C. M. Hanson, of Bricelyn, Minn., or his heirs, successors or assigns, of approximately 1¾ acres of lot 2, section 33, township 43 north, range 27 west, in the county of Mille Lacs, Minn.; to the Committee on Indian Affairs.

PETITIONS, ETC.

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

1023. By Mr. BACON: Petition signed by 3,610 citizens, mostly resident in New York State, protesting against the enactment of any legislation to admit aliens from Europe outside of quota restrictions; to the Committee on Immigration and Naturalization.

1024. By Mr. KENNEY: Petition of the Department of New Jersey, Reserve Officers' Association of the United States, in convention assembled, protesting against any further weakening of national defense, and in particular against any reduction in the number of officers in the Regular Army or in the amount of training given to Reserve officers; to the Committee on Military Affairs.

1025. Also, petition of the Department of New Jersey, Reserve Officers' Association of the United States, in convention assembled, protesting against any further weakening of national defense, and in particular against any reduction in the number of officers in the Regular Army or in the amount of training given to Reserve officers; to the Committee on Naval Affairs.

1026. By Mr. LINDSAY: Petition of the Industrial Chemical Sales Co., Inc., New York City, opposing House bill 3759; to the Committee on the Judiciary.

1027. Also, petition of the Women's Auxiliary of the Democratic Veterans' Organization of Kings County, Holly Club, Brooklyn, N.Y., opposing modification or cancelation of any Government insurance policies; to the Committee on Ways and Means.

1028. By Mr. MALONEY of Connecticut: Resolution of the Common Council of the City of Bridgeport, relative to commemorating the naturalization of Brig. Gen. Thaddeus Kosciusko; to the Committee on the Post Office and Post Roads.

1029. By Mr. RUDD: Petition of the Women's Auxiliary of the Democratic Veterans Organization of Kings County, Brooklyn, N.Y., opposing any modification or cancelation of Government insurance policies; to the Committee on World War Veterans' Legislation.

1030. By Mr. SANDERS: Resolution of the Texas Senate, favoring an amendment of the Wagner bill so that the Reconstruction Finance Corporation funds could be appropriated to the Texas Relief Commission to be used for the building of good roads in any section of the State; to the Committee on Education.

1031. By Mr. TARVER: Petition of T. W. Langston, of Atlanta, Ga., protesting against the harsh measures of the economy bill, and calling attention to the effects of this law; to the Committee on World War Veterans' Legislation.

1032. By Mr. TERRELL: Petition of Commissioners Court of Panola County, Tex., requesting appropriations for Federal highway building; to the Committee on Roads.

1033. By Mr. SWEENEY: Petition of the members of the congregation Knesseth Israel of Cleveland, Ohio, requesting that the United States, through its administrative and diplomatic agencies, declare to the German Government its disapproval of the inhuman and brutal treatment of Jewish citizens of Germany; to the Committee on Foreign Affairs.

1034. Also, petition of the members of the Temple on the Heights of the city of Cleveland Heights, Ohio, representing 900 families, in annual meeting assembled, deploring the situation of the Jews in Germany, and appealing to the heart of humanity to stem the growing tide of anti-Semitism and exert its influence to put an end to this program of medieval cruelty in Germany; to the Committee on Foreign Affairs.

SENATE

MONDAY, MAY 15, 1933

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

Almighty God our Heavenly Father, with whom is the well of life and light; impart to our thirsting souls the draught of living water from Thy plenteous fountain, and increase in us the brightness of divine knowledge, that our darkened minds may be illumined by the effulgence of Thy love.

Calm Thou our spirits by that subduing power which alone can bring all scattered thoughts into captivity to Thee, that we may find that inward peace in which Thy Spirit's voice is heard, calling us to sacrificial service for the welfare of our Nation. Deal tenderly with all mankind, granting hope to the discouraged, forgiveness to the sinful, friendship to the lonely, comfort to the sorrowing, and, to us all, light at eventide. We ask it in the name of Jesus Christ our Lord. Amen.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of the proceedings of the calendar days of May 11 and 12, when, on motion of Mr. ROBINSON of Arkansas, and by unanimous consent, the further reading was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. LEWIS. I suggest the absence of a quorum and move a roll call.

The VICE PRESIDENT. The clerk will call the roll.

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

Adams	Coolidge	Hebert	Reed
Ashurst	Copeland	Johnson	Reynolds
Austin	Costigan	Kendrick	Robinson, Ark.
Bachman	Couzens	Keyes	Robinson, Ind.
Bailey	Cutting	King	Russell
Bankhead	Dickinson	La Follