will necessarily call for quite a good deal of discussion. Might we not have a limitation of debate to-morrow on the particular amendment now pending and all amendments to it?

Mr. MOSES. Recalling the attempt for negotiations between the Senator from Wisconsin [Mr. BLAINE] and the Senator from Kansas [Mr. CURTIS] the other day with reference to fixing a time for a vote on the nomination of the Secretary of the Interior, possibly they can agree now to arrange for an hour to vote.

Mr. SIMMONS. I think 1 o'clock is rather too early. I would suggest to the Senator that he make it 3 o'clock and a limit on debate to 15 minutes.

Mr. MOSES. Why not 2 o'clock?

Mr. SIMMONS. I do not object to 2 o'clock, but let us limit debate to 15 minutes.

Mr. BLAINE. If we had a larger attendance at this time I would not object, but I do not want to barter away the rights and privileges of the absentees. I am disposed to object to the proposals for unanimous consent in toto.

Mr. WARREN. I wish the Senator might do that, not so much because I care whether it is 1 o'clock or 2 o'clock or 3 o'clock, but I think we would accommodate many more Senators in that way than otherwise.

Mr. CURTIS. Mr. President, I ask unanimous consent that when the Senate concludes its business to-day it recess until 12 o'clock to-morrow.

The PRESIDING OFFICER (Mr. HASTINGS in the chair). Is there objection? The Chair hears none, and it is so ordered.

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

The PRESIDING OFFICER. The clerk will call the roll.

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

| | | | |
|---|---|---|---|
| Blaine | Curtis | McNary | Sheppard |
| Bingham | Fess | Metcalf | Simmons |
| Blease | Frazier | Moses | Smith |
| Bratton | George | Neely | Steiwer |
| Brookhart | Hale | Norbeck | Trammell |
| Bruce | Harris | Nye | Tyson |
| Burton | Hastings | Phipps | Vandenberg |
| Capper | Heflin | Reed, Pa. | Warren |
| Copeland | Jones | Sackett | |
| Couzens | McKellar | Schall | |

Mr. SHEPPARD. I desire to announce that the junior Senator from Utah [Mr. KING] is necessarily detained from the Senate by illness.

The PRESIDENT pro tempore. Thirty-eight Senators having answered to their names, a quorum is not present. The clerk will call the names of the absent Senators.

The legislative clerk called the names of the absent Senators, and Mr. GLASS answered to his name when called.

Mr. SHIPSTEAD entered the Chamber and answered to his name.

Mr. BRATTON. I wish to announce that my colleague [Mr. LARRAZOLO] is absent from the Chamber on account of illness.

The PRESIDENT pro tempore. Forty Senators have answered to their names. There is not a quorum present.

RECESS

Mr. CURTIS. Mr. President, it is apparent that no quorum is going to be obtained at this time. I move, therefore, in accordance with the agreement already entered into, that the Senate take a recess until 12 o'clock to-morrow.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Kansas.

The motion was agreed to; and (at 6 o'clock and 18 minutes p. m.) the Senate took a recess, the recess being under unanimous-consent agreement, until to-morrow, Tuesday, January 22, 1929, at 12 o'clock meridian.

## CONFIRMATIONS

*Executive nominations confirmed by the Senate January 21 (legislative day of January 17), 1929*

SECRETARY OF THE INTERIOR DEPARTMENT

Roy O. West.

UNITED STATES DISTRICT JUDGE

Robert R. Nevin to be United States district judge, southern district of Ohio.

POSTMASTERS

ILLINOIS

William Hayes, Ogden.
Daniel Reeder, Payson.

IOWA

Leslie E. Kislingbury, Alta.
George H. Falb, Elgin.

OKLAHOMA

Ella M. Harding, Pryor.

WISCONSIN

Herman F. Barth, Cashton.
John W. Bell, Chetek.
Selmer J. Tilleson, Clintonville.
Bertha S. Wild, De Soto.
Jerome F. Franklin, Eland.
Henry E. Steinbring, Fall Creek.
Wellen G. Hartson, Greenwood.
Rudolph Zimmer, Hilbert.
John H. McNown, Mauston.

Frank Wachter, Melrose.
Walter H. Smith, Mondovi.
Fred M. Neumann, Norwalk.
William F. Sommerfield, Oakfield.
Jessie S. Hammond, Onalaska.
James R. Stone, Reedsburg.
Harry W. Field, Rice Lake.
Alfred H. Fischer, Ripon.
George H. Drake, Rothschild.
Leo Joerg, South Milwaukee.

## HOUSE OF REPRESENTATIVES

MONDAY, *January 21, 1929*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We believe that the steady, sustained mercy with which we are blest has its fountainhead in Thee, O God. Yesterday has gone, to-day is here. In our labors inspire us to pursue the good and the wise with energy and devotion, that they may bring blessing to our fellows and ennoblement to ourselves. As selected servants and leaders of the people, Oh, may we carry their needs in our hearts. Let us be very, very sure that we live to serve them. We most earnestly ask for the master mind and for the master heart; then mercifully lead us to put ourselves in line with the best possible progress. Whatever may betide, we pray not to allow us to lose heart beneath a gray sky. Whatever fails us, whatever may thrust itself upon us, we thank Thee that it shall not be able to separate us from the love and mercy of our Heavenly Father, who blesses our common devotion, our common effort, and our common sacrifice. Amen.

The Journal of the proceedings of Friday was read and approved.

### DEATH OF A FORMER MEMBER

Mr. MAPES. Mr. Speaker, I ask unanimous consent to proceed for three minutes to announce the death of a former Member of the House.

The SPEAKER. Is there objection to the request of the gentleman from Michigan. [After a pause.] The Chair hears none.

Mr. MAPES. Mr. Speaker, I desire to announce the death on Wednesday, January 16, 1929, at his home in Grand Rapids, Mich., of a former Member of the House, Capt. Charles E. Belknap.

Captain Belknap had a distinguished career. He rendered honorable and conspicuous service to his city, State, and Nation, both as a soldier and in civil life. Born at Massena, St. Lawrence County, N. Y., October 17, 1846, he came to Grand Rapids in 1855, where he lived until his death. He enlisted as a private in the Civil War in August, 1862, before he was 16 years of age, and served throughout the remainder of the war. He was successively promoted to sergeant, sergeant major, second lieutenant, first lieutenant, and captain, being commissioned captain January 22, 1864, when he was barely 18 years of age. His three commissions were by special mention for merit by Gen. Phil Sheridan.

He was a Member of this body from 1889 to 1893 during the Fifty-first and Fifty-second Congresses and served his city and State in other official positions. Whether in public or private life he was always active in every movement to promote the welfare of the public. He was an authority upon the pioneer history of his city and State and was constantly called upon to write and speak about it. For many years he was an active and inspiring leader in the Boy Scout movement and was remarkably alert and active in mind and body up to the very beginning of his last illness a few months ago. He was wont to speak of himself as being 80 or 81 years young and he lived the part. His wide circle of acquaintances, old and young, had an affectionate regard for him. He has been referred to as "Grand Rapids's best-loved citizen." He will be greatly missed by the community in which he lived for so many years and of which he was such a component part.

### MEMORIAL SERVICES

Mr. FRENCH. Mr. Speaker, on behalf of the Committee on Memorials I offer a resolution, which I send to the Clerk's desk, and move its adoption.

The SPEAKER. The gentleman of Idaho presents a resolution, which the Clerk will report.

The Clerk read as follows:

House Resolution 295

*Resolved*, That on Wednesday, February 20, 1929, immediately after the approval of the Journal, the House shall stand at recess for the purpose of holding the memorial services as arranged by the Committee on Memorials under the provisions of clause 40a of Rule XI. At the conclusion of the recess the Speaker shall call the House to order and then, as a further mark of respect to the memories of the deceased, he shall declare the House adjourned.

Mr. JOHNSON of Washington. Mr. Speaker, reserving the right to object, I would like to ask the proponent of the resolution a question, why the date has been fixed for Wednesday, which is Calendar Wednesday?

Mr. FRENCH. I will say to the gentleman that Wednesday, February 20, is so near the end of the session that under the rule it is no longer Calendar Wednesday. It is within two weeks of the end of the session.

Mr. JOHNSON of Washington. I see. Still reserving the right to object, I am curious about the way Calendar Wednesday is so frequently set aside that certain committees are never reached on the calendar. The committee of which I have the honor to be chairman has not been reached on Calendar Wednesday call for several years.

Mr. FRENCH. I will say to the gentleman, so far as our choosing this day is concerned, it does not interfere with Calendar Wednesday, because the last Calendar Wednesday, under the rules, would be a week prior to this date.

Mr. JOHNSON of Washington. That relieves the gentleman from Idaho from any disloyalty toward this very sacred day.

Mr. TILSON. Will the gentleman yield?

Mr. JOHNSON of Washington. I have not the floor.

Mr. TILSON. If the gentleman has any legislation pending before his committee that he desires to get through and the committee is not reached on Calendar Wednesday, he might see what can be done toward obtaining a special rule. If it is very important legislation, let us see if we can not attend to it under one rule or another.

Mr. JOHNSON of Washington. I have had several requests, some of them in writing, before the Rules Committee and the steering committee for the consideration of legislation which has been on the calendar for one year.

Mr. SNELL. May I ask the gentleman a question? The gentleman came to me several days ago and said he was going to rewrite and then present the legislation. The gentleman said that he himself was going to rewrite it in a week.

Mr. JOHNSON of Washington. Certainly; but I would like to have an assurance from the committee.

Mr. SNELL. You can not consider it without its being rewritten.

Mr. JOHNSON of Washington. I have a bill on the calendar which is in the form of a deportation law which the country is clamoring for. The reason why I am proposing the rewriting of it is because the bill in its present shape seems to get no consideration, although it is needed.

Mr. CLARKE. I call for the regular order, Mr. Speaker. Let us end this confusion from lack of knowledge.

The SPEAKER. The regular order is called for.

The resolution was agreed to.

### EXTENSION OF REMARKS

Mr. FRENCH. Then, Mr. Speaker, I ask unanimous consent that all Members of the House be given 10 legislative days, following the day fixed for memorial services February 20, for extension of their remarks on the life, character, and public services of former Members of the Congress in whose memory the services will be held.

The SPEAKER. The gentleman from Idaho asks unanimous consent that all Members of the House be given 10 legislative days for the extension of their remarks as indicated. Is there objection?

There was no objection.

### ORDER OF BUSINESS

Mr. TILSON. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of this week may be in order on Thursday instead of Wednesday. I make this request because a number of Members, including some members of the Committee on Public Lands, wish to attend the launching of a ship on Wednesday, that committee having the call; and for this reason they would like to exchange days.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

### DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. SIMMONS. Mr. Speaker, by direction of the committee I present a privileged report from the Committee on Appropriations on the bill (H. R. 16422) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1930, and for other purposes.

The SPEAKER. The gentleman from Nebraska presents a privileged report from the Committee on Appropriations, accompanying the bill making appropriations for the District of Columbia, which the Clerk will report.

The Clerk read as follows:

Report (No. 2151) accompanying the bill (H. R. 16422) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1930, and for other purposes.

The SPEAKER. Referred to the Union Calendar and ordered printed.

Mr. GRIFFIN. Mr. Speaker, I reserve all points of order.

The SPEAKER. The gentleman from New York reserves all points of order.

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to proceed for one minute out of order.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

BENICIA ARSENAL

Mr. McSWAIN. Mr. Speaker, our colleague, Mr. CURRY, of California, who is physically unable to be here, is very deeply interested in a bill that passed the Senate in December and which was referred to the Committee on Military Affairs of the House and after careful consideration on our part has been reported favorably to this House. When it was reported to the House it was placed on the Private Calendar, and being on the Private Calendar it can not come up on the Consent Calendar.

This is a matter of great public importance, Mr. Speaker, ladies, and gentlemen of the House, because of the fact that it involves a very important improvement by the Southern Pacific Railroad for the benefit of the public. It involves the right of way over the Benicia Arsenal, 40 miles out of San Francisco, and in compensation for the right of way the railroad agrees to build two new ammunition magazines and to grant 100 acres of land to constitute a safety zone between the right of way and the arsenal.

Mr. BEGG. Mr. Speaker, will the gentleman yield?

Mr. McSWAIN. Certainly.

Mr. BEGG. How did the bill get on the Private Calendar—by error?

Mr. McSWAIN. I presume it was put on there properly, because it grants public property to a private corporation, and while it is in consideration of certain benefits received by the Government it did not so appear on the face of the bill, but it does so appear from the evidence. I ask unanimous consent that a bill of such public importance and so vitally affecting our friend, Mr. CURRY, of California, be taken from the Speaker's desk and be passed by unanimous consent.

Mr. CRAMTON. Reserving the right to object, Mr. Speaker, I would like to have a chance to read that bill. If the gentleman wants to put it on the Consent Calendar, where it will be reached in its order, I shall not object. I shall not object to the request if I have a chance to examine the bill.

The SPEAKER. The Chair thinks this bill is properly on the Private Calendar.

Mr. BEGG. Then it can not be transferred to the Consent Calendar.

Mr. TILSON. It may be properly on the Private Calendar, as it certainly is on its face, but it would appear that the United States is going to get great benefit out of this legislation.

Mr. McSWAIN. Yes; a greater benefit than any private corporation.

Mr. CRAMTON. If the gentleman from Connecticut supports the bill on that ground, I withdraw my objection.

Mr. TILSON. I am familiar with the provisions of the bill and the conditions surrounding the property in question, and I believe that it will be of distinct benefit to have this railroad cross the Benicia Arsenal grounds, as it is to be placed in accordance with this bill.

Mr. BEGG. Is not the right way to deal with this by unanimous consent, which dispenses with all rules?

Mr. TILSON. The bill being on the Private Calendar can not be placed on the Consent Calendar. The Speaker has stated that the bill is properly on the Private Calendar.

Mr. BEGG. Yes. The Speaker has just said it is correctly placed on the Private Calendar.

Mr. TILSON. It is, it is true, on the face of it of a private nature, but the substance of the bill reveals the fact that it is really quite as much for the benefit of the United States as for a private party.

Mr. BEGG. There is no excuse for not following the rules of the House. Why not ask unanimous consent to do what is desired?

Mr. SNELL. Why could we not suspend the rules and pass the bill?

The SPEAKER. Ordinarily, as Members know, the Chair does not recognize requests for unanimous consent to pass private bills, unless it appears there is a real public emergency. The Chair thinks, from what he has heard about this bill, that it is of such emergency that he can properly recognize the gentleman to ask unanimous consent for its present consideration.

Mr. SNELL. We could either do that or suspend the rules and pass it.

The SPEAKER. The Chair will recognize the gentleman from South Carolina for the purpose of asking unanimous consent for the present consideration of the bill. The Clerk will report the bill (S. 4712).

The Clerk read the title of the bill.

Mr. McSWAIN. Mr. Speaker, as the report will show, after a very careful personal examination by myself of this case, I am convinced that it is not only in the interest of the United States Treasury, but it is in the interest of the convenience of the general public of the United States, in that it will shorten transportation from San Francisco east or from the east into San Francisco at least 30 minutes by enabling the Southern Pacific Railroad Co. to construct a railroad bridge rather than to use the present ferryboats over the bay. Now, here is the emergency. This Congress has authorized the construction of a bridge over the bay. The railroad company is in the position where now it must either renew its ferryboats, which are old and have virtually been condemned, or commence at once the construction of the bridge.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. McSWAIN. Certainly.

Mr. LaGUARDIA. All this bill does is to give this railroad company a right of way over a military reservation?

Mr. McSWAIN. Exactly.

Mr. LaGUARDIA. Why does not the gentleman say so?

Mr. McSWAIN. I am now saying so, but I wanted to make it perfectly plain that we were not giving anything away but that we were getting a valuable consideration. Mr. Speaker, I ask unanimous consent for the present consideration of the bill.

The SPEAKER. Is there objection?

Mr. SCHAFER. Mr. Speaker, reserving the right to object, does this bill only give the right to construct a bridge or does it also permit the laying down of rails through a military reservation?

Mr. McSWAIN. It gives the right to construct a railroad track over a Government reservation, and the right to construct a bridge over navigable waters has already been granted by Congress.

Mr. SCHAFER. About how many miles of railroad track will be laid?

Mr. McSWAIN. The railroad itself is 3,000 miles long but this particular section is only 1,800 feet.

Mr. SCHAFER. That is all I wanted to know.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of War be, and he is hereby, authorized to grant to the Southern Pacific Railroad Co., a corporation, incorporated and consolidated under the laws of the States of California, Arizona, and New Mexico, its successors and assigns, under such terms and conditions as may be approved by the Secretary of War, a right of way over and across the Benicia Arsenal Military Reservation, Calif., for railroad purposes, with full power to locate, construct, and operate railroad tracks, structures, telegraph, telephone, or signal wires and other railroad appurtenances, appendages, and adjuncts, the location and width of such right of way to be determined by the Secretary of War: *Provided*, That the land shall not be used for other than railroad purposes, and when the property shall cease to be so used it shall revert to the United States.

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

A motion to reconsider the vote by which the bill was passed was laid on the table (H. R. 14818).

A similar House bill was laid on the table.

CONSENT CALENDAR

The SPEAKER. The Clerk will call the Consent Calendar.

BRIDGE ACROSS THE MISSISSIPPI RIVER

The first business on the Consent Calendar was the bill (S. 2449) to authorize the construction of a bridge across the Mississippi River at or near the city of Baton Rouge, in the parish of East Baton Rouge, and a point opposite thereto in the parish of West Baton Rouge, State of Louisiana.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLACK of Texas. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. The gentleman from Texas asks unanimous consent that this bill be passed over without prejudice. Is there objection?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, some of us feel that bills which have heretofore been passed over without prejudice should be objected to in order to clear up the calendar, so we can get to the other end of the calendar. I have no objection to this bill at all.

Mr. BLACK of Texas. I will say to the gentleman from New York that I am making this request at the suggestion of the Member who is interested in the bill.

Mr. LAGUARDIA. I will say I shall not object now, but from now on all bills that have heretofore been passed over without prejudice will be objected to on request to hold them on the calendar, so we can get to the tail end of the calendar.

The SPEAKER. Is there objection to the request of the gentleman from Texas that this bill may be passed over without prejudice?

There was no objection.

OSAGE INDIANS OF OKLAHOMA

The next business on the Consent Calendar was the bill (H. R. 13407) relating to the tribal and individual affairs of the Osage Indians of Oklahoma.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CRAMTON. Mr. Speaker, reserving the right to object, the Indian Affairs Committee has a calendar day in another week, and I think it much better that this bill be reached on that day. Therefore I ask unanimous consent that this bill be passed over without prejudice at this time.

The SPEAKER. The gentleman from Michigan asks unanimous consent that this bill be passed over without prejudice. Is there objection?

Mr. LAGUARDIA. Mr. Speaker, I object.

Mr. CRAMTON. Then, Mr. Speaker, I must object to its present consideration.

COPYRIGHTS

The next business on the Consent Calendar was the bill (H. R. 13452) to amend the act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909, as amended, in respect of mechanical reproduction of musical compositions, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. VESTAL. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

Mr. LAGUARDIA. Reserving the right to object, will the gentleman dispose of the bill the next time? This is a very important measure.

Mr. VESTAL. Yes.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

IMPROVEMENT-DISTRICT BENEFITS AGAINST PUBLIC LANDS

The next business on the Consent Calendar was the bill (H. R. 10657) to authorize the assessment of levee, road, drainage, and other improvement-district benefits against public lands and lands heretofore owned by the United States.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, this bill is now before the House on Calendar Wednesday. Therefore I will object in order to get it off the calendar.

Mr. CRAMTON. Mr. Speaker, if the gentleman will permit, I suggest that this bill will probably be considered on Calendar Wednesday and will probably be passed. In that event it disappears from this calendar. If something happened and it was not passed on Calendar Wednesday—if some other bills were called up instead of it, and the bill was not reached—then it would be only fair to the gentleman who has the bill to let it come up the next unanimous-consent day. I think we ought to let it keep its place for this one day. I am satisfied it will disappear from the calendar.

Mr. LAGUARDIA. It will disappear, one way or the other, the next consent day?

Mr. CRAMTON. Yes.

Mr. LAGUARDIA. I shall not object.

Mr. DRIVER. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

INTERSTATE COMPACTS

The next business on the Consent Calendar was the 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.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that this bill and the one following, H. R. 7027, may be passed over without prejudice.

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, these bills have been passed without prejudice several times. Is there any prospect they will be disposed of?

Mr. TAYLOR of Colorado. Yes; I think the gentleman from Nebraska [Mr. SIMMONS] and I are trying to come to an agreement upon this matter. We are consulting our constituents about it, and we hope to come to an adjustment in the near future, and I am quite anxious to have these two bills passed at this session.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

INTERSTATE COMPACTS—COLORADO-UTAH

The next business on the Consent Calendar was the 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.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CRAMTON. Mr. Speaker, reserving the right to object, which I do not intend to do, there is an amendment which I expect to offer which has been accepted to similar bills and which I understand is agreeable to the gentleman from Colorado [Mr. TAYLOR].

Mr. TAYLOR of Colorado. I may say, Mr. Speaker——

Mr. LEATHERWOOD. Mr. Speaker, further reserving the right to object, I would like to join with the gentleman from Michigan [Mr. CRAMTON] in saying I do not intend to object, but I have an agreement with the gentleman from Colorado that this bill may be taken up without further objection. We have jokingly agreed, in view of the fact we do not require any law for these two States to get together, that when the State of Colorado comes over and talks to us about a compact they will come without company.

Mr. CRAMTON. Mr. Speaker, reserving the right to object, I do not understand just what the gentleman from Utah has in the way of a side agreement. I know what the bill proposes.

The Constitution requires the consent of Congress before a compact is entered into between States, and this bill gives consent to the States to negotiate such a compact, and as it is drawn it is stated that no such compact or agreement shall be binding or obligatory upon either of such States unless and until it has been approved by the legislature of each of such States and by the Congress of the United States.

I know it is claimed and was so stated in Mr. Delph Carpenter's brief that was printed in the RECORD in the Senate proceedings of December 14, that granting the consent to negotiate the compacts, so Mr. Carpenter contends, does away with any necessity of having the compact approved; but this bill especially reserves that question and makes it clear that the compact is not binding until the Congress has approved it.

Mr. LEATHERWOOD. Will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. LEATHERWOOD. I think the gentleman must have misunderstood me, or else I did not use the language I intended to. I do not want to be understood that the gentleman from Colorado is bound by any agreement. In rather a joking manner I suggested that when they came to discuss the question of water allocation they come without company. Further, let me say to the gentleman from Michigan that there is no question but that if the authority is granted by Congress to the States to negotiate that when they have negotiated and the terms are

fixed they must come to Congress for ratification. There is no question but that the courts have decided that the States may in the first instance agree upon the terms of a compact, and in that event they must come to Congress for ratification.

I do not want the gentleman to misunderstand me because I say that, in any event, the Congress has the last say in ratifying the agreement. The point I wish to emphasize is that the courts of last resort have decided that it is not necessary to get permission in advance from Congress for the States to negotiate.

Mr. CRAMTON. I can not agree with the gentleman about getting consent in advance, but Mr. Carpenter, the water commissioner, representing the State of Colorado, has made the claim that if the consent was given in advance the ratification of the compact afterwards by the Congress was not necessary. But evidently the gentleman from Utah does not agree with that statement.

Mr. LEATHERWOOD. No; they have still to get the consent of Congress.

Mr. CRAMTON. The bill guards against it, because it says that such consent is given them on the condition that the representatives of the United States from the Department of the Interior to be appointed by the President shall participate in the negotiations and shall make report to Congress of the proceedings of any contract or agreement entered into. I have an amendment to make it clear as to the expenses of that representative.

Mr. TAYLOR of Colorado. I have no objection to that amendment. Of course, Mr. Delph Carpenter's brief does not affect the terms of this bill or the action of Congress. This bill is exactly the same language that has been used in a half dozen other similar bills, and I ask to have the bill considered now. It is a very important measure to prevent litigation and strife between those two States in the near future. It is in the interest of the best and most harmonious development of those States by the waters of five or six large streams that they are mutually interested in.

Mr. LEATHERWOOD. I am not going to make any objection, because we are not bound by the terms of the bill.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

H. R. 7028, Seventieth Congress, first session

A bill 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.

*Be it enacted, etc.*, That the consent of Congress is hereby given to the States of Colorado and Utah to negotiate and enter into compacts or agreements providing for an equitable division and apportionment between such States of the water supply of the Colorado, Green, Bear or Yampa, the White, San Juan, and Dolores Rivers and of the streams tributary thereto and of all other streams in which such States are jointly interested.

SEC. 2. Such consent is given upon condition that a representative of the United States from the Department of the Interior, to be appointed by the President, shall participate in the negotiations and shall make report to Congress of the proceedings and of any compact or agreement entered into.

SEC. 3. No such compact or agreement shall be binding or obligatory upon either of such States unless and until it has been approved by the legislatures of each of such States and by the Congress of the United States.

SEC. 4. The right to alter, amend, or repeal this act is herewith expressly reserved.

Mr. CRAMTON. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

No. 895. Amendment by Mr. CRAMTON: Page 2, line 6, after the word "into," insert the following: "Other than the compensation and expenses of such representative the United States shall not be liable for any expenses in connection with such negotiations, compact, or agreement. The payment of such expenses of such representative is authorized to be paid from the appropriations for cooperative and general investigations for the Bureau of Reclamation."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read the third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

KINGS MOUNTAIN BATTLE FIELD PARK

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a report of the commission on the proposed Kings Mountain Battle Field Park.

The SPEAKER. The gentleman from South Carolina asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. STEVENSON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following report of the commission on the proposed Kings Mountain Battle Field Park, except maps, pictures, and appendixes not necessary to print herein:

UNITED STATES ENGINEER OFFICE,
*Customhouse, Charleston, S. C.*

Subject: Report of proposed Kings Mountain Battle Field Park.
To: The Secretary of War, Washington, D. C. (through the Quartermaster General, United States Army, Washington, D. C.).

The commission appointed by the Secretary of War to inspect the battle field of Kings Mountain, S. C., and to report on the feasibility of preserving and marking for historical and professional military study this battle field, has the honor to submit the following report:

1. Law authorizing investigation: This report is made pursuant to the provisions of the following act of Congress:

"[Public, No. 246, 70th Cong.]

"An act (H. R. 11140) to provide for the inspection of the battle field of Kings Mountain, S. C.

"*Be it enacted, etc.*, That to assist in the studies and investigations of battle fields in the United States for commemorative purposes, authorized by an act approved June 11, 1926 (Public, No. 372, 69th Cong.), a commission is hereby created, to be composed of the following members, who shall be appointed by the Secretary of War: (1) A commissioned officer of the Corps of Engineers, United States Army; (2) a citizen and resident of York County, State of South Carolina; (3) a citizen and resident of Cleveland County, State of North Carolina; (4) a citizen of Cherokee County, S. C.

"SEC. 2. In appointing the members of the commission created by section 1 of this act the Secretary of War shall, as far as practicable, select persons familiar with the terrain of the battle field of Kings Mountain, S. C., and the historical events associated therewith.

"SEC. 3. It shall be the duty of the commission, acting under the direction of the Secretary of War, to inspect the battle field of Kings Mountain, S. C., in order to ascertain the feasibility of preserving and marking for historical and professional military study such field. The commission shall submit a report of its findings and an itemized statement of its expenses to the Secretary of War not later than December 1, 1928.

"SEC. 4. There is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $1,000, or such part thereof as may be necessary, in order to carry out the provisions of this act.

"Approved, April 9, 1928."

2. Personnel of commission: In accordance with the act quoted above, the Secretary of War appointed the following commission:

Member from York County, S. C., Mr. A. M. Grist.
Member from Cleveland County, N. C., Mr. G. G. Page.
Member from Cherokee County, S. C., Mr. Jacob F. Hambright.
Engineer officer, Maj. N. Y. DuHamel, Corps of Engineers, United States Army, district engineer, Charleston, S. C.

3. Meetings of the commission: The commission met on the battle field at Kings Mountain, S. C., July 6, 1928, at which time it was organized. All members were present.

Such other meetings and investigations as were necessary have been made by the members of the commission and by those employed by them to secure the necessary information required for this report.

4. Object and character of report: The commission is directed to report on the feasibility of preserving and marking for professional military study the battle field of Kings Mountain, S. C.

The desirable effects to be expected from the marking and preserving of the battle field are in part briefly as follows:

(1) The marking and preserving of the battle field for historical and professional study.

(2) Preserving and making accessible to the present and future generations the scene of an important historical event.

(3) Commemoration of the action of the armies on these fields.

(4) Aid in the development of patriotism.

(5) The Battle of Kings Mountain has been considered the turning point of the Revolutionary War, in so far as the operations in the area included in the States of North Carolina, South Carolina, and Georgia are concerned, but the scene has been somewhat inaccessible and has received but little recognition by the Government. The marking and preserving of the battle field by the making of a park would assist materially in changing this condition and bringing the event properly before the people.

(6) Such a development should have a desirable commercial effect for the adjacent communities.

In the plan proposed the execution will necessitate studies, surveys, detailed plans, and adjustments to make the plan fit unexpected conditions that may arise.

5. Location of battle field: The battle field is located in York County, S. C., in latitude approximately 35° 8′ north and in longitude approximately 81° 23′ west. The nearest railway station is at Grover, N. C., on the main line of the Southern Railway. The distance from this station to the battle field is about 4 miles by unimproved road.

6. Summarization of battle: The Battle of Kings Mountain took place on October 9, 1780. The United States forces, between 900 and 1,500 in number, served as units under their individual leaders, the senior of whom was Col. James Williams. The British forces, approximately 1,100 in number, were commanded by Maj. Patrick Ferguson. The engagement lasted about one hour, and the total killed and wounded on both sides are believed to amount to 475.

7. Classification of battle field: In House Document No. 1071, Sixty-ninth Congress, first session, Kings Mountain has been classified as a class 2 battle field; however, the importance of this battle field and the Revolutionary struggle in the South has long been felt, and was given early recognition by monuments having been erected by local people as early as 1815, by the States of North Carolina and South Carolina in 1880, and by the United States in 1909. "The Battle of Kings Mountain was the turning point of the War of the American Revolution." (Thomas Jefferson.)

8. Historical places: The commission inspected the points of historical interest on the battle field. Some of the main historical features are the following:

(a) A monument erected by the United States Government marking the site of the Battle of Kings Mountain. This monument was erected in 1909. It is in good condition and is now in the custody of the Kings Mountain Battle Field Association of South Carolina. (Photograph of the monument is shown in Appendix C.)

(b) A monument erected by the States of North Carolina and South Carolina marking the site of the battle field. This monument was erected in 1880. It is in fair condition and is in the custody of the Kings Mountain Battle Field Association of South Carolina. (Photograph of the monument is shown in Appendix D.)

(c) A granite marker indicating the spot upon which Major Ferguson was killed. This was erected by the Kings Mountain Battle Field Association of South Carolina, its present custodian, in 1909. It is in good condition. (Photograph of the marker is shown in Appendix E.)

(d) A granite marker indicating the spot where Major Ferguson was buried. This was erected by the Kings Mountain Battle Field Association of South Carolina, its present custodian. It is in good condition. (Photograph of the marker is shown in Appendix F.)

(e) A granite marker indicating the graves of Maj. William Chronicle, Capt. John Mattocks, William Robb, and John Boyd. This was erected in 1815 by the Kings Mountain Battle Field Association of South Carolina, its present custodian, and is in poor condition. (Photograph of this marker is shown in Appendix G.)

(f) A granite marker alongside of the one mentioned in the preceding subparagraph was created by the Kings Mountain Battle Field Association of South Carolina, its present custodian, in 1909, to serve for the same purpose as mentioned in subparagraph (e) above. It is in good condition.

(g) A cliff under which the American troops left their horses before engaging in battle.

9. Attitude of the residents: The residents of Cherokee and York Counties, S. C., and Cleveland County, N. C., are highly enthusiastic over the creation of the battle-field park and have the support of the citizens of North Carolina, South Carolina, and Tennessee.

10. Local cooperation: The counties of Cherokee, York, and Cleveland have constructed roads leading to the site of the battle field in order that it might be accessible to visitors. York County is planning to improve its road leading to the battle-field ground in order to take care of an increasing number of visitors. The Kings Mountain Battle Field Association has offered to give to the Government free of cost a plot containing approximately 40 acres which includes the most important part of the battle-field area.

11. Land: The estimated value of the land on the site of the battle field varies from $20 to $25 per acre. The investigation shows that not only little difficulty is to be expected in obtaining the necessary land but that a portion of that desired will be donated without cost to the Government. In the estimate of costs the maximum present estimated values of the land have been taken, but for any plan provision should be made for accepting a donation of land as well as for condemnation and for purchase by agreement. The details of land values and a description of the plots recommended for inclusion in the proposed park are given in Appendices A and B.

12. Maps: There is submitted with this report a plot showing on a scale 1 to 5,000 the land recommended by the commission to be acquired by the United States to serve as a park. There is also included a topographical sketch of the immediate vicinity of the proposed battle-field park, the topography of which is based upon the United States Geological Survey Quadrangle of Kings Mountain.

13. Parks: The marking and preserving of a battle field can best be accomplished by creating a park. By doing so such development of the land as will change its topographic features is prevented and vandalism in the destruction of foliage and markers is minimized. The area under discussion is not extensive, and the cost of the land is very small. The site being 4 miles from the Bankhead National Highway, is on the road of dense tourist travel. Anything which is done toward marking and preserving the battle field improves both its historical and recreational value. There are included within the area recommended for acquirement as a park five springs, which make the spot attractive to travelers and ideal for social gatherings.

14. Plans for battle fields: Plan of the battle field is shown on the attached map and is a development based on the Gettysburg system for a memorial park. In this battle the British held a position and surrendered to an American attack. The area recommended to be acquired is shown by a broken line on the map. It includes the British position, the ground on which the actual fighting took place, the spot at which the American forces left their horses, and the area within which was formerly located the major portion of the road followed from that place to the British position. It is proposed to improve the springs on the battle field and to construct paths and a road, making them and the historical points more accessible to visitors. It is recommended that the park be inclosed by an ornamental iron fence and that a dwelling house be provided for a caretaker. The monuments referred to in paragraph 8 have all been erected within the boundaries of the proposed park. It contains 201.47 acres.

This plan has the following advantages:

(1) Its area permits a fitting marking and preserving of the battle field.

(2) It includes the localities which were the scenes of important action during the battle.

(3) The cost is moderate.

(4) The roads and paths will render accessible all parts of the area, and markers and monuments show the location of important points and events.

(5) It is sufficiently comprehensive in park area to permit its development as a memorial to troops engaged by furnishing a suitable setting for such monuments and memorials as may be desired.

15. Estimate of cost:

| | |
|---|---|
| Land: | |
| 161.58 acres, at $25 per acre | $4,050 |
| 39.89 acres | Donated. |
| Roads: 18-foot disintegrated granite, 4 miles, at $17,000 per mile | 70,400 |
| Paths: 5,000 feet, at $0.50 per foot | 2,500 |
| Clearing underbrush | 10,000 |
| Improving springs | 100 |
| Tablets and markers: | |
| 5 tablets, large, at $200 | 1,000 |
| 20 markers, at $50 | 1,000 |
| Fence: 22,704 feet, at $4 per foot | 90,816 |
| Dwelling house | 6,000 |
| Surveys and maps | 3,200 |
| Studies and planning | 530 |
| Overhead and contingencies (10 per cent) | 18,950 |
| Total | 208,546 |

16. Estimate of cost of annual maintenance:

| | |
|---|---|
| Roads | 400 |
| Grounds and paths | 3,000 |
| House | 120 |
| Fence | 900 |
| Caretaker's salary | 1,200 |
| Total | 5,620 |

17. Findings: The commission finds that the marking and preserving for historical and professional military study of the battle field of Kings Mountain is feasible and it recommends that:

(a) The tract of land including such plots described in Appendix B and comprising 201.47 acres be acquired by the United States.

(b) That the battle field be marked in a manner similar to the battle field of Gettysburg by placing markers where necessary to mark the important points.

(c) By the construction of roads and paths so that the more important points be made reasonably accessible.

(d) That by the improvement of existing springs and clearing of underbrush the natural attractiveness of the area be increased.

(e) That by the construction of a fence and caretaker's dwelling that provision be made for its protection and maintenance.

(f) The estimated cost is $208,546, with an estimated yearly maintenance cost when completed of $5,620.

(g) That an allotment of $208,546 be made in a lump sum.

Respectfully submitted.

G. G. PAGE, *Chairman.*
A. M. GRIST.
JACOB F. HAMBRIGHT.
N. Y. DEHAMEL.

LOIS I. MARSHALL

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 1156) granting a pension

to Lois I. Marshall, together with the amendment of the Committee on Pensions.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

S. 1156, Seventieth Congress, second session

An act granting a pension to Lois I. Marshall

*Be it enacted, etc.*, That the Secretary of the Interior be, and he is hereby, authorized and directed to place on the pension roll the name of Lois I. Marshall, widow of Thomas R. Marshall, late Vice President of the United States, and pay her a pension at the rate of $5,000 per year from and after the passage of this act.

With the following committee amendment:

Page 1, line 7, strike out the figures "$5,000" and insert "$3,000."

The SPEAKER. Is there objection to the present consideration?

There was no objection.

The committee amendment was agreed to.

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

On motion of Mr. KNUTSON, a motion to reconsider the vote was laid on the table.

INSANE CITIZENS OF ALASKA

The next business on the Consent Calendar was the bill (H. R. 170) to provide for the care of certain insane citizens of the Territory of Alaska.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, this bill would establish a very bad precedent, and I object.

Mr. CRAMTON. Mr. Speaker, if the gentleman will yield, I will be very glad to have the gentleman let this go over just once more. The Governor of Alaska is here now, and I want the opportunity to go over this matter with the Governor of Alaska and with the gentleman from Washington [Mr. JOHNSON].

Mr. LAGUARDIA. It does not affect Alaska at all.

Mr. CRAMTON. It has to do with the insane of Alaska.

Mr. LAGUARDIA. It does not affect Alaska at all.

Mr. CRAMTON. I would be glad to have that opportunity, and I ask unanimous consent that the bill be passed over without prejudice.

Mr. JOHNSON of Washington. Mr. Speaker, I would like to have a minute here. I do not like to have it go unchallenged that this bill does not affect the citizens of Alaska. These have to be bona fide citizens of Alaska, and all that is asked is that something be done.

Mr. LAGUARDIA. And I say, Mr. Speaker, with all due deference, that this bill does not affect the Territory of Alaska. That is my opinion.

Mr. JOHNSON of Washington. What is a bona fide citizen of Alaska?

Mr. LAGUARDIA. I am talking about the Territory of Alaska.

The SPEAKER. The gentleman from Michigan asks unanimous consent that the bill be passed over without prejudice. Is there objection?

There was no objection.

CHIPPEWA INDIANS OF MINNESOTA

The next business on the Consent Calendar was the bill (H. R. 12414) authorizing the classification of the Chippewa Indians of Minnesota, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HOOPER. Mr. Speaker, by request I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

OSAGE INDIANS IN OKLAHOMA

The next business on the Consent Calendar was the bill (S. 2360) to amend section 1 of the act of Congress of March 3, 1921 (41 Stat. L. 1249), entitled "An act to amend section 3 of the act of Congress of June 28, 1906, entitled 'An act for the division of the lands and funds of the Osage Indians in Oklahoma, and for other purposes.'"

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CRAMTON. Mr. Speaker, for the reasons stated as to the other Indian bill, I ask unanimous consent that this bill go over without prejudice. Also, I ask unanimous consent that the bill (H. R. 7204) to authorize the creation of Indian trust estates, and for other purposes, Calendar No. 996, also go over without prejudice.

The SPEAKER. The gentleman from Michigan asks unanimous consent that the bills S. 2360 and H. R. 7204 go over without prejudice. Is there objection?

There was no objection.

PICATINNY ARSENAL, DOVER, N. J.

The next business on the Consent Calendar was the bill (H. R. 14156) to authorize an appropriation for a construction of a cannon-powder blending unit at Picatinny Arsenal, Dover, N. J.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, I remember that the gentleman from New Jersey [Mr. ACKERMAN] not long ago objected most strenuously to the continuance of the arsenal at this location, and now it is proposed to appropriate more for construction there?

Mr. ACKERMAN. Yes.

Mr. LAGUARDIA. Some weeks ago the gentleman asked to have this matter go over so that he could look into the local conditions?

Mr. ACKERMAN. Yes; and I have seen the gentlemen from the War Department, and they have explained the matter satisfactorily to me; and the chamber of commerce wants it. I have no objection.

Mr. LAGUARDIA. It is the gentleman's home town and it is his district, and the responsibility is his.

Mr. ACKERMAN. Yes.

Mr. LAGUARDIA. I shall not object.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That there is hereby authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, the sum of $125,000 for the construction of a cannon powder blending unit at Picatinny Arsenal, Dover, N. J., to replace the one destroyed by fire on July 31, 1928.

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

A motion to reconsider the vote by which the bill was passed was laid on the table.

EDITING OF OFFICIAL PAPERS OF TERRITORIES OF THE UNITED STATES

The next business on the Consent Calendar was the bill (S. 1168) to amend an act entitled "An act to authorize the collection and editing of official papers of the Territories of the United States now in the national archives," approved March 3, 1925.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. LAGUARDIA. Mr. Speaker, I reserve the right to object for the purpose of informing the gentleman from Ohio and his Committee on Revision of the Laws that the law referred to is not indexed in the United States Code of Laws; and, also, I would inquire the necessity for this bill and the reason for appropriating $125,000. Has there been any demand for these reports?

Mr. DAVENPORT. Mr. Speaker, may I reply to the second part of that inquiry of the gentleman from New York? These are the State papers of the various Territories which now constitute the early history of 30 States of the Union. They are scattered about in various bureaus and departments in Washington, practically inaccessible to students of history. It will be of immense value not only to historians but to the States themselves to have the papers collected, edited, and printed, so that they may be gotten at for ready historical reference. A calendar volume of these papers has already been compiled by the Carnegie Institution of Washington. Nine thousand documents are involved and the volume shows the immense importance of these papers to the students who are investigating the historical background in 30 different States of the Union.

Mr. LAGUARDIA. The purpose of the amendment is to provide distribution of these reports.

Mr. DAVENPORT. It is my opinion that the matter of distribution could be handled better than it is in the bill. Instead of free distribution it would seem that the persons interested in securing copies of the documents might be willing to pay a small amount to the Government Printing Office and thus help to defray the expense of printing. However, the bill itself is sound and ought to pass.

Mr. LAGUARDIA. The gentleman knows that if they are simply available for distribution, requests are made very often by people who have no particular interest in them, and then they are wasted.

Mr. DAVENPORT. Yes.

Mr. LAGUARDIA. Has the gentleman any amendment prepared to carry out his suggestion?

Mr. DAVENPORT. Not at the moment, but one can easily be prepared.

Mr. CRAMTON. Mr. Speaker, I have not been enthusiastic about the method of distribution, but I have hesitated to upset the distribution fixed for Members of Congress. But I observed through the adoption of the committee amendment there will be several hundred copies unprovided for out of the 1,950. The bill as amended does not use all the 1,950. I have prepared an amendment to take up that slack and to make it possible to reach certain people, certain organizations that ought to be able to get these, if anyone, without cost. I will read the amendment I have in mind:

One thousand nine hundred and fifty copies for the Department of State, of which 6 copies shall be delivered to each Senator and 2 copies to each Representative, and 8 copies for each State or Territory, to be distributed to historical associations, commissions, museums, or libraries, and to other nondepository libraries therein designated by the governor of each State or Territory, 4 copies for the library of the Department of the Interior, and the remainder of said 1,950 shall be—

Mr. DAVENPORT. That is satisfactory to me.

Mr. LAGUARDIA. It equalizes the distribution.

Mr. CRAMTON. Then I have in mind where it says "$125,000, to be available until expended," that is a detail that Congress can take care of in making the appropriation. I would make that read, "not more than $125,000," and omit the provision "to remain available until expended." Appropriations of that kind are lost sight of and not checked up.

The SPEAKER. Is there objection?

Mr. BLACK of Texas. I will ask the gentleman from Michigan regarding his amendment. What value would these Territorial papers be ordinarily to Members of Congress? Why the large number printed for distribution in that manner?

Mr. CRAMTON. My judgment is, to the average Member two copies will be of dubious value. But that was a provision I was not sure about upsetting. Of course, the cost is not very great, to print a thousand copies or such a matter. But what I was trying to do was to make sure that these State historical associations, commissions, museums, and so forth, could receive them.

Mr. LAGUARDIA. In all likelihood, Members would send their two copies to the local historical societies, and so forth, in the Eastern States.

Mr. BLACK of Texas. I believe I will ask that this bill go over until next time.

Mr. LETTS. If the gentleman will yield, I hope the gentleman will not make that request. This is a matter of much concern to the country, historical associations, and societies.

Mr. BLACK of Texas. As I recall, several years ago Congress printed 15 volumes of the testimony of the Industrial Commission at a cost of more than $90,000. Those were distributed to Members of Congress and——

Mr. LAGUARDIA. And very valuable.

Mr. BLACK of Texas. So far as the testimony is concerned it was of no practical benefit; the report of the Industrial Commission was all right. There was no need whatever of printing the testimony and it cost a very large sum of money.

Mr. LETTS. I will say to the gentleman there has already been expended by the State Department $20,000 on that work and the value of that work and that expenditure will be lost unless this work is completed.

Mr. BLACK of Texas. There is no immediate hurry that I can see for the completion of this work.

Mr. LETTS. The historical societies and librarians over the country are very anxious to obtain this.

Mr. BLACK of Texas. I object.

### COTTON FUTURES

The next business on the Consent Calendar was the bill (H. R. 13646) for the prevention and removal of obstructions and burdens upon interstate commerce in cotton by regulating transactions on cotton-futures exchanges, and for other purposes.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. I do not think this is a proper subject for the Consent Calendar.

Mr. VINSON of Georgia. I hope the gentleman will not interpose an objection.

This bill, while somewhat long, simply does for the cotton producers exactly what has already been done for the grain producers. We are adopting the features of the grain law and applying them to the cotton exchanges.

Mr. LAGUARDIA. This is a bill which the gentleman himself would not want to be considered by unanimous consent.

Mr. VINSON of Georgia. This bill has been unanimously reported by the Committee on Agriculture, and the Secretary of Agriculture has approved it, and it is approved by the Budget Bureau. The purpose of it is to do for the cotton producers what is now being done for the producers of grain.

Mr. LAGUARDIA. What is the attitude of the stock tickers?

Mr. VINSON of Georgia. This does not involve the stock tickers.

Mr. LAGUARDIA. It ought to.

Mr. VINSON of Georgia. It affects the cotton exchanges and carries out the very purpose of the grain futures act. Let me call the attention of the gentleman to the statement of the former president of the New York Cotton Exchange, when this subject was discussed before the Agricultural Committee.

Mr. LAGUARDIA. Is he for it or against it?

Mr. VINSON of Georgia. Let me read it. He says in part:

The New York Cotton Exchange realizes that your committee wishes to report a bill which will forever preclude the possibility of the cotton market being manipulated by scheming minds, to the prejudice of the public welfare. The exchange, without legislative assistance, is powerless to prevent such abuses.

Mr. LAGUARDIA. Does the gentleman say that the president of the New York Cotton Exchange is for this bill?

Mr. VINSON of Georgia. That is what Mr. Hubbard said. Of course, he is not for it entirely. The committee did not adopt all of his viewpoints, but that is his opening statement which I have quoted. He offered a great many suggestions, but he made the general statement that it is necessary to have legislation to prohibit the abuses.

Mr. LAGUARDIA. I can not imagine any community of interest existing between the cotton producers and the exchanges, and therefore if the exchange is not against it, I object.

Mr. VINSON of Georgia. I hope the gentleman will not object, because we are trying to improve the condition of the cotton producer.

Mr. SCHAFER. Of what value is this bill to the cotton growers of the South?

Mr. VINSON of Georgia. It is to put the cotton exchanges under the jurisdiction of the Department of Agriculture, just as Congress has done respecting the corn and wheat exchanges.

Mr. LAGUARDIA. Then it restricts the market?

Mr. VINSON of Georgia. No. It will have the effect of stabilizing the cotton market.

Mr. SCHAFER. Is it like the grain futures act?

Mr. VINSON of Georgia. Yes. The only difference is that it protects the cotton producer instead of the corn and wheat raiser. The grain futures act is copied in its entirety. The only change in that act is the substitution of the words "cotton exchange" for "board of trade," and "cotton" for "grain."

Mr. SCHAFER. I shall not object, since it is to protect the cotton farmer.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

*Be it enacted, etc.*, That this act shall be known by the short title of the "cotton futures trading act."

(a) For the purposes of this act "contract of sale" shall be held to include sales, agreements of sale, and agreements to sell. The word "person" shall be construed to import the plural or singular, and shall include individuals, associations, partnerships, corporations, and trusts. The word "cotton" shall be construed to mean lint cotton in bales. The term "future delivery," as herein used, shall not include sale of cash or spot cotton for deferred shipment or delivery. The words "cotton-futures exchange" shall be held to include and mean any exchange, association, or board of trade, whether incorporated or unincorporated, of persons who shall be engaged in the business of buying or selling cotton or receiving the same for sale on consignment. The act, omission, or failure of any official, agent, or other person acting for any individual, association, partnership, corporation, or trust within the scope of his employment or office shall be deemed the act, omission, or failure of such individual, association, partnership, corporation, or trust as well as of such official, agent, or other person. The words "interstate commerce" shall be construed to mean commerce between any State, Territory, or possession, or the District of Columbia, and any place outside thereof, or between points within the same State, Territory, or possession, or the District of Columbia, but through any place outside thereof, or within any Territory or possession, or the District of Columbia.

(b) For the purpose of this act (but not in any wise limiting the foregoing definition of interstate commerce) a transaction in respect to any cotton shall be considered to be in interstate commerce if such

cotton is part of that current of commerce usual in the cotton trade whereby cotton is sent from one State with the expectation that it will end its transit, after purchase, in another, including, in addition to cases within the above general description, all cases where purchase or sale is either for shipment to another State, or for manufacture within the State and the shipment outside the State of the products resulting from such manufacture. Cotton normally in such current of commerce shall not be considered out of such commerce through resort being had to any means or device intended to remove transactions in respect thereto from the provisions of this act. For the purpose of this paragraph the word "State" includes Territory, the District of Columbia, possession of the United States, and foreign nation.

SEC. 2. Transactions in cotton involving the sale thereof for future delivery as commonly conducted on cotton-futures exchanges and known as "futures" are affected with a national public interest; that such transactions are carried on in large volume by the public generally and by persons engaged in the business of buying and selling cotton in interstate commerce; that the prices involved in such transactions are generally quoted and disseminated throughout the United States and in foreign countries as a basis for determining the prices to the producer and the consumer of cotton and to facilitate the movements thereof in interstate commerce; that such transactions are utilized by shippers, dealers, manufacturers, and others engaged in handling cotton in interstate commerce as a means of hedging themselves against possible loss through fluctuations in price; that the transactions and prices of cotton on such cotton-futures exchanges are susceptible to speculation, manipulation, and control, and sudden or unreasonable fluctuations in the prices thereof frequently occur as a result of such speculation, manipulation, or control, which are detrimental to the producer or the consumer and the persons handling cotton in interstate commerce, and that such fluctuations in price are an obstruction to and a burden upon interstate commerce in cotton and render regulation imperative for the protection of such commerce and the national public interest therein.

SEC. 3. It shall be unlawful for any person to deliver for transmission through the mails or in interstate commerce by telegraph, telephone, wireless, or other means of communication, any offer to make or execute, or any confirmation of the execution of, or any quotation or report of the price of, any contract of sale of cotton for future delivery on or subject to the rules of any cotton-futures exchange in the United States, or for any person to make or execute such contract of sale, which is or may be used for (1) hedging any transaction in interstate commerce in cotton, or (2) determining the price basis of any such transaction in interstate commerce, or (3) delivering cotton sold, shipped, or received in interstate commerce for the fulfillment thereof, except: (a) Where the seller is at the time of the making of such contract the owner of the actual physical property covered thereby, or is the grower thereof, or in case either party to the contract is the owner or renter of land on which the same is to be grown, or is an association of such owners or growers of cotton or of such owners or renters of land; or (b) where such contract is made by or through a member of a cotton-futures exchange which has been designated by the Secretary of Agriculture as a "contract market," as hereinafter provided, and if such contract is evidenced by a record in writing, which shows the date, the parties to such contract and their addresses, the property covered and its price, and the terms of delivery and otherwise comply with section 5, 7, or 11 of this act: *Provided,* That each exchange member shall keep such record for a period of three years from the date thereof, or for a longer period if the Secretary of Agriculture shall so direct, which record shall at all times be open to the inspection of any duly authorized representative of the United States Department of Agriculture or the United States Department of Justice.

SEC. 4. The Secretary of Agriculture is hereby authorized and directed to designate any cotton-futures exchange as a "contract market" when, and only when, such cotton-futures exchange complies with and carries out the following conditions and requirements:

(a) When the governing board thereof provides for the making and filing by the exchange or any member thereof, as the Secretary of Agriculture may direct, of reports in accordance with the rules and regulations, and in such manner and form and at such times as may be prescribed by the Secretary of Agriculture, showing the details and terms of all transactions entered into by the exchange, or the members thereof, either in cash or spot transactions consummated at, on, or in such exchange, or transactions for future delivery, and when such governing board provides, in accordance with such rules and regulations, for the keeping of a record by the exchange or the members of such exchange, as the Secretary of Agriculture may direct, showing the details and terms of all cash or spot and future transactions entered into by them, consummated at, on, or in a cotton-futures exchange, such record to be in permanent form, showing the parties to all such transactions, including the persons for whom made, any assignments or transfers thereof, with the parties thereto, and the manner in which said transactions are fulfilled, discharged, or terminated. Such record shall be required to be kept for a period of three years from the date thereof, or for a longer period if the Secretary of Agriculture shall so direct, and shall at all times be open to the inspection of any duly authorized representative of the United States Department of Agriculture or the United States Department of Justice.

(b) When the governing board thereof provides for the prevention of dissemination by such exchange or any member thereof, or any person using the facilities thereof, of false or misleading or knowingly inaccurate reports concerning crop or market information or conditions that affect or tend to affect the price of cotton in interstate commerce.

(c) When the governing board thereof provides for prevention of manipulation of prices or the cornering of any cotton by the dealers or operators upon such exchange.

(d) When the governing board thereof does not exclude from membership in, and all privileges on, such cotton-futures exchange, any duly authorized representative of any lawfully formed and conducted cooperative association of producers having adequate financial responsibility which is engaged in spot or cash cotton business, or any duly authorized representative of any organization acting for a group of such cooperative associations of producers, if such association or associations have complied, and agree to comply, with such terms and conditions as are or may be imposed lawfully on other members of such exchange: *Provided,* That no rule of a contract market shall forbid or be construed to forbid the return on a patronage basis by any such cooperative association to its bona fide members of moneys collected in excess of the expense of conducting the business of such association.

(e) When the governing board provides for making effective the final orders or decisions entered pursuant to the provisions of paragraph b of section 12 of this act.

(f) When the governing board thereof provides that members of such exchange shall require that any nonmember filing for execution an order for the purchase or sale of cotton futures shall comply with all the requirements and regulations applicable to members of such exchange.

(g) When the governing board thereof provides that the futures contracts traded in on such exchange shall name as places of delivery of the cotton covered by such contracts not less than two, and not more than six, bona fide spot cotton markets, designated as such by the Secretary of Agriculture under this act, which designation by the Secretary of Agriculture shall include Charleston, S. C.; Norfolk, Va.; Savannah, Ga.; New Orleans, La.; Houston, Tex.; and Galveston, Tex., and such other places as he may from time to time deem advisable; and shall further provide that the cotton delivered on each contract must be delivered in its entirety in one storage place; and shall further provide that notice by the seller of intention to deliver must be issued not less than 10 days prior to the date of delivery, and must specify the place of delivery and the grade and staple of the cotton to be delivered on such contract; and shall further provide that any cotton contract market located on the Atlantic coast shall have among its delivery points at least two Atlantic ports named as delivery points, which ports shall be designated spot markets; also provided, that any cotton contract market located on the coast of the Gulf of Mexico shall have among its delivery points at least two ports on the Gulf of Mexico named as delivery points, which ports shall be designated spot markets: *Provided,* That any cotton contract market located in the interior shall have among its delivery points at least two ports either on the Atlantic coast or the Gulf of Mexico named as delivery points, which ports shall be designated spot markets.

For the purposes of this act the word "manipulation" shall be construed to mean, among other things:

(1) Shipping or transferring to any contract market any cotton for the purpose of delivery on such contract market at an obvious loss on the transaction for the purpose of artificially influencing prices.

The purchase in one contract market of a given number of bales of cotton for delivery in one month and a corresponding sale in the same contract market of a like number of bales of cotton for delivery in a later month, accompanied by the receipt of any cotton on the purchase and the tender of the same or other cotton on the sale, when such transaction is done at an obvious loss, for the purpose, and with the effect, of artificially influencing the price relationship of the two months.

(2) Tendering and repeatedly retendering on futures contracts in any designated contract market notices of delivery of the same cotton for the purpose of artificially influencing prices upon such contract market.

(3) The tender upon futures contracts more than once by the same person in the same calendar month of notices of delivery of the same cotton, or otherwise trafficking in notices of delivery for the purpose of artificially influencing prices.

(4) Engaging in straddle operations in and between various markets designated by the Secretary of Agriculture as contract markets, with the apparent purpose of artificially influencing the movement of prices in any such designated contract market.

For the purposes of this section a straddle shall be understood to mean the purchase in one contract market of a given number of bales of cotton for delivery in one month and a corresponding sale in the same or another contract market of a like number of bales for delivery in another month, or the purchase in one designated contract market of

a given number of bales of cotton for delivery in one month and the sale in another designated market of a like number of bales for delivery in the same month.

The foregoing definitions of manipulation shall not be held to exclude from the operations of this act other forms of manipulation not herein specifically described.

SEC. 5. That each contract of sale of cotton for future delivery under this section shall:

First. Be in writing plainly stating, or evidenced by written memorandum showing, the terms of such contract, including the quantity of the cotton involved and the names and addresses of the seller and buyer in such contract, and shall be signed by the party to be charged, or by his agent in his behalf. If the contract or memorandum specify in bales the quantity of the cotton involved without giving the weight each bale shall, for the purposes of this act, be deemed to weigh 500 pounds.

Second. Specify the basis grade for the cotton involved in the contract, which shall be one of the grades for which standards are established by the Secretary of Agriculture, except grades prohibited from being delivered on a contract made under this section by the fifth subdivision of this section, the price per pound at which the cotton of such basis grade is contracted to be bought or sold, the date when the purchase or sale was made, and the month or months in which the contract is to be fulfilled or settled: *Provided,* That middling shall be deemed the basis grade incorporated into the contract if no other basis grade be specified either in the contract or in the memorandum evidencing the same.

Third. Provide that the cotton dealt with therein or delivered thereunder shall be of or within the grades for which standards are established by the Secretary of Agriculture except grades prohibited from being delivered on a contract made under this section by the fifth subdivision of this section and no other grade or grades.

Fourth. Provide that in case cotton of grade other than the basis grade be tendered or delivered in settlement of such contract, the differences above or below the contract price which the receiver shall pay for such grades other than the basis grade shall be the average actual commercial differences, determined as hereinafter provided.

Fifth. Provide that cotton that because of the presence of extraneous matter of any character, or irregularities or defects, is reduced in value below that of low middling, or cotton that if white is below the grade of low middling, or if extra white, cotton that is below the grade of low middling, or if yellow tinged, cotton that is below the grade of strict middling, or if yellow stained, cotton that is below the grade of good middling, or if spotted, cotton that is below the grade of middling, or if light yellow stained, cotton that is below the grade of good middling, or if gray, cotton that is below the grade of strict middling, the grades mentioned being of the official cotton standards of the United States, or cotton that is blue stained according to said official standards, or cotton that is less than seven-eighths of an inch in length of staple, or cotton of perished staple or of immature staple, or cotton that is not of sound staple character, or cotton that is irregular, weak, and wasty, or cotton that is "gin cut" or reginned or cotton that is "repacked" or "false packed" or "mixed packed" or "water packed" shall not be delivered on, under, or in settlement of such contract.

Sixth. Provide that all tenders of cotton under such contract shall be the full number of bales involved therein, except that such variations of the number of bales may be permitted as is necessary to bring the total weight of the cotton tendered within the provisions of the contract as to weight; that, on the tenth business day prior to delivery, the person making the tender shall give to the person receiving the same a written notice of the date of delivery, and that, on or prior to the date so fixed for delivery, and in advance of final settlement of the contract, the person making the tender shall furnish to the person receiving the same a written notice or certificate stating the grade of each individual bale to be delivered and, by means of marks or numbers identifying each bale with its grade: *Provided,* That where any cotton to which any such notice of the date of delivery shall apply shall have been previously certificated, such notice of the date of delivery shall state the total number of bales of each grade and staple to be delivered.

Seventh. Provide that all tenders of cotton and settlements therefor under such contract shall be in accordance with the classification thereof made under the regulations of the Secretary of Agriculture by such officer or officers of the Government as shall be designated for the purpose, and the costs of such classification shall be fixed, assessed, collected, and paid as provided in such regulations. Samples representing cotton classified and certified by such officers for the purposes of this section shall be made available for examination to any person, whether he be a member or a nonmember of a cotton-futures exchange, upon the payment of such fees and upon compliance with such regulations as the Secretary of Agriculture may prescribe. All moneys collected as costs hereunder may be used as a revolving fund for carrying out the purposes of this subdivision.

The provisions of the third, fourth, fifth, sixth, and seventh subdivisions of this section shall be deemed fully incorporated into any such contract if there be written or printed thereon, or on the memorandum evidencing the same, at or prior to the time the same is signed, the phrase "Subject to the cotton futures trading act, section 5."

The Secretary of Agriculture is authorized to prescribe regulations for carrying out the purposes of the seventh subdivision of this section, and the certificates of the officers of the Government as to the classification of any cotton for the purposes of said subdivision shall be accepted in the courts of the United States in all suits between the parties to such contract, or their privies, as prima facie evidence of the true classification of the cotton involved.

SEC. 6. (a) That for the purposes of section 5 of this act the differences above or below the contract price which the receiver shall pay for cotton of grades above or below the basis grade in settlement of a contract of sale for the future delivery of cotton shall be, for each grade, the average of the actual commercial differences in the spot markets of not less than five places designated from time to time by the Secretary of Agriculture, as determined and quoted in each such market from actual sales of spot cotton, or, in the absence of actual sales of spot cotton, from bona fide bid and offered prices, upon the eleventh business day prior to the date fixed in accordance with the sixth subdivision of section 5 for delivery of cotton on the contract: *Provided,* That for the purposes of this section such values in the said spot markets shall be based upon the official cotton standards established by the Secretary of Agriculture.

(b) The Secretary shall prescribe regulations for the determination of the actual commercial differences and the actual commercial staple premiums and discounts in the spot markets in the places designated by him, and for the publication of the quotations thereof. Whenever the Secretary shall find that in any such spot market the quotations of such differences, or of staple premiums or discounts, have not been made in accordance with his regulations or do not reflect the actual commercial differences, staple premiums, or discounts, he may, for such period as he shall deem necessary, determine such actual commercial differences, staple premiums, and discounts in any such market and publish the quotations thereof. The quotations so published shall be deemed the quotations of such market.

(c) Any person who shall fail or refuse to furnish any information in his possession requested by such Secretary under paragraph (b) of this section shall not be heard to complain in respect of any quotation published by such Secretary.

SEC. 7. In case cotton of grade or grades other than the basis grade specified in the contract shall be tendered in performance of any contract under this section, the parties to such contract may agree, at the time of the tender, as to the price of the grade or grades so tendered; and that if they shall not then agree as to such price, then, and in that event, the buyer of said contract shall have the right to demand the specific fulfillment of such contract by the actual delivery of cotton of the basis grade named therein, and at the price specified for such basis grade in said contract, and if the contract also comply with all the terms and conditions of section 5 hereof not inconsistent with this section: *Provided,* That nothing in this section shall be so construed as to authorize any contract in which, or in the settlement of, or in respect to which any device or arrangement whatever is resorted to, or any agreement is made, for the determination or adjustment of the price of the grade or grades tendered other than the basis grade specified in the contract by any "fixed difference" system, or by arbitration, or by any other method not provided for by this act.

Contracts made in compliance with this section shall be known as section 7 contracts. The provisions of this section shall be deemed fully incorporated into any such contract if there be written or printed thereon, or on the memorandum evidencing the same, at or prior to the time the same is signed, the phrase "Subject to the cotton futures trading act, section 7."

Section 11 of this act shall not be construed to apply to any contract of sale made in compliance with section 7 hereof.

SEC. 8. That for the purposes of this act the only markets which shall be considered bona fide spot markets shall be those which the Secretary of Agriculture shall from time to time, after investigation, determine and designate to be such, and of which he shall give public notice.

SEC. 9. That in determining, pursuant to the provisions of this act, what markets are bona fide spot markets the Secretary of Agriculture is directed to consider only markets in which spot cotton is sold in such volume and under such conditions as customarily to reflect accurately the value of middling cotton seven-eighths of an inch in length of staple and the differences between the prices or values of middling cotton seven-eighths of an inch in length of staple and of such other grades and staple lengths of cotton for which standards shall have been established by the Secretary of Agriculture as the Secretary of Agriculture may require in regulations prescribed by him in furtherance hereof: *Provided,* That if there be not sufficient places in the markets of which are made bona fide sales of spot cotton of grades and staple lengths for which standards are established by the Secretary of Agriculture to enable him to designate at least five spot markets in accordance with section 6 of this act, he shall, from data as to spot sales collected by him, make rules and regulations for determining the actual commercial

differences in the value of spot cotton of the grades and staple lengths established by him as reflected by bona fide sales of spot cotton of the same or different grades and staple lengths in the markets selected and designated by him from time to time for that purpose, and in that event differences in value of cotton of various grades and staple lengths involved in contracts made pursuant to section 5 of this act shall be determined in compliance with such rules and regulations: *Provided further,* That it shall be the duty of any persons engaged in the business of dealing in cotton, when requested by the Secretary of Agriculture or any agent acting under his instructions, to answer correctly to the best of his knowledge, under oath or otherwise, all questions touching his knowledge of the number of bales, the classification, the price or bona fide price offered, and other terms of purchase or sale of any cotton involved in any transaction participated in by him, or to produce all books, letters, papers, or documents in his possession or under his control relating to such matter. Any such person who shall, within a reasonable time prescribed by the Secretary of Agriculture or such agent, willfully fail or refuse to answer such questions or to produce such books, letters, papers, or documents, or who shall willfully give any answer that is false or misleading, shall be guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not exceeding $500.

SEC. 10. That the Secretary of Agriculture is authorized, from time to time, to establish and promulgate standards of cotton by which its quality or value may be judged or determined, including its grade, length of staple, strength of staple, character, color, and such other qualities, properties, and conditions as may be standardized in practical form, which, for the purposes of this act, shall be known as the "official cotton standards of the United States": *Provided,* That any standard of any cotton established and promulgated under this act by the Secretary of Agriculture shall not be changed or replaced within a period less than one year from and after the date of the promulgation thereof by the Secretary of Agriculture: *Provided further,* That no change or replacement of any standard of any cotton established and promulgated under this act by the Secretary of Agriculture shall become effective until after one year's public notice thereof, which notice shall specify the date when the same is to become effective. The Secretary of Agriculture is authorized and directed to prepare practical forms of the official cotton standards which shall be established by him, and to furnish such practical forms from time to time, upon request, to any person, the cost thereof, as determined by the Secretary of Agriculture, to be paid by the person requesting the same, and to certify such practical forms under the seal of the Department of Agriculture and under the signature of the said Secretary, thereto affixed by himself or by some official or employee of the Department of Agriculture thereunto duly authorized by the said Secretary. Any moneys received for or in connection with the sale of cotton purchased for the preparation of such practical forms and condemned as unsuitable for such use, or with the sale of such practical forms, may be expended for the purchase of other cotton for such use, and for travel and transportation and all other necessary expenses incident thereto.

SEC. 11. All contracts under this section shall comply with each of the following conditions:

First. Conform to the rules and regulations made pursuant to this act.

Second. Specify the grade, type, sample, or description of the cotton involved in the contract, the price per pound at which such cotton is contracted to be bought or sold, the date of the purchase or sale, and the time when shipment or delivery of such cotton is to be made.

Third. Provide that cotton of or within the grade or of the type, or according to the sample or description, specified in the contract shall be delivered thereunder, and that no cotton which does not conform to the type, sample, or description, or which is not of or within the grade specified in the contract shall be tendered or delivered thereunder.

Fourth. Provide that the delivery of cotton under the contract shall not be effected by means of "set-offs" or "ring" settlement, but only by the actual transfer of the specified cotton mentioned in the contract.

The provisions of the first, third, and fourth subdivisions of this section shall be deemed fully incorporated into any such contract if there be written or printed thereon, or on the document or memorandum evidencing the same, at or prior to the time the same is entered into, the words "Subject to the cotton futures trading act, section 11."

This section shall not be construed to apply to any contract of sale made in compliance with section 5 of this act.

SEC. 12. Any cotton-futures exchange desiring to be designated a "contract market" shall make application to the Secretary of Agriculture for such designation and accompany the same with a showing that it complies with the foregoing conditions, and with a sufficient assurance that it will continue to comply with the said requirements.

(a) A commission composed of the Secretary of Agriculture, the Secretary of Commerce, and the Attorney General is authorized to suspend for a period not to exceed six months, or to revoke the designation of any cotton-futures exchange as a "contract market" upon a showing that such cotton-futures exchange has failed or is failing to comply with any of the above requirements, or is not enforcing its rules of government made a condition of its designation as set forth in section 4. Such suspension or revocation shall only be after a notice to the officers of the cotton-futures exchange and upon a hearing: *Provided,* That such suspension or revocation shall be final and conclusive unless within 15 days after such suspension or revocation by the said commission such cotton-futures exchange appeals to the circuit court of appeals for the circuit in which it has its principal place of business by filing with the clerk of such court a written petition praying that the order of said commission be set aside or modified in the manner stated in the petition, together with a bond in such sum as the court may determine, conditioned that such cotton-futures exchange will pay the costs of the proceedings if the court so directs. The clerk of the court in which such a petition is filed shall immediately cause a copy thereof to be delivered to the Secretary of Agriculture, chairman of said commission, or any member thereof, and the said commission shall forthwith prepare, certify, and file in the court a full and accurate transcript of the record in such proceedings, including the notice to the cotton-futures exchange, a copy of the charges, the evidence, and the report and order. The testimony and evidence taken or submitted before the said commission duly certified and filed as aforesaid as a part of the record shall be considered by the court as the evidence in the case. The proceedings in such cases in the circuit court of appeals shall be made a preferred cause and shall be expedited in every way. Such a court may affirm or set aside the order of the said commission or may direct it to modify its order. No such order of the said commission shall be modified or set aside by the circuit court of appeals unless it is shown by the cotton-futures exchange that the order is unsupported by the weight of the evidence or was issued without due notice and a reasonable opportunity having been afforded to such cotton-futures exchange for a hearing, or infringes the Constitution of the United States, or is beyond the jurisdiction of said commission: *Provided further,* That if the Secretary of Agriculture shall refuse to designate as a contract market any cotton-futures exchange that has made application therefor, then such cotton-futures exchange may appeal from such refusal to the commission described herein, consisting of the Secretary of Agriculture, the Secretary of Commerce, and the Attorney General of the United States, with the right to appeal as provided for in other cases in this section, the decision on such appeal to be final and binding on all parties interested.

(b) If the Secretary of Agriculture has reason to believe that any person is violating any of the provisions of this act, or is attempting to manipulate the market price of any cotton in violation of the provisions of section 4 hereof, or of any of the rules or regulations made pursuant to its requirements, he may serve upon such person a complaint stating his charge in that respect, to which complaint shall be attached or contained therein a notice of hearing, specifying a day and place not less than three days after the service thereof, requiring such person to show cause why an order should not be made directing that all contract markets, until further notice of said commission, refuse all trading privileges thereon to such person. Said hearing may be had in Washington, D. C., or elsewhere, before the said commission, or before a referee designated by the Secretary of Agriculture, who shall cause all evidence to be reduced to writing, and forthwith transmit the same to the Secretary of Agriculture as chairman of the said commission. That for the purpose of securing effective enforcement of the provisions of this act, the provisions including the penalties of section 12 of the interstate commerce act, as amended, relating to attendance and testimony of witnesses, the production of documentary evidence, and the immunity of witnesses, are made applicable to the power, jurisdiction, and authority of the Secretary of Agriculture, the said commission or said referee in proceedings under this act, and to persons subject to its provisions. Upon evidence received the said commission may require all contract markets to refuse such person all trading privileges thereon for such period as may be specified in said order. Notice of such order shall be sent forthwith by registered mail or delivered to the offending person and to the governing boards of said contract markets. After the issuance of the order by the commission, as aforesaid, the person against whom it is issued may obtain a review of such order or such other equitable relief as to the court may seem just, by filing in the United States circuit court of appeals of the circuit in which the petitioner is doing business a written petition, praying that the order of the commission be set aside. A copy of such petition shall be forthwith served upon the commission by delivering such copy to its chairman or to any member thereof, and thereupon the commission shall forthwith certify and file in the court a transcript of the record theretofore made, including evidence received. Upon the filing of the transcript the court shall have jurisdiction to affirm, to set aside, or modify the order of the commission; and the findings of the commission as to the facts, if supported by the weight of the evidence, shall in like manner be conclusive. In proceedings under paragraphs (a) and (b) the judgment and decree of the court shall be final, except that the same shall be subject to review by the Supreme Court upon certiorari, as provided in section 240 of the Judicial Code.

SEC. 13. Any cotton-futures exchange that has been designated a contract market in the manner herein provided may have such designation vacated and set aside by giving notice in writing to the Secretary of

Agriculture requesting that its designation as a contract market be vacated, which notice shall be served at least 90 days prior to the date named therein as the date when the vacation of designation shall take effect. Upon receipt of such notice the Secretary of Agriculture shall forthwith order the vacation of the designation of such cotton-futures exchange, effective upon the day named in the notice, and shall forthwith send a copy of the notice and his order to all other contract markets. From and after the date upon which the vacation became effective the said cotton-futures exchange can thereafter be designated again a contract market by making application to the Secretary of Agriculture in the manner herein provided for an original application.

SEC. 14. For the efficient execution of the provisions of this act, and in order to provide information for the use of Congress, the Secretary of Agriculture may make such investigations as he may deem necessary to ascertain the facts regarding any unfair practices or abuses upon, and regarding the general operations of, cotton-futures exchanges whether prior or subsequent to the enactment of this act, and may publish from time to time, in his discretion, the result of such investigation and such statistical information gathered therefrom as he may deem of interest to the public, except data and information which would separately disclose the business transactions of any person and trade secrets or names of customers: *Provided*, That nothing in this section shall be construed to prohibit the Secretary of Agriculture from making or issuing such reports as he may deem necessary relative to the conduct of any cotton-futures exchange or of the transactions of any person found guilty of violating the provisions of this act under the proceedings prescribed in section 12 of this act: *Provided further*, That the Secretary of Agriculture in any report may include the facts as to any actual transaction. The Secretary of Agriculture, upon his own initiative or in cooperation with existing governmental agencies, shall investigate marketing conditions of cotton, including supply and demand, cost to the consumer, and handling and transportation charges. He shall likewise compile and furnish to producers and distributors, by means of regular or special reports or by such methods as he may deem most effective, information respecting the cotton markets, together with information on supply, demand, price, and other conditions in this and other countries that affect the markets.

SEC. 15. Further to effectuate the purposes of this act the Secretary of Agriculture shall have authority to prescribe the manner and form in which accounts, records, and memoranda relating to cotton and contracts for the purchase and sale thereof shall be kept, and he may require all persons who act in the capacity of a clearing house, clearing association, or similar institution for the purposes of clearing, settling, or adjusting any such transactions to keep such records and to make such returns as will fully and clearly disclose all facts in their possession relating thereto, and thereafter any person who fails to keep such accounts, records, and memoranda in the manner and form prescribed or approved by the Secretary shall be guilty of a misdemeanor and upon conviction shall be punished by a fine not exceeding $500.

SEC. 16. The Secretary of Agriculture is authorized and directed from time to time, after investigation, to fix, prescribe, and publicly announce the maximum limit of open interest which may be held by any individual, firm, or corporation, or his or its affiliations in contracts of purchase or sale of cotton on any contract market for future delivery in any month or in specified months, and it shall thereafter be unlawful for any individual, firm, or corporation, or his or its affiliations, to acquire or hold such on open interest in excess of the maximum limit so fixed: *Provided*, That in fixing and prescribing any maximum limit of open interest hereunder the Secretary of Agriculture shall give due consideration to any recommendation submitted to him by the governing board of such contract market: *Provided further*, That such limitation of interest shall be for the purpose of preventing the forcing of any month or any futures market out of proper parity with other months, or other futures markets shall not be used for the purpose of arbitrarily limiting the legitimate merchandising operations of any individual, firm, or corporation, or his or its affiliations, and the Secretary of Agriculture may from time to time increase or reduce the maximum limit if upon investigation he finds that the interests of the cotton industry will be best served by so doing: *Provided further*, That no reduction in such limitation shall affect contracts already entered into within the limit theretofore fixed.

SEC. 17. Any person who shall violate the provisions of section 3 or 16 of this act, or who shall fail to evidence any contract mentioned in said section 3 by a record in writing as therein required, or who shall deliver for transmission through the mails or in interstate commerce by telegraph, telephone, or wireless, or other means of communication false or misleading reports concerning crop or market information or conditions that affect or tend to affect the price of cotton in interstate commerce, or any person or persons who shall manipulate or attempt to manipulate prices of cotton or who shall corner or attempt to corner any cotton in futures-contract transactions upon any cotton-futures exchange designated as a contract market under this act, or any person who shall knowingly submit to any officer of the United States Department of Agriculture for classification under this act any reginned, repacked, false packed, mixed packed, or water packed cotton without informing such officer that such cotton is in fact reginned, repacked, false packed, mixed packed, or water packed; or any person who shall interfere with or influence improperly or attempt to influence improperly any person employed in the administration of this act, shall be deemed guilty of a misdemeanor and upon conviction thereof be fined not more than $10,000 or imprisoned for not more than one year, or both, together with the costs of prosecution.

SEC. 18. No fine or imprisonment shall be imposed for any violation of this act occurring within 60 days following its passage.

SEC. 19. The Secretary of Agriculture may cooperate with any department or agency of the Government, any State, Territory, District, or possession, or department, agency, or political subdivision thereof, or any person; and shall have the power to appoint, remove, and fix the compensation of such officers and employees, not in conflict with existing law, and make such expenditures for rent outside the District of Columbia, printing, telegrams, telephones, law books, books of reference, periodicals, furniture, stationery, office equipment, travel, and other supplies and expenses as shall be necessary to the administration of this act in the District of Columbia and elsewhere, and there are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary for such purposes.

SEC. 20. If any clause, sentence, paragraph, or part of this act shall for any reason be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgment shall have been rendered.

During the reading of the bill—

Mr. HASTINGS. Mr. Speaker, I ask unanimous consent that the further reading of the bill be dispensed with, and that it be printed in the RECORD.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent that the further reading of the bill be dispensed with. Is there objection?

There was no objection.

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

On motion of Mr. VINSON of Georgia, a motion to reconsider the last vote was laid on the table.

The SPEAKER. The Clerk will report the next bill.

### AMENDMENT TO FEDERAL FARM LOAN ACT

The next business on the Consent Calendar was the bill (H. R. 13936) to amend the second paragraph of section 4 of the Federal farm loan act, as amended.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Reserving the right to object, Mr. Speaker, I want to call the gentleman's attention to page 2, line 13, where it is provided, "Except that such branch bank may loan direct to borrowers, and subject to such regulations as the Federal Farm Board may prescribe."

I suggest that you put in parenthesis "chapter 7 of section 4 of the United States Code," which relates only to the subject matter of this bill.

Mr. McFADDEN. I accept that amendment.

Mr. BLACK of Texas. Mr. Speaker, will the gentleman yield?

Mr. McFADDEN. Yes.

Mr. BLACK of Texas. In view of the disaster that has overtaken Porto Rico, does the gentleman think it would be wise to extend the limit of amount on farm loans in that territory?

Mr. McFADDEN. I do think it is wise and proper. The matter has been canvassed very carefully. The local manager of the Federal land bank in Porto Rico has recommended the passage of this act, and the Federal farm land bank in Baltimore has recommended it. The storm, of course, did not take the land away. This amendment does not increase the amount that may be loaned to an individual in Porto Rico beyond that which may be now loaned in the mainland, but $10,000 less. I think it is only fair and right, and will render great service to those people down there in rehabilitating the devastated territory. On that point I would like to read from a telegram which I have just received. It says:

SAN JUAN, P. R., *January 10, 1929.*

Congressman McFADDEN,
*Washington, D. C.:*

Your project asking Congress to increase loans of Federal land bank from a maximum of $10,000 to $25,000 for Porto Rico is the best economic solution presented for the relief of Porto Rico. The island being agricultural, every business depending on agricultural returns will recover from the effects of the recent disastrous cyclone which devastated the agricultural section in a much shorter time than through any other source. The fact that this increase will assist all agricul-

tural interests is of unestimated value. It will also loosen up money that is tied up in farm mortgages for general commercial purposes. We recommend with greatest vigor and urge that your bill be presented and passed at the earliest opportunity. We consider this of vital importance to the rehabilitation of our economic situation.

(Signed) R. ABOY BENITEZ,
*President-Treasurer Porto Rico Sugar Producers' Association.*
JOSE L. PESQUERA,
*President Porto Rico Farmers' Association.*
J. J. SOUTHER,
*President Porto Rico Fruit Union.*
HERBERT BROWN,
*President Porto Rico Fruit Exchange (Inc.).*
L. VENEGAS,
*President Porto Rico Bankers' Association.*
COLIN C. MACRAE,
*President Porto Rico Clearing House.*

Certified.

J. RUIZ SOLER,
*Vice President-Treasurer Porto Rico Sugar Producers' Association.*

Mr. BLACK of Texas. Congress passed a bill recently, if I recall, creating a loan fund for Porto Rico, to be administered by a commission. I doubt the wisdom of extending the limit on farm loans in Porto Rico. The most important thing to be regarded as to the farm-loan system is the solvency of its bonds. I figure that we do not assist the farm-loan system and do not advance its utility when we step out too far in extending the loan limit. Conservative policy as to loans made by the farm-loan system will much better secure the success of the system than otherwise.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. BLACK of Texas. Yes.

Mr. LAGUARDIA. The provisions of the Porto Rican relief bill permit loans to be made to individuals only.

Mr. BLACK of Texas. Oh, yes; I know that, and it was to take care of an emergency situation. This amendment now offered is permanent.

Mr. McFADDEN. I will say to the gentleman that this amendment to the present law will help the farmers rehabilitate themselves, whereas the recent appropriation was of a different nature. I will say further, in answer to the gentleman, that the records show, and they are confirmed by the manager of the Federal land bank in San Juan, that the loans to Porto Rican farmers are the best loans in the Federal farm-loan system, and instead of this weakening that system and perhaps having inferior security back of the bonds, in my judgment, it will increase the security back of the bonds by this privilege of increasing the amount of these loans, and will help a great deal in cutting down the average operating expenses, as there is less expense in caring for the larger loans—hence the average expense will be lessened.

Mr. BLACK of Texas. Can the gentleman give us any information as to the average value of land there for loan purposes?

Mr. McFADDEN. Under the law there is a limitation as to the amount that can be loaned on those lands. There is a high price value on those lands, and that is one of the additional securities that will be gained by making loans on that high-priced land, because the loans are made at a low rate of valuation. The value of sugar lands is $500 to $600 per acre, coffee lands $250 to $300, and tobacco lands about the same, and so forth.

Mr. BLACK of Texas. I understand that this Porto Rican bank is a branch of the Baltimore bank, and if the Baltimore bank is observing a reasonable valuation for the making of loans and is not taking into consideration what might be termed the inflated value of some of these lands, and if the gentleman has satisfied himself on that point, I shall not object to the bill.

Mr. McFADDEN. I am satisfied that the business of that bank is being conducted properly and that the loans are made on proper valuations.

Mr. BURTNESS. Will the gentleman yield?

Mr. McFADDEN. Yes.

Mr. BURTNESS. Is it true that this bill does not contemplate an increase in the amount that will be borrowed on the individual acre but is rather an increase in the amount that can be borrowed by any farmer, so that he may get money borrowed upon the entire farm or plantation which forms the average unit?

Mr. McFADDEN. That is the idea.

Mr. BURTNESS. And there is no disposition, if I understand correctly, to increase the amount in so far as the individual acre is concerned?

Mr. McFADDEN. No; the gentleman is correct.

Mr. CRAMTON. Will the gentleman yield?

Mr. McFADDEN. I will.

Mr. CRAMTON. As I understand, the present law applies to the Territory of Alaska, and it is now proposed to include Porto Rico. What is the situation with reference to the Territory of Hawaii?

Mr. McFADDEN. It is purely an administrative matter in Hawaii, and I do not think this legislation affects them at all.

Mr. LAGUARDIA. The only difference is it changes $10,000 to $15,000.

Mr. McFADDEN. This does not change the original act at all, except as to the amount to be loaned to each individual borrower at $15,000, whereas in the States here the limit is $25,000.

Mr. CRAMTON. The gentleman understands that the law does apply to the Territory of Hawaii?

Mr. McFADDEN. The present farm loan law does, yes; but this amendment does not affect Hawaii at all, but leaves that situation just as it is.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the second paragraph of section 4 of the Federal farm loan act, as amended, is amended to read as follows:

"The Federal Farm Loan Board shall establish in each Federal land-bank district a Federal land bank, with its principal office located in such city within the district as said board shall designate. Each Federal land bank shall include in its title the name of the city in which it is located. Subject to the approval of the Federal Farm Loan Board, any Federal land bank may establish branches within the land-bank district. Subject to the approval of the Federal Farm Loan Board and under such conditions as it may prescribe, the provisions of this act are extended to the island of Porto Rico and the Territory of Alaska; and the Federal Farm Loan Board shall designate a Federal land bank which is hereby authorized to establish a branch bank in Porto Rico and a Federal land bank which is hereby authorized to establish a branch bank in the Territory of Alaska. Loans made by each such branch bank shall not exceed the sum of $25,000 to any one borrower and shall be subject to the restrictions and provisions of this act, except that each such branch bank may loan direct to borrowers, and, subject to such regulations as the Federal Farm Loan Board may prescribe, the rate charged borrowers may be 1½ per cent in excess of the rate borne by the last preceding issue of farm-loan bonds of the Federal land bank with which such branch bank is connected: *Provided*, That no loan shall be made in Porto Rico or Alaska by such branch bank for a longer term than 20 years."

With the following committee amendment:

Page 2, line 11, strike out "$25,000" and insert "$15,000."

The committee amendment was agreed to.

Mr. LAGUARDIA. Mr. Speaker, I offer two amendments.

The SPEAKER. The gentleman from New York offers amendments, which the Clerk will report.

The Clerk read as follows:

Amendments offered by Mr. LAGUARDIA: Page 1, line 4, after the word "act," insert "(U. S. Code of Laws, title 12, sec. 672.)"

Page 2, line 13, after the word "act," insert "(ch. 7 of title 12, U. S. C.)"

The amendments were agreed to.

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

A motion to reconsider the vote by which the bill was passed was laid on the table.

### BRIDGE ACROSS THE MISSISSIPPI RIVER

The next business on the Consent Calendar was the bill (H. R. 14803) to extend the time for completing the construction of the bridge across the Mississippi River at Natchez, Miss., three years from May 3, 1928.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. DENISON. Mr. Speaker, I ask unanimous consent to substitute Senate bill 5240, an identical bill, for the House bill.

The SPEAKER. The gentleman from Illinois asks unanimous consent to substitute Senate bill 5240 for the House bill. Is there objection?

There was no objection.

The Clerk read the Senate bill, as follows:

*Be it enacted, etc.*, That the time for completing the construction of the bridge across the Mississippi River at or near the city of Natchez, Miss., authorized by the act of Congress approved May 3, 1926, entitled "An act granting the consent of Congress to the Natchez-Vidalia Bridge

& Terminal Co. to construct, maintain, and operate a bridge across the Mississippi River at or near the city of Natchez, Miss.," be, and the same is hereby, extended to May 3, 1931.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

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

A motion to reconsider the vote by which the bill was passed was laid on the table.

BRIDGE ACROSS THE RIO GRANDE AT SAN BENITO, TEX.

The next business on the Consent Calendar was the bill (H. R. 14458) authorizing the Rio Grande del Norte Investment Co., its successors and assigns, to construct, maintain, and operate a bridge across the Rio Grande at or near San Benito, Tex.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, I have an amendment which I am going to suggest. It is simply the form taken from the model bills presented by the gentleman from Illinois [Mr. DENISON] sometime ago, providing what should go into the valuation in the event the State should take over the bridge. The author of the bill is not on the floor just now.

Mr. DENISON. We have never authorized the taking over of an international bridge.

Mr. LAGUARDIA. Then it will not do any harm; but if at any time the State of Texas should take it over, I am simply embodying a new section, which is the formula used by the gentleman in his model bill. If there is no objection to the amendment, I shall not object, but I would like to have a little understanding about it.

As the author of the bill is not in the Chamber at this moment, Mr. Speaker, may we have this bill and the three following bills go over without prejudice?

Mr. DENISON. No; just pass them over temporarily.

Mr. LAGUARDIA. I will ask that they be passed over temporarily, until the gentleman from Texas returns.

The SPEAKER. The gentleman from New York asks unanimous consent that this bill and the three following bills (H. R. 15005, H. R. 15006, H. R. 15069) may be passed over temporarily. Is there objection?

There was no objection.

RELIEF FOR GRAIN ELEVATORS

The next business on the Consent Calendar was the resolution (S. J. Res. 59) authorizing the President to ascertain, adjust, and pay certain claims of grain elevators and grain firms to cover insurance and interest on wheat during the years 1919 and 1920, as per a certain contract authorized by the President.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, I understand the bill will be amended by providing that the Comptroller General shall make the examination; is that correct?

Mr. PEAVEY. I have not any amendment to offer, I will say to the gentleman.

Mr. SINCLAIR. The gentleman from Kansas, chairman of our War Claims Committee, has such an amendment.

Mr. BLACK of Texas. Let us have the bill go over. It should have more consideration than we will have to give to it to-day.

Mr. LAGUARDIA. I am ready to agree to pass it, only there is an understanding it will be amended so as to provide that the Comptroller General shall make the examination.

Mr. BLACK of Texas. May I ask the Member who is in charge of this bill a question? It is my understanding that the general law which Congress passed several years ago provided a method for settlement of claims of this kind and that a certain number of such claims were in fact settled and paid. May I inquire why these claimants did not collect their claims, if they are so worthy and correct, or why ought they now to be paid? Why did they not collect their claims in the manner provided by the Congress?

Mr. STRONG of Kansas. I am advised by the subcommittee that held the hearings on this bill that these little elevators, generally run for the farmers by one man, did not understand that they had to press their claims. The Government furnished them with blanks to report on the amount of wheat in storage, and at the end of each week or two weeks they sent in such report, and they thought the Government would send them the money as provided under their contract. When the period of the contract had passed, the big elevator men and the group elevator men and the line elevator men went in with their auditors and got the money due them from the Government Grain Corporation under the contract. The farmers' elevators and the little elevator men did not understand what they should do and did not get their money, and all they are asking is that an audit be made of the Government's own books and whatever the books of the Government show is due them under the signed contracts shall be paid them, and I have an amendment from the committee to offer asking the Comptroller General to make the audit.

Mr. SCHAFER. Will the gentleman yield?

Mr. STRONG of Kansas. Yes.

Mr. SCHAFER. Would the gentleman have any objection to putting in an amendment to limit attorneys' fees to 10 per cent?

Mr. STRONG of Kansas. I do not represent any of these men and I do not know anything about that. I will just say that I understand the farmer elevators, of which there are several hundred, have finally grouped their claims and have got some farm organization to take charge of them. I do not know whether there are any attorneys' fees involved in it or not.

Mr. SCHAFER. But the gentleman is chairman of the committee that reported out this bill, and does not the gentleman think a limitation of 10 per cent would be fair and proper?

Mr. STRONG of Kansas. I do not know whether it would be fair or not. A lot of these claims are for $10, $20, $50, $100, and so forth, and I do not know of any of them over $200 or $300. So if fees are a consideration, 10 per cent would be very small.

Mr. HUDSON. Will the gentleman yield?

Mr. STRONG of Kansas. Yes.

Mr. HUDSON. I have been objecting in the Committee on Indian Affairs to legislation that did not limit the fees of attorneys, and if this bill does not contain a limit on attorneys' fees, for one I shall object.

Mr. LAGUARDIA. I will draft such an amendment.

Mr. BLACK of Texas. Mr. Speaker, I object to the bill. I think this bill that involves 4,000 claimants at a probable cost of more than $1,000,000 ought not to come up in this manner. It can not receive the careful consideration which should be given to a bill of this kind.

Mr. STRONG of Kansas. If the Government has already paid the big claimants why should not the little fellows be paid?

Mr. BLACK of Texas. The Government provided a method which was clearly set out in the statute, but it was ignored by these claimants. They had their remedy and did not pursue it.

Mr. STRONG of Kansas. Because they did not know anything about it.

Mr. BLACK of Texas. Now, I understand the claimants' "attorneys" are working this thing up.

Mr. KNUTSON. No; this only involves a number of small claimants.

Mr. SCHAFER. I reserve the right to object, Mr. Speaker.

Mr. HUDSON. I shall object unless they are willing to let the bill go over.

Mr. CRAMTON. Reserving the right to object, I have heretofore stated to gentlemen interested some changes I have in mind. I do not think the resolution on its face ought to declare that there are sums due these people, unless the comptroller so determines under the proposed amendment. I had in mind an amendment to strike out the words "now justly due said claimants" and insert in line 4, page 3, after the word "amount," "if anything." Let it be determined whether there is any amount due them or not. Then, I think there should be an amendment with reference to attorneys' fees. I had in mind also limiting the total amount, but I understand it involves only a few hundred thousand dollars at the most.

Mr. BURTNESS. I agree thoroughly with the gentleman from Michigan, and I think we can obviate any objections the gentleman from Texas has. The intent of the resolution is not that Congress by this particular act directs the payment of the claims. The intent of the resolution is that an effort shall be made to determine definitely whether these people have any money coming to them or not.

Mr. BLACK of Texas. If the gentleman will read the bill, he will find that it not only gives the authority to adjust but also authority to settle and pay these claims. The gentleman need not be doubtful about the fact that the bill will entail a considerable charge on the Public Treasury. The very fact that so many Members are suggesting amendments for the protection of the Government enforces what I say, that a bill of this importance, involving 4,000 claimants, at a probable cost of a million dollars, ought not to come up on unanimous consent. For that reason I think I ought to object.

Mr. BURTNESS. The amendment of the gentleman from Michigan will amply safeguard every objection that the gentle-

man has indicated. The gentleman from Michigan discussed the proposed amendments with me, and while I do not represent the committee and am not on the committee, I have been in touch with the people interested in these claims. I know what they are up against, and I think I know something about the problems involved. The amendments that are proposed will not only take care of the situation but they will safeguard the Public Treasury. If the people have any money coming to them, let it be determined. The Government has the evidence in its possession and there ought to be some way of finding out what that evidence is.

Now, I am not familiar with the statute referred to by the gentleman from Texas, and I can not say whether any steps could have been taken under it or not. I want to call attention to the fact that this deals not with the Government but with a specific corporation that was set up in which the Government owned the stock, and I entertain serious doubt whether the statute to which the gentleman referred covers this situation.

Mr. BLACK of Texas. The report itself admits that the statute provided a clear method of settlement, and these claimants did not pursue that method at law; and now at this late day, 10 years after the war, come to Congress and ask that the Government authorize the payment of the claims.

Mr. STRONG of Kansas. This contract was made between the Grain Corporation on the part of the Government and the elevator people who were seeking to charge 5 cents a bushel for the storage and insurance on the grain held because of the shortage of cars. They went to the elevator people and said, "We will pay you seven-twentieths of a cent per week for the storage of the grain and cost of insurance," which was agreed to. The big elevator men had auditors and kept track of the amount due them and presented their claims in due form; and the little elevator fellows, the small elevator, that only had one man to run them, took their blanks which the Government furnished them and sent in the report and thought that was sufficient. They never presented their claims until long afterwards, and then they learned that they were too late and payment was refused.

Mr. BLACK of Texas. How did they learn that they should have presented their claims?

Mr. STRONG of Kansas. The big fellows had been paid, and the little fellows found that when they made application they were turned down.

Mr. BLACK of Texas. Why were they turned down?

Mr. STRONG of Kansas. For various reasons—for one, the statute had run against them. Then it was held that there was no way that their claim could be paid, and now they ask the Government to pay them what is due them under the written contract made with them by the Grain Corporation on behalf of the Government as shown by the books of the Government Grain Corporation. It seems to me eminently just and fair. This money is in the hands of the Government, turned into the Treasury by the Grain Corporation.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. BLACK of Texas. Mr. Speaker, I shall take the responsibility of registering one objection. I do not believe the bill should pass.

Mr. SCHAFER. Mr. Speaker, I reserve the right to object until we find out whether the committee will accept an amendment limiting attorneys' fees.

Mr. LaGUARDIA. I have such an amendment ready.

Mr. STRONG of Kansas. There will be no objection to such an amendment.

The SPEAKER pro tempore. Are there any other objections except that of the gentleman from Texas? If there are no other objections, the Clerk will read the joint resolution. The Clerk will read.

The Clerk read the joint resolution, as follows:

Senate joint resolution (S. J. Res. 59) authorizing the President to ascertain, adjust, and pay certain claims of grain elevators and grain firms to cover insurance and interest on wheat during the years 1919 and 1920, as per a certain contract authorized by the President

Whereas it is provided in the act entitled "An act to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel (ch. 53, 40 Stat. L., approved August 10, 1917, and ch. 125, 40 Stat. L., approved March 4, 1919), wherein the President was authorized to determine and fix a guaranteed price, to be paid producers of wheat, and wherein the President was further authorized as follows:

"Whenever the President shall find it essential in order to carry out the guarantees aforesaid, or to protect the United States against undue enhancement of its liabilities thereunder, he is authorized to make reasonable compensation for handling, transportation, insurance, and other charges with respect to wheat and wheat flour of said crops and for storage thereof in elevators, on farms, and elsewhere"; and

Whereas the President by an Executive order (No. 3087), dated May 14, 1919, in pursuance of the power conferred on him by said act, did order as follows:

"I further find it essential and hereby direct that in order to carry out the guarantees made producers of wheat of the crops of 1919, and to protect the United States against undue enhancement of its liabilities thereunder, the United States wheat director utilize the services of the Food Administration Grain Corporation (now the United States Grain Corporation by reason of a change of name authorized by Executive order) as an agency of the United States, and I authorize the Food Administration Grain Corporation * * * to enter into such voluntary agreements to make such arrangements and to do and perform all such acts and things as may be necessary to carry out the purposes of said act"; and

Whereas the United States Grain Corporation, in pursuance of said Executive order, and, for the purpose of carrying out and making effective the guaranteed price, made, and entered into, a certain contract, known as "the Grain Dealers' Agreement," with various independent and farmer grain firms and grain elevator companies in Montana, North Dakota, South Dakota, Minnesota, Nebraska, Kansas, Iowa, Missouri, Wyoming, and Oklahoma, and wherein it was agreed as follows:

"Fourth. In case the dealer (the elevator firms) shall be unable, after using every effort and all diligence to ship in any week such total of grain as makes the equivalent of at least 20 per centum of the amount of wheat in his elevator and owned by him at the beginning of such week, the grain corporation shall pay to the dealer to cover insurance and interest for such week seven-twentieths of a cent per bushel on the wheat in the elevator owned by him at the beginning of such week"; and

Whereas the President, in an Executive order, dated August 21, 1920, did approve, ratify, and confirm all acts done or authorized by the said United States Grain Corporation in carrying out and making the guaranteed price effective; and

Whereas a number of claims of the said grain dealers, for money earned under said contract, still remains unpaid, and are now justly due said claimants: Therefore be it

*Resolved, etc.*, That the President be, and he is hereby, authorized to ascertain the amounts due on said claims, and he is further authorized to adjust and pay said claims, as ascertained to be due said claimants, out of any funds now in the hands of the United States Grain Corporation, and belonging to the United States, or out of the funds in the United States Treasury, not otherwise appropriated, and the President is authorized to make payment thereof therefrom to the several persons entitled thereto, as their respective interests may appear.

Mr. STRONG of Kansas. Mr. Speaker, I offer the following committee amendment, which I send to the desk.

The Clerk read as follows:

Mr. STRONG of Kansas offers the following committee amendment: Page 3, strike out all after line 2 and insert the following:

"That the Comptroller General of the United States be, and he is hereby, authorized to ascertain the amount due on said claims, if any, and he is further authorized to settle and adjust said claims, and to certify same to the Secretary of the Treasury for payment to the several persons entitled thereto, as their respective interests may appear, together with the reasonable and necessary expenses incident to the administration of this resolution, out of any funds now in the hands of the United States Grain Corporation and belonging to the United States, or out of the funds in the United States Treasury not otherwise appropriated."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. CRAMTON. Mr. Speaker, as I understand it, the preamble is to be left in, so I move an amendment in the last paragraph of the preamble to strike out the words "and are now justly due said claimants."

The SPEAKER pro tempore. The gentleman from Michigan offers an amendment, which the Clerk will report.

Mr. STRONG of Kansas. Mr. Speaker, I have no objection to that amendment.

The Clerk read as follows:

Amendment by Mr. CRAMTON: Page 3, in the second last line of the last preamble, strike out the words "and are now justly due said claimants."

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. LaGUARDIA. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: At the end of the amendment offered by Mr. STRONG of Kansas strike out the period, insert a colon, and add the following: "*Provided*, That attorneys' fees shall not exceed 15 per cent of the amounts recovered."

Mr. STRONG of Kansas. Mr. Speaker, I have no objection to that amendment.

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The joint resolution as amended was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the joint resolution was agreed to was laid on the table.

COLUMBIA BASIN RECLAMATION PROJECT

The next business on the Consent Calendar was the bill (S. 1462) providing for the necessary surveys, studies, investigations, and engineering of the Columbia Basin reclamation project, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. SUMMERS of Washington. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice and that it retain its place on the calendar.

The SPEAKER pro tempore. The gentleman from Washington asks unanimous consent that the bill be passed over without prejudice. Is there objection?

Mr. LEATHERWOOD. Mr. Speaker, reserving the right to object, let me ask the gentleman from Washington whether he expects to have this bill up under suspension of the rules, if it is objected to now?

Mr. SUMMERS of Washington. I do.

Mr. LEATHERWOOD. To-day?

Mr. SUMMERS of Washington. If we reach it.

Mr. CRAMTON. Mr. Speaker, reserving the right to object, I have certain amendments to the bill, which I would like to offer. I think without those amendments or something like them the bill ought never to pass under suspension or otherwise. If the gentleman will follow me with his bill, I shall be glad to state the amendments I have in mind to suggest whenever the matter comes up for consideration.

Mr. LEATHERWOOD. Mr. Speaker, if the gentleman will permit, I believe I have the floor.

Mr. CRAMTON. I beg the gentleman's pardon. I am glad to yield the floor.

Mr. LEATHERWOOD. I just want to ask a question or two. Has the gentleman from Washington given consideration to the fact that the War Department is about to begin a survey of the Columbia River, involving an expenditure of $660,000, which covers practically all of the things provided for in the Senate bill now on the calendar?

Mr. SUMMERS of Washington. I have given consideration to the surveys to be made by the War Department but must disagree with the gentleman. They do not cover the matters which the Department of the Interior insists shall be investigated.

Mr. LEATHERWOOD. Has the gentleman taken up with the Bureau of Reclamation the question of whether or not there can be some cooperation between the Bureau of Reclamation and the War Department?

Mr. SUMMERS of Washington. Undoubtedly they will avail themselves of all information that is furnished by any other department of the Government.

Mr. LEATHERWOOD. I quite agree with the gentleman from Michigan [Mr. CRAMTON] that this bill ought to be amended if we are to protect the Treasury of the United States. I have not anything further to say at this time. If the gentleman from Washington is going to insist on bringing it up in a different form, I shall object to its consideration at this time.

The SPEAKER pro tempore. Is there objection?

Mr. CRAMTON. Mr. Speaker, reserving the right to object, I am very much surprised to hear it is expected to bring up this matter under suspension of the rules to-day if there is objection. This is the first time it has been reached. The House has very little information on the subject. This is a matter of very great importance, running up into the hundreds of millions of dollars, and I am strongly opposed to anything passing here now that carries on its face any suspicion that the Government is by the passage of this act committing itself to the construction of this vast reclamation project under present conditions.

Mr. SUMMERS of Washington. If the gentleman will yield, it does not commit the Government——

Mr. CRAMTON. I want to bring to the gentleman's attention certain amendments, and I hope if he brings it up under suspension or otherwise he will find these amendments satisfactory:

On page 1, line 8, after the words "Columbia Basin reclamation project," to insert the words "if authorized and constructed." No use of our going on and naming it unless it is authorized.

On page 2, line 4, amend the committee amendment by adding, after the word "project," in line 7, the following: "And whether the said project is feasible and its construction is desirable at this time." When we put up the money to investigate and report we want a report as to the feasibility and advisability of undertaking the project.

Mr. SUMMERS of Washington. Does not the gentleman think that is covered in the language of the bill?

Mr. CRAMTON. I want it very clear and definite.

Page 2, line 8, after the words "appropriation of," insert the words "one-half of." In other words, this investigation will continue just as previous investigations, half to be paid by the Government and half out of the State or other sources.

Mr. SUMMERS of Washington. At that point I do not believe it has been customary for the State to pay half for surveys; but the State has paid out large sums——

Mr. CRAMTON. I have one more amendment: Page 2, line 10, after the word "authorized," insert "from the reclamation fund, such appropriation to be available only when matched by equal amounts contributed by the State of Washington or by other sources." And this amendment ought to be adopted. I think the Nation would not suffer if the investigation of this great scheme was to be halted here, but I do not want to urge my point of view too strongly. I am not prepared to oppose the continuation of this investigation if it is made clear that in such investigation we are not in any way committed, but that the expenses would be shared in by this wealthy association or the State of Washington.

The SPEAKER pro tempore. Is there objection?

Mr. LEATHERWOOD. Mr. Speaker, under my reservation and in view of the fact that it is a useless expenditure of money, I object.

BRIDGE ACROSS THE RIO GRANDE AT SAN BENITO, TEX.

Mr. LAGUARDIA. Mr. Speaker, I ask unanimous consent to take up Calendar No. 1039 on the calendar. A few moments ago this bill and three other bills were passed temporarily to give me an opportunity to confer with the gentleman from Texas [Mr. GARNER], the author of the bill. I am now informed by the gentleman from Illinois [Mr. DENISON], who reported the bill, that the amendments are acceptable.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 14458) authorizing the Rio Grande del Norte Investment Co., its successors and assigns, to construct, maintain, and operate a bridge across the Rio Grande at or near San Benito, Tex.

*Be it enacted, etc.*, That in order to facilitate international commerce, improve the Postal Service, and provide for military and other purposes, the Rio Grande del Norte Investment Co., its successors and assigns, be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Rio Grande, so far as the United States has jurisdiction over the waters of such river, at a point suitable to the interests of navigation, at or near San Benito, Tex., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, subject to the conditions and limitations contained in this act, and subject to the approval of the proper authorities in Mexico.

SEC. 2. There is hereby conferred upon the Rio Grande del Norte Investment Co., its successors and assigns, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property in the State of Texas needed for the location, construction, operation, and maintenance of such bridge and its operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State of Texas upon making just compensation therefor to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The said Rio Grande del Norte Investment Co., its successors and assigns, is hereby authorized to fix and charge tolls for transit over such bridge in accordance with any laws of Texas applicable thereto, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1906.

SEC. 4. The right to sell, assign, transfer, and mortgage all the rights, powers, and privileges conferred by this act is hereby granted to the Rio Grande del Norte Investment Co., its successors and assigns, and any corporation to which or any person to whom such rights, powers, and privileges may be sold, assigned, or transferred, or who shall acquire the same by mortgage foreclosure or otherwise, is hereby authorized and empowered to exercise the same as fully as though conferred herein directly upon such corporation or person.

SEC. 5. The right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. LAGUARDIA. Mr. Speaker, I have an amendment to offer.

The SPEAKER pro tempore. The Clerk will first report the committee amendment.

The Clerk read as follows:

Page 2, line 13, strike out the language "and its operation, and maintenance of such bridge."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER pro tempore. The Clerk will report the amendment offered by the gentleman from New York [Mr. LAGUARDIA].

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: Page 3, line 13, add the following new section:

"SEC. 5. If such bridge shall at any time be taken over or acquired by the State of Texas or by any municipality or other public subdivision, or public agency thereof, by purchase, condemnation, or expropriation, the amount of damages or compensation to be allowed shall not include good will, going value, or prospective revenues or profits, but shall be limited to the sum of (1) the actual cost of constructing such bridge and its approaches, less a reasonable deduction for actual depreciation in value; (2) the actual cost of acquiring such interests in real property; (3) actual financing and promotion costs, not to exceed 10 per cent of the sum of the cost of constructing the bridge and its approaches and acquiring such interests in real property; and (4) actual expenditures for necessary improvements."

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The Clerk will read the remainder of the bill.

The Clerk read as follows:

SEC. 5. The right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. DENISON. Mr. Speaker, I ask unanimous consent that the Clerk be authorized to change the number of that section to number 6.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

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

A motion to reconsider the last vote was laid on the table.

The SPEAKER pro tempore. The Clerk will report the next bill.

BRIDGE ACROSS THE RIO GRANDE AT OR NEAR DONNA, TEX.

The next business on the Consent Calendar was the bill (H. R. 15005) authorizing the Donna Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Rio Grande at or near Donna, Tex.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. DENISON. Mr. Speaker, I ask unanimous consent that the first reading of the bill be dispensed with. It is exactly like the other bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The bill reads as follows:

*Be it enacted, etc.*, That in order to facilitate international commerce, improve the Postal Service, and provide for military and other purposes, the Donna Bridge Co., its successors and assigns, be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Rio Grande, so far as the United States has jurisdiction over the waters of such river, at a point suitable to the interests of navigation, at or near Donna, Tex., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, subject to the conditions and limitations contained in this act, and subject to the approval of the proper authorities in Mexico.

SEC. 2. There is hereby conferred upon the Donna Bridge Co., its successors and assigns, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property in the State of Texas needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State of Texas, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The said Donna Bridge Co., its successors and assigns, is hereby authorized to fix and charge tolls for transit over such bridge in accordance with any laws of Texas applicable thereto, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1906.

SEC. 4. The right to sell, assign, transfer, and mortgage all the rights, powers, and privileges conferred by this act is hereby granted to the Donna Bridge Co., its successors and assigns, and any corporation to which or any person to whom such rights, powers, and privileges may be sold, assigned, or transferred, or who shall acquire the same by mortgage foreclosure or otherwise, is hereby authorized and empowered to exercise the same as fully as though conferred herein directly upon such corporation or person.

SEC. 5. The right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. LAGUARDIA. Mr. Speaker, I offer a similar amendment.

The SPEAKER pro tempore. The Clerk will report the amendment offered by the gentleman from New York.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: Page 3, line 9, add the following new section:

"SEC. 5. If such bridge shall at any time be taken over or acquired by the State of Texas or by any municipality or other public subdivision, or public agency thereof, by purchase, condemnation, or expropriation, the amount of damages or compensation to be allowed shall not include good will, going value, or prospective revenues or profits, but shall be limited to the sum of (1) the actual cost of constructing such bridge and its approaches, less a reasonable deduction for actual depreciation in value, (2) the actual cost of acquiring such interests in real property, (3) actual financing and promotion costs not to exceed 10 per cent of the sum of the cost of constructing the bridge and its approaches and acquiring such interests in real property, and (4) actual expenditures for necessary improvements."

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

By unanimous consent the Clerk was authorized to change the number of the last section to 6.

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

A motion to reconsider the last vote was laid on the table.

BRIDGE ACROSS THE RIO GRANDE AT OR NEAR LOS INDIOS, TEX.

The next business on the Consent Calendar was the bill (H. R. 15006) authorizing the Los Indios Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Rio Grande at or near Los Indios, Tex.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. DENISON. Mr. Speaker, this bill is in general the language of the bill just read, and I ask unanimous consent that the first reading be dispensed with.

Mr. LAGUARDIA. And I ask unanimous consent that the reading of the amendment be dispensed with and that the amendment be printed in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The bill reads as follows:

*Be it enacted, etc.*, That in order to facilitate international commerce, improve the Postal Service, and provide for military and other purposes, the Los Indios Bridge Co., its successors and assigns, be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Rio Grande, so far as the United States has judisdiction over the waters of such river, at a point suitable to the interests of navigation, at or near Los Indios, Tex., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, subject to the conditions and limitations contained in this act, and subject to the approval of the proper authorities in Mexico.

SEC. 2. There is hereby conferred upon the Los Indios Bridge Co., its successors and assigns, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property in the State of Texas needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State of Texas, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The said Los Indios Bridge Co., its successors and assigns, is hereby authorized to fix and charge tolls for transit over such bridge in accordance with any laws of Texas applicable thereto, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1906.

SEC. 4. The right to sell, assign, transfer, and mortgage all the rights, powers, and privileges conferred by this act is hereby granted to the Los Indios Bridge Co., its successors and assigns, and any corporation to which or any person to whom such rights, powers, and privileges may be sold, assigned, or transferred, or who shall acquire the same by mortgage foreclosure or otherwise, is hereby authorized and empowered to exercise the same as fully as though conferred herein directly upon such corporation or persons.

SEC. 5. The right to alter, amend, or repeal this act is hereby expressly reserved.

The amendment offered by Mr. LAGUARDIA is as follows:

Page 3, after line 10, add the following section:

"SEC. 5. If such bridge shall at any time be taken over or acquired by the State of Texas or by any municipality or other public subdivision, or public agency thereof, by purchase, condemnation, or expropriation, the amount of damages or compensation to be allowed shall not include good will, going value, or prospective revenues or profits, but shall be limited to the sum of (1) the actual cost of constructing such bridge and its approaches, less a reasonable deduction for actual depreciation in value; (2) the actual cost of acquiring such interests in real property; (3) actual financing and promotion costs, not to exceed 10 per cent of the sum of the cost of constructing the bridge and its approaches and acquiring such interests in real property; and (4) actual expenditures for necessary improvements."

The amendment was agreed to.

By unanimous consent the Clerk was authorized to change the number of the last section to 6.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill as amended.

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

A motion to reconsider the last vote was laid on the table.

The SPEAKER pro tempore. Without objection, the Clerk will renumber the bill.

There was no objection.

BRIDGE ACROSS THE RIO GRANDE

The next business on the Consent Calendar was the bill (H. R. 15069) authorizing the Rio Grande City-Camargo Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Rio Grande at or near Rio Grande City, Tex.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That in order to facilitate international commerce, improve the Postal Service, and provide for military and other purposes, the Rio Grande City-Camargo Bridge Co., its successors and assigns, be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Rio Grande, so far as the United States has jurisdiction over the waters of such river, at a point suitable to the interests of navigation, at or near Rio Grande City, Tex., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, subject to the conditions and limitations contained in this act, and subject to the approval of the proper authorities in Mexico.

SEC. 2. There is hereby conferred upon the Rio Grande City-Camargo Bridge Co., its successors and assigns, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property in the State of Texas needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State of Texas upon making just compensations therefor to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The said Rio Grande City-Camargo Bridge Co., its successors and assigns, is hereby authorized to fix and charge tolls for transit over such bridge in accordance with any laws of Texas applicable thereto, and the rates of tolls so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1906.

SEC. 4. The right to sell, assign, transfer, and mortgage all the rights, powers, and privileges conferred by this act is hereby granted to the Rio Grande City-Camargo Bridge Co., its successors and assigns, and any corporation to which or any person to whom such rights, powers, and privileges may be sold, assigned, or transferred, or who shall acquire the same by mortgage foreclosure or otherwise, is hereby authorized and empowered to exercise the same as fully as though conferred herein directly upon such corporation or person.

SEC. 5. The right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. LAGUARDIA. Mr. Speaker, I offer an amendment.

The SPEAKER pro tempore. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: Page 3, after line 12, add the following new section:

"SEC. 5. If such bridge shall at any time be taken over or acquired by the State of Texas or by any municipality or other public subdivision, or public agency thereof, by purchase, condemnation, or expropriation, the amount of damages or compensation to be allowed shall not include good will, going value, or prospective revenues or profits, but shall be limited to the sum of (1) the actual cost of constructing such bridge and its approaches, less a reasonable deduction for actual depreciation in value, (2) the actual cost of acquiring such interests in real property, (3) actual financing and promotion costs, not to exceed 10 per cent of the sum of the cost of constructing the bridge and its approaches and acquiring such interests in real property, and (4) actual expenditures for necessary improvements."

The amendment was agreed to.

By unanimous consent the Clerk was authorized to change the number of the last section to 6.

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

A motion to reconsider the vote by which the bill was passed was laid on the table.

NATIONAL WAR MEMORIAL MUSEUM

The next business on the Consent Calendar was the bill (H. R. 7206) to establish a national war memorial museum and veterans' headquarters in the building known as Ford's Theater.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. UNDERHILL. Mr. Speaker, reserving the right to object, this bill calls for the expenditure of $100,000.

Mr. ZIHLMAN. It authorizes it.

Mr. UNDERHILL. It authorizes the expenditure of $100,000 to perpetuate a memorial to a murder. That is really what it does.

I have no objection to the expenditure of money for the purpose of properly housing these relics of President Lincoln. But, Mr. Speaker, I think it is a most gruesome idea to foist upon the public a building which only recalls memories of one of the greatest tragedies the world ever saw. It approaches that thought with a morbidness I abhor.

The proper place for this collection of relics of this great man and merciful martyr would be the Congressional Library, the Smithsonian Institution, or the National Museum. I can not conceive that the people of this country would approve of the taking of Ford's Theater—now used as a storehouse—as a place to house this collection, especially when they learn it is proposed to reconstruct the box in which Lincoln was shot. [Applause.]

Mr. ZIHLMAN. I will say to the gentleman, if he will permit, that the Government already owns this theater. This theater was bought shortly after the tragedy occurred so that it could never be used for theater purposes. The Government also owns the Oldroyd collection which it is proposed to house in this building in addition to the other relics which may be received by donations or otherwise, the Government paying $50,000 for that collection. I will further say to the gentleman that this legislation was proposed and very earnestly advocated by our late colleague Henry R. Rathbone, of Illinois. I have no doubt the bill would have been passed except that he asked to have the bill go over in order that he might make an address upon it when it was presented to this House.

The gentleman from Illinois [Mr. YATES] is very desirous of placing before the House some information in reference to this celebrated collection of Lincoln's relics, and I hope the gentle-

man will withhold his objection and give the gentleman from Illinois an opportunity to present the reasons for this legislation.

Mr. UNDERHILL. Mr. Speaker, that does not in any way, shape, or manner answer my objection to the bill.

The SPEAKER pro tempore. Is there objection?

Mr. UNDERHILL. Further reserving the right to object, I believe this collection of relics can properly be housed elsewhere. If the Government owns this building, it would be much better to tear it down than to allow it to remain standing in the city of Washington, almost adjacent to that wonderful and magnificent memorial erected to this man whose memory is enshrined in the hearts of the people of every section of this land.

As I say, Mr. Speaker, it is abhorrent to me to think of perpetuating that tragedy which brought sorrow to the whole world. I remember my first visit to Washington. As I came through one of the railroad stations I saw marked on the floor of the station the spot where President Garfield fell when he was shot, and I well remember the feeling of horror that came over me at that time. I can not conceive how anyone could be so morbid as to want to view this collection of the personal effects of the martyred President in this gruesome surrounding.

I am not going to object, because that would be taking, I consider, an unfair advantage of the rights which I have here to defeat the legislation, but I could not let this bill go by without calling the attention of the House to the fact that this is not a monument to the memory of Lincoln; that this in no wise protects, destroys, or disturbs the relics of Lincoln, but its effect is the perpetuation of a monument to John Wilkes Booth. I will leave it there.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. SCHAFER. Mr. Speaker, I object.

Mr. ZIHLMAN. Will the gentleman from Wisconsin withhold his objection in order to give the gentleman from Illinois [Mr. YATES] an opportunity to read a letter from Colonel Grant, superintendent of Public Buildings and Grounds.

Mr. SCHAFER. Mr. Speaker, I will reserve my objection.

Mr. YATES. Mr. Speaker and gentlemen of the House, this is a bill to establish a national war memorial museum and veterans' headquarters in the building known as Ford's Theater, and the bill provides that there may be such alterations and repairs to the building known as Ford's Theater as may be necessary to permit the use of such building for the following purposes:

First. As a museum for war relics and other articles of national and patriotic interest;

Second. As a permanent repository for the Oldroyd collection; and

Third. Under rules and regulations prescribed by the director, as a national headquarters of the Grand Army of the Republic and of other veterans' organizations.

This bill passed the committee, I understand, with only one dissenting vote, and is here now because not of myself but because of former Congressman Rathbone. My late lamented colleague from Illinois Congressman Rathbone presented this bill, argued it, and if he were here now would say a thousand times more in its behalf than I could possibly muster the words to imitate him.

I am going to confine myself for about five minutes to reading a certain letter which I received only yesterday from Col. U. S. Grant, 3d, Director of Public Buildings and Public Parks. I had written to the committee asking them for any statement they might give me in regard to the cost and other conditions proposed in this matter, and I received this letter in reply:

PUBLIC BUILDINGS AND PUBLIC PARKS
OF THE NATIONAL CAPITAL,
*Washington, D. C., January 18, 1929.*

Hon. RICHARD YATES,
*House of Representatives, Washington, D. C.*

Subject: Housing Lincoln collection in Ford Theater Building, H. R. 7206.

MY DEAR MR. YATES: In accordance with a telephone request received this morning from the House Committee on the District of Columbia, I am sending you herewith a copy of a letter to Mr. UNDERHILL, which contains the estimate of the cost of housing the Lincoln collection in the Ford Theater Building.

Very respectfully,

U. S. GRANT, 3d, *Director.*

I am sure my friend from Massachusetts [Mr. UNDERHILL] will pardon me if I seem to be at all indelicate in quoting what Colonel Grant wrote to him. I would like to have it understood I am reading now only what Colonel Grant wrote to a Member of this House in reference to certain objections:

JANUARY 17, 1929.

Hon. CHARLES L. UNDERHILL,
*House of Representatives, Washington, D. C.*

Subject: Housing Lincoln collection in Ford Theater Building, H. R. 7206.

MY DEAR MR. UNDERHILL: On your verbal assurance that you would be interested in a short but specific summary of the purpose and scope of H. R. 7206, I venture to submit the following information:

Addressing myself first as to your doubt as to the advisability of perpetuating the Ford Theater because of the horrible act it naturally commemorates and the fear that it may help to keep alive sectional feeling in the country, permit me to point out that President Lincoln is one of the two outstanding northern figures toward whom the South has come to have a feeling of respect, sympathy, and even affection. Therefore any shrine to Mr. Lincoln's memory actually becomes a focus about which the northern and southern sympathies gather and which is sure to become a help in doing away with sectional feeling rather than in accentuating it.

Careful inquiry of the custodian of the collection confirms my own view that as much interest and sympathy is shown with this very personal collection, gathered about various incidents and contacts of Mr. Lincoln's whole life, by southern visitors as by northern. I have been surprised to find how much human interest the collection has for many Americans, particularly those plain people upon whom Mr. Lincoln himself put such great reliance. However, the interest has not been limited only to the plain people, Mr. Ford himself having at one time made an offer of $65,000, subsequently raised to $70,000, to buy the collection. The interest of the collection is largely due to the fact that so many personal relics are gathered together, and separated in the Library of Congress and the National Museum it would largely lose this interest. It has the kind of intimate public interest which the Victor Hugo and Chatalet Museums have in Paris. From the outset the commission charged by Congress with the purchase of the collection had in mind that its custody and care should be a function of the National Museum, provided it could be kept together. The authorities of the Smithsonian Institution have formally stated to the commission that they did not wish to take it over, that they did not have room or facilities for caring for it, and that the preservation of only a very few items in the collection would be in accordance with their policies and duties.

The building in which the collection is now housed, 516 Tenth Street NW., is in a very bad state of repair, offers a very great fire risk, and is structurally in such condition that the number of visitors admitted at a time has to be limited, and it is not safe to turn the collection open to schools and crowds. The Ford Theater Building has gradually deteriorated through a long period of years. Summer before last the annex had to be torn down because it was in danger of falling down, and material changes will have to be made to it if it is to be put to further use by the Government. The items in the estimate covered by this bill would, therefore, have to be paid by the Government anyway in the next year or so, except the cost of reproducing the old theater auditorium, $34,000, and that of a more adequate display and insuring the preservation of the collection by the purchase of new cases, $10,000.

It is noteworthy that additional items are constantly being offered by people having relics and finding that their preservation would be pretty well assured in this way. Moreover, Mr. Oldroyd himself has a considerable collection of other Civil War items, not directly connected with Mr. Lincoln, which he would gladly donate free of any cost if there were room for their display and preservation. By leaving the collection where it now is during the few remaining years of Mr. Oldroyd's life the Government is forfeiting the possibility of securing this interesting and valuable accretion. There are also some other Lincoln relics which I have collected from various Government establishments, such as a very interesting contemporary picture of a reception at the White House, a desk which Mr. Lincoln used when visiting at the Soldiers' Home, a clock which was in the room he used at those times, etc. These are now deteriorating in such storage as we can afford them and can not be made available until a new place is found to house the Lincoln Museum.

The estimate of $100,000 covered by the proposed bill was based on doing the following work:

| | |
|---|---|
| New roof | $26,540 |
| Auditorium | 34,000 |
| Plumbing, including 4 new toilet rooms | 6,500 |
| Exhibiting Oldroyd collection (cases, etc.) | 10,000 |
| Partitions | 1,500 |
| Repairing and replacing floors | 4,000 |
| Repairing tile floors | 500 |
| Plastering | 1,640 |
| Painting | 1,650 |
| Lighting | 750 |
| Boiler repairs | 750 |
| Linoleum | 3,000 |
| Total | 90,830 |
| Personal services, including design, engineering, and contingencies | 9,170 |
| Grand total | 100,000 |

In view of the above, I hope that you will withdraw your objection to the bill, both because it will provide the most economical, safe, and fitting way of preserving a collection bought by the Government in a building already owned by the Government, and also because it will tend to put up a shrine at which visitors from both sections of the country will find themselves united in a common sympathy for the great man who outlined in his second inaugural address the way the wounds of the Civil War could best be healed and the Union reunited. I fully agree with you as to the feeling of horror at the memory of the assassination, which is necessarily suggested by the Ford Theater. But still this assassination is itself in great measure the cause for the union of sympathy already referred to, and the memory of it can not be erased by merely doing away with the remaining physical structures. Should the Government adopt the other possible solution (tear down the Ford Theater Building and sell the ground), some private owner would undoubtedly buy it, rebuild a replica there, and commercialize the memory which attaches to the locality. This would undoubtedly be much worse. Furthermore, the Government would have to go to the expense of buying land elsewhere and building a suitable fireproof structure for the collection it has acquired. Whether this structure were in the form of an addition to the National Museum or a separate structure elsewhere it would be enormously more expensive than merely repairing and putting in condition the building now owned by the Government; and no location could be found as convenient to the visiting public as the present location on Tenth Street. Moreover, a building elsewhere could never have the same public interest and intimate connection with the collection housed within it as the Ford Theater.

Very respectfully yours,

U. S. GRANT 3d, *Director.*

You understand this bill does not appropriate anything. It is simply an authorization for an appropriation, and, of course, would come back to the House after the Committee on Appropriations as well as the Bureau of the Budget have passed upon it.

As I have said, this is not my bill; but as I understand it, this is the proposition, and I am in deep and hearty sympathy with the thought and the spirit and the animus back of the matter.

I believe almost without exception the Members of this House feel that instead of having the effect and having the appearance and being considered as a reminder simply of an awful murder that it will go far—very far, indeed—toward bringing about a wonderful increase of southern and northern sympathy, which we are all in favor of.

Mr. DYER. Will the gentleman yield?

Mr. YATES. Yes.

Mr. DYER. After the building has been repaired, as per the outline of the gentleman's remarks and the letter of Colonel Grant, it will still be a building that is liable to be destroyed any time by fire; in other words, it will not be a fireproof building, and you are putting into it a very valuable collection relating to the life and services of Mr. Lincoln. Does not the gentleman feel that these relics should go into a building such as indicated by the gentleman from Massachusetts [Mr. UNDERHILL], where they will be absolutely safe from destruction by fire?

Mr. YATES. I think there might possibly be some danger of that kind, but I understand that with the proposed repairs it will be as nearly fireproof as we could perhaps desire; and, furthermore, I do not think it would be well to scatter these most valuable things and put them partly in the Smithsonian and partly in the National Museum, which I understand from another portion of Colonel Grant's letter would be the only alternative.

Mr. BURTNESS. Will the gentleman yield?

Mr. YATES. Yes.

Mr. BURTNESS. Does not the gentleman think it would be more appropriate to put this valuable and historic collection in the National Museum, for instance, or some similar place, or even in the Congressional Library, rather than in that boxlike structure down there on Tenth Street, which at best can only be repaired? It will still be a rather unsatisfactory building. Should we not get the collection away from that stage where this awful tragedy occurred? Would it not mean more to the people of the United States, the general public, who come here to view the collection, if they could view it under pleasant surroundings rather than under the tragic and morbid surroundings which will always exist at Ford's Theater?

Mr. YATES. I will say in answer to the gentleman that I am very biased and prejudiced and bigoted, perhaps, in one particular. I hail from the home and the tomb of Lincoln, and at great expense the State of Illinois has done everything it possibly could to separate these things from the ordinary museums, and to-day hundreds of thousands of people—I think 200,000 people last year—come from the remotest towns and boundaries of the Republic and are glad to find these things separate and apart and not mixed up with the other State museums, which are very wonderful.

Mr. UNDERHILL. Will the gentleman yield right there?

Mr. YATES. Yes.

Mr. UNDERHILL. On that very proposition, why could we not tear down Ford's Theater and for $100,000 or a little more, or even ten times as much, if that is necessary—and I will vote for it—build a proper place for these relics? Why spend $35,000 in a nonfireproof building for the reproduction of the stage and the box and the auditorium which commemorates nothing but a tragedy? That is my objection.

Mr. YATES. So I understand.

Mr. UNDERHILL. Mr. Speaker, I would like to insert in the RECORD a portion of the letter I wrote in reply to Colonel Grant. It is as follows:

I agree with you in most of your arguments, particularly that President Lincoln's memory has the respect and affection of both the North and the South. I also agree that the collection of his personal effects under one roof is desirable.

My objection that I emphasize is that the Ford Theater is not the proper place because of the tragic memories it perpetuates of this merciful martyr. My objection is not so deep-seated as to lead me to actively oppose this proposition.

Mr. YATES. It seems to me the gentleman's argument would obliterate all the monuments to Lincoln in the United States.

The SPEAKER pro tempore. Is there objection?

Mr. SCHAFER. I object.

BATHING POOLS

The next business on the Consent Calendar was the bill (H. R. 5758) amending the act approved May 4, 1926, providing for the construction and maintenance of bathing pools or beaches in the District of Columbia.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. SIMMONS. Reserving the right to object, I have no objection to the main purpose of the bill, but I want to give notice that if the bill passes the objection stage and is considered, I shall offer as an amendment to the bill a proviso that the appropriation shall be made as other like appropriations to the District of Columbia have been; and after section 2 a proviso that the fees collected at the pools shall be paid into the Treasury of the United States to the credit of the District of Columbia.

Mr. LAGUARDIA. I want to inquire of the two gentlemen, the gentleman from Nebraska and the gentleman from Maryland, the best authorities on the District of Columbia, what happened to the other bathing pools authorized?

Mr. ZIHLMAN. I will say to the gentleman that when the bathing pools at the Tidal Basin were abolished it took away from the people of the District the only facilities of this nature available. Congress passed a bill which is now a law, and which this bill still seeks to amend, providing for the erection of two large bathing pools, one for the white and one for the colored population. They were to be subject to the approval of the Fine Arts Commission and the National Planning Commission. The National Planning Commission, after consultation with the late chairman of Appropriations Committee, Hon. Martin B. Madden, recommended that there should not be constructed two large pools which would increase the transportation difficulties, and interfere with traffic, but rather that there should be smaller pools in connection with playgrounds and recreational places. This bill authorizes the appropriation for the needed construction of small pools which is in accordance with the recommendation of the Park and Planning Commission, and agreeable to the subcommittee of the Committee on Appropriations having in charge District of Columbia appropriations.

Mr. LAGUARDIA. You are going to put local small pools throughout the District?

Mr. ZIHLMAN. In connection with the playgrounds.

Mr. LAGUARDIA. And then every year we will have to go through with this fight that we always have in connection with those pools.

Mr. ZIHLMAN. We have two pools authorized, but instead of constructing two large pools, which they say will interfere with transportation and traffic in certain sections of the city, the planning committee recommends to the Appropriations Committee that a number of small pools be erected. The two pools have been erected, but they are small pools.

Mr. LAGUARDIA. What are the sizes of the pools that have been built?

Mr. ZIHLMAN. I have not the exact dimensions; perhaps the gentleman from Nebraska can give them.

Mr. LAGUARDIA. Are they big enough to swim in? [Laughter.]

Mr. ZIHLMAN. Oh, yes.

Mr. GARRETT of Tennessee. Twelve pools at $200,000 each would be $2,400,000.

Mr. ZIHLMAN. The two pools now built cost about $75,000 apiece, to the best of my recollection. And we had authorized $345,000 for the construction of two large pools, but that was changed to two smaller pools, which, as I say, cost about $75,000 apiece.

Mr. GARRETT of Tennessee. It seems to me that this is a big proposition to go through as a Consent Calendar bill.

Mr. ZIHLMAN. This bill does not appropriate any money. It simply authorizes them, as the authorities feel they are needed. I have no objection to the gentleman proposing to limit the number.

Mr. GARRETT of Tennessee. I have not sufficient knowledge of the matter to feel justified in suggesting a modification of the number. I have not been on a committee that has considered it at all. That is one of the points I make. It seems to me that it is a bill that ought to come up in the regular way and be considered so that we can have the benefit of all of the information as to sites and everything proposed.

Mr. ZIHLMAN. If we can not get consideration of it in this way at this time the legislation will probably fail. The bill came up several weeks ago and the gentleman from Nebraska [Mr. SIMMONS], chairman of the subcommittee of the Committee on Appropriations having in charge District appropriations, objected to it. He has drafted several amendments, so that the cost of these pools will be paid entirely out of the District revenues under the fiscal arrangement now existing.

Mr. GARRETT of Tennessee. The gentleman means the cost of maintenance and minor repairs?

Mr. ZIHLMAN. I mean the cost of construction.

Mr. GARRETT of Tennessee. And he has an amendment to do that?

Mr. ZIHLMAN. Yes.

Mr. SIMMONS. Mr. Chairman, I propose to offer at the end of section 1 a proviso, following the word "authorized"—

to be paid in like manner as other appropriations from the revenues of the District of Columbia.

Mr. GARRETT of Tennessee. That does not provide for repayment to the Government of the amount that is expended for construction.

Mr. SIMMONS. No. They would become District property.

Mr. ZIHLMAN. Under the plan the Congress has adopted, where they appropriate a lump sum toward the government and maintenance of the District of Columbia, anything above the lump sum is from the District revenues.

Mr. GARRETT of Tennessee. I thought the gentleman stated that the amendment of the gentleman from Nebraska would provide that there would be a refund eventually to the Government of the construction costs out of the income from the use of the pools.

Mr. ZIHLMAN. The gentleman from Nebraska has another amendment, which would provide that all fees must be paid into the Treasury of the United States.

Mr. GARRETT of Tennessee. As I read the bill, the only assurance is that there will be a charge made by the Director of Public Buildings and Public Parks, or by whoever may operate them under the terms of the bill, which will pay for maintenance and minor repairs. The capital cost, so to speak, is never to be repaid either to the Federal Government or to the District government?

Mr. ZIHLMAN. No. This is a public accommodation; it is a public bathing pool. It is a facility for the use of the people.

Mr. SIMMONS. The second proposal that I had to offer follows section 2, and strikes out all of the language of line 24 and thereafter and inserts a provision that the fees collected shall be paid weekly to the collector of taxes or deposited in the Treasury to the credit of the revenues of the District of Columbia. In other words, that the cost of these pools is to be paid from the District revenues, and the receipt shall go back to the Treasury, and then the cost of operation and maintenance will be appropriated for annually as are other expenses of the District of Columbia.

Mr. GARRETT of Tennessee. So far as I am concerned, I do not know enough about this subject to feel justified in objecting to consideration of the bill; but it is a great big proposition to pass by unanimous consent, authorizing an expenditure of $2,400,000 for bathing beaches.

Mr. ZIHLMAN. I have no objection to changing the number. This legislation is brought here by the National Capital Park and Planning Commission, who have serving on it four citizens who are eminent engineers and city planners, who serve the Government without pay.

Mr. HUDSPETH. How about the cost of the site? Is that paid out of the District revenues?

Mr. ZIHLMAN. The original bill provides that these pools shall be erected on land owned by the District or the United States Government.

Mr. HUDSPETH. And not to be acquired through condemnation of private lands?

Mr. ZIHLMAN. It is not proposed in this legislation that they shall be built on privately owned land but on land already owned by the District or the Federal Government.

Mr. GARRETT of Tennessee. I call the attention of the gentleman from Maryland, and of the House generally, to this fact: Here is a District bill involving a very large expenditure. Under the rules of the House the District Committee has, or has an opportunity to have, a day every two weeks. It does not seem to me that it is right for a committee that has that high privilege to take up the Consent Calendar with bills that so many of us are doubtful about, as we are about this particular bill. I realize that this is an important matter. I do not know enough about it to take the responsibility of objecting, but I do wish it could be taken up in some other way. Is not the District going to have a day before the adjournment of this Congress?

Mr. ZIHLMAN. The rules of the House provide for two days a month to be set aside for the consideration of District legislation. That is subject, of course, to the will of the House. I have no assurance that the House is going to give us the days provided by the rules.

Mr. DYER. The District Committee has not had any lately.

Mr. ZIHLMAN. They have had no days this session.

Mr. GARRETT of Texas. The gentleman has waived his District day by giving unanimous consent to have them passed.

Mr. ZIHLMAN. Probably I have been negligent.

Mr. BOYLAN. Mr. Speaker, will the gentleman yield?

Mr. ZIHLMAN. Yes.

Mr. BOYLAN. I am in sympathy with the purposes of the bill, but it appears to me that inasmuch as these are public pools and beaches, no fees should be collected from the people. Why collect a fee?

Mr. ZIHLMAN. It is necessary to have a small fee for the maintenance of public bathing pools. The gentleman knows that.

Mr. BOYLAN. That is true.

Mr. ZIHLMAN. Do you not charge a small fee in New York?

Mr. BOYLAN. For the use of towels and soap. We do not charge for the use of pools or for bathing.

Mr. ZIHLMAN. It is for the maintenance and care of the bathing pool, for the use of towels, lockers, and so forth.

Mr. BOYLAN. It would seem a small fee for that use, towels, soap, and so forth, would be permissible, but I do not think it proper that any fee should be charged for the use of the pool, in bathing.

Mr. ZIHLMAN. There is no fee exacted.

Mr. HUDSPETH. If the gentleman will yield, will the gentleman state whether the bathing pools are built on land owned by the Government?

Mr. ZIHLMAN. On land owned by the Government; one near Rock Creek Park——

Mr. HUDSPETH. Where are they located?

Mr. ZIHLMAN. One at Twenty-fourth and Rock Creek Park in the rear of the junior colored high school. The other pool is being constructed on the grounds of the McKinley High School, R Street NE.

Mr. McSWAIN. Will the gentleman yield?

Mr. ZIHLMAN. I will.

Mr. McSWAIN. Has there not been strong opposition of the residents immediately near the McKinley High School to the location of the bathing pool there?

Mr. ZIHLMAN. I will say to the gentleman that to every site considered for the erection of the existing bathing pools there has been much opposition.

Mr. McSWAIN. If there is going to be opposition of those to be benefited, why should we force anything upon them?

Mr. ZIHLMAN. The gentleman knows large municipalities provide bathing facilities, and those facilities we have had in this city for many years. It is only when the controversy arose over the construction of a colored bathing beach pool at the Tidal Basin that the appropriation was withdrawn, and the city has been without those facilities.

Mr. SPROUL of Kansas. Regular order!

Mr. COLLINS. Mr. Speaker, I object.

The SPEAKER pro tempore. It takes three objections.

Mr. SPROUL of Illinois, Mr. COLLINS, and Mr. RAYBURN objected.

EXEMPTING EMPLOYEES, PUBLIC-SCHOOL SYSTEM, FROM SALARY-LIMITATION PROVISION

The next business on the Consent Calendar was the bill H. R. 12531, a bill to exempt employees of the public-school system of the District of Columbia from the $2,000 salary-limitation provision of the legislative, executive, and judicial appropriation act, approved May 10, 1916, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. LAGUARDIA. Mr. Speaker, I object. The normal schools are turning out more pupils than can be absorbed, and many of the teachers lack an opportunity to teach in the different schools. Now, this bill is prompted by school politics, where day teachers want to hold jobs and get extra compensation by extra teaching.

Mr. SIMMONS. I think the purpose of this bill is not to do what the gentleman says. The purpose of this provision, as I understand it, is not to do what the gentleman from New York fears, but to enable employees of the Federal Government to teach in night schools, pupils of which are largely adult people who otherwise would not be able to go to school in the daytime, and for the use of the services of Federal employees. Many in the departments are acquainted with specific subjects, and this would allow those people to teach in the night schools.

Mr. JOHNSON of Washington. Are the employees of the various departments of the Government earning more money by the teaching of matters pertaining to their line of work?

Mr. SIMMONS. In the night schools in part; yes, sir.

Mr. JOHNSON of Washington. I object to the consideration of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. LAGUARDIA. I object.

Mr. SCHAFER. I object.

The SPEAKER pro tempore. The gentleman from Washington, the gentleman from Wisconsin, and the gentleman from New York object. The Clerk will report the next bill.

FREE TEXTBOOKS, DISTRICT OF COLUMBIA

The next business on the Consent Calendar was the bill (H. R. 12739) to provide books and educational supplies free of charge to pupils of the public schools of the District of Columbia.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GILBERT. Reserving the right to object, Mr. Speaker, this bill applies only to the high schools. I think that it is economically unsound. The majority of the pupils are children of well-to-do families, and I think it is economically unsound and socially unwise. I wish to object.

The SPEAKER pro tempore. The gentleman from Kentucky objects. It takes three objections.

Mr. MILLER. Mr. Speaker, reserving the right to object, I see by this report that the bill entails an initial expenditure of $242,000 the first year and $100,000 each year thereafter. It is a pretty good-sized proposition to come up before the House on the Consent Calendar.

Mr. ZIHLMAN. I will say to the gentleman that there was a bill on the Consent Calendar for his State involving an expense of $200,000,000.

Mr. MILLER. We will take that up when the time comes. Many of the States have active laws regarding the public use of textbooks. Primarily I am in favor of the public supplying the textbooks where the parents are in indigent circumstances and where the guardianship funds are not sufficient at their disposal to supply textbooks, and where in cases where the children are wards of the court they are unable to supply the textbooks. Besides that, in this city there are in schools here large numbers of children who reside outside the District, living in States which are amply competent to furnish the children with schools and free textbooks. I do not think it is appropriate to authorize an expenditure of $242,000 this year and $100,000 each year thereafter to supply textbooks to the high schools. I therefore object. In justification of my objection I may say that in several States the children of indigent parents are furnished clothing for their children—sufficient clothing, I may say, that will enable the child to make a presentable appearance in school. This in addition to textbooks and school supplies. With the immense amount of money the Government, out of the Federal Treasury, contributes toward school buildings and schools of the District of Columbia, it strikes me that the people of the District should not expect the people of New York, Massachusetts, Ohio, California, Washington, and all the States to buy the school textbooks and school supplies for their children in the high schools. They are just as able to supply their own children with school books as are the citizens of any State or any other city.

It will not do to say that it will break the pride of any parent to make the proper showing provided for in my proposed amendment. Human pride is not that sensitive.

Large numbers of boys and girls in the high schools as well as in the graded or ward schools come from outside the boundaries of the District simply because the people outside the District will not tax themselves to build the proper schoolhouses and maintain their own schools.

The SPEAKER pro tempore. Objection is heard.

Mr. CRAMTON. Mr. Speaker, as to the matter the gentleman suggests who has just spoken with reference to pupils residing outside of the District, we have been making an effort to reduce that number, and the number has been reduced. I think it is only a matter of a little time when that unfairness to the District shall have ended. But that ought not to cause us to take action here to make it more difficult for the children of parents of limited means to get a high-school education. We have gotten to the point where a high-school education is just as necessary for competitive reasons as an eighth-grade education was a few years ago, and in the case of the child of limited means, when it gets to that period of entering the high school, where his age makes it so that the pressure is stronger for him to go out and earn a living, we ought not to add to that pressure by reason of the cost of textbooks. These textbooks will be cheaper for the taxpayers to pay in this way than for each pupil to have to buy textbooks that at the end of the year are totally lost and wasted. Under this bill this year they are used by one child, and next year by another, and there is not that economic waste.

Mr. MILLER. Mr. Speaker, we already at public expense provide textbooks for the children of the District of Columbia; at public expense in the primary grades, which are the essential parts of education. I shall object to this bill unless an amendment such as I now propose shall be embodied in the bill. The amendnrent provides "that in the case of indigent parents, the absence of sufficient funds in the estates of wards of the court and of guardianships, and in all other cases where the parties in charge of children of school age are unable financially to provide the schoolbooks, supplemental schoolbooks, educational books and supplies, such books and supplies shall be furnished; all cases of such indigency and inability to be determined by the Board of Education of the District of Columbia upon application, a showing of which must be made in a permanent record thereof, preserved by the Board of Education."

Mr. COCHRAN of Missouri. Mr. Speaker, I can not conceive of three men objecting to the consideration of this bill. I demand the regular order.

The SPEAKER pro tempore. The regular order is, Is there objection?

Mr. MILLER. I object.

Mr. GILBERT. I object.

Mr. DAVIS. Mr. Speaker, I object.

The SPEAKER pro tempore. Three objections are heard. The Clerk will report the next bill.

TEACHERS' SALARY ACT, DISTRICT OF COLUMBIA

The next business on the Consent Calendar was the bill (H. R. 12956) to amend certain sections of the teachers' salary act approved June 4, 1924, and for other purposes.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GILBERT. Mr. Speaker, reserving the right to object, I want to answer certain criticisms that I have heard around me here of the District Committee having so many bills on the Consent Calendar. That is true. It would be better if we had them on some other calendar. But the House should remember that other cities of comparable size to Washington have city councils in session throughout the year.

The only city council Washington has is now assembled. It has not had a day this session, and the probability that it will have a call on the regular calendar seems remote. Certain emergencies arise in every city, and this being the home of Congress and the home of the Government, we necessarily have to give more time to it than otherwise would seem necessary. With that explanation I do not object.

The SPEAKER pro tempore. Is there objection?

Mr. SCHAFER. I object, Mr. Speaker.

AMENDMENT OF THE CODE OF LAWS FOR THE DISTRICT OF COLUMBIA

The next business on the Consent Calendar was the bill (S. 2366) to amend subchapter 1 of chapter 18 of the Code of Laws

for the District of Columbia relating to degree-conferring institutions.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, I have one or two amendments to offer to this bill. One of my amendments would prevent any of these institutions from issuing diplomas while they are under investigation and another amendment would prevent them from issuing diplomas while they are taking an appeal to the court of appeals. I do not think there can be any objection to those amendments. But here is an amendment to which I want to call the attention of the gentleman from Maryland. On page 3, line 2 after the word "art" I insert the words "or in law," so as to make the same requirement for a correspondence school in law as is made for a school of medicine. If the gentleman will accept those amendments I shall not object. I think something ought to be done about these diploma mills. I think this bill will do it and it is necessary, it seems to me, to protect the people from getting fake diplomas in law as much as in medicine.

Mr. ZIHLMAN. I will say to the gentleman from New York that the gentleman from Wisconsin [Mr. NELSON] is very strenuously opposed to this bill. I had a talk with him about it and was to go into the matter further with him. In view of the fact that I have not had this further conference with him and that he is not here to-day, I ask unanimous consent that the bill go over without prejudice.

The SPEAKER pro tempore. The gentleman from Maryland asks unanimous consent that this bill go over without prejudice. Is there objection?

Mr. DYER. Mr. Speaker, I object.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That subchapter 1 of chapter 18 of the Code of Laws for the District of Columbia be amended by adding the following new sections:

"SEC. 586a. The fee payable to the recorder of deeds for filing the certificate of incorporation under this subchapter shall be $25.

"SEC. 586b. No institution heretofore or hereafter incorporated under the provisions of this subchapter shall have the power to confer any degree in the District of Columbia or elsewhere, nor shall any institution incorporated outside of the District of Columbia or any person or persons individually or as a partnership or association or otherwise, undertaking to confer any degree, operate in the District of Columbia, unless under and by virtue of a license from the Board of Education of the District of Columbia, which before granting any such license may require satisfactory evidence—

"1. That in the case of an individual or any unincorporated group of individuals he, or a majority of them, or in the case of an incorporated institution, a majority of the trustees, directors, or managers of said institution are persons of good repute and qualified to conduct an institution of learning.

"2. That any such degree shall be awarded only after such period of residence and such quantity and character of work as are usually required by reputable institutions awarding such degrees.

"3. That applicants for said degree possess the usual high-school qualifications at the time of their candidacy therefor.

"4. That considering the number and character of the courses offered, the faculty is of reasonable number and properly qualified, and that the institution is possessed of suitable classroom, laboratory, and library equipment.

"SEC. 586c. Application for the license referred to in the preceding section shall be in writing upon forms prepared under the direction of the Board of Education, and shall be filed with the secretary of the said board, whose duty it shall be, in case the institution so licensed is incorporated under the laws of the District of Columbia, to forward a copy of said license to the recorder of deeds for the District of Columbia, who shall indorse upon the certificate of incorporation the fact that said license has been issued. The Board of Education is hereby authorized to employ the personnel of the public-school system of the District of Columbia, so far as the same may be necessary, for the proper performance of its duties under this act, and it shall be the duty of all public officers and bureaus of the Federal Government concerned with educational matters to render such advice and assistance to the Board of Education as it may from time to time consider necessary or desirable for the better performance of its duties under this act.

"SEC. 586d. A license once issued may be revoked by said Board of Education for noncompliance on the part of any individual or individuals, association, or incorporated institution so licensed with the provisions of section 586b of this act. Upon the revocation of any such license it shall be the duty of the secretary of the Board of Education, in the case of an institution incorporated under the laws of the District of Columbia, to forward a copy of the revocation to the recorder of deeds for the District of Columbia, who shall cause a notation to be placed upon the certificate of incorporation to the effect that its authority to confer degrees has been revoked: *Provided, however,* That 30 days' notice shall first have been given to such individual or individuals, association, or to the trustees, directors, or managers of said institutions, with full opportunity to be heard by said Board of Education at either a public or nonpublic session thereof, as may be desired by such individual or individuals, association, or the institution threatened with revocation of its license, and the evidence upon which said board shall act in the revocation of such license shall be committed to writing under the direction of the board, and upon application therefor a copy thereof furnished to such individual or individuals, association, or the institution whose license has been revoked: *And provided further,* That any party aggrieved by the action of said board in refusing to license or in revoking a license previously granted may have the action of the said Board of Education reviewed by the Supreme Court of the District of Columbia at an equity term thereof.

"SEC. 586e. No institution incorporated under the provisions of this subchapter shall use as its title, in whole or in part, the words "United States," "Federal," "American," "national," or "civil service," or any other words which might reasonably imply an official connection with the Government of the United States or any of its departments, bureaus, or agencies, or of the government of the District of Columbia, nor shall any such institutions advertise or claim the power to issue degrees under the authority of Congress or otherwise than under the authority of the license granted to them by the Board of Education as hereinbefore provided. The prohibition in this section contained shall be deemed to include and is hereby declared applicable to any individual or individuals, association, or incorporation outside of the District of Columbia which shall undertake to do business in the District of Columbia or to confer degrees or certificates therein; and any such individual or individuals, association, or incorporation violating the provisions of this section shall be subject to the penalty hereinafter in section 586f provided.

"SEC. 586f. Any person or persons who shall, directly or indirectly, participate in, aid, or assist in the conferring of any degree by any unlicensed individual or individuals, association, or institution, or by any individual or individuals, association, or institution whose license has been revoked, or shall advertise or claim any authority to confer any such degree, except in pursuance of the provisions of this act, or who shall violate the provisions of the section of this act immediately preceding shall be deemed guilty of a misdemeanor, and upon conviction thereof in the Supreme Court of the District of Columbia shall be punished by a fine of not more than $2,000 or imprisonment for not more than two years, or both."

With the following committee amendment:

On page 2, in line 15, strike out all of section 2 and insert in lieu thereof the following:

"2. That any such degree shall be awarded only after such quantity and quality of work shall have been completed as are usually required by reputable institutions awarding the same degree: *Provided,* That if more than one-half the requirements for any degree are earned by correspondence or extramural study, such fact shall be conspicuously noted upon the diploma conferred: *Provided further,* That no diploma shall be issued conferring a degree in medicine or any healing art for study pursued or work done by correspondence."

Mr. LAGUARDIA. Mr. Speaker, I offer an amendment to the committee amendment.

The SPEAKER pro tempore. The gentleman from New York offers an amendment to the committee amendment, which the Clerk will report.

The Clerk read as follows:

Amendment to the committee amendment offered by Mr. LAGUARDIA: On page 2, in line 22, after the word "degree" and before the colon, insert "and approved by the Board of Education of the District of Columbia."

The amendment to the committee amendment was agreed to.

Mr. LAGUARDIA. Mr. Speaker, I offer another amendment to the committee amendment.

The SPEAKER pro tempore. The gentleman from New York offers an amendment to the committee amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA to the committee amendment: On page 3, line 2, after the word "art," insert the words "or in law."

The amendment to the committee amendment was agreed to.

The committee amendment as amended was agreed to.

Mr. LAGUARDIA. Mr. Speaker, I offer another amendment.

The SPEAKER pro tempore. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: Page 5, line 7, strike out the period, insert a colon, and add the following: "*And provided further*, That after notice has been given as hereinbefore provided and during said 30-day period or during the time said decision is under review by the supreme court, no diploma shall be awarded or degree conferred by the licensee."

The amendment was agreed to.

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

A motion to reconsider the vote by which the bill was passed was laid on the table.

ADDITIONAL COMPENSATION TO THE ASSISTANTS TO THE ENGINEER COMMISSIONER OF THE DISTRICT OF COLUMBIA

The next business on the Consent Calendar was the bill (H. R. 7341) to authorize the payment of additional compensation to the assistants to the engineer commissioner of the District of Columbia.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. SCHAFER. Mr. Speaker, reserving the right to object, I notice that the committee report does not give any information which would indicate that this bill is necessary. Could the chairman of the District Committee give us any information which would justify the passage of this bill?

Mr. ZIHLMAN. I will say to the gentleman that officers in the United States Army, who are assigned here as assistants to the engineer commissioner, receive the salary of their rank in the Army. They are assistants to the engineer commissioner and assigned to his office, and some of the assistants to the assistant engineer and those in other offices have been rated under the classification act at $5,600 and $6,000. This bill would only involve an additional expenditure of some $2,500, approximately, per year. It will increase the salaries of the Army officers assigned to the District of Columbia as assistant engineer commisisoners from the pay of their present rank to $6,000 per annum, which would be comparable with the heads of other divisions who have been classified under the classification act.

Mr. SCHAFER. In other words, it would discriminate against all other officers in the same service, those who are connected with Mississippi flood relief work, and so forth?

Mr. ZIHLMAN. It would give them an additional salary while they were assigned to duty in the District of Columbia as assistant engineer commissioners. I will say to the gentleman that living is higher here than it is in a great many places to which officers are assigned, and the salary of the assistants in some instances is higher than the salary of the officer in charge of that particular branch or division.

Mr. SCHAFER. While the living cost is higher, the advantages are greater and there does not seem to be any opposition from Army officers to being stationed here.

Mr. ZIHLMAN. The assistant engineer commissioners here have been men who have rendered excellent service. One of the assistants affected by this bill is Captain Whitehurst, who is assigned here with the rank and pay of captain. He has done very exceptional work in connection with the street-improvement program of the District of Columbia.

Mr. LAGUARDIA. The gentleman might add right here that assistant engineers of a city of this size doing this kind of work would get more than $6,000 a year.

Mr. SIMMONS. Mr. Speaker, reserving the right to object, I think I can explain why this bill possibly has some objection. It applies to Captain Whitehurst, to Major Davison, and Major Atkins, who are all three of them very efficient officers assigned to duty with the District of Columbia. The bill gives these three men, one a captain, two holding the rank of major, the pay of a lieutenant colonel during this period of service. There are other Army officers assigned to duty with the District of Columbia that this bill does not affect. Major Somervell, who has charge of the Harbor of Washington, a very efficient officer, as are these other men, is not benefited by it. The salary of Colonel Grant, in charge of public buildings and parks, is just a trifle above $6,000. He has under him two other officers who serve the District of Columbia, that this bill does not benefit. So my objection to the bill is, first, that it creates a discrimination between the Army officers that serve the District of Columbia now; and in addition to this, when it is passed, it will create a very serious discrimination between Army officers stationed in Washington whose duty it is to serve the District of Columbia, and Army officers stationed in Washington whose duty it is to serve the United States. They are being paid the pay of their rank and they are obeying the orders and performing the duties that go with their rank, and I see no reason for giving some of them greater pay than the others are receiving.

Mr. ZIHLMAN. Will the gentleman yield?

Mr. SIMMONS. Yes, sir.

Mr. ZIHLMAN. Does not the gentleman's committee each year appropriate additional sums to pay the difference in the salary of the engineer commissioner? The object of this bill is to put the assistants to the engineer commissioner on the same basis.

Mr. SIMMONS. Congress appropriates each year a sum for the engineer commissioner so that he draws the same pay as the other commissioners, but I would suggest that there are certain social obligations and other matters of that kind that are necessary that the engineer commissioner has to perform that justify that payment. If the gentleman's committee would see fit to authorize a reasonable allowance in excess of their salaries out of District funds to those who are serving——

Mr. ZIHLMAN. Will the gentleman yield?

Mr. SIMMONS. Yes, sir.

Mr. ZIHLMAN. I would like to ask the gentleman what he considers a reasonable allowance? We are only attempting to raise the officers to whom he refers and who, he says, are rendering splendid service, $400.

Mr. SIMMONS. You are giving two of them about $300 and one of them about $2,000 additional.

Mr. ZIHLMAN. That is not the information before the committee.

Mr. SIMMONS. I think the salary of Captain Whitehurst is four thousand one hundred and some dollars and this will give him $6,000. He is an efficient officer.

Mr. ZIHLMAN. He receives, I will say to the gentleman, according to the information placed before the committee, $4,150.

Mr. SIMMONS. This bill would give him an increase of some $1,800.

I object, Mr. Speaker.

BOARD OF EDUCATION OF THE DISTRICT OF COLUMBIA

The next business on the Consent Calendar was the bill (H. R. 12530) to amend Public Law No. 254, approved June 20, 1906, known as the organic school law, so as to relieve individual members of the Board of Education of personal liability for acts of the board.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. DYER. Mr. Speaker, reserving the right to object, I would like to ask the gentleman to explain, in a word, what the bill does.

Mr. ZIHLMAN. I will say to the gentleman that under decisions of the courts here, where the members of the Board of Education have been held liable for acts of the board, the judgment rendered against the board has also been entered against them as individuals. This has embarrassed them and has tied up their property. The purpose of the bill is to relieve them from personal liability for their official acts as members of the Board of Education.

Mr. DYER. In that instance, if a man secured a judgment against the board, how would he be paid?

Mr. ZIHLMAN. It would be paid by the District of Columbia, as it is now being paid, but pending that the judgment is against the individuals and all their property.

Mr. DYER. But when the District has paid it, that relieves them entirely?

Mr. ZIHLMAN. Oh, yes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. ZIHLMAN. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 3828, may be considered in lieu of the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the Senate bill, as follows:

*Be it enacted, etc.*, That Public Law No. 254, approved June 20, 1906, be amended by adding, at the end of section 2 of said act, the following:

"The members of the Board of Education of the District of Columbia shall not be personally liable in damages for any official action of the said board performed in good faith in which the said members participate, nor shall any member of said board be liable for any costs that may be taxed against them or the board on account of any such official action by them as members of the said board; but such costs shall be charged to the District of Columbia and paid as other costs are paid in suits brought against the municipality; nor shall the said board or any of its members be required to give any supersedeas bond or security for costs or damages on any appeal whatever."

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

A motion to reconsider the vote by which the bill was passed was laid on the table.

A similar House bill was laid on the table.

VAGRANCY IN THE DISTRICT OF COLUMBIA

The next business on the Consent Calendar was the bill (H. R. 7971) to define and punish vagrancy in the District of Columbia.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. HOOPER. Reserving the right to object, I notice that the bill, in section 2, page 2, says that the defendants' personal recognizance shall not be accepted. I would like to ask the gentleman if that is not, under the circumstances, a rather harsh provision. There are circumstances where a man might be convicted, or, under a plea of guilty, might find himself totally unable to furnish a bond, and the magistrate, taking all of the particulars into consideration, might want to let him go on his own recognizance. Would it not be better, and would not the gentleman accept an amendment allowing the magistrate that discretion?

Mr. JOHNSON of Washington. There is a large colored population in the District of Columbia, and the result of this bill might be that they would arrest a large number of the negro population who are not quite vagrants.

Mr. HOOPER. That may be; there are dangers that may be incurred in making it too restrictive. Let me ask the gentleman: Is this the first bill on vagrancy that there has been in the District of Columbia?

Mr. ZIHLMAN. No; there is a vagrancy statute, but under court decisions it is ineffective and worthless. This bill was sent up here by the major and superintendent of police. Since the bill was reported the major and superintendent has submitted a much more drastic bill and ask that it be considered in lieu of the legislation on the calendar. In view of the fact, I ask unanimous consent that the bill go over without prejudice until the next unanimous-consent day, when we may have an opportunity to consider the other bill.

Mr. LAGUARDIA. Reserving the right to object, I shall not object to the bill going over in order to consider the other bill, but I want to call the attention of the House to the fact that there is a provision here that in these days of unemployment where you seek to cure the employment situation—where you seek to cure the unemployment situation with a jail sentence—that you can not cure the economic conditions by jail sentences. Section 4 provides that all persons who do not have sufficient means to maintain themselves or themselves and their families, and live idly and without employment and who are able to work and refuse to work are vagrants. How can a man prove or how can he bring witnesses that he has been looking for a job and could not find it? How is he going to bring witnesses to that? How can you say that he refuses to work unless the District offers him the job? This is punishing poverty, which is absolutely absurd.

Mr. HOOPER. I want to give notice to the gentleman from Maryland that if another bill is introduced I shall offer the amendment that I suggested.

Mr. COCHRAN of Missouri. Mr. Speaker, I object to the consideration of the bill.

Mr. LAGUARDIA, Mr. BLACK of Texas, Mr. DYER, Mr. JOHNSON of Texas, Mr. GILBERT, and Mr. HUDSON also objected.

CONSTRUCTION OF ADDITIONAL UNITS OF THE ARMY MEDICAL CENTER, WASHINGTON, D. C.

The next business on the Consent Calendar was the bill (H. R. 14154) to authorize appropriations for construction at the Army medical center, District of Columbia, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. LAGUARDIA. Reserving the right to object, I want to call the attention of the House to the fact that this does not complete the project. There will be $660,000 more asked at some time in the future, because the estimate is for $2,000,000. You have already appropriated in 1921, $500,000, and you are now asked for $840,000, and that leaves under the original plan to be built $660,000. Are the sponsors of the bill ready to assure the House that this appropriation now asked will complete all the buildings?

Mr. McSWAIN. This authorizes and will complete the particular addition.

Mr. LAGUARDIA. That is, the wings.

Mr. McSWAIN. The wings that are contemplated. I want to say that after objection was made when this was stricken from the calendar I made a careful personal investigation, and, much to my surprise and gratification, Captain Foley, of the Army Medical Corps, had made such a careful set of plans and such a thorough computation based on the unit of cost that it seemed to me entirely reasonable and probable and that the appropriation would cover the present addition.

Mr. LAGUARDIA. The wing?

Mr. McSWAIN. Yes.

Mr. LAGUARDIA. So that some time in the future this House may be asked to consider another bill for another wing?

Mr. McSWAIN. For another wing?

Mr. LAGUARDIA. One wing has been completed.

Mr. McSWAIN. Yes.

Mr. LAGUARDIA. The estimate for the entire project is $2,000,000, so that this does not complete the original plan?

Mr. McSWAIN. I did not understand the gentleman. This does complete one additional wing that is now planned, the plans for which have been drawn.

Mr. LAGUARDIA. And that gives you two wings?

Mr. McSWAIN. Yes.

Mr. LAGUARDIA. So that you would still have the administration building?

Mr. McSWAIN. The administration building for the Army Medical School. That is distinct from the hospital administration building.

Mr. JAMES. I have a letter here from General Ireland, and he says that it was explained to the committee when the $500,000 was given that it would complete one wing of the building, and that the entire building would cost in the neighborhood of $1,250,000.

Mr. LAGUARDIA. But your own report says $2,000,000.

Mr. JAMES. This is $1,250,000. I shall put the entire letter in from General Ireland:

WAR DEPARTMENT,
OFFICE OF THE SURGEON GENERAL,
*Washington, January 15, 1929.*

Hon. W. FRANK JAMES,
*House of Representatives, Washington, D. C.*

MY DEAR MR. JAMES: In compliance with your telephone request of this morning I have the honor to make the following statement with reference to the necessity for the completion of the Army Medical School at the Army medical center, a bill to accomplish this purpose, H. R. 14154, having been introduced into the House on December 3, 1928.

First. The act of June 5, 1920 (41 Stat. 122), making appropriation for the Army under the head of "Construction and repair of hospitals" appropriated $500,000 toward the erection of a building for the Army Medical School. It was explained to the committee when the $500,000 was given that it would complete one wing of the building and that the entire building would cost in the neighborhood of $1,250,000. The south wing of the building was constructed and was occupied by the Army Medical School in 1923. The building as constructed is only large enough for a part of the activities that should be housed in it, namely, the laboratories and the school for the Army Medical Corps. In the meantime the Army Veterinary School, the Army Dental School, the Army School of Nursing, and the Army School for Physiotherapy and Occupational Therapy Aides are of necessity conducted in temporary buildings, and it will be necessary to continue them in temporary buildings until the Army Medical School is completed. The activities mentioned are now carried on in temporary buildings as follows: Army Dental School, 35; Army Veterinary School, 35; Army School of Nursing, quarters 5; School for Physiotherapy Aides, 76; School for Occupational Therapy Aides, 96, 97, and 98.

Second. The contracts have just been let to complete the construction authorized for the Walter Reed Hospital and money has already been appropriated to construct a psychiatric service. All of this construction should be completed within a year. When that is completed every patient under treatment at Walter Reed Hospital will be in modern fireproof construction, and if the money for the completion of the Army Medical School is authorized and when the nurses' quarters now under construction are completed, every activity at the Army medical center will be housed in modern buildings except the enlisted personnel on duty at the hospitals, part of whom will still be in temporary construction. This statement, of course, does not include the quarters for the officers on duty at the hospital.

If we are to ever get rid of the temporary buildings at Walter Reed Hospital, thereby removing the fire hazard and the enormous expense of the upkeep of these temporary buildings, I think it is of the greatest importance that the completion of the Army Medical School should be authorized.

Very sincerely,

M. W. IRELAND,
*Major General,*
*The Surgeon General, United States Army.*

I take it for granted that when we pass this bill there will not be any more money requested, except the balance of $300,000 for nurses' quarters—we have already authorized $600,000 for

this purpose—and some money needed to take care of the enlisted men in temporary buildings.

Mr. LAGUARDIA. Let us understand each other. This will complete the center. It will furnish a wing to the wing built with the appropriations in 1921, give us the administration building, and it completes that unit?

Mr. JAMES. Yes.

Mr. LAGUARDIA. And you are not coming back for $660,000 to bring it up to the $2,000,000 originally estimated?

Mr. JAMES. I have placed the whole letter in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That there is hereby authorized to be appropriated not to exceed $890,000, to be expended for the construction and installation at the Army medical center, District of Columbia, of such buildings, utilities, and appurtenances thereto as may be necessary, as follows: Completion of Army Medical School, $840,000; addition to power plant, $50,000.

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

A motion to reconsider the vote by which the bill was passed was laid on the table.

CLERKS TO DISTRICT JUDGES

The next business on the Consent Calendar was the bill (H. R. 12526) to amend section 126 of title 28 of the United States Code (Judicial Code, sec. 67, amended).

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. HOOPER. Mr. Speaker, reserving the right to object, this is a bill making the United States a party defendant in certain suits?

Mr. LAGUARDIA. Oh, no; this is a bill which simply adds the word "marriage" to the degree of relatives who can not be employed. The reason for that is this. We had a case down in Oklahoma where the judge employed his own wife, and we are seeking to prevent that.

Mr. HOOPER. I withdraw my reservation of objection.

Mr. CRAMTON. Further reserving the right to object, does not the bill also add something else? What hurt does it do for a judge to have employed as his clerk somebody who is related to him?

Mr. LAGUARDIA. Because they do not work.

Mr. CRAMTON. It is a highly confidential position, and I can see that possibly the judge might have a niece who would be competent for the position.

Mr. LAGUARDIA. I do not think the niece would come within the consanguinity of a first cousin. He may employ his niece.

Mr. CRAMTON. Or even a first cousin.

Mr. LAGUARDIA. We had a case where the judge employed first his daughter, then his wife, and then another daughter, and no one of them did any work except to sign the pay roll.

Mr. CRAMTON. If the gentleman can devise a law that will make a Federal employee work under all conditions, he will have to go much further than this.

Mr. DYER. And some of these people were on the pay roll, but never did respond in service.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That section 126 of title 28 of the United States Code (Judicial Code, sec. 67, amended) is hereby amended to read as follows:

"No person shall be appointed to or employed in any office or duty in any court or as a stenographer or clerk to a district judge or to a judge of the Circuit Court of Appeals who is related by affinity, marriage, or consanguinity within the degree of first cousin to the judge of such courts. No such person holding a position or employment in a circuit court on December 21, 1911, shall be debarred from similar appointment or employment in the district court succeeded to such circuit-court jurisdiction."

With the following committee amendments:

Page 1, line 9, after the word "affinity," strike out the comma and the word "marriage"; and in line 10, page 1, after the word "courts," insert the words "or by marriage."

The committee amendments were agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

CHICAGO WORLD'S FAIR

The next business on the Consent Calendar was House joint resolution (H. J. Res. 365) authorizing the President, under certain conditions, to invite the participation of other nations in the Chicago World's Fair, providing for the admission of their exhibits, and for other purposes.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. BLACK of Texas. Mr. Speaker, I object.

Mr. CHINDBLOM. Mr. Speaker, will the gentleman reserve his objection?

Mr. BLACK of Texas. Yes.

Mr. CRAMTON. Reserving the right to object, I have an amendment to the joint resolution which I submitted to the gentleman from Illinois [Mr. CHINDBLOM], which he is willing to accept.

Mr. BLACK of Texas. My objection is based on this ground: Our experience with the Philadelphia Sesquicentennial Exposition, I think, has convinced the Congress and the country that we have passed beyond the day of world's fairs, and that they are an unjustifiable public expenditure.

Mr. CRAMTON. Let me suggest to the gentleman from Texas that very possibly my amendment may help to meet his objection.

Mr. BLACK of Texas. If you are not in favor of a proposition of this kind, the time to exert whatever opposition you have is right at the outset.

Mr. CRAMTON. My thought has been, if the gentleman will yield to me, that the time to make it clear what part, if any, we are going to take in the world's fair is now; and as I understand, what I propose in this amendment is in harmony with the present program and quite agreeable.

I think that will remedy the danger the gentleman has in mind. I propose to add a new section to read as follows:

That the Government of the United States is not by this resolution obligated to any extent in connection with the holding of such world fair and it is not hereafter to be so obligated other than for suitable representation thereat.

Mr. BLACK of Texas. That section would not be effective. It would be a mere gesture. Future Congresses are not bound. There are plenty of ways to get around a declaration of that kind. I think the experience in Philadelphia's Sesquicentennial Exposition ought to be convincing.

Mr. CRAMTON. Well, our experience in that is different from what is considered here. We know this exposition is going to be held, that many millions of dollars are going to be raised, and I have faith that Chicago will make a success of it where Philadelphia was not successful. I think it is proper for us to invite other nations to attend, and if we do it is proper for this Government to have representation there as we are to have at Seville, Spain, next year. This does not bind any future Congress. It does make it clear that we do not now expect to be committed by this action to some great expenditure for the conduct of the exposition, and I was in hopes this amendment would meet with the objection of the gentleman.

Mr. CHINDBLOM. Mr. Speaker, I would like to have the attention of the House for a moment. The proposed exposition in Chicago in 1933 will commemorate the centennial of the establishment of that city as a municipality. Hearings were had on the bill before the Committee on Ways and Means. This exposition will be altogether different from any held heretofore on a broad scale. This will not be a competitive exposition of products and manufactures of various industries and interests. It will be entirely an exposition of the history of the progress, development, and growth of industry, science, and art, and it is proposed to take each industry, each mode of art, and each industrial science particularly, including agriculture, and show its history from the beginning to the present time, especially during the last 100 years. The National Research Council has been engaged to take charge of the planning of this exposition. At the hearings before the Committee on Ways and Means Vice President Dawes and Senator DENEEN, of Illinois, appeared, and, as appears in the print of the hearings, they stated specifically that no amount of money will be asked and there is no purpose of calling for any aid from the Federal Government for the expenses of this undertaking.

Mr. ALLGOOD. Will the gentleman yield?

Mr. CHINDBLOM. I will.

Mr. ALLGOOD. Who is going to finance that?

Mr. CHINDBLOM. The Chicago World's Fair Centennial Celebration Corporation, which has been organized under the

laws of the State of Illinois as a corporation not for profit. The President, under the terms of the bill, will not invite nations to participate until $5,000,000 has been actually paid into the capital of that corporation, and it is planned to raise a total of $30,000,000 for the purposes of the exposition. The State government and the city of Chicago will participate in the plans for holding the fair. The bill even provides for the expenditure which the Government will undergo in the Customs Department by assigning men to handle the collection of customs duties upon goods brought in for exposition and subsequently sold. It provides that the expenses for handling exhibits in bond shall be paid for by the corporation. It provides that the corporation will reimburse the Federal Government for every item of such expenditure. Some objection was raised in the Committee on Ways and Means on the ground that the Government should pay these expenditures, but the committee was convinced that the plan proposed by this organization was feasible and proper.

I will further say this to the gentleman from Texas [Mr. BLACK]: We all realize that exhibitions and expositions of the old character probably will not be successful hereafter, but this exposition is on a large scale, covering all industries and all sciences and all arts, upon the same plan and along the same lines as was the transportation exhibition given by the Baltimore & Ohio Railroad Co. in Baltimore last year, where they showed the entire history of railroad transportation from the beginning of railroad building in the United States up to the present time. There were present at that exhibition a larger number of people than at the Sesquicentennial Exhibition at Philadelphia.

Mr. LAGUARDIA. The gentleman will understand how the Members of the House feel after the experience with the Philadelphia Sesquicentennial.

Mr. BLACK of Texas. Would the gentleman object to this bill going over? I would like to consult the hearings for more information. I have not had the time yet to read the hearings.

Mr. CHINDBLOM. I will have to consent, of course, if the gentleman insists.

Mr. BLACK of Texas. I will request that of the gentleman.

Mr. CHINDBLOM. A similar exposition was held recently at Dusseldorf, Germany, to show the progress of mineral science. It attracted 7,500,000 people. Already a large number of corporations and firms have indicated their desire to participate in this exposition at Chicago.

The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent that the resolution be passed over without prejudice. Is there objection?

Mr. SCHAFER. I object.

Mr. BLACK of Texas. I ask for the regular order if the gentleman will not permit the resolution to go over.

Mr. SCHAFER. I reserve the right to object.

Mr. CHINDBLOM. I do not think the gentleman from Wisconsin or the gentleman from Texas wants to prejudice this matter. I am satisfied that they will not object when they understand that the entire membership of the Committee on Ways and Means, including the gentleman from Texas [Mr. GARNER], the gentleman from Mississippi [Mr. COLLIER], and the gentleman from Georgia [Mr. CRISP] approve it. All the members of the Committee on Ways and Means supported this bill. I do not see how any ground can be found for opposition. The financial responsibility of the people controlling this enterprise is such that there will be no question of coming to Congress for aid.

Mr. SCHAFER. If at a future time a bill should be introduced in Congress providing for a couple of million dollar subsidy, as was done, for instance, in the case of the Philadelphia exposition, will the gentleman oppose it?

Mr. CHINDBLOM. I will oppose it. The amendment of the gentleman from Michigan [Mr. CRAMTON] states fully the position of the men who are promoting this enterprise at Chicago.

Mr. BLACK of Texas. I am not going to take the responsibility of objecting. I remember all these assurances were given us at the time the Philadelphia exposition was provided for. I think practically all the assurances were given at that time that the gentleman has given us to-day. Yet in due time the Philadelphia exposition came to Congress for a large appropriation. I hope that such will not happen in the case of this Chicago exposition. I shall not object to consideration of the bill.

Mr. CHINDBLOM. I thank the gentleman.

Mr. Speaker, under the leave granted by the House, I insert in the RECORD at this point the report of the Committee on Ways and Means, through its chairman, Mr. HAWLEY, to accompany House Joint Resolution 365:

The Committee on Ways and Means, to whom was referred the joint resolution (H. J. Res. 365) authorizing the President, under certain conditions, to invite the participation of other nations in the Chicago World's Fair, providing for the admission of their exhibits, and for other purposes, having had the same under consideration, report it back to the House with amendments and recommend that the amendments be agreed to and the joint resolution as amended do pass, the amendments being as follows:

Strike out the preamble.

On page 2, line 6, strike out the words "the celebration" and insert in lieu thereof the following: "a world's fair to be held in the city of Chicago, in the State of Illinois, in the year 1933, to celebrate the one hundredth anniversary of the incorporation of Chicago as a municipality."

The joint resolution provides that whenever it shall be shown to the satisfaction of the President that a sum of not less than $5,000,000 has been raised and is available to the Chicago World's Fair Centennial Celebration Corporation, for the purposes of a world's fair to be held in the city of Chicago, in the State of Illinois, in the year 1933, to celebrate the one hundredth anniversary of the incorporation of Chicago as a municipality, the President is authorized and requested, by proclamation or in such other manner as he may deem proper, to invite the participation of the nations of the world in the celebration; that articles may be imported from foreign countries for the purpose of exhibition at said celebration, free of duty, customs' fees, or charges, under such regulations as the Secretary of the Treasury shall prescribe, but that articles so imported may be sold for delivery at the close of the celebration subject to such regulations for the security of the revenue as the Secretary of the Treasury shall prescribe, and that all such articles, when sold or withdrawn for consumption, shall be subject to any duty imposed thereon by the revenue laws in force at the date of their importation and to the terms of the tariff laws then in force; and that all necessary expenses incurred, including salaries of customs officials in charge of imported articles, shall be paid to the Treasury of the United States by the Chicago World's Fair Centennial Celebration Corporation under regulations to be prescribed by the Secretary of the Treasury.

The city of Chicago was incorporated as a municipality in the year 1833, with a population of 28 white persons and some native Indians. It now has within its metropolitan area more than 4,000,000 people and is growing at the rate of about 90,000 per year.

In 1893 the World's Columbian Exposition was held in Chicago to commemorate the four hundredth anniversary of the landing of Columbus on the American Continent. It was probably the most successful exposition held prior to or since that time. All world's fairs or expositions have hitherto been held upon the basis of competitive exhibitions of the products of agriculture, industry, science, and art. The citizens of Chicago, who have organized the Chicago World's Fair Centennial Celebration Corporation as a corporation not for profit under the laws of the State of Illinois, propose to celebrate the centennial of their municipality by the holding of a world's fair celebration along entirely new and novel lines.

The greatest progress in the world's history has doubtless been made during the 100 years marking the rise of Chicago. It is therefore planned to "portray intelligently, entertainingly, and educationally the modern spirit underlying the progress of each industry, and of agriculture, art, drama, and sport" during this period. It will be a scientific and historical display of the inception and progress of every element in human endeavor during the past century. In the language of its sponsors, "it will express the new spirit of the world to-day, which is the utilization for the work of man of the knowledge which science has accumulated, and the application of it through collective and coordinated effort and action in industry, agriculture, and social organization." It is said that it will "supplant the old exhibition idea by the natural evolution of a new generation, a new thought of presenting a panoramic picture, beautifully adorned, of what science and industry have achieved for the world, and may yet achieve." It is further reported that "the National Research Council, which is the organization of the scientific intelligence of the Nation, has indorsed this idea, pledged its support, and appointed a committee of its distinguished members to aid in the preparation and development of the plans."

The financial success of the undertaking seems assured. Before the President will act under the resolution, he must be satisfied that a sum of not less than $5,000,000 has been raised and is available for the celebration, and the corporation is preparing to accumulate a total available capital of approximately $30,000,000 for the expenses of the enterprise.

It is the belief of the sponsors, as voiced by Vice President Dawes at the hearing before the committee, that this method of exhibition, which has had very successful forerunners on limited scales, will attract the attention of the civilized world to such an extent that if it is not held in the near future, as proposed, in Chicago, some other city, or some other country, will enthusiastically appropriate the idea. An exhibition at Dusseldorf, Germany, showing the progress of medical science, drew an attendance of 7,500,000 people, and the Baltimore & Ohio Railroad recently exhibited the progress of transportation in the United States at an exposition in Baltimore, which attracted more people than attended the Sesquicentennial Exposition at Philadelphia.

Your committee believe that the centennial celebration of the marvelous growth of the metropolis of the Middle West, and the plan proposed for the very unique, attractive, and valuable exposition of the world's progress, during the last hundred years, merit the attention and support of our own, as well as foreign governments, and also believe that the usual facilities for bringing foreign objects into this country for exhibition should be granted to the Chicago enterprise.

The SPEAKER pro tempore. Is there objection to the present consideration of the resolution?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read as follows:

Joint resolution (H. J. Res. 365) authorizing the President, under certain conditions, to invite the participation of other nations in the Chicago World's Fair, providing for the admission of their exhibits, and for other purposes

Whereas there has been duly incorporated, under the laws of the State of Illinois, by citizens of the said State, an organization designated as the Chicago World's Fair Centennial Celebration for the purpose and with the object of preparing and holding a world's fair in the city of Chicago in the year 1933, and of celebrating fittingly the centennial of the incorporation of Chicago as a municipality through a portrayal in an intelligent, entertaining, and educational manner of the modern spirit underlying the progress of the various industries and of agriculture, art, drama, and sport; and

Whereas this observance by the city of Chicago is coincident with the two hundredth anniversary of the birth of George Washington; and

Whereas the celebration as proposed would unquestionably be of great benefit to the commercial interests of the United States and of the nations participating, and of educational value to the people of the United States and of the world: Therefore be it

*Resolved, etc.,* That whenever it shall be shown to the satisfaction of the President that a sum of not less than $5,000,000 has been raised and is available to the Chicago World's Fair Centennial Celebration Corporation, for the purposes of the celebration, the President is authorized and requested, by proclamation or in such other manner as he may deem proper, to invite the participation of the nations of the world in the celebration.

SEC. 2. That all articles which shall be imported from foreign countries for the purpose of exhibition at said celebration shall be admitted free of duty, customs fees, or charges, under such regulations as the Secretary of the Treasury shall prescribe; but it shall be lawful during said celebration to sell for delivery at the close thereof any goods or property imported and actually on exhibition therein, subject to such regulations for the security of the revenue as the Secretary of the Treasury shall prescribe: *Provided,* That all such articles when sold or withdrawn for consumption shall be subject to the duty, if any, imposed upon such articles by the revenue laws in force at the date of their importation and to the terms of the tariff laws in force at the time.

SEC. 3. *And provided further,* That all necessary expenses incurred, including salaries of customs officials in charge of imported articles, shall be paid to the Treasury of the United States by the Chicago World's Fair Centennial Celebration Corporation, under regulations to be prescribed by the Secretary of the Treasury.

With a committee amendment as follows:

Pages 1 and 2, strike out the preamble.

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER pro tempore. The Clerk will read the other committee amendment.

The Clerk read as follows:

Page 2, line 6, after the word "of," strike out the words "the celebration" and insert "a world's fair, to be held at the city of Chicago, in the State of Illinois, in the year 1933, to celebrate the one hundredth anniversary of the incorporation of Chicago as a municipality."

The amendment was agreed to.

The SPEAKER pro tempore. The Clerk will proceed with the reading of the bill for amendment.

The Clerk read as follows:

SEC. 2. That all articles which shall be imported from foreign countries for the purpose of exhibition at said celebration shall be admitted free of duty, customs fees, or charges, under such regulations as the Secretary of the Treasury shall prescribe; but it shall be lawful during said celebration to sell for delivery at the close thereof any goods or property imported and actually on exhibition therein, subject to such regulations for the security of the revenue as the Secretary of the Treasury shall prescribe: *Provided,* That all such articles when sold or withdrawn for consumption shall be subject to the duty, if any, imposed upon such articles by the revenue laws in force at the date of their importation and to the terms of the tariff laws in force at the time.

SEC. 3. *And provided further,* That all necessary expenses incurred, including salaries of customs officials in charge of imported articles, shall be paid to the Treasury of the United States by the Chicago World's Fair Centennial Celebration Corporation, under regulations to be prescribed by the Secretary of the Treasury.

Mr. CHINDBLOM. Mr. Speaker, I suggest to strike out section 3, because the proviso really belongs to the preceding section. In some way the wrong number was put in; I do not know how. I move to strike out the words "section 3" and make the proviso a part of section 2.

The SPEAKER pro tempore. The Clerk will report the amendment offered by the gentleman from Illinois.

The Clerk read as follows:

Amendment offered by Mr. CHINDBLOM: Page 3, line 9, strike out the word and figure "section 3" and make the remainder of the paragraph a proviso to the former section.

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CRAMTON. Mr. Speaker, I offer an amendment which I send to the Clerk's desk, to be placed at the end of section 2, to be known as section 3, as follows.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: Page 3, after line 14, add a new section, as follows:

"SEC. 3. That the Government of the United States is not by this resolution obligated to any expense in connection with the holding of said world's fair and is not hereafter to be so obligated other than for suitable representation thereat."

The amendment was agreed to.

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

A motion to reconsider the vote by which the bill was passed was laid on the table.

REGULATION OF TRANSACTION ON COTTON FUTURES EXCHANGES

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to vacate the proceedings by which the bill, H. R. 13646, was engrossed, read a third time and passed, for the purpose of offering an amendment to section 4, on page 8, line 23, which amendment would be as follows:

Page 8, line 23, after the word "Texas," where it appears for the first time, insert the following: "Augusta, Ga.; Dallas, Tex.; Memphis, Tenn.; Little Rock, Ark."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

Mr. CRAMTON. Mr. Speaker, I would like to know what the bill is. Could the gentleman from Georgia give us the calendar number?

Mr. VINSON of Georgia. It is H. R. 13646, the bill regulating cotton transactions. This amendment merely includes the interior designated cotton markets, which were omitted from the bill.

Mr. O'CONNOR of New York. Mr. Speaker, reserving the right to object, are those the only ports mentioned?

Mr. VINSON of Georgia. No. I will state to the gentleman from New York that the seaboard ports are mentioned, but the interior ports were by inadvertence left out.

Mr. O'CONNOR of New York. What does it do with reference to those ports?

Mr. VINSON of Georgia. It merely puts them in the same position as Charleston, Savannah, Houston, New Orleans, and Galveston.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. VINSON of Georgia: Page 8, line 23, after the word "Texas" where it appears the first time, insert the following: "Augusta, Ga.; Dallas, Tex.; Memphis, Tenn.; Little Rock, Ark."

The amendment was agreed to.

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

A motion to reconsider the vote by which the bill was passed was laid on the table.

PERMISSION THAT THE UNITED STATES BE MADE A PARTY DEFENDANT IN CERTAIN CASES

The next business on the Consent Calendar was the bill (H. R. 13981) to permit the United States to be made a party defendant in certain cases.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. HOOPER. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Missouri whether this bill carries these cases to the United States court where a lien of this character is involved regardless of the amount that is involved in the proceeding.

Mr. DYER. Yes. It can be taken to the United States court for that purpose only and then it is transferred back to the State court.

Mr. HOOPER. It would not be limited to the jurisdictional amount that is now involved in the ordinary case?

Mr. DYER. No.

Mr. LAGUARDIA. That is not the purpose of the bill. The purpose of the bill is to bring the United States into a foreclosure action where the United States has some lien.

Mr. HOOPER. I know, but I wanted to know whether it involved the jurisdictional amount or not.

Mr. LAGUARDIA. It is only referred to the Supreme Court for the purpose of getting the required jurisdiction to wipe out a lien of the United States.

Mr. MILLER. And where there is absolutely no statutory proceeding at the present time by which the lien can be removed.

Mr. HOOPER. I have no objection.

The SPEAKER pro tempore. Is there objection?

Mr. SPROUL of Kansas. Mr. Speaker, reserving the right to object, what is there to prevent the United States Government going into the State court?

Mr. DYER. These cases go into the State courts and then afterwards it is found the Government has a lien, a secondary lien, which has come in after the prior lien, and in order to have that determined they can take it into the Federal Court for the purpose of having the United States lien fixed and decided upon and then it goes back to the State court and is then determined in the State court.

Mr. SPROUL of Kansas. I understand that to be the procedure proposed, but why do that? The plaintiff in an action to foreclose the first and prior lien begins his suit in the State court.

Mr. DYER. Yes.

Mr. SPROUL of Kansas. When it may be known by him that the Federal Government has a second and a junior lien, why may not the Federal Government, which is interested in collecting its lien-secured debts, appear as a party in the State court and allow the State court to complete all the proceedings necessary to be transacted in the action? Why transfer the action to the Federal court for the determination of the priority of the two liens?

Mr. DYER. It is in order to have a Federal matter determined by a Federal court.

Mr. LAGUARDIA. The answer to the gentleman's question is this: A foreclosure action is an action in rem and the Federal court in itself has not jurisdiction in a local foreclosure case. The United States simply happens to be one of the necessary party defendants by reason of its lien on this particular piece of property, and in order to have the rights of the United States, if any, established, it is shifted to the Federal court to determine that one question.

Mr. SPROUL of Kansas. I understand that, but why may not that be done in the State court?

Mr. LAGUARDIA. Because the United States does not wish to submit to the jurisdiction of a State court.

Mr. SPROUL of Kansas. Oh, that is it. Personally, I do not think that is sufficient reason.

Mr. LAGUARDIA. I think that is very important.

Mr. DYER. There is no other way, I will say to the gentleman from Kansas, by which this matter can be determined, and it is in the interest of the property owners.

Mr. SPROUL of Kansas. Why does the gentleman say there is no other way?

Mr. DYER. There is no other way.

Mr. SPROUL of Kansas. The United States simply does not want to submit to the jurisdiction of the State court.

Mr. DYER. It can not submit.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. CRAMTON. Mr. Speaker, if anyone is interested in hearing the bill read, I shall not press the request; but because of the number of bills to be reached, I ask unanimous consent that the bill be considered as read.

The SPEAKER pro tempore. The gentleman from Michigan asks unanimous consent that the reading of the bill be dispensed with. Is there objection?

There was no objection.

The bill is as follows:

*Be it enacted, etc.*, That whenever, under any law of the United States, a lien shall be created and made a matter of record in pursuance of the provisions of section 3186 of the Revised Statutes of the United States (title 26, sec. 115, U. S. C.), or otherwise, upon or against any property, real or personal, against which any prior lien or encumbrance shall exist in favor of any person, firm, or corporation, and the person, firm, or corporation holding such prior lien or encumbrance shall desire to foreclose the same, or to proceed to a judicial sale thereon, the United States may be made a party defendant to any suit or proceeding which may be removed to any United States district court under the provisions of sections 4 and 5 of this act by the holder of such prior lien or encumbrance for the purpose of foreclosure or sale: *Provided, however*, That the United States shall not be made a party to any suit or proceeding in any court of any State until after removal of the same to the United States district court as hereinafter provided.

SEC. 2. That in all suits or proceedings which may be removed under this act the process of the court shall be served upon the United States district attorney for the district in which the same shall be pending.

SEC. 3. That no judgment for costs shall be rendered against the United States in any suit or proceeding which may be removed under the provisions of this act, nor shall the United States be or become liable for the payment of the costs of any such suit or proceeding or any part thereof.

SEC. 4. Whenever the prior lien or encumbrance referred to in section 1 of this act shall have been proceeded upon in a State court, and it shall appear that there is filed of record a lien in favor of the United States, entered after the creation of said lien or encumbrance, it shall be lawful for the said plaintiff or plaintiffs before or after the entry of a judgment or decree in such suit or proceeding to have the said suit or proceeding, including said judgment or decree, if any, transferred from the said State court to the United States district court for the district where the property subject to the lien shall be situated; and the procedure for such removal shall be the same as that now required for such transfer in other cases where the United States district court has jurisdiction. After removal of the said suit or proceeding to the United States district court, it shall be lawful for the said court, on petition of the plaintiff or plaintiffs, setting forth the fact of such removal, and the grounds for the same, to enter an order expressly authorizing the addition of the United States as a party defendant therein, and providing for the issuance and service upon the United States of such writ, order, or other process appropriate for making the United States a party and proceeding to a hearing upon the question of the priority of the lien of the plaintiff or plaintiffs over the lien held by the United States, and also providing within what time an appearance and answer shall be filed by the United States after such service. In case a judgment or decree had already been entered in said suit or proceeding in the said State court, the said order so entered by the United States district court, after such removal, shall expressly authorize such judgment or decree to be opened for the sole purpose of permitting the United States to be made a party, and the said order shall also provide for service of process on the United States and for appearance and answer by it as aforesaid. Excepting for the right of the United States to appear and answer therein, and excepting as the United States district court may limit the operation of said judgment as against the rights of the United States, the judgment or decree so opened shall remain in full force and effect as of the date of its original entry in the State court. After the filing of an answer by the United States, the United States district court shall proceed to a finding as to whether or not a lien of the United States exists in fact upon or against the property, real or personal, covered by the foreclosure proceedings in the State court and in what amount and whether or not such lien is subordinate to the lien of the plaintiff or plaintiffs in such suit, and after the ascertainment of these facts and the status of the lien, if any, as to priority shall forthwith remand the case to the State court from whence it was transferred so that the State court may proceed to execution and sale, subject, however, to such order as may be entered by the United States district court limiting the judgment in the suit or proceeding in the State court as against the rights, if any, of the United States.

SEC. 5. Whenever the prior lien or encumbrance mentioned in section 1 of this act arises solely as a result of a judgment or decree of a State court, which is not entered by way of foreclosure in a suit on a preexisting lien, and the only proceeding necessary to enforce the lien of such judgment or decree is the regular execution process provided for by the laws of the said State, such judgment or decree may be removed to the said district court of the United States by proceedings as provided in section 4 of this act. After such removal, a rule to show cause shall, upon petition of the plaintiff or plaintiffs therein, be granted by the said district court, returnable at such time as the court may direct,

requiring the United States to show cause why such execution should not issue and a sale be made thereunder according to law. The said rule shall be served upon the United States district attorney of the district aforesaid, and after a hearing upon such rule the said court, being satisfied with the priority of the lien of said judgment or decree over the lien held by the United States, shall enter a final order so finding, making such rule absolute, and ordering the suit or proceeding entered therein forthwith to be remanded to the State court for execution process to issue for the sale of the property covered by the said liens, with like effect as hereinafter provided in section 6 of this act.

SEC. 6. After the entry of a final order by the United States district court in any suit or proceeding transferred thereto from a State court under this act in which the United States has been made a party under the provisions of this act, pursuant to a finding in the court that a lien exists in favor of the United States and that such lien is subordinate to the lien of the plaintiff or plaintiffs in such suit, the effect of any sale which may thereafter be made, by writ of execution or otherwise, in the said State court subject to the terms of the said order of the United States district court, shall be the same, as to the discharge from the property sold of liens and encumbrances, and otherwise howsoever, as shall be provided by the law of the State in which the said property is situated, in connection with such sales in the courts of that State; and the lien of the United States upon such property shall be subject to discharge from said property by such sale, in the same manner as may be provided by such State law as to other junior liens, and shall be relegated to the fund produced by such sale.

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

A motion to reconsider was laid on the table.

MEMORIAL TO MAJ. GEN. HENRY A. GREENE

The next business on the Consent Calendar was the bill (H. R. 12404) authorizing erection of a memorial to Maj. Gen. Henry A. Greene at Fort Lewis, Wash.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Henry A. Greene Memorial Association, a corporation organized and existing under the laws of the State of Washington, be, and is hereby, authorized to erect and maintain a suitable building, under such regulations as the Secretary of War may prescribe, in and upon the United States military reservation at Fort Lewis, Wash., the plans of such building to be first approved and to be constructed in such location as may be prescribed by the Secretary of War: *Provided*, That the use of such portion of the ground floor of said building as may be necessary shall be given to the Post Office Department of the United States, free of charge, for the post-office service of the reservation.

Mr. LAGUARDIA (during the reading of the bill). Mr. Speaker, I could not hear the title when this bill was called. I suppose the time has passed to raise any objection. I was listening and trying to hear, but I did not know this was the Greene bill. I wanted to ask some questions about it.

Mr. JOHNSON of Washington. Mr. Speaker, the bill has been read in part.

Mr. LAGUARDIA. The gentleman is absolutely within his rights. I know I am foreclosed if the gentleman insists upon his rights.

The Clerk concluded the reading of the bill.

Committee amendment: Page 2, line 4, after the word "reservation," insert the words "so long as said building remains on said grounds."

The committee amendment was agreed to.

Mr. CRAMTON. Mr. Speaker, I offer an amendment to correct the structure of the bill, an amendment which is agreeable to the gentleman in charge of the bill, page 1, line 9, after the word "and," insert the words "the building," it being the building and not the plans that is to be constructed.

The SPEAKER pro tempore. The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 1, line 9, after the word "and," insert the words "the building."

The amendment was agreed to.

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

A motion to reconsider the vote by which the bill was passed was laid on the table.

SALE OF OLD POST-OFFICE PROPERTY AT BIRMINGHAM, ALA.

The next business on the Consent Calendar was the bill (H. R. 14466) to provide for the sale of the old post-office property at Birmingham, Ala.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. LAGUARDIA. Reserving the right to object, I would not object to the bill if it read as originally introduced, but I do object to the committee amendment. The bill as introduced provided for public auction to the highest bidder. I believe the committee amendment is not in the public interest. I believe that the property should be sold no other way except to the highest bidder at public auction.

Mr. HUDDLESTON. I will say to the gentleman that the committee amendment was adopted at the request of the department, so that the sale might be in accordance with their practice.

Mr. LAGUARDIA. I do not like the practice, and the bill could not be passed without the consent of Congress. It is up to Congress to say what the sale shall be. I do not think this should be sold at a private sale.

Mr. HUDDLESTON. It will not be sold at private sale. The department has assured me that if sold it will be sold after due notice, so that all parties interested who want an opportunity to bid may do so; they want a little more latitude than that allowed by the bill as originally introduced. They want permission to sell on sealed bids or at public auction.

Mr. LAGUARDIA. I am in entire accord with the original bill, and to carry out that purpose I provide for alternative sale at public auction. This authorizes the sale in any manner in the discretion of the Secretary of the Treasury.

Mr. HUDDLESTON. Will not the gentleman allow the bill to come up and then offer an amendment in the House? What I want is to get the property sold. I am not particular as to the details of sale.

Mr. LAGUARDIA. If the gentleman will support my amendment, I will be glad to withdraw any objection.

Mr. HUDDLESTON. I shall be glad to support the amendment, but I have no right to speak for the committee. I introduced the bill in the form I though was best for the public interest. The department wanted it modified, and the committee agreed to the amendment.

Mr. LAGUARDIA. Very well, Mr. Speaker, without committing the gentleman from Alabama I shall not object and will offer my amendment later.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

A bill (H. R. 14466) to provide for the sale of the old post-office property at Birmingham, Ala.

*Be it enacted, etc.*, That the Secretary of the Treasury is hereby authorized to sell the Government property situated in the city of Birmingham, Jefferson County, Ala., known as the old post-office property and described as being all of lots 12, 13, 14, and east 20 feet of lot 15, in block 87, according to the Elyton Land Co.'s survey of property in Birmingham, Ala., and more particularly as beginning at the northeasterly intersection of Second Avenue and Eighteenth Street, running thence with the line of Second Avenue 170 feet, thence in a northwardly direction 140 feet to an alley, thence with the line of said alley 170 feet to Eighteenth Street, thence with the line of Eighteenth Street 140 feet to beginning. Said property shall be sold to the highest bidder upon the following terms: One-fourth cash; balance payable in four equal payments 1, 2, 3, and 4 years after date of sale with interest on each payment at 6 per cent per annum, with option to the purchaser to pay balance at any time without interest beyond the date of such payment. Not less than 30 days' notice shall be given by publication in some newspaper published at Birmingham, Ala., that sealed bids for the purchase of said property will be received upon a date certain, and after such date all such sealed bids shall be opened and the property sold to the highest bidder thus ascertained. The proceeds of said sale shall be paid into the general fund of the Treasury.

With the following committee amendment:

On page 2, lines 7 to 17, inclusive, strike out and insert in lieu thereof the following:

"To be sold in the discretion of the Secretary of the Treasury, at such time and upon such terms as he may deem to be to the best interests of the United States, and to convey such property to the purchasers thereof by the usual quitclaim deed."

Mr. LAGUARDIA. Mr. Speaker, I offer the following amendment as a substitute for the committee amendment:

The Clerk read as follows:

Page 2, line 7, after the word "bidder," insert the words "or by public auction," and in line 17, after the word "ascertain," insert the words "or of the sale of said property by public auction."

The SPEAKER pro tempore. The question is on the substitute offered by the gentleman from New York for the committee amendment.

The question was taken, and the substitute was rejected.

The SPEAKER pro tempore. The question now is on the committee amendment.

The committee amendment was agreed to.

Mr. HUDDLESTON. Mr. Speaker, it is necessary to amend the description of the property. There was an error as carried in the bill, and I offer the following amendments.

The Clerk read as follows:

Amendments by Mr. HUDDLESTON: Page 1, line 6, after the word "lots," insert the number "11." Also, in line 7, page 6, strike out the word "east" and insert the word "west" in lieu thereof.

The amendments were agreed to.

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

The motion to reconsider was laid on the table.

PERMITTING CITY OF NEW YORK TO ENTER CERTAIN UNITED STATES PROPERTY

The next business on the Consent Calendar was Senate joint resolution (S. J. Res. 171) granting the consent of Congress to the city of New York to enter upon certain United States property for the purpose of constructing a rapid-transit railway.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the joint resolution, as follows:

*Resolved, etc.*, That the consent of Congress is hereby granted to the city of New York to enter upon, for the purpose of constructing a rapid transit railway, any and all property of the United States situated within the area described as follows:

Beginning at a point on Wall Street in the city of New York on the southern boundary of the property belonging to the United States and occupied wholly or partly by the Subtreasury Building, said point lying either at the southwest corner of the Subtreasury Building or in a southerly direction therefrom on a line in prolongation of the westerly wall of the Subtreasury Building and extending thence northerly along the westerly wall of the Subtreasury Building, or along a line in prolongation thereof, beginning at the southwest corner of the Subtreasury site, being the intersection of the northerly line of Wall Street with the easterly line of Nassau Street, running thence northwardly with the line of Nassau Street along the westwardly side of the Subtreasury area coping a distance of 40 feet to a point in the line of Nassau Street; thence in an eastwardly direction approximately 5.17 feet to the westwardly wall of the Subtreasury Building; thence in a southwardly direction with the westwardly line of the Subtreasury Building a distance of 40 feet to a point in the north line of Wall Street; thence with the north line of Wall Street along the southerly side of the Subtreasury area coping a distance of 5.17 feet to the point or place of beginning.

The subway structure, within the space hereinbefore described, shall be designed and constructed by the city of New York to carry the highest building that could be constructed on this property of the United States in accordance with the New York building code, and in default thereof the authority hereby granted shall cease and be null and void.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the joint resolution was passed was laid on the table.

FEDERAL BUILDING AT DES MOINES, IOWA

The next business on the Consent Calendar was the bill (H. R. 13957) to repeal certain provisions of law relating to the Federal building at Des Moines, Iowa.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the last three paragraphs of section 20 of the act entitled "An act to increase the limit of cost of certain public buildings; to authorize the enlargement, extension, remodeling, or improvement of certain public buildings; to authorize the erection and completion of public buildings; to authorize the purchase of cites for public buildings; and for other purposes," approved March 4, 1913, as amended, are hereby repealed.

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

A motion to reconsider the vote by which the bill was passed was laid on the table.

LENDING CERTAIN WAR DEPARTMENT MATERIAL TO GOVERNOR OF NORTH CAROLINA

The next business on the Consent Calendar was the bill (H. R. 15427) authorizing and directing the Secretary of War to lend to the Governor of North Carolina 300 pyramidal tents, complete; 9,000 blankets, olive drab, No. 4; 5,000 pillowcases; 5,000 canvas cots; 5,000 cotton pillows; 5,000 bed sacks; and 9,000 bed sheets to be used at the encampment of the United Confederate Veterans to be held at Charlotte, N. C., in June, 1929.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of War be, and he is hereby, authorized to lend, at his discretion, to the entertainment committee of the United Confederate Veterans, whose encampment is to be held at Charlotte, N. C., June 4, 5, 6, and 7, 1929, 300 pyramidal tents, complete with all poles, pegs, and other equipment necessary for their erection; 9,000 blankets, olive drab, No. 4; 5,000 pillowcases; 5,000 canvas cots; 5,000 cotton pillows; 5,000 bed sacks; and 9,000 bed sheets: *Provided*, That no expense shall be caused the United States Government by the delivery and return of said property, the same to be delivered from the nearest quartermaster depot at such time prior to the holding of said encampment as may be agreed upon by the Secretary of War and the business manager of the said entertainment committee, Mr. Edmond R. Wiles: *Provided further*, That the Secretary of War, before delivering such property, shall take from said Edmond R. Wiles, business manager of the Thirty-ninth Annual Confederate Reunion, a good and sufficient bond for the safe return of said property in good order and condition and the whole without expense to the United States.

Mr. CRAMTON. Mr. Speaker, I offer the following amendments, which I send to the desk and ask to have read. These amendments I have discussed with gentlemen who are interested. The amendment is to strike out the name of the chairman of the committee because if for any reason there should be a change in chairmanship, as the bill stands it would not be operative. It is best not to mention the name.

The SPEAKER. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. CRAMTON: Page 2, line 11, strike out the words "Mr. Edmond R. Wiles"; page 2, line 13, strike out the words "Edmond R. Wiles."

The amendments were agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

LENDING CERTAIN WAR DEPARTMENT EQUIPMENT TO AMERICAN LEGION

The next business on the Consent Calendar was the bill (H. R. 15472) to authorize the Secretary of War to lend War Department equipment for use at the eleventh national convention of the American Legion.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

A bill (H. R. 15472) to authorize the Secretary of War to lend War Department equipment for use at the eleventh national convention of the American Legion

*Be it enacted, etc.*, That the Secretary of War be, and is hereby, authorized to lend, at his discretion, to the Eleventh National Convention Corporation, American Legion, for use at the eleventh national convention of the American Legion, to be held at Louisville, Ky., in the months of September and October, 1929, 10,000 cots, 20,000 blankets, 20,000 bed sheets, 10,000 pillows, 10,000 pillowcases, and 10,000 mattresses or bed sacks: *Provided*, That no expense shall be caused the United States Government by the delivery and return of said property, the same to be delivered at such time prior to the holding of the said convention as may be agreed upon by the Secretary of War and the American Legion, Department of Kentucky, through the director of the eleventh national convention of the American Legion, Reau Kemp: *Provided further*, That the Secretary of War, before delivering said property, shall take from the said Department of Kentucky, the American Legion, a good and sufficient bond for the safe return of said property in good order and condition, and the whole without expense to the United States.

Mr. CRAMTON. Mr. Speaker, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Page 2, line 7, strike out the words "Reau Kemp."

The amendment was agreed to and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

ELEVENTH ANNUAL AMERICAN LEGION CONVENTION

Mr. THATCHER. Mr. Speaker, I ask unanimous consent to extend my remarks upon the bill just passed.

The SPEAKER. Is there objection?

There was no objection.

Mr. THATCHER. Mr. Speaker, in behalf of the legionnaires of America I was very glad to introduce and to press for enactment H. R. 15472, which has to-day passed the House by unanimous vote. The bill has for its purpose the loaning by the Secretary of War of certain War Department equipment for use at the eleventh national convention of the American Legion to be held at Louisville, Ky., on September 30 and October 1, 2, and 3, 1929. The measure fully explains its purposes, and indicates the character and quantity of equipment to be loaned, and it is set forth as follows:

A bill (H. R. 15472) to authorize the Secretary of War to lend War Department equipment for use at the eleventh national convention of the American Legion

*Be it enacted, etc.,* That the Secretary of War be, and is hereby, authorized to lend at his discretion, to the Eleventh National Convention Corporation, American Legion, for use at the eleventh national convention of the American Legion to be held at Louisville, Ky., in the months of September and October, 1929, 10,000 cots, 20,000 blankets, 20,000 bed sheets, 10,000 pillows, 10,000 pillowcases, and 10,000 mattresses or bed sacks: *Provided,* That no expense shall be caused the United States Government by the delivery and return of said property, the same to be delivered at such time prior to the holding of the said convention as may be agreed upon by the Secretary of War and the American Legion, Department of Kentucky, through the director of the eleventh national convention of the American Legion: *Provided further,* That the Secretary of War, before delivering said property, shall take from the said Department of Kentucky, the American Legion, a good and sufficient bond for the safe return of said property in good order and condition, and the whole without expense to the United States.

At the tenth annual convention of the American Legion held at San Antonio last fall, Louisville was chosen as the meeting place for the eleventh annual convention to be held next fall. I have the very great honor to represent the Louisville district, and I know that the people of Louisville, and her sister cities at the falls of the Ohio River, as well as those of the entire State of Kentucky, feel highly complimented because of the selection of Kentucky's metropolis as the meeting place for the next annual convention of the Legion. We shall be very proud and happy to welcome there, as warmly as we may, the hosts of ex-service men and women who, but a few years ago, offered all that freedom might endure. Louisville is a great, progressive city, whose citizens are dominated by the world-famed spirit of Kentucky hospitality; and as the people of Kentucky and the southern Indiana region, which lies adjacent to Louisville, are all filled with the same spirit, the legionnaires and their friends who shall attend the forthcoming convention at Louisville, may expect to find and receive there a genuine, old-fashioned Kentucky welcome.

I may add that the Jefferson Post, at Louisville, is the largest American Legion post in the entire country, and it goes without saying that its members will do everything within their power for the comfort and enjoyment of their old comrades in arms in attendance upon this convention.

Louisville is near the center of our American population, and stands in the midst of a region rich in historic and scenic interest. The city is fully equipped in every way to care for all who may care to attend this convention, however large the number may be. Hence, a tremendous gathering is expected and assured. In fact, we, who live in Louisville and in the Louisville region, are pleased to believe that this will prove to be the largest and most successful annual convention of the American Legion ever held.

Permit me, therefore, at this time and in this way, Mr. Speaker, not only to extend to you and the other Members of Congress the heartiest possible invitation to attend this convention and "break bread" with us in the "Old Kentucky Home", but, also, to repeat to the legionnaires and their friends throughout our great Republic, the invitation which has already been formally extended to them in behalf of the city of Louisville, and the State of Kentucky. Come, and let us join together in the patriotic exercises of this occasion; let us there receive renewed inspiration from the noble contacts which shall be ours; and let us there, under the flag of our country, consecrate and dedicate ourselves anew to the great ideals for which that flag has always stood, and for which it must ever stand.

EASTERN BAND OF CHEROKEE INDIANS

The next business on the Consent Calendar was the bill (S. 4488) declaring the purpose of Congress in passing the act of June 2, 1924 (43 Stat. 253), to confer full citizenship upon the Eastern Band of Cherokee Indians, and further declaring that it was not the purpose of Congress in passing the act of June 4, 1924 (43 Stat. 376), to repeal, abridge, or modify the provisions of the former act as to the citizenship of said Indians.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, I reserve the right to object.

Mr. CRAMTON. Mr. Speaker, reserving the right to object, I rise to ask the gentleman in charge of the bill for some information as to the necessity of such legislation in view of the act of 1924. The report does not include any report from the Bureau of Indian Affairs. Did the committee have such a report before it?

Mr. LEAVITT. The committee did have such a report, and why it was not included in the committee report I do not know. Its purpose is set forth in the report from the Secretary of the Interior as follows:

The purpose of the bill is to remove any doubt that may exist as to the conferring of full citizenship on these Indians by the provisions of the act of June 2, 1924. Recommendation is made that it receive your favorable consideration.

Mr. LAGUARDIA. From what is the gentleman reading?

Mr. LEAVITT. From the report of the Secretary.

Mr. LAGUARDIA. We have not that report.

Mr. LEAVITT. I did not make the committee report and I can not say why the member of the committee making the report did not include the report of the Secretary, which the committee has.

Mr. LAGUARDIA. Does the gentleman believe that it is good legislation to pass a bill declaring the purpose of a previous act? If the act of June 4, 1924, puts in doubt the act of June 2, 1924, the proper legislative procedure would be to amend the act of June 4, 1924, by declaring that nothing therein should be construed to repeal the provisions of the act of June 2, 1924. To come in and declare the purpose of a former act seems to me very poor legislation.

Mr. CRAMTON. As to the effect, that act of 1924 was supposed to grant citizenship complete to every Indian. Personally I think it was unfortunate legislation. We were not ready for it. That became the law, and the purpose was to take care of every Indian. I know of no reason why these Eastern Cherokees should be excluded. If there is a doubt as to the purpose, then, I see no objection to the legislation.

Mr. HOOPER. Is it good practice to have a legislative declaration of a legislative intention in a statute?

Mr. LAGUARDIA. I think the practice is bad.

Mr. HOOPER. I think it is always better to amend the statute that you are construing.

Mr. LEAVITT. That is very likely true, and I agree as a general matter. But the particular matter before us is that the bill was passed by the Senate in this form, and we had a favorable report from the Secretary of the Interior and this is simply to clear it up.

Mr. LAGUARDIA. Of course, the Senate did that. The proper method would have been to take the act of June 4, 1924, and amend it so as specifically to provide that nothing contained therein shall be construed as amending the act of June 2.

Mr. HASTINGS. Or by direct legislation making these Indians citizens.

Mr. LAGUARDIA. Exactly. I shall not object, but I think it is poor legislation.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

*Be it enacted, etc.,* That it was not the purpose of Congress when passing the act of June 4, 1924 (43 Stat. 376), to repeal, amend, modify, or abridge the provisions of the act of June 2, 1924 (43 Stat. 253), entitled "An act to authorize the Secretary of the Interior to issue certificates of citizenship to Indians," which conferred full citizenship upon the Indians composing the Eastern Band of Cherokee Indians, located in the State of North Carolina, and that the citizenship of said Indians be, and is hereby, confirmed.

The bill was ordered to be read the third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

EQUALIZING PAY OF CERTAIN CLASSES OF OFFICERS, REGULAR ARMY

The next business on the Consent Calendar was the bill (S. 3569) to equalize the pay of certain classes of officers of the Regular Army.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. CRAMTON. Mr. Speaker, reserving the right to object, the gentleman from New York [Mr. TABER] desired to be here when this bill came up, so I shall object or ask that it be passed over without prejudice, either one.

Mr. WURZBACH. I would rather have the regular order.

Mr. CRAMTON. Well, I object.

SITE FOR GOVERNMENT BUILDING, NEW ORLEANS, LA.

The next business on the Consent Calendar was the bill (H. R. 15468) to repeal the provisions of law authorizing the Secretary of the Treasury to acquire a site and building for the United States subtreasury and other governmental offices at New Orleans, La.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the consideration of this bill? [After a pause.] The Chair hears none.

The Clerk read as follows:

*Be it enacted, etc.,* That section 11 of the act entitled "An act to increase the limit of cost of certain public buildings; to authorize the enlargement, extension, remodeling, or improvement of certain public buildings; to authorize the erection and completion of public buildings; to authorize the purchase of sites for public buildings, and for other purposes," approved June 25, 1910, is hereby repealed.

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

A motion to reconsider the vote by which the bill was passed was laid on the table.

TO DEVELOP POWER AND LEASE INDIAN STRUCTURES, IRRIGATION PROJECTS

The next business on the Consent Calendar was the bill (H. R. 15213) to authorize the Secretary of the Interior to develop power and to lease, for power purposes, structures of Indian irrigation projects, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. CRAMTON. Mr. Speaker, reserving the right to object, this bill deals with matters of a great deal of importance. I have a great deal of confidence in the gentleman from Montana and his associates and am pretty familiar with what they have in mind to do, but I am not sure the bill as it stands might be a little too broad and still has left some features in question. I have certain amendments to it that I have discussed with the gentleman from Montana, who understands them, and he is not opposed to them.

Mr. LEAVITT. They are clarifying amendments that do not, in my judgment, weaken the bill in question and accomplishes the purpose for which it is intended.

Mr. CRAMTON. I was in hopes my amendments would strengthen them. Page 1, line 4, after the word "any," insert the word "irrigation," so it has to do only with an irrigation project. Line 6, strike out the word "under" and insert the words "as an incident of," so that this will have effect only where power is developed as an incident to an irrigation project.

Page 2, line 3, after the word "may," insert the following:

Such credit not to be used to lessen annual payments for construction or operation or maintenance charges by other than restricted Indians: *Provided further,* That after such construction charges are paid such revenues shall be chargeable on the annual maintenance and operation costs of said irrigation projects.

And then on line 5 strike out the word "and" and insert the word "at."

I will say, Mr. Speaker, that I do not feel entire certainty as to the adequacy of the legislation; that is the problem of saying what shall become of the power revenues after the construction charges are paid off. I think that by accepting the amendment and providing that the power treated here is to be devoted only as an incident to the project, it probably takes care of the situation. So I have provided what the bill has not provided for, still leaving open what shall be done after the construction charges are paid. That may be a good many years hence. My proposal is that after the construction charges are paid it will go to reduce the maintenance cost. With the consent of the gentleman from Montana to those amendments I would not feel opposed to the bill.

Mr. LEAVITT. Mr. Speaker, the purposes of the bill were presented to the Department of the Interior, and the measure was drawn as the result of my request that the interests of the Government and of the Indians be fully protected. I see nothing in these amendments that would change that situation in any way, and they would probably resolve some uncertainty as to the outcome. I have no objection to the amendment.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

*Be it enacted, etc.,* That whenever a development of power is necessary for the irrigation of lands under any project undertaken or constructed on Indian reservations, or an opportunity is afforded for the development of power under any such project, the Secretary of the Interior is authorized to lease for a period not to exceed 10 years, giving preference to municipal purposes, any surplus power or power privilege, and the money derived from such leases shall be covered into the Treasury of the United States as a credit of the construction cost of the power development and of the irrigation project on which such power development is made: *Provided,* That no lease shall be made of such surplus power or power privileges as will impair the efficiency of the irrigation project: *Provided further,* That the said Secretary may lease any irrigation structure of such projects for said period for development of hydroelectric power by lessees under such terms and conditions as he may deem proper, and said proceeds of such leases shall be deposited as heretofore provided.

The SPEAKER. The gentleman from Michigan [Mr. CRAMTON] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: Page 1, line 4, after the word "any," insert the word "irrigation."

The amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment offered by the gentleman from Michigan.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: Page 1, line 6, strike out the word "under" and insert in lieu thereof "as an incident thereof."

The amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment offered by the gentleman from Michigan.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: Page 2, line 3, after the word "made," insert the following: "such credit not to be used to lessen annual payments for construction and operation and maintenance charges by other than restricted Indians: *Provided,* That after such construction charges are paid such net revenues shall be applied only to the operation and maintenance of the irrigation project."

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill as amended.

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

A motion to reconsider the last vote was laid on the table.

The SPEAKER. The Clerk will report the next bill.

EXTENSION OF TIME FOR SUITS BY CHEROKEE, SEMINOLE, CREEK, CHOCTAW, AND CHICKASAW INDIANS

The next business on the Consent Calendar was the House joint resolution (H. J. Res. 343) authorizing an extension of time within which suits may be instituted on behalf of the Cherokee Indians, Seminole Indians, the Creek Indians, and Choctaw and Chickasaw Indians to June 30, 1931, and for other purposes.

The title of the resolution was read.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

*Resolved, etc.,* That the time within which suits may be instituted under the act of Congress approved March 19, 1924, entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Cherokee Indians may have against the United States, and for other purposes"; the act of Congress approved May 20, 1924, entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Seminole Indians may have against the United States, and for other purposes"; the act of Congress approved May 24, 1924, entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Creek Indians may have against the United States, and for other purposes"; and the act of Congress approved June 7, 1924, entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes," shall be extended to June 30, 1931, to permit each Indian nation or tribe mentioned in said acts of Congress

to institute suits as provided in said acts and the joint resolution approved May 19, 1926 (Public Resolution No. 27, 69th Cong.)

Mr. HASTINGS. Mr. Speaker, I have an amendment, which I send to the Clerk's desk.

The SPEAKER. The gentleman from Oklahoma offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HASTINGS: Page 2, line 14, strike out the figures "1931" and insert in lieu thereof the figures "1930."

The amendment was agreed to.

The joint resolution as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended.

A motion to reconsider the last vote was laid on the table.

The SPEAKER. The Clerk will report the next bill.

CONFEDERATE VETERANS' REUNION AT CHARLOTTE, N. C.

The next business on the Consent Calendar was the bill (H. R. 15324) authorizing the attendance of the Marine Band at the Confederate veterans' reunion to be held at Charlotte, N. C.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Reserving the right to object, Mr. Speaker, can the gentleman from North Carolina state what is the expected attendance?

Mr. BULWINKLE. We expect an attendance of somewhere around 7,000 or 8,000 veterans. They, of course, will bring members of their families. It is estimated that between 50,000 and 75,000 or more people will be present.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

*Be it enacted, etc.*, That the President is authorized to permit the United States Marine Band to attend and give concerts at the Thirty-ninth Annual Confederate Veterans' Reunion, to be held at Charlotte, N. C., June 4 to 7, inclusive, 1929.

SEC. 2. For the purpose of defraying the expenses of the band in attending such reunion there is hereby authorized to be appropriated, out of any money in the United States Treasury not otherwise appropriated, the sum of $7,500, or so much thereof as may be necessary.

With a committee amendment as follows:

Page 2, after the word "necessary," on line 2, insert a colon and the following: "*Provided*, That the payment of such expenses shall be in addition to the pay and allowances to which members of the United States Marine Band would be entitled while serving at their permanent station."

The amendment was agreed to.

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

A motion to reconsider the last vote was laid on the table.

RELIEF OF CONTRACTORS AND SUBCONTRACTORS

The next business on the Consent Calendar was the bill (H. R. 13857) 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.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, I want to ask my colleague the gentleman from New Jersey if this is not a private bill for the relief of one particular contractor, although the title would make it appear as a bill amending existing law?

Mr. FORT. I assume the gentleman is, perhaps, correct as to its effect, although I do not know that to be a fact. It is an amendment to existing general legislation, and therefore it seems properly on this calendar.

Mr. LAGUARDIA. Of course, there was only one United States courthouse in the District of Columbia within the period mentioned.

Mr. FORT. There might be a subcontractor.

Mr. LAGUARDIA. The subcontractor has been taken care of and the only question now is to take care of this contractor whose trouble, it seems, comes from having filed his bid on the morning of April 7 instead of April 6, 1917.

Mr. FORT. That is correct.

Mr. LAGUARDIA. I am very chary about these war claims 10 years after the war. The Secretary of the Treasury takes pains to say that he makes no recommendation, and he refrains from recommending this bill one way or the other. Will the gentleman tell us whether he has inquired about other claims and whether, if we allow this bill to go through, there may be a flood of other bills seeking adjustments because of war conditions?

Mr. FORT. I have not inquired by advertisement in the press or otherwise, but I have never heard of any other bill or any other claim to which this will open the door, directly or indirectly, nor do I know of anyone who knows of any other claims.

Mr. LAGUARDIA. I would not expect the gentleman to advertise in the papers. I had never heard of any claim until this one came in, and perhaps this is the result of an advertisement in the papers. Mr. Speaker, I ask unanimous consent to have this bill passed over without prejudice.

The SPEAKER. The gentleman from New York asks unanimous consent that this bill may be passed over without prejudice. Is there objection?

Mr. SCHAFER. Mr. Speaker, I object to that request.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, I object.

SETTLEMENT OF DAMAGES TO PERSONS AND PROPERTY BY ARMY AIRCRAFT

The next business on the Consent Calendar was the bill (H. R. 7939) to authorize settlement of damages to persons and property by Army aircraft.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That within the limits of appropriations made from time to time, the settlement of claims, not exceeding $250 each, is authorized for damages to persons and private property resulting from the operation of aircraft at home and abroad when each claim is substantiated by a survey report of a board of officers appointed by the commanding officer at the nearest aviation post and approved by the Chief of Air Corps and the Secretary of War.

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

A motion to reconsider the vote by which the bill was passed was laid on the table.

AMENDMENT OF THE REVISED STATUTES OF THE UNITED STATES

The next business on the Consent Calendar was the bill (H. R. 13345), to amend section 4826 of the Revised Statutes of the United States, as amended.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill? This bill requires three objections.

Mr. BARBOUR, Mr. CRAMTON, and Mr. HOOPER objected.

ADDITIONAL JUDGE OF THE DISTRICT COURT OF THE UNITED STATES FOR THE MIDDLE DISTRICT OF THE STATE OF PENNSYLVANIA

The next business on the Consent Calendar was the bill (H. R. 16034) to authorize the President of the United States to appoint an additional judge of the District Court of the United States for the Middle District of the State of Pennsylvania.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. The gentleman from New York asks unanimous consent that this bill may be passed over without prejudice. Is there objection?

There was no objection.

JOINT-STOCK LAND BANKS

The next business on the Consent Calendar was the bill (S. 4039) to exempt joint-stock land banks from the provisions of section 8 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914, as amended.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, I do not see the necessity for this bill.

Mr. McFADDEN. Mr. Speaker, I will explain to the gentleman that if the Federal farm loan act had been in operation when this antitrust act was passed, in all probability an exception of joint-stock land banks would have been made. The situation existing now is that a reference was made to the Attorney General of the United States, and in the opinion he

handed down—I think quite erroneously—he included the joint-stock land banks under the provisions of the Clayton Act. The situation now is impractical because of the fact that some of the joint-stock land banks are finding it difficult to get on their boards of directors men who understand their operations, and in some instances bankers who should be on those boards are deprived of the right of serving on the boards because of this opinion of the Attorney General. It was never intended under the law to cover directors of banks like the joint-stock land banks. They are not in competition with commercial or savings banks or those other institutions which come under that law.

Mr. LAGUARDIA. Except that if you put the directors of these other banks on the board of directors of the joint-stock land banks they will take the good business for their own banks and give the bad business to the joint-stock land banks.

Mr. McFADDEN. No; I do not think so. I might say also that this amendment has been given very careful consideration. It has been recommended by the Federal Reserve Board and the Federal Farm Loan Board.

Mr. CRAMTON. Mr. Speaker, reserving the right to object, I feel I want an opportunity to study this bill more carefully. I should be obliged to object if it should come up to-day.

Mr. McFADDEN. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent that this bill may be passed over without prejudice. Is there objection?

There was no objection.

FEDERAL RESERVE BANK BUILDING, LOS ANGELES, CALIF.

The next business on the Consent Calendar was the resolution (S. J. Res. 142) authorizing the erection of a Federal reserve bank building in the city of Los Angeles, Calif.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CRAMTON. Mr. Speaker, reserving the right to object, I hope not to be obliged to do so. I have not had opportunity to make the investigations I would like, but it is my recollection there was an amount of criticism that almost amounted to scandal with reference to the construction of some of these buildings heretofore where unlimited power was given with no supervision, and buildings out of all reason were put up. It is true we do not make the appropriation, but somebody has to pay for them. By reason of this I am a little loath to give this same kind of unsupervised discretion to the Federal reserve bank in further instances.

I am frank to say, Mr. Speaker, that it is my recollection that the Federal reserve bank has quite misunderstood the purposes of Congress and has overrated its power of discretion.

I think it would greatly help this bill if there was to be added at the end of line 3, page 2, the end of the bill, "and the Secretary of the Treasury," so that their action would be subject to further approval by the Secretary of the Treasury as to the construction of the building.

Mr. McFADDEN. I may say to the gentleman that this bill has had the very careful consideration of the Committee on Banking and Currency. They have heard the officers of the Federal Reserve Bank of San Francisco, of which the Los Angeles branch is a part. It has had the consideration of the Federal Reserve Board, a member of which, ex officio, is the Secretary of the Treasury. It has the approval of all these people.

I might say, in addition, while there was some criticism some time ago about the expenditures of the Federal reserve banks for buildings, the very provision which makes this legislation necessary was made so that these banks can not proceed without explaining to Congress just why they are expending the money and what it is for.

In regard to the Los Angeles situation, I am personally familiar with the situation there. I have been on the ground. Their present quarters are very inadequate. Their vault facilities are bad. Los Angeles is a large city, growing rapidly, and there is much need for the protection which will be afforded by proper vaults in a proper building such as this bill provides for.

It is the conclusion of our committee—and we have held this matter up for over a year—that they are not extravagant in this request. They own their own site. This is a reasonable appropriation for a suitable building in which to house this institution, in this growing city, which is the most important branch of the Federal reserve bank on the Pacific coast.

Mr. CRAMTON. If the gentleman will permit me a word in my time, if this is such an overwhelmingly desirable case, so clear and so definite, why has his committee held it up for a year before they concluded to let it out?

Mr. McFADDEN. We wanted to make sure that the expenditures were proper and all right, and also to hear the governor of the Federal Reserve Bank of San Francisco. He had previously appeared before the Federal Reserve Board and our committee wanted to make sure that the amount of money they were asking was adequate and not extravagant.

Mr. CRAMTON. The gentleman makes it appear that he has had as much doubt as I have had, and he has had much more knowledge of the situation than I have, and I presume his doubts were better founded than mine. Did it take a year to get that governor of the Federal reserve bank to come here?

Mr. McFADDEN. No. I will say to the gentleman that this matter came up in the closing days of the last session of Congress and most of this year's time that you speak of has elapsed because of the fact that Congress was not in session. This is a very meritorious bill.

Mr. CRAMTON. What evidence has the gentleman or his committee, outside of the men who are interested in having this building put up and who are to have palatial offices in it——

Mr. McFADDEN. I would not say they are to be palatial offices. We have the reports of those competent to advise us in regard to the requirements of the Federal reserve system.

Mr. CRAMTON. Could the gentleman state as to whom those reports are from?

Mr. McFADDEN. They are from the Federal reserve officers at Washington, San Francisco, and the local branch officers of the bank, and I think the Los Angeles Chamber of Commerce also.

Mr. CRAMTON. Has the Architect of the Treasury been consulted as to whether this amount of money is an amount that seems to be necessary?

Mr. McFADDEN. This is not a matter that comes under the jurisdiction of the Architect of the Treasury.

Mr. CRAMTON. I think it ought to come under his jurisdiction.

Mr. McFADDEN. It does come under the supervising architect of the Federal reserve system.

Mr. CRAIL. Will the gentleman yield?

Mr. CRAMTON. In just a moment.

Mr. McFADDEN. These plans have all been submitted to the Federal Reserve Board and have been approved by them.

Mr. CRAMTON. Does the Federal Reserve Board have its own supervising architect?

Mr. McFADDEN. Yes.

Mr. CRAMTON. Why should it have its own architect any more than the Post Office Department?

Mr. McFADDEN. Because it has been engaged in very large building operations and it has been necessary for the system to keep itself advised.

Mr. CRAMTON. But the Post Office Department has building operations far beyond what the Federal Reserve Board has had, but theirs is done under the Supervising Architect of the Treasury.

Mr. McFADDEN. I may call the gentleman's attention to the fact that the 12 Federal reserve banks are not Government institutions.

Mr. CRAMTON. Well, not strictly, but in effect, yes.

Mr. McFADDEN. The only jurisdiction the Government authorities have over this bill is because of the limitation in the present law confining any expenditures to $250,000.

Mr. CRAMTON. Why is any legislation necessary if they are private institutions? Why do we not let them go along and spend money as they want to? If they are Government institutions, and we are to pass on the question of whether $800,000 is proper, I would like the word of the Supervising Architect of the Treasury who passes on other Government expenditures of this character.

Mr. LAGUARDIA. I think if the gentleman from Michigan will compare the buildings put up by the Federal Reserve Board with the buildings put up by the Supervising Architect of the Treasury he will see the wisdom of the Federal Reserve Board hiring competent architects.

Mr. CRAMTON. Then let us turn it all over to them.

Mr. McFADDEN. I will say to the gentleman that there is no extravagance being displayed in connection with this building.

Mr. LAGUARDIA. And will the gentleman from Pennsylvania [Mr. McFADDEN] add that the money spent on these buildings is carried as assets of the bank?

Mr. McFADDEN. Yes; the gentleman is quite correct in that respect. In case of liquidation of these Federal reserve banks these bank buildings would be part of the assets of the bank.

Mr. CRAIL. A building of this kind built by the Architect of the Treasury Department would cost double the money that this building will cost under local architects. In southern California we do not have wind and electrical storms; we do not have snows and ice. We do not have the severe cold or the intense heat. We do not have to take care of various

climatic conditions that architects figure on in other sections of the country. The Architect of the Treasury would put up a building out there that would cost double what local architects would provide for.

Mr. CRAMTON. Let me ask one question, Is the gentleman satisfied that a building of this type is really needed?

Mr. CRAIL. It is very much needed. The present quarters are rented at Third and Spring Streets. They are inadequate; they can not keep a large amount of money or securities there because it is not safe to do so, and they really need double the space they now have.

Mr. CRAMTON. I will say to the gentleman that I will not object, for I have more confidence in his recommendation on a question of this kind than I have of the recommendation of the Federal Reserve Bank Board. [Laughter.]

Mr. CRAIL. I sincerely appreciate my colleague's confidence in me. I thank him kindly and again I assure him that this is a worthy measure.

Mr. COOPER of Wisconsin. Mr. Speaker, reserving the right to object, I notice at the end of line 5, beginning with line 6, "for its Los Angeles branch on the site now owned." Owned by whom?

Mr. McFADDEN. By the Los Angeles branch of the Federal Reserve Bank of San Francisco.

Mr. COOPER of Wisconsin. Most all property is owned, but this does not say by whom. I shall move to amend by inserting "by said bank."

Mr. McFADDEN. I have no objection to that.

Mr. HOWARD of Nebraska. Mr. Speaker, reserving the right to object, I think I heard the chairman of the committee say a moment ago that the Federal reserve institution was not a governmental institution. Am I correct?

Mr. McFADDEN. The gentleman is correct.

Mr. HOWARD of Nebraska. If that be the case, why come to Congress for permission to erect a building?

Mr. McFADDEN. I will say that a Member of the body at the other end of the Capitol caused to be introduced and passed an amendment some time ago limiting the expenditures of the Federal reserve banks for the erection of buildings to $250,000, and because of that provision whenever an expenditure in excess of that is now sought to be made they have to come to Congress to secure consent.

Mr. HOWARD of Nebraska. If it is a private institution, what business has Congress limiting their expenditures?

Mr. McFADDEN. I will say quite frankly that I think it was a mistake, but in the frame of mind that Congress was at that time they felt justified in doing it.

Mr. LaGUARDIA. They are under the regulation and jurisdiction of Congress. Congress can provide what they shall do with their surplus funds.

Mr. HOWARD of Nebraska. I am only seeking information. I regard the Federal bank as the master American criminal.

Mr. STEVENSON. Will the gentleman yield? I want to enlighten him as to the situation when that amendment was adopted. The surplus earnings of the Federal reserve bank belong to the Government.

Mr. HOWARD of Nebraska. I thought so.

Mr. STEVENSON. The more they spend in building Government buildings the less the Government receives. They had a plan of building branch banks until the Federal reserve bank in the gentleman's own district had all of its capital stock invested in branch bank buildings. The Congress thought it was poor business to allow the institution which some day they hope to pay the Government something to spend their capital and surplus in building branch bank buildings, and so they put a limit of cost on it and said, "If you want to expend more than $250,000 on a building for a branch, exclusive of the vaults and site, you must come to Congress and get permission." I do not know about this bill. I was not in committee when it was reported out. I do not know whether they are asking for too much or too little. Los Angeles is a big place and they deal with big figures.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the joint resolution, as follows:

*Resolved, etc.,* That the Federal Reserve Bank of San Francisco be, and it is hereby, authorized to contract for and erect a building in the city of Los Angeles for its Los Angeles branch on the site now owned, provided the total amount expended in the erection of said building, exclusive of the cost of vaults, permanent equipment, furnishings, and fixtures shall not exceed the sum of $800,000: *Provided, however,* That the character and type of building to be erected, the amount actually to be expended in the construction of said building, and the amount actually to be expended for the vaults, permanent equipment, furnishings, and fixtures for said building shall be subject to the approval of the Federal Reserve Board.

Mr. COOPER of Wisconsin. Mr. Speaker, I move to amend by inserting on page 1, line 6, after the word "owned," the words "by said bank."

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Page 1, line 6, after the word "owned," insert "by said bank."

The amendment was agreed to.

The joint resolution as amended was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

INDIANA HARBOR SHIP CANAL

Mr. WOOD. Mr. Speaker, I ask unanimous consent to take up out of order the bill H. R. 16169, to authorize the Secretary of War to accept title to a certain tract of land adjacent to the Indiana Harbor Ship Canal at East Chicago, Ind. This bill proposes to deed to the War Department 2.032 acres of land for the improvement of what is known as the Indiana Harbor Ship Canal. They are making improvements there at the present time, and in order to make the improvements what they should be, to accommodate the rapidly increasing large vessels, it is necessary that this additional land be had. There is a general law for the acceptance of donations of land with respect to certain projects. There is some question, however, whether or not they have a right to accept this under the existing statute. General Jadwin, the Chief of Engineers of the War Department, has asked that a special bill be passed, in order that there shall be no question about the legality of its acceptance. The War Department is in favor of this and it has been submitted to them. The engineers have reported in favor of this.

The SPEAKER. Does the gentleman from Indiana state that a real emergency exists as to this legislation?

Mr. WOOD. Yes; there is a real emergency.

The SPEAKER. The gentleman from Indiana asks unanimous consent to consider the bill out of order. The Clerk will report the title of the bill.

The Clerk reported the title of the bill.

The SPEAKER. Is there objection?

Mr. SCHAFER. Mr. Speaker, reserving the right to object, does this involve any cost to the Government of the United States?

Mr. WOOD. There is no cost to the Government of the United States so far as the land is concerned. That is donated by the real-estate corporation.

Mr. SCHAFER. And the passage of this bill will not in any way create a charge on the Treasury of the United States?

Mr. WOOD. Not so far as the land is concerned. Of course, the improvement that is being made of necessity will be a charge and will incur expense on the Treasury.

Mr. SCHAFER. Has the Director of the Budget indicated that the passage of this bill is not in conflict with the financial program of the President?

Mr. WOOD. No; I have not consulted him.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of War, on behalf of the United States, is authorized and directed to accept from the East Chicago Co. title, free and clear of all encumbrances and without cost to the United States, to a tract of land adjacent to the Indiana Harbor Ship Canal at East Chicago, Ind., and described as follows:

Part of the southeast quarter section 20, township 37 north, range 9 west of the second principal meridian, in the city of East Chicago, Lake County, Ind., described as follows, to wit: Beginning at the point of intersection of a line parallel to and 100 feet west of the east line with a line parallel to and 100 feet south of the north line of said southeast quarter section 20; thence west on last-described line 450 feet; thence southeasterly on a straight line 644 feet to a point in a line parallel to and 100 feet west of the east line of the southeast quarter section 20 aforesaid; and thence north on last-described line 450 feet to the point of beginning, containing 2.3237 acres.

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

A motion to reconsider the vote by which the bill was passed was laid on the table.

COAST GUARD STATION, QUILLAYUTE RIVER, WASH.

The next business on the Consent Calendar was the bill (H. R. 14151) to provide for the establishment of a Coast Guard station at or near the mouth of the Quillayute River in the State of Washington.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, I would like to learn from the gentleman who reported the bill what provision is made for the expense of this additional Coast Guard station? The bill does not provide any. In fact, that is proposed to be stricken out of the bill by a committee amendment.

Mr. CRAMTON. Reserving the right to object, Mr. Speaker, I would like information as to why some of the language of the bill is stricken out.

Mr. HOCH. I did not report the bill, but, as I recall the bill, it simply authorizes the construction of a Coast Guard station.

Mr. LAGUARDIA. The language of the bill is "to establish a Coast Guard station."

Mr. HOCH. I am not sure whether that is the usual language used in authorizing a station or not, but I am under the impression that it is, because we were informed, as I recall the hearings, that there are 15 stations that have now been authorized, and the Coast Guard considers this one so important that if appropriations are given it will put this at the head of the list. I take it they use the same language they have always used with reference to the establishment of these stations.

Mr. CRAMTON. But this language which was in the bill as introduced the committee proposes to strike out by amendment:

and appropriations for the establishment and construction thereof are hereby authorized out of any money in the Treasury not otherwise appropriated.

The department report makes no reference to that, nor does the committee report. Possibly there is a general law that covers it, but, if so, it would be nice to have the committee tell us so.

Mr. HOCH. I recall that another bill was introduced by the gentleman from Washington [Mr. JOHNSON]—this is Mr. HADLEY's bill—and his bill carried a limitation of cost of $75,000, as I recall. The Secretary stated that that much money would not be needed. One reason why Mr. HADLEY, who was called out just a few moments ago—and perhaps I should not speak for him—put in this language is because he did not want to put in any limitation of cost. He put in the general language. The opinion of the committee was that the language is not necessary; that the bill authorized the establishment of this station, and that gives authority; and that then it is up to the Appropriations Committee to determine how much should be appropriated.

Mr. LAGUARDIA. Except that if this is not correct and you establish the station, you will simply come back here with more legislation.

Mr. HOCH. It might make it clearer to say "establish and construct"; and if the gentleman desires to offer an amendment to that effect, I think it would do no harm.

Mr. LAGUARDIA. Perhaps they will have just a ship station.

Mr. HOCH. Oh, there is a small building for the men, and a small boathouse, and perhaps some other buildings and the equipment. I recall testimony as to the approximate cost of these stations to be about $40,000 to $45,000. It is similar to all of these many stations along the Atlantic and Pacific coasts.

Mr. LAGUARDIA. I do not think the bill so provides.

Mr. HOCH. If there is no objection, in order to make it certain, insert the words "and construct" after the word "establish," and there can not be any doubt about that covering it. However, I do not think the amendment necessary.

The SPEAKER. Is there objection to consideration? [After a pause.] The Chair hears none.

The Clerk read as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized to establish a Coast Guard station on the Pacific coast at or in the vicinity of the mouth of the Quillayute River, in either Clallam or Jefferson County, State of Washington, in such locality as the captain commandant of the Coast Guard may recommend, and appropriations for the establishment and construction thereof are hereby authorized out of any money in the Treasury not otherwise appropriated.

The committee amendments were read, as follows:

Page 1, line 7, after the word "the," strike out "captain."

Line 8, after the word "recommend," strike out all of lines 8, 9, 10, and 11.

The committee amendments were agreed to.

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

A motion to reconsider the vote by which the bill was passed was laid on the table.

### COAST GUARD CUTTER "BEAR"

The next business on the Consent Calendar was the bill (H. R. 14452) to authorize the Secretary of the Treasury to donate to the city of Oakland, Calif., the U. S. Coast Guard cutter *Bear*.

The Clerk read the title of the bill.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury is authorized and directed to donate, without expense to the United States, to the city of Oakland, Calif., the historic Coast Guard cutter *Bear*, now no longer fitted for service after 54 years and replaced by another boat.

The committee amendment was read, as follows:

Page 1, line 6, strike out all of lines 6 and 7 and insert in lieu thereof "for museum and exhibition purposes without charge for admission."

The amendment was agreed to.

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

A motion to reconsider the vote by which the bill was passed was laid on the table.

### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its principal clerk, announced that the Senate insists upon its amendments to the bill (H. R. 9961) entitled "An act to equalize the rank of officers in positions of great responsibility in the Army and Navy," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. REED of Pennsylvania, Mr. GREENE, and Mr. FLETCHER to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 12538) entitled "An act for the benefit of Morris Fox Cherry," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. REED of Pennsylvania, Mr. GREENE, and Mr. FLETCHER to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 3162) entitled "An act to authorize the improvement of the Oregon Caves in the Siskiyou National Forest, Oreg.," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MCNARY, Mr. CAPPER, and Mr. KENDRICK to be the conferees on the part of the Senate.

The message also announced that the Vice President had appointed Mr. NYE and Mr. PITTMAN members of the Joint Select Committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of useless papers in the Department of the Interior.

### THE CONSENT CALENDAR

### COAST GUARD ACADEMY

The next business on the Consent Calendar was the bill (H. R. 16129) to provide for the acquisition of a site and the construction thereon and equipment of buildings and appurtenances for the Coast Guard Academy.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. SCHAFER. Mr. Speaker, reserving the right to object, is this the bill providing for an appropriation of $1,750,000?

Mr. HOCH. This bill authorizes that amount for the construction of the necessary buildings. The site, however, is to be donated, a very valuable site, by the city of New London.

Mr. SCHAFER. What is the matter with the present buildings?

Mr. HOCH. The present academy is housed in two very inadequate, unsafe, wood, temporary, poorly constructed barracks which were put there during the World War for temporary purposes. I am sure the gentleman, if he knew the situation, would be glad to support this bill.

Mr. SCHAFER. There has been an increase in personnel of the Coast Guard since it enforces the eighteenth amendment and the Volstead Act, and that is no doubt somewhat responsible for the necessity of this bill.

Mr. HOCH. I am sure the gentleman would want proper quarters even for men to help enforce the Volstead law.

Mr. LAGUARDIA. These are all nice boys and the academy is going to be located right next to a ladies' seminary.

Mr. SCHAFER. Perhaps they will be able to be trained not to fire on and injure people on yachts, thinking they may be rum runners, if this bill is passed.

Mr. HOCH. There is no finer class of men, in my judgment, in the Government service than the commissioned officers of the Coast Guard Service.

Mr. SCHAFER. Generally speaking, I agree with the gentleman. However, let me say there has been much complaint in the past about some of the Coast Guard boats firing at private launches, thinking they were rum runners when they were not.

Mr. CRAMTON. Mr. Speaker, reserving the right to object, which I do not intend to do, let me ask the gentleman in charge of the bill if he will consent to strike out the last clause of the bill, "all at a total cost not to exceed $1,750,000." Of course, the action of the committee reporting it with that amount makes it clear it is not contemplated that this present program shall exceed that amount. If the time is going to come when some additional building will be required—five years, perhaps—I do not think it ought to be necessary to run to the gentleman's committee to get authority for that particular building. If the gentleman will drop off that clause, then it will be so that when the Government sees in the future it needs some additional building a special act of authorization will not be necessary.

Mr. HOCH. Speaking for myself personally, I would have no objection to that, since this language simply fixes a limit of cost.

Mr. BLACK of Texas. Is it not customary to provide an appropriation without fixing a limit of cost?

Mr. CRAMTON. For a permanent institution, which we know must not only be continued from year to year but must be added to from time to time, a general authorization would seem sufficient. Thereafter any request for a new building would not have to run the gantlet of Congress and of the Budget.

Mr. BLACK of Texas. The gentleman will probably recall different appropriations for War Department activities, including those for West Point, where there was always a specific limit fixed by Congress.

Mr. CRAMTON. If there is any criticism, I would not press it, but what the gentleman speaks of is the thing I have in mind. If they must come to Congress every time they want an ice house for the War Department institutions, I think that is not desirable. I shall not object, Mr. Speaker.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized to acquire a suitable site at New London, Conn., and to construct and equip thereon such buildings and appurtenances as he may deem necessary for the purpose of the United States Coast Guard Academy, all at a total cost not to exceed $1,750,000.

With a committee amendment as follows:

In line 4, after the word "acquire," insert "in fee simple without cost to the United States."

The committee amendment was agreed to.

Mr. BLACK of Texas. Mr. Speaker, I offer an amendment. After the figures "$1,750,000" insert this language: "which amount, or so much thereof as may be necessary, is hereby authorized to be appropriated."

The SPEAKER. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLACK of Texas: At the end of line 9, after the figures "$1,750,000," insert: "which amount, or so much thereof as may be necessary, is hereby authorized to be appropriated."

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

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

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

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

A motion to reconsider the last vote was laid on the table.

TRESTLE IN HENDERSON INLET NEAR CHAPMAN BAY, WASH.

Mr. JOHNSON of Washington rose.

The SPEAKER. For what purpose does the gentleman from Washington rise?

Mr. JOHNSON of Washington. I ask that we consider one more bill.

The SPEAKER. The Clerk will report the next bill.

The Clerk read as follows:

A bill (H. R. 15382) to legalize a trestle, log dump, and booming ground in Henderson Inlet near Chapman Bay, about 7 miles northeast of Olympia, Wash.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, we may have to have a roll call on this bill.

Mr. JOHNSON of Washington. It is not important.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

*Be it enacted, etc.*, That the trestle, log dump, and boom built by the Weyerhaeuser Timber Co. in Henderson Inlet, State of Washington, on the westerly side near the mouth of Chapman Bay and the mouth of Woodards Bay, which is about 7 miles northeast of the city of Olympia, in the State of Washington, be, and the same is hereby, legalized to the same extent and with like effect as to all existing or future laws and regulations of the United States as if the permit required by the existing laws of the United States in such cases made and provided had been regularly obtained prior to the erection of said trestle, log dump, and booming ground: *Provided*, That any changes in said trestle, log dump, and booming ground which the Secretary of War may deem necessary and order in the interest of navigation shall be promptly made by the owner thereof.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

With committee amendments as follows:

Page 1, line 8, strike out the word "is" and insert in lieu thereof the word "are."

On page 2, line 4, strike out the words "booming ground" and insert the word "boom." In line 6, strike out the words "booming ground" and insert the word "boom."

The committee amendments were agreed to.

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

A motion to reconsider the vote by which the bill was passed was laid on the table.

The title was amended so as to read: "A bill to legalize a trestle, log dump, and boom in Henderson Inlet near Chapman Bay, about 7 miles northeast of Olympia, Wash."

THE FEDERAL INCOME TAX

Mr. BACON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting statements by Mr. Mills and Mr. Bond of the Treasury Department on the administration of the Federal income tax.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD by printing statements made by the Undersecretary of the Treasury, Mr. Mills, and by Mr. Bond on the subject of the administration of the Federal income tax. Is there objection?

There was no objection.

Mr. BACON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following speech of the Hon. Ogden L. Mills, the Undersecretary of the Treasury, on the subject of the administration of the Federal income tax; and also an interview with Hon. Henry H. Bond, the Assistant Secretary of the Treasury, on the subject of Federal income-tax refunds:

THE ADMINISTRATION OF THE FEDERAL INCOME TAX—SPEECH DELIVERED BY UNDERSECRETARY OF THE TREASURY MILLS BEFORE THE BAR ASSOCIATION OF THE STATE OF NEW YORK ON SATURDAY EVENING, JANUARY 19, 1929, AT THE HOTEL ASTOR, NEW YORK CITY

In recent weeks we have heard much discussion of the refunds of Federal income taxes, coupled with a suggestion, in some quarters, that they constitute a basis for criticism and suspicion of the administrative practices of the Treasury Department. The sound and wise administration of our tax laws, and faith in the integrity and wisdom of those who administer them, are of such vast importance to our people that I feel that a discussion of what the Treasury is seeking to accomplish in the way of reform will be of interest to a group of professional men such as this.

Let me say, however, that it is neither my purpose nor desire to promote or encourage the more active interest of lawyers as a class in income-tax matters. Quite the contrary. From my standpoint, lawyers who like litigation—those representing the Government as well as those representing taxpayers—have had altogether too much to do with the income tax, from the very outset. What was fundamentally an administrative problem developed almost at once into an unlimited and in-

terminable series of legal battles. The substitution of administration for litigation is the essence of our present income-tax problem.

Leaving aside the obvious political aspects and motives, the most interesting feature of the recent criticism of the Treasury in connection with refunds is the insistence of our critics that, even though the department, after careful consideration, has decided that the taxpayer has paid more to the Government than he should, under the law, nevertheless he must be compelled to go to court to obtain what is rightfully his. What they would do, in short, is to substitute our Federal judges for the executive officers of Government charged with the duty of collecting the revenue, and have the income tax law administered by the judicial rather than the executive branch of Government. Such a proposal violates every sound rule of taxation and of good government. It is the very bog from which the Treasury seeks to extricate the income tax.

How did the recent discussion arise? The Commissioner of Internal Revenue decided that the United States Steel Corporation was entitled to a refund of $15,000,000, plus interest. To be sure, this is a large sum—which seems to me to be utterly beside the point, even leaving out of consideration the fact that this particular taxpayer paid $173,000,000 in taxes for the year in question, and that if we were dealing in thousands rather than millions and with some small corporation rather than the Steel Corporation the question in all human probability would never have been raised. To be sure, the $975,000,000 of back-tax refunds paid during the course of the last 12 years is an immense sum, but the public is not told that during the same period the Government assessed more than $4,000,000,000 in back taxes and that refunds constitute but 2½ per cent of the total amount of $39,000,000,000 collected—a very good showing, indeed, if you take into consideration the enormous difficulties of the war and early postwar period. Can it fairly be contended that it is quite proper for the Government, after audit and review, to assess $4,000,000,000 of additional taxes on the income-tax payers of the country but when, by the employment of the same methods the very same Government officials determine that the taxpayers have paid more than they should, the latter should not be repair except by virtue of a court decision? Of course not. And if I am right, the obvious, sound, and proper course to pursue is for the Commissioner of Internal Revenue to assume the responsibility of making a decision, and when the decision is in favor of the taxpayer, to refund the amount he determines to have been illegally collected. This doesn't mean that some cases, where really doubtful points of law are involved, will not have to be litigated; but they should be the exception and the rule.

What gives rise to refunds, and why should taxpayers ever overpay their tax? Under our income-tax system, the taxpayer prepares his return and pays his tax as he estimates it to be. The Bureau of Internal Revenue audits his return and examines the various elements involved. It then decides whether the return is correct or whether the taxpayer has overestimated or underestimated his tax. If underestimated, a deficiency is assessed; if overestimated, he is entitled to a refund. The bureau's determination of a deficiency, of course, is not and should not be final; so that, if he pays, he is then entitled to seek a judicial determination and to claim a refund. Perhaps the best way to answer the second question, as to why any man should ever be guilty of the folly of paying more in taxes than he actually owes, is to give some actual illustrations.

Case No. 1: Taxpayer A made his return claiming a deduction of $600,000, which was his pro rata share of the New York transfer tax as a legatee of a deceased relative. Such a deduction was held improper by the Supmere Court in the case of Keith *v.* Johnson. Thereafter the revenue act of 1928 was passed, and under the provisions of section 703 such a tax, if claimed as a deduction by the legatee and not by the estate, was made an allowable deduction to the legatee. Therefore a refund of $300,000 was made.

Case No. 2: Taxpayer B, on behalf of himself and the other stockholders, sold all the capital stock of a certain company, of which he personally owned two-thirds, for a net price of $20,000,000. About $15,000,000 was distributed to the stockholders, including the taxpayer. The remaining $5,000,000 was set aside to meet undetermined tax liabilities of the corporation. Later, when these were determined, the balance of this $5,000,000 was distributed to the stockholders. The taxpayer reported his share of this balance in the year when he received it. The bureau ruled that it was taxable in the year of the original sale of the stock. Therefore a deficiency was assessed for the year of sale, 1925, and an overassessment certified for the year 1926, which was credited against the additional assessment for 1925.

Case No. 3: Taxpayer C, a taxi corporation, originally claimed depreciation at the rate of 1 cent a mile. Subsequently the actual records of the life and total mileage of taxicabs showed that the correct rate of depreciation was 2 cents a mile. These records were submitted and verified, and the result was refunds of $40,000 for 1924 and $50,000 for 1925.

Case No. 4: Taxpayer D, a steamship corporation, failed to claim amortization on its original returns for 1918 and 1919. Later, within the time as extended by Congress itself, claims were duly filed and after careful audit were allowed, giving deductions of $700,000 for 1918 and $300,000 for 1919. The result was an overassessment of $50,000 for 1918, which was credited against taxes for other years, and a small balance refunded, and $20,000 refunded for 1919.

It is apparent from these illustrations, which were selected at random, that neither the taxpayer nor the Government was to blame for the situation creating the necessity for a refund. In the first case, the refund resulted from a change in the law; in the second, from a misinterpretation of the law by the taxpayer; in the third, from a more accurate ascertainment of the facts, which turned out to be more favorable to the taxpayer; in the fourth, to the failure of the taxpayer upon his return to take advantage of a provision of law enacted by Congress for his relief and later extended to him.

What I would emphasize is that under a tax law which deals with such a great variety of circumstances, reaches so many people, and produces so much revenue, even under the most favorable conditions, without any fault on the part of the taxpayer or the administrators, cases must arise where the taxpayer finds that he has either overpaid or underpaid the Government. If the first, he is entitled to be repaid; if the second, the Government is entitled to an additional tax. In neither case is there any occasion for criticism or for belief on the part of the public that it is confronted with anything abnormal, unexpected, or alarming. Quite to the contrary. If you were to examine our revenue laws, you would realize at once the many constantly recurring situations which can be met only by refunds, and the many provisions which can be administered, and must have been intended by Congress to be administered, solely by refunds. Furthermore, any system of revenue collection under which payments are compelled prior to final determinations must necessarily be based upon the principle of refunding overpayments. This is true, for instance, of the English system, which is frequently and properly pointed to as a model of sound income-tax administration, under which their credits, drawbacks, and refunds amount to about 15 per cent of the collections.

Refunds are but a part of a much larger problem. The present discussion will have served a very useful purpose if it presents to the country in a reasonably clear light the very definite and simple issue: Should the income tax be treated as all other taxes, as an administrative problem with responsibility definitely lodged in the proper executive officers, or is it to be singled out and considered as not susceptible of anything but judicial interpretation and decision? In so far as I know, no other country has ever considered the assessment and collection of income taxes through the judiciary as necessary or advisable, nor do I know of any case of any one of our States taking such a position, though many of them have enacted and enforced some extremely complicated tax laws, particularly in the field of corporate taxation. Though in the State and city of New York we raise annually immense sums through taxes, I have never heard it suggested that we could not trust the decision and judgment of our tax officials, but must compel them to refer all doubtful questions, whether of law or fact, to the courts. In the case of the Federal income tax, however, it is undeniable that until recently there has been a very definite tendency to lean heavily on the courts. Administrative officers have been unwilling to assume the responsibility of making final decisions.

The Government has been inclined to settle all doubtful points in its own favor and force the taxpayer to appeal to the court for relief; while, on the other hand, the taxpayer, finding that the Government was prepared to litigate all doubtful questions, found it very much to his advantage to do likewise. Perhaps all this was unavoidable, considering the novelty of the problems presented, the intricate facts surrounding practically every transaction of importance, and the staggering amount of the sums involved. In any event, the attitude of both the taxpayer and the Government was in large measure responsible for much of the delay in settling cases which has occasioned so much complaint, and for the protracted litigation which we have come to associate with the income tax law, thus depriving this very sound method of raising revenue of the two essential qualities of a sound tax, namely, certainty and promptness.

Moreover, there grew up the strange fiction that questions which by their nature are not susceptible of mathematical or logical determination could be settled with mathematical accuracy and pure logic—leaving no room for the exercise of judgment. Attempts were made to determine such questions as the valuation of natural resources, the valuation of intangibles, the amortization of war facilities, and the computation of depreciation by the use of formulas and with mathematical accuracy. There persisted, and persists to-day, the belief that the determination of a tax liability can be determined in each case with precision and exactness, and if the bureau has any doubt as to its ability to reach this ideal, it should let the Board of Tax Appeals or the courts attempt it.

Now, the truth is that many questions can not be solved with exact precision, and sound policy demands that they should be disposed of by administrative action on the basis of the best judgment of competent officials. It is true, of course, that important questions of law must be left to the courts for determination, but in so far as the great mass of problems that arise are concerned, we can not hope to settle them by a series of legal decisions. Experience has shown that conditions are so varied, complex, and changing that hardly a day goes by

without developing some new problem only remotely related to those already decided. A final court decision five years from to-day is of no help in reaching present-day determinations.

But, leaving aside all argument and theory, here are some facts which indicate clearly enough the danger which threatens the income tax in this country, a danger which no true friend of the system can afford to minimize. After a strenuous and successful effort to bring the work of the Bureau of Internal Revenue to a current basis, after disposing of an accumulation of 3,000,000 cases, in accordance with the old strict method, we found ourselves faced with over 22,000 cases, involving over $700,000,000, pending before the Board of Tax Appeals—five years' work, without taking into consideration new cases.

The clean-up in the bureau was apparently not all that it appeared to be. Difficult cases were evidently being disposed of by driving the taxpayer to the board, there to wait in patience and uncertainty. What both the taxpayer and the Government want is to have the case settled and closed, not simply transferred from the Bureau of Internal Revenue to the Board of Tax Appeals. Obviously litigation is not the key to the successful administration of a tax law which each year reaches over 2,800,000 persons and produces annually over $2,000,000,000. Moreover, we found that the Government was successful in sustaining only about 50 per cent of the assessments appealed to the board. What did this show? It showed clearly enough that the administrative officers were failing to assume the responsibility which was theirs. The taxpayer was entitled to many more decisions in his favor than they were making. The trouble was not, as has been suggested, excessive use of discretion on the part of administrative officers, but a failure to exercise courageously their own judgment and to dispose of these cases without the necessity of court action.

To allow such a condition to continue and grow worse was to subject the income tax law to such a storm of just criticism as would inevitably bring it into disrepute. Accordingly, with the war years pretty well back of us, with every prospect that we had reached a period of stability where the law could be considered as in more or less permanent form, we determined to return to sound tax principles and to treat the collection of an income tax as primarily an administrative rather than a legal problem. The ideal we are aiming at is to have cases closed fairly, promptly, and finally. We want to get away from the old spirit of claiming everything for the Government and letting the taxpayer protect himself by litigation. We want the taxpayer to meet us half way in a similar spirit of fairness and with an appreciation that litigation, both for himself and the Government, is the most unsatisfactory and expensive method of determining his tax liability. All we want of him is what, under the law, he owes the Government. As a plain matter of common sense, in the long run, how is that amount more likely to be determined accurately and equitably? By mutual fairness, frankness, and full disclosure at the start, or by suspicion, secrecy, distrust, and arbitrariness, ending in litigation? Always remember that in the field of taxation promptness and certainty are frequently infinitely more important than meticulous accuracy.

Our immediate problem was to relieve the Board of Tax Appeals, which was in serious danger of breaking down. In the summer of 1927 the so-called special advisory committee was created to apply settlement methods not only to pending appeals but to cases in which a 60-day letter had been sent out. The committee consists of 14 members, and a number of conferees both in Washington and the field. These conferees are carefully chosen and trained. They confer with the taxpayer and attempt primarily to settle cases where facts are in dispute. The work accomplished during the course of the last year has demonstrated the soundness and value of such a method. In that period the committee has considered 5,748 appealed cases and 2,777 cases about to be appealed. Of the appeals 3,288 and of the 60-day letter cases 2,088 have been recommended for settlement. The combined cases proposed for settlement resulted in additional assessments totaling almost $37,000,000.

The success of this committee was such that early last year plans were perfected for the creation of a similar agency in the general counsel's office to attempt similar settlement work in cases involving primarily questions of law and mixed questions of law and fact. Many cases involved a number of issues, each of which is a fairly close question of law without procedure and not of general importance. On some of these questions the bureau may profitably yield in exchange for similar concessions by the taxpayer. It is, in a word, the introduction into the realm of tax administration of a businesslike method for adjusting disputes. Litigation is proving expensive and, on the average, unprofitable both to the taxpayer and to the Government. Settlement methods serve to keep the tax problem on an administrative basis, where it belongs, to reach results promptly, with benefit to the Government and the taxpayer, and in the long run to produce more revenue. These two agencies, no matter how effective they may prove to be, are necessarily limited in the scope of their activities, but the success of their efforts, the educational work which they are satisfactorily contributing by bringing the conferees and auditors into direct contact with them, the exchange of auditors, meetings for general discussion and the reading of the committee's recommendations in specific cases, are all contributing to the introduction of a new point of view and a new method of approach to the solution of their problem in the bureau itself.

If litigation is to be avoided, if tax cases are to be settled with promptness and certainty, the ultimate responsibility must definitely rest on the Bureau of Internal Revenue. Its employees must recognize that responsibility and be willing to assume it, and they must receive the whole-hearted support and encouragement of those at the top. There need be no fear of laxity, carelessness, or failure to protect the interests of the Government. We are proceeding cautiously, slowly, and with adequate checks and review in all cases. The bureau is at least as well equipped as the courts to reach sound determinations.

I do not want to convey the impression that what we are undertaking is something revoluntionary. We are not compromising determined or admitted tax liabilities of solvent taxpayers. We are applying common sense to their determination. Once determined, every penny must be paid. We are simply seeking to establish the administration of the income tax on the very definite basis on which it should have rested from the start, on the very basis on which every tax which has ever been imposed or collected in this or any other modern country has rested. Nor do I want to raise your expectations too high. Progress must necessarily be slow. An attitude of mind which has existed for 10 years both on the part of the taxpayers and of Government officials can not be changed overnight. But we believe we have made a good start in bringing about a general reform in the field of Federal taxation. We can not succeed without public support. That support will be lacking without a full understanding of what we seek to accomplish. I know of no group of men that can be more helpful than you gentlemen in promoting that understanding, and in thanking you for your patience and courtesy this evening, I appeal most earnestly for your whole-hearted assistance and support.

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### WHY REFUNDS?

An interview with Hon. Henry Herrick Bond, Assistant Secretary of the Treasury

In an interview to-day, Henry Herrick Bond, Assistant Secretary of the Treasury, explained in detail why refunds of taxes are made. A summary of his statements follows:

"Attention has been focused recently upon the refunding of Federal taxes. During the fiscal year ending June 30, 1928, there were about 168,000 refunds of internal revenue taxes, principally income taxes, which ranged in amounts from 1 cent to $3,600,000. The refunds totaled $142,393,567.17, so it will be seen that the average amount was approximately $8,500. For the current fiscal year $130,000,000 was originally appropriated for this purpose and Congress has now been asked for an additional $75,000,000.

"A very proper question is raised in the minds of the public. The public is entitled to know why taxes which have once been paid are being refunded or paid back. The answer is simple.

"The system prescribed by Congress for the collection of Federal revenues is based upon the proposition that the needs of the Government demand and justify an insistence upon immediate payment of taxes. Any dispute over the amount to be paid must not be permitted to postpone payment. It can be settled thereafter. The soundness of this long-established policy is not open to question (though it has been relaxed considerably by the creation of the Board of Tax Appeals). The conveniences of the individual must be subordinated to the public necessity. An obvious corollary requires a refund of any payment in excess of the amount finally determined to have been due.

"The principal steps in administering an income tax are not difficult to understand. A taxpayer makes his return, computes the amount he thinks is due, and pays. His return is then audited and his transactions examined. One of three results follows: (1) His return may be found correct, or (2) he may owe an additional amount, or (3) he may have paid too much. If the first, his case is considered as closed, though, of course, it may subsequently be reopened, if necessary; if the second, we proceed to collect a deficiency; and, if the third, we proceed to refund or credit against an amount owing for another year. It is rather significant that our collections of additional taxes far exceed our refunds of overpayments.

"Why should a taxpayer ever overpay his tax? Let me counter with a question: Do you understand every provision of our income tax laws? Or, assuming you are a 'superexpert,' does everyone agreed with your interpretations and applications? But you are entitled to a more specific answer. A few of the more important reasons are: Mathematical error; failure to appreciate or present important facts; ignorance of the law; inability to determine the proper interpretation of the law, because of complexities, ambiguities, or omissions; payment in accordance with Treasury regulations or interpretation subsequently reversed, either by the Treasury itself or as a result of final decisions of the Board of Tax Appeals or the courts; legislation which has retroactively reduced the tax liability; or a provision of the law is held to be unconstitutional.

"During the war years the Government was under the necessity of collecting more than $4,000,000,000 annually, under an entirely new

form of tax, from taxpayers having no conception of the meaning of the law. Collections had to be made. It was at times necessary to be somewhat arbitrary in the preliminary determinations. 'Time was of the essence,' as the lawyers would say, and so the public poured into the National Treasury large amounts, the legality of which was in dispute. In part these payments were made because of the 'payment-first' principle which I have described, and in part it was due to patriotism. There was always, however, the realization that ultimately these payments would be analyzed, that correct interpretations would be applied, and that a readjustment would be made and overpayments promptly refunded.

"Who should make the final determination? Should it be made by the Commissioner of Internal Revenue, a highly important and responsible official of the Treasury, upon the advice of a corps of experts and legal counsel, or should he shirk the responsibility and force taxpayers into the courts, facing the costs and interminable delays of litigation? I am personally convinced that the determination and adjustment of tax liabilities must be primarily an administrative function. Our judicial system, sorely burdened even now with calendars crowded with cases in which taxpayers have not agreed with the Government's determination, could not possibly survive if any other course were pursued. The Board of Tax Appeals is years behind and it reviews only additional tax determinations and not refunds. I would be pleased indeed at an opportunity to present this issue more fully to the public.

"But should the commissioner hesitate and refuse to refund just because the amount is large? Most of the discussion has been occasioned, I believe, by a refund of $15,000,000 to one taxpayer. It has been frequently overlooked that this taxpayer paid over $217,000,000 and that the net amount of its taxes for the year involved is in excess of $173,000,000. Suppose we were talking in terms of thousands rather than millions; would anyone question or criticize? Should we pay interest upon an amount which a court would clearly direct us to refund? I would approve without fear any settlement clearly in the best interests of the Government. Cases of this kind are most carefully considered. The Treasury is fully appreciative of its duty as trustee for all taxpayers to guard zealously the public's interests. By far the greater amount is refunded pursuant to court decisions. I am confident that taxpayers who have obtained refunds will testify that it is no simple undertaking to convince the Treasury officials that the refund was properly allowable.

"We must not overlook the size of the job carried on by the Bureau of Internal Revenue. The bureau has collected since 1917 almost $39,000,000,000, has assessed more than $4,000,000,000 of back taxes, and has refunded almost $1,000,000,000. The total refunds made during the past 12 years and 3 months ($975,012,356.33) are only approximately 24 per cent of the total amount of additional assessments and collections resulting from office audits and field investigations ($4,061,769,209.91) which have been made during the same period, and but 2.5 per cent, approximately, of the total internal-revenue receipts during the period in question ($38,715,757,522.36). It should be remembered that most of these refunds have been with respect to the excess-profits tax years 1917 to 1921, inclusive, and, therefore, refunds in future years should steadily diminish.

"Why refunds? Simply because we find we have money to which we are not entitled. We may learn this from the taxpayer himself, we may learn it from our own examination of his return, or we may be told by the authoritative voice of the court. To magnify this fact and distort it is unfair. Emphasis rather should be laid upon the creditable record of the bureau in collecting additional taxes far in excess of the amount of refunds in each year, and upon the willingness of the bureau to assume the responsibility of closing cases once and for all."

## THE CONSENT CALENDAR

### RELIEF OF CONTRACTORS AND SUBCONTRACTORS

Mr. SCHAFER. Mr. Speaker, I ask unanimous consent that H. R. 13857 be restored to the calendar and retain its place on the calendar unprejudiced. A few moments ago I objected to the unanimous-consent request that it retain its place on the calendar. Its calendar number is 1077.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent that the bill mentioned may be restored to the calendar and retain its place on the calendar without prejudice. Is there objection?

There was no objection.

### BRIDGE ACROSS THE MISSISSIPPI RIVER

The next business on the Consent Calendar was the bill (H. R. 15968) to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near St. Paul and Minneapolis, Minn.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the times for commencing and completing the construction of the bridge authorized by act of Congress approved February 16, 1924, and amended by acts approved February 7, 1925, and March 1, 1926, to be built by the Chicago, Milwaukee & St. Paul Railway, its successors and assigns, across the Mississippi River, within or near the city limits of St. Paul, Ramsey County, and Minneapolis, Hennepin County, Minn., are hereby extended one and three years, respectively, from February 16, 1929.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

On page 1, line 6, strike out the word "and," and after the figures "1926" insert "and March 10, 1928."

The committee amendment was agreed to.

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

A motion to reconsider the vote by which the bill was passed was laid on the table.

### BRIDGE ACROSS THE SPRING RIVER

The next business on the Consent Calendar was the bill (S. 4976) granting the consent of Congress to the counties of Lawrence and Randolph, State of Arkansas, to construct, maintain, and operate a bridge across the Spring River at or near the town of Black Rock, Ark.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the consent of Congress is hereby granted to the counties of Randolph and Lawrence, State of Arkansas, to construct, maintain, and operate a bridge and approaches thereto across the Spring River, at a point suitable to the interests of navigation, at or near Black Rock, Ark., in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

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

A motion to reconsider the vote by which the bill was passed was laid on the table.

### BRIDGE ACROSS SPRING RIVER

The next business on the Consent Calendar was the bill (S. 4977) granting the consent of Congress to the counties of Lawrence and Randolph, State of Arkansas, to construct, maintain, and operate a bridge across the Spring River at or near Imboden, Ark.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the consent of Congress is hereby granted to the counties of Lawrence and Randolph, State of Arkansas, to construct, maintain, and operate a bridge and approaches thereto across the Spring River, at a point suitable to the interests of navigation, at or near Imboden, Ark., in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

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

A motion to reconsider the vote by which the bill was passed was laid on the table.

### BRIDGE ACROSS THE MISSISSIPPI RIVER

The next business on the Consent Calendar was the bill (S. 5038) to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Baton Rouge, La.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the times for commencing and completing the construction of the bridge across the Mississippi River at or near Baton Rouge, La., authorized to be built by the Baton Rouge-Mississippi River Bridge Co., its successors and assigns, by the act of Congress approved February 20, 1928; are hereby extended one and three years, respectively, from February 20, 1929.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

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

A motion to reconsider the vote by which the bill was passed was laid on the table.

BRIDGE ACROSS THE WABASH RIVER

The next business on the Consent Calendar was the bill (S. 5039) to extend the times for commencing and completing the construction of a bridge across the Wabash River at Mount Carmel, Ill.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the times for commencing and completing the construction of the bridge across the Wabash River, at Mount Carmel, Wabash County, Ill., authorized to be built by the State of Illinois and the State of Indiana by the act of Congress approved March 3, 1925, heretofore extended by the acts of Congress, approved July 3, 1926, March 2, 1927, and March 29, 1928, are hereby extended one and three years, respectively, from March 29, 1929.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

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

A motion to reconsider the vote by which the bill was passed was laid on the table.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to—

Mr. MCCORMACK, for 10 days, on account of important business.

Mr. MAAS, at the request of Mr. KNUTSON, on account of death in family.

ADJOURNMENT

Mr. TILSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock p. m.) the House adjourned until to-morrow, Tuesday, January 22, 1929, at 12 o'clock noon.

## COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for Tuesday, January 22, 1929, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON APPROPRIATIONS

(10.30 a. m.)

Navy Department appropriation bill.

COMMITTEE ON WAYS AND MEANS

(10 a. m. and 2 p. m.)

Tariff hearings as follows:

SCHEDULES

Sugar, molasses, and manufactures of, January 22.
Tobacco and manufactures of, January 23.
Agricultural products and provisions, January 24, 25, 28.
Spirits, wines, and other beverages, January 29.
Cotton manufactures, January 30, 31, February 1.
Flax, hemp, jute, and manufactures of, February 4, 5.
Wool and manufactures of, February 6.
Silk and silk goods, February 11, 12.
Papers and books, February 13, 14.
Sundries, February 15, 18, 19.
Free list, February 20, 21, 22.
Administrative and miscellaneous, February 25.

COMMITTEE ON FOREIGN AFFAIRS

(10.30 a. m.)

Favoring the ratification by the United States Senate of the Kellogg peace pact (H. Res. 264).

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

(10 a. m.)

To establish load lines for American vessels (S. 1781).

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(10 a. m.)

To increase the minimum fine for certain offenses under the interstate commerce act (H. R. 15971).

COMMITTEE ON MILITARY AFFAIRS

(10.30 a. m.)

To amend section 5a of the national defense act, approved June 4, 1920, providing for placing educational orders for equipment, etc. (H. R. 450).

To amend the act approved June 1, 1925, authorizing the Secretary of War to exchange deteriorated and unserviceable ammunition and components (S. 1833).

COMMITTEE ON THE TERRITORIES

(11 a. m.)

To authorize the payment of certain salaries or compensation to Federal officials and employees by the treasurer of the Territory of Alaska (H. R. 13240).

COMMITTEE ON RIVERS AND HARBORS

(10.30 a. m.)

Authorizing the establishment of a national hydraulic laboratory in the Bureau of Standards of the Department of Commerce and the construction of a building therefor (S. 1710).

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

751. A communication from the President of the United States, transmitting supplemental estimate of appropriation pertaining to the legislative establishment, for the Capitol power plant, under the Architect of the Capitol, for the fiscal year 1930, in the sum of $100,250 (H. Doc. No. 517); to the Committee on Appropriations and ordered to be printed.

752. A letter from the national president of the American War Mothers, transmitting report of the American War Mothers, 1927 and 1928; to the Committee on World War Veterans' Legislation.

753. A letter from the Secretary of the Interior, transmitting report of an accumulation of documents and files of papers which are not needed or useful in the transaction of the current business of the department and have no permanent value or historical interest; to the Committee on Disposition of Useless Executive Papers.

754. A letter from the Secretary of the Navy, transmitting draft of a proposed bill to provide for the reimbursement of certain enlisted men and former enlisted men of the Navy for the value of personal effects lost, damaged, or destroyed by fire at the naval training station, Hampton Roads, Va., on February 21, 1927; to the Committee on Naval Affairs.

755. A letter from the Secretary of the Navy, transmitting communication relative to bill (H. R. 13750, 70th Cong.) concerning radio automatic alarm signal device to handle ship-distress messages; to the Committee on the Merchant Marine and Fisheries.

756. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination and survey of Carters Creek, Lancaster County, Va. (H. Doc. No. 518); to the Committee on Rivers and Harbors and ordered to be printed, with illustration.

757. A letter from the Secretary of the Navy, transmitting report on disposition of useless papers in the files of navy yards, naval stations, etc., during the calendar year 1928; to the Committee on Disposition of Useless Executive Papers.

758. A letter from the Director of the United States Veterans' Bureau, transmitting list of useless papers in the Veterans' Bureau and which the bureau recommends for destruction; to the Committee on Disposition of Useless Executive Papers.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. SIMMONS: Committee on Appropriations. H. R. 16422. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1930, and for other purposes; without amendment (Rept. No. 2151). Referred to the Committee of the Whole House on the state of the Union.

Mr. KNUTSON: Committee on Pensions. S. 3198. An act to amend the act of March 3, 1915, granting double pension for disability from aviation duty, Navy or Marine Corps, by inserting the word "Army," so as to read: "Army, Navy, and Marine Corps"; with amendment (Rept. No. 2158). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEAVITT: Committee on the Public Lands. H. R. 16352. A bill providing that no lands owned by any religious organization within any national park can be purchased by condemnation or otherwise by the Government, and for other purposes; with amendment (Rept. No. 2159). Referred to the House Calendar.

Mr. BOYLAN: Committee on Military Affairs. S. 4036. An act to authorize the Secretary of War to transfer the control of certain land in Oregon to the Secretary of the Interior;

with amendment (Rept. No. 2160). Referred to the House Calendar.

Mr. BOYLAN: Committee on Military Affairs. H. R. 13038. A bill to authorize the Secretary of War to transfer the control of certain land in Oregon to the Secretary of the Interior; with amendment (Rept. No. 2161). Referred to the House Calendar.

Mr. BURDICK: Committee on Naval Affairs. H. R. 480. A bill for the relief of certain officers of the Dental Corps of the United States Navy; without amendment (Rept. No. 2162). Referred to the Committee of the Whole House on the state of the Union.

Mr. HOWARD of Nebraska: Committee on Indian Affairs. S. 4979. An act to authorize the city of Niobrara, Nebr., to transfer Niobrara Island to the State of Nebraska; without amendment (Rept. No. 2166). Referred to the House Calendar.

## REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. IRWIN: Committee on Claims. H. R. 12325. A bill to authorize and direct the United States Employees' Compensation Commission to pay compensation to Mrs. Annie Gaffney for the death of her son, William Leo Gaffney; with amendment (Rept. No. 2152). Referred to the Committee of the Whole House.

Mr. SCHAFER: Committee on Claims. H. R. 13132. A bill for the relief of J. D. Baldwin, and for other purposes; with amendment (Rept. No. 2153). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. H. R. 14823. A bill for the relief of the Meadow Brook Club; without amendment (Rept. No. 2154). Referred to the Committee of the Whole House.

Mr. IRWIN: Committee on Claims. S. 200. An act for the relief of Mary L. Roebken and Esther M. Roebken; without amendment (Rept. No. 2155). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. S. 584. An act for the relief of Frederick D. Swank; without amendment (Rept. No. 2156). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. S. 2821. An act for the relief of Capt. Will H. Gordon; without amendment (Rept. No. 2157). Referred to the Committee of the Whole House.

Mr. MORROW: Committee on the Public Lands. H. R. 13582. A bill authorizing and directing the Secretary of the Interior to issue a patent to Lucile Scarborough; with amendment (Rept. No. 2163). Referred to the Committee of the Whole House.

Mr. W. T. FITZGERALD: Committee on Invalid Pensions. H. R. 16406. A bill to repeal the provision of law granting a pension to Annie E. Springer; without amendment (Rept. No. 2164). Referred to the Committee of the Whole House.

Mr. W. T. FITZGERALD: Committee on Invalid Pensions. H. R. 16407. A bill to repeal the provision of law granting a pension to Lottie A. Bowhall; without amendment (Rept. No. 2165). Referred to the Committee of the Whole House.

Mr. RANSLEY: Committee on Military Affairs. H. R. 2255. A bill for the relief of Joseph Franklin; without amendment (Rept. No. 2167). Referred to the Committee of the Whole House.

Mr. RANSLEY: Committee on Military Affairs. H. R. 3282. A bill for the relief of Frank Fanning; without amendment (Rept. No. 2168). Referred to the Committee of the Whole House.

Mr. BOYLAN: Committee on Military Affairs. H. R. 15220. A bill for the relief of Francis X. Callahan; with amendment (Rept. No. 2169). Referred to the Committee of the Whole House.

## 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. 16244) granting an increase of pension to John G. Jackson; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 16401) granting a medal of honor to William McCool, United States Navy; Committee on Military Affairs discharged, and referred to the Committee on Naval Affairs.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SIMMONS: A bill (H. R. 16422) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1930, and for other purposes; committed to the Committee of the Whole House on the state of the Union.

By Mr. BOX: A bill (H. R. 16423) to extend the times for commencing and completing the construction of a bridge across Lake Sabine at or near Port Arthur, Tex.; to the Committee on Interstate and Foreign Commerce.

By Mr. MANLOVE: A bill (H. R. 16424) granting pension to certain persons who served in the military service of the United States during the Civil War; to the Committee on Invalid Pensions.

By Mr. MOREHEAD: A bill (H. R. 16425) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Rulo, Nebr.; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 16426) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Nebraska City, Nebr.; to the Committee on Interstate and Foreign Commerce.

By Mr. ROBSION of Kentucky: A bill (H. R. 16427) to extend the times for commencing and completing the construction of a bridge across the Cumberland River at or near the mouth of Indian Creek in Russell County, Ky.; to the Committee on Interstate and Foreign Commerce.

By Mr. McREYNOLDS: A bill (H. R. 16428) granting the consent of Congress to the city of Chattanooga and the county of Hamilton, Tenn., to construct, maintain, and operate a bridge and approaches thereto across the Tennessee River at a point suitable to the interests of navigation opposite or near Chattanooga, Hamilton County, Tenn.; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHNSON of Illinois: A bill (H. R. 16429) granting the consent of Congress to the city of Savanna, State of Illinois, to construct a bridge across the Mississippi River, connecting the county of Carroll, Ill., and the county of Jackson, Iowa; to the Committee on Interstate and Foreign Commerce.

By Mr. HUGHES: A bill (H. R. 16430) extending the time for constructing a bridge across the Kanawha River at a point in or near the town of Henderson, W. Va., to a point opposite thereto in or near the city of Point Pleasant; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 16431) extending the times for commencing and completing the construction of a bridge to be built across the Kanawha River at or near Henderson, W. Va., to a point opposite thereto at or near Point Pleasant, W. Va.; to the Committee on Interstate and Foreign Commerce.

By Mr. ALLGOOD: A bill (H. R. 16432) granting the consent of Congress to the highway department of the county of Etowah, State of Alabama, to construct, maintain, and operate a toll bridge across the Coosa River; to the Committee on Interstate and Foreign Commerce.

By Mr. HOWARD of Nebraska: A bill (H. R. 16433) to extend the time for commencing and completing the construction of a bridge across the Missouri River at or near Decatur, Nebr.; to the Committee on Interstate and Foreign Commerce.

By Mr. FURLOW: A bill (H. R. 16434) to establish the Wright transcontinental airway; to the Committee on Interstate and Foreign Commerce.

By Mr. HASTINGS: A bill (H. R. 16435) providing for the collection from passengers of half fares on all street cars, busses, or other public conveyances, in the District of Columbia, where there are no vacant seats, requiring half-fare tickets or tokens to be issued for sale, and providing a penalty for violation; to the Committee on the District of Columbia.

By Mr. JOHNSON of Washington: A bill (H. R. 16436) to provide for the repatriation of certain insane American citizens; to the Committee on the Judiciary.

By Mr. KNUTSON: A bill (H. R. 16437) to set aside certain lands for the Leech Lake Band of Chippewa Indians in the State of Minnesota; to the Committee on Indian Affairs.

By Mr. LEHLBACH: A bill (H. R. 16438) to amend the act entitled "An act to amend the act entitled 'An act for the retirement of employees in the classified civil service, and for other purposes,' approved May 22, 1920, and acts in amendment thereof," approved July 3, 1926, and for other purposes; to the Committee on the Civil Service.

By Mr. MANSFIELD: A bill (H. R. 16439) to amend the tariff act of 1922; to the Committee on Ways and Means.

By Mr. SABATH: A bill (H. R. 16440) relating to declarations of intention in naturalization proceedings; to the Committee on Immigration and Naturalization.

By Mr. WEAVER: A bill (H. R. 16441) to incorporate the distinguished service foundation of optometry; to the Committee on the Judiciary.

By Mr. WOLVERTON: A bill (H. R. 16442) providing for the retirement of enlisted men of the Navy and Marine Corps who become physically incapacitated for active duty as an incident of their service; to the Committee on Naval Affairs.

Also, a bill (H. R. 16443) authorizing pay of warrant officer on retired list for transferred members of the Fleet Naval Reserve and Fleet Marine Corps Reserve who served as commissioned or warrant officers during the World War; to the Committee on Naval Affairs.

Also, a bill (H. R. 16444) correcting status of transferred members of the Fleet Naval Reserve and Fleet Marine Corps Reserve who served in higher enlisted ratings during the World War; to the Committee on Naval Affairs.

Also, a bill (H. R. 16445) authorizing payment of six months' death gratuity to beneficiaries of transferred members of the Fleet Naval Reserve and Fleet Marine Corps Reserve who die while on active duty; to the Committee on Naval Affairs.

Also, a bill (H. R. 16446) providing for hospitalization and medical treatment of transferred members of the Fleet Naval Reserve and the Fleet Marine Corps Reserve in Government hospital without expense to the reservist; to the Committee on Naval Affairs.

By Mr. ZIHLMAN: A bill (H. R. 16447) authorizing a second 5-year building program for the public-school system of the District of Columbia which shall provide school buildings adequate in size and facilities to make possible an efficient system of public education in the District of Columbia; to the Committee on the District of Columbia.

By Mr. KNUTSON: A bill (H. R. 16448) to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near the village of Clearwater, Minn.; to the Committee on Interstate and Foreign Commerce.

By Mr. REECE: A bill (H. R. 16449) authorizing an appropriation with which to pay part of the cost of paving and curbing an approach to the Mountain Branch, National Home for Disabled Volunteer Soldiers, where the approach abuts on the grounds of the home; to the Committee on Military Affairs.

By Mr. HAWLEY: A bill (H. R. 16450) to afford permanent protection to the watershed and water supply of the city of Ashland, Jackson County, Oreg., and for other purposes; to the Committee on the Public Lands.

By Mr. DOMINICK: A bill (H. R. 16451) to provide for the inspection of the battle field of Star Fort, S. C.; to the Committee on Military Affairs.

By Mr. GARRETT of Tennessee: Resolution (H. Res. 296) providing for a legislative clerk for the minority leader of the House of Representatives; to the Committee on Accounts.

By Mr. REED of New York: Resolution (H. Res. 297) providing for the consideration of S. 1731, a bill to provide for the further development of vocational education in the several States; to the Committee on Rules.

Also, resolution (H. Res. 298) providing for the consideration of H. R. 15211, to amend section 7 of the act entitled "An act to provide for the promotion of vocational education; to provide for cooperation with the States in the promotion of such education in agriculture and the trades and in industries; to provide for cooperation with the States in the preparation of teachers of vocational subjects; and to appropriate money and regulate its expenditure," approved February 23, 1917, as amended; to the Committee on Rules.

## MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

Memorial from the Legislature of the State of Minnesota, memorializing the President of the United States and the Congress of the United States relative to the passage of H. R. 7729; to the Committee on Labor.

Memorial from the Legislature of the State of Texas, favoring a fair and adequate tariff rate on all products of both farm and ranch, with special attention to the interest of the farmer and stock raiser; to the Committee on Ways and Means.

By Mr. CARSS: Memorial of the Legislature of the State of Minnesota, memorializing the President of the United States and the Congress of the United States relative to the passage of H. R. 7729; to the Committee on Labor.

By Mr. CHRISTOPHERSON: Memorial from the Legislature of the State of South Dakota, urging Congress to pension volunteers in South Dakota who participated in Messioh war in 1890 and rendered active service in subduing uprising of Indians; to the Committee on Pensions.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ABERNETHY: A bill (H. R. 16452) granting a pension to Mary Von Ezdorf; to the Committee on Pensions.

By Mr. ADKINS: A bill (H. R. 16453) granting a pension to William N. Eastin; to the Committee on Invalid Pensions.

By Mr. ASWELL: A bill (H. R. 16454) for the relief of Roy M. Lisso, liquidating trustee of the Pelican Laundry (Ltd.); to the Committee on Claims.

By Mr. BACHMANN: A bill (H. R. 16455) granting an increase of pension to Samantha A. Sloan; to the Committee on Invalid Pensions.

By Mr. BOWMAN: A bill (H. R. 16456) granting a pension to Hannah E. Van Meter; to the Committee on Invalid Pensions.

By Mr. BOX: A bill (H. R. 16457) for the relief of Orange Car & Steel Co., Orange, Tex.; to the Committee on Claims.

By Mr. BRAND of Ohio: A bill (H. R. 16458) granting an increase of pension to Mary E. Koogle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 16459) granting an increase of pension to Mary S. Young; to the Committee on Invalid Pensions.

Also, a bill (H. R. 16460) granting a pension to Prudence Simpson; to the Committee on Invalid Pensions.

By Mr. BROWNE: A bill (H. R. 16461) granting an increase of pension to Frances E. Bull; to the Committee on Invalid Pensions.

By Mr. CULKIN: A bill (H. R. 16462) granting an increase of pension to Mary A. McMillen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 16463) granting an increase of pension to Thomas Devine; to the Committee on Pensions.

By Mr. EATON: A bill (H. R. 16464) granting a pension to Ella R. Dansbery; to the Committee on Invalid Pensions.

Also, a bill (H. R. 16465) granting an increase of pension to Mary J. Mitchell; to the Committee on Invalid Pensions.

By Mr. FORT: A bill (H. R. 16466) for the relief of Thomas A. McGurk; to the Committee on Military Affairs.

By Mr. FOSS: A bill (H. R. 16467) granting a pension to Annie E. Spooner Kimball; to the Committee on Invalid Pensions.

By Mr. FRENCH: A bill (H. R. 16468) granting a pension to Eunice E. Rhoads; to the Committee on Pensions.

By Mr. GIFFORD: A bill (H. R. 16469) granting an increase of pension to Martha B. Rounsville; to the Committee on Invalid Pensions.

Also, a bill (H. R. 16470) granting an increase of pension to Bessie M. Ward; to the Committee on Pensions.

Also, a bill (H. R. 16471) for the relief of Sidney Morris Hopkins; to the Committee on Naval Affairs.

By Mr. GILBERT: A bill (H. R. 16472) for the relief of Effie Mills; to the Committee on Invalid Pensions.

By Mr. HOOPER: A bill (H. R. 16473) granting an increase of pension to Sallie M. Seaman; to the Committee on Invalid Pensions.

By Mr. HUGHES: A bill (H. R. 16474) granting an increase of pension to Emily Chapman; to the Committee on Invalid Pensions.

By Mr. KEARNS: A bill (H. R. 16475) granting an increase of pension to Sallie Ireton; to the Committee on Invalid Pensions.

By Mr. KEMP: A bill (H. R. 16476) granting an increase of pension to Douglas D. Powell; to the Committee on Pensions.

By Mr. KENDALL: A bill (H. R. 16477) granting a pension to Anna P. Denny; to the Committee on Invalid Pensions.

By Mr. KIESS: A bill (H. R. 16478) granting an increase of pension to Mary Jane Stead; to the Committee on Invalid Pensions.

By Mr. MAJOR of Illinois: A bill (H. R. 16479) granting a pension to Mary E. Hartwell; to the Committee on Invalid Pensions.

By Mr. PARKER: A bill (H. R. 16480) granting an increase of pension to Sarah A. Niles; to the Committee on Pensions.

By Mr. SCHAFER: A bill (H. R. 16481) granting a pension to Caroline Carleton; to the Committee on Invalid Pensions.

By Mr. SHREVE: A bill (H. R. 16482) granting an increase of pension to Mary A. Phillips; to the Committee on Invalid Pensions.

By Mr. STROTHER: A bill (H. R. 16483) for the relief of Albert Kimble; to the Committee on Military Affairs.

By Mr. SWICK: A bill (H. R. 16484) granting an increase of pension to Amanda Grayson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 16485) granting an increase of pension to Jane Cox; to the Committee on Invalid Pensions.

Also, a bill (H. R. 16486) granting an increase of pension to Drusilla Hanna McIntyre; to the Committee on Invalid Pensions.

Also, a bill (H. R. 16487) granting an increase of pension to Anna M. Dieringer; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 16488) granting a pension to Ott Campbell; to the Committee on Pensions.

Also, a bill (H. R. 16489) granting a pension to Carlie D. Watters; to the Committee on Pensions.

Also, a bill (H. R. 16490) granting an increase of pension to Charles O. Wallace; to the Committee on Pensions.

Also, a bill (H. R. 16491) granting an increase of pension to Martha E. Collins; to the Committee on Invalid Pensions.

By Mr. UNDERHILL: A bill (H. R. 16492) to authorize credit in the disbursing accounts of certain officers of the Army of the United States for the settlement of individual claims approved by the War Department; to the Committee on Claims.

By Mr. WARREN: A bill (H. R. 16493) granting a pension to Robert J. Edwards; to the Committee on Pensions.

By Mr. WASON: A bill (H. R. 16494) granting an increase of pension to Ida Emmott; to the Committee on Invalid Pensions.

By Mr. WHITE of Colorado: A bill (H. R. 16495) granting a pension to Jennie Cousins; to the Committee on Invalid Pensions.

By Mr. WHITTINGTON: A bill (H. R. 16496) granting a pension to Sarah L. McClane; to the Committee on Invalid Pensions.

By Mr. WILLIAMSON: A bill (H. R. 16497) granting a pension to Robert H. McCullagh; to the Committee on Pensions.

Also, a bill (H. R. 16498) granting a pension to Red Owl; to the Committee on Pensions.

## PETITIONS, ETC.

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

8318. Petition of New York Zoological Society, urging Congress to acquire all private timberlands within the boundaries of our national parks; to the Committee on the Public Lands.

8319. Petition of George E. Garrett, Alexandria, Va., representing a meeting of citizens of Virginia and the District of Columbia, favoring the passage of the Cramton bill (H. R. 15524); to the Committee on Public Buildings and Grounds.

8320. Petition of Sentinels of the Republic, of Massachusetts, opposing Senate bill 3151; to the Committee on the Judiciary.

8321. Petition of Sentinels of the Republic, of Massachusetts, urging Congress to support the Garrett amendment to the Constitution; to the Committee on the Judiciary.

8322. Petition of Sentinels of the Republic, of Massachusetts, opposing House bill 12241; to the Committee on Education.

8323. Petition of Sentinels of the Republic, of Massachusetts, opposing the Newton bill (H. R. 14070); to the Committee on Interstate and Foreign Commerce.

8324. Petition of Sentinels of the Republic, of Massachusetts, thanking Hon. FINIS J. GARRETT for his proposal of the constitutional amendment bearing his name; to the Committee on the Judiciary.

8325. By Mr. BARBOUR: Petition signed by citizens and residents of Kern County, Calif., urging a tariff on imported crude oil; to the Committee on Ways and Means.

8326. Also, resolution adopted by Department of California of the American Legion, urging an increase in hospital facilities for that State; to the Committee on World War Veterans' Legislation.

8327. By Mr. BOYLAN: Letter from Manhattan Commission Co., protecting against an increase of duty on shelled peanuts; to the Committee on Ways and Means.

8328. Also, resolution adopted by Philippine-American Chamber of Commerce, opposing any restriction or limitation to the free movement of products between the United States and the Philippines; to the Committee on Ways and Means.

8329. Also, resolution adopted by Forty-first Annual Convention of the Savings and Loan Associations in the State of New York, urging the adoption of House bill 13981; to the Committee on the Judiciary.

8330. By Mr. CANNON: Petition of Kingdom Post, No. 210, American Legion, Fulton, Mo., asking an appropriation for Hospital No. 92 at Jefferson Barracks, Mo., to provide for additional hospital facilities; to the Committee on World War Veterans' Legislation.

8331. By Mr. CARSS: Petition of the Winnibegoshish Band of the Chippewa Indians of Minnesota, for a $100 per capita payment to them out of money held in trust for them in the Treasury of the United States; to the Committee on Indian Affairs.

8332. By Mr. ESTEP: Petition of United States Grand Jury for western district of Pennsylvania, January 12, 1929; to the Committee on the Judiciary.

8333. By Mr. GARBER: Petition of the National Foods (Inc.), New Orleans, La., urging opposition to House bill 10958; to the Committee on Agriculture.

8334. Also, petition of the Philippine-American Chamber of Commerce, stating opposition to any proposed restriction or limitation to the free movement of products between the United States and the Philippines; to the Committee on Ways and Means.

8335. By Mr. GARRETT of Tennessee: Petition signed by citizens of Dyersburg, Tenn., asking that a bill be passed that will establish a moritorium for the payment of drainage bonds until such time as agriculture has recovered from its depressed condition, etc.; to the Committee on Irrigation and Reclamation.

8336. By Mr. GRIEST: Petition of Pomona Grange No. 71 of Lancaster County, Pa., favoring special session of Congress to consider tariff revisions and farm relief, and approving rational interpretation of prohibition enforcement; to the Committee on Ways and Means.

8337. By Mr. KVALE: Petition of Christian Olson, president, and members of Norwegian National League of Chicago, protesting against permitting the national origins section (so-called) of the immigration act of 1924 to become operative and effective on July 1, 1929; to the Committee on Immigration and Naturalization.

8338. Also, petition of State Agricultural Society of Minnesota, opposing the construction of the Nicaraguan canal; to the Committee on Military Affairs.

8339. By Mr. LEAVITT: Petition of the Chamber of Commerce at Missoula, Mont., urging adequate tariff protection for the beet-sugar industry of the United States; to the Committee on Ways and Means.

8340. By Mr. LINDSAY: Petition of Manhattan Commission Co., New York, N. Y., urging defeat of movement to increase duty on shelled peanuts, and seek opportunity to present evidence in support of contentions before Ways and Means Committee; to the Committee on Ways and Means.

8341. Also, petition of National Almond Products Co., 129–31 Patchen Avenue, Brooklyn, N. Y., urging defeat of plan for an immediate increase in duty on peanuts; to the Committee on Ways and Means.

8342. By Mr. McREYNOLDS: Petition of residents of Warren County, Tenn., protesting against the enactment into law of the compulsory Sunday observance bill (H. R. 78), etc.; to the Committee on the District of Columbia.

8343. By Mr. O'CONNELL: Petition of Binney & Smith Co., New York City, favoring the passage of House bills 9200 and 14659 and Senate bill 1976, for additional Federal judges for New York; to the Committee on the Judiciary.

8344. Also, petition of E. F. Drew & Co., New York City, opposing the passage of Haugen oleomargarine bill; to the Committee on Agriculture.

8345. Also, petition of the Bright Star Battery Co. (Inc.), Hoboken, N. J., favoring the passage of House bills 9200 and 14659 and Senate bill 1976, for additional Federal judges for New York; to the Committee on the Judiciary.

8346. Also, petition of the Philippine-American Chamber of Commerce, opposing any restriction or limitation to the free movement of products between the United States and the Philippines in either direction; to the Committee on Ways and Means.

8347. Also, petition of the Eugene (Ltd.), New York City, favoring the passage of House bills 9200 and 14659 and Senate bill 1976, for additional Federal judges for New York; to the Committee on the Judiciary.

8348. Also, petition of the Ajax Rope Co., New York City, favoring the passage of House bills 9200 and 14659 and Senate bill 1976, for additional Federal judges for New York; to the Committee on the Judiciary.

8349. Also, petition of the Maritime Association of the Port of New York, favoring the passage of House bill 11886 and Senate bill 3721, to establish the office of captain of the port of New York and define his duties; to the Committee on Interstate and Foreign Commerce.

8350. Also, petition of the National Foods (Inc.), New Orleans, La., opposing the passage of the Haugen oleomargarine bill (H. R. 10958); to the Committee on Agriculture.

8351. Also, petition of the New York State League of Savings and Loan Associations, Albany, N. Y., favoring the passage of House bill 13981, to permit the United States to be made a

party to actions to foreclose mortgages or other actions in respect to real estate; to the Committee on the Judiciary.

8352. By Mr. O'Connor of New York: Resolution of the Savings and loan associations in the State of New York, urging passage of House bill 13981; to the Committee on the Judiciary.

8353. By Mr. WHITTINGTON: Petition of C. D. Terrall, C. D. Patterson, sr., and others for relief for drainage districts; to the Committee on Irrigation and Reclamation.

## SENATE

TUESDAY, *January 22, 1929*

*(Legislative day of Thursday, January 17, 1929)*

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The PRESIDENT pro tempore. The clerk will call the roll to ascertain the presence of a quorum.

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

| | | | |
|---|---|---|---|
| Ashurst | Edwards | McKellar | Shipstead |
| Barkley | Fess | McMaster | Shortridge |
| Bayard | Fletcher | McNary | Simmons |
| Bingham | Frazier | Mayfield | Smith |
| Black | George | Metcalf | Smoot |
| Blaine | Gerry | Moses | Steck |
| Blease | Gillett | Neely | Steiwer |
| Borah | Glass | Norbeck | Stephens |
| Bratton | Glenn | Norris | Swanson |
| Brookhart | Gould | Nye | Thomas, Idaho |
| Broussard | Greene | Oddie | Thomas, Okla. |
| Bruce | Hale | Overman | Trammell |
| Burton | Harris | Phipps | Tydings |
| Capper | Harrison | Pine | Tyson |
| Caraway | Hastings | Pittman | Vandenberg |
| Copeland | Hawes | Ransdell | Wagner |
| Couzens | Hayden | Reed, Mo. | Walsh, Mass. |
| Curtis | Heflin | Reed, Pa. | Walsh, Mont. |
| Dale | Johnson | Robinson, Ark. | Warren |
| Deneen | Jones | Sackett | Waterman |
| Dill | Kendrick | Schall | Wheeler |
| Edge | Keyes | Sheppard | |

Mr. BLAINE. I wish to announce that my colleague [Mr. LA FOLLETTE] is necessarily absent on account of illness. I will let this announcement stand for the day.

The PRESIDENT pro tempore. Eighty-seven Senators having answered to their names, a quorum is present. The Senate will receive a message from the House of Representatives.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed the following bills and joint resolution of the Senate:

S. 3828. An act to amend Public Law No. 254, approved June 20, 1906, known as the organic school law, so as to relieve individual members of the Board of Education of personal liability for acts of the board;

S. 4488. An act declaring the purpose of Congress in passing the act of June 2, 1924 (43 Stat. 253), to confer full citizenship upon the Eastern Band of Cherokee Indians, and further declaring that it was not the purpose of Congress in passing the act of June 4, 1924 (43 Stat. 376), to repeal, abridge, or modify the provisions of the former act as to the citizenship of said Indians;

S. 4712. An act to authorize the Secretary of War to grant a right of way to the Southern Pacific Railroad Co. across the Benicia Arsenal Military Reservation, Calif.;

S. 4976. An act granting the consent of Congress to the counties of Lawrence and Randolph, State of Arkansas, to construct, maintain, and operate a bridge across the Spring River at or near the town of Black Rock, Ark.;

S. 4977. An act granting the consent of Congress to the counties of Lawrence and Randolph, State of Arkansas, to construct, maintain, and operate a bridge across the Spring River at or near Imboden, Ark.;

S. 5038. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Baton Rouge, La.;

S. 5039. An act to extend the times for commencing and completing the construction of a bridge across the Wabash River at Mount Carmel, Ill.;

S. 5240. An act to extend the time for completing the construction of the bridge across the Mississippi River at Natchez, Miss.; and

S. J. Res. 171. Joint resolution granting the consent of Congress to the city of New York to enter upon certain United States property for the purpose of constructing a rapid-transit railway.

The message also announced that the House had passed the following bill and joint resolution, each with an amendment, in which it requested the concurrence of the Senate:

S. 1156. An act granting a pension to Lois I. Marshall; and

S. J. Res. 142. Joint resolution authorizing the erection of a Federal reserve bank building in the city of Los Angeles, Calif.

The message further announced that the House had passed the following bill and joint resolution, each with amendments, in which it requested the concurrence of the Senate:

S. 2366. An act to amend subchapter 1 of chapter 18 of the Code of Laws for the District of Columbia relating to degree-conferring institutions; and

S. J. Res. 59. Joint resolution authorizing the President to ascertain, adjust, and pay certain claims of grain elevators and grain firms to cover insurance and interest on wheat during the years 1919 and 1920, as per a certain contract authorized by the President.

The message also announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 7028. An act 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;

H. R. 7939. An act to authorize settlement of damages to persons and property by Army aircraft;

H. R. 12404. An act authorizing erection of a memorial to Maj. Gen. Henry A. Greene at Fort Lewis, Wash.;

H. R. 12526. An act to amend section 126 of title 28 of the United States Code (Judicial Code, sec. 67, amended);

H. R. 13646. An act for the prevention and removal of obstructions and burdens upon interstate commerce in cotton by regulating transactions on cotton-futures exchanges, and for other purposes;

H. R. 13936. An act to amend the second paragraph of section 4 of the Federal farm loan act, as amended;

H. R. 13957. An act to repeal certain provisions of law relating to the Federal building at Des Moines, Iowa;

H. R. 13981. An act to permit the United States to be made a party defendant in certain cases;

H. R. 14151. An act to provide for establishment of a Coast Guard station at or near the mouth of the Quillayute River, in the State of Washington;

H. R. 14154. An act to authorize appropriations for construction at the Army medical center, District of Columbia, and for other purposes;

H. R. 14156. An act to authorize an appropriation for the construction of a cannon-powder blending unit at Picatinny Arsenal, Dover, N. J.;

H. R. 14452. An act to authorize the Secretary of the Treasury to donate to the city of Oakland, Calif., the U. S. Coast Guard cutter *Bear;*

H. R. 14458. An act authorizing the Rio Grande del Norte Investment Co., its successors and assigns, to construct, maintain, and operate a bridge across the Rio Grande at or near San Benito, Tex.;

H. R. 14466. An act to provide for the sale of the old post-office property at Birmingham, Ala.;

H. R. 15005. An act authorizing the Donna Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Rio Grande at or near Donna, Tex.;

H. R. 15006. An act authorizing the Los Indios Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Rio Grande at or near Los Indios, Tex.;

H. R. 15069. An act authorizing the Rio Grande City-Camargo Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Rio Grande at or near Rio Grande City, Tex.;

H. R. 15213. An act to authorize the Secretary of the Interior to develop power and to lease for power purposes structures of Indian irrigation projects, and for other purposes;

H. R. 15324. An act authorizing the attendance of the Marine Band at the Confederate Veterans' reunion to be held at Charlotte, N. C.;

H. R. 15382. An act to legalize a trestle, log dump, and booming ground in Henderson Inlet near Chapman Bay, about 7 miles northeast of Olympia, Wash.;

H. R. 15427. An act authorizing and directing the Secretary of War to lend to the governor of North Carolina 300 pyramidal tents, complete; 9,000 blankets, olive drab, No. 4; 5,000 pillowcases; 5,000 canvas cots; 5,000 cotton pillows; 5,000 bed sacks; and 9,000 bed sheets to be used at the encampment of the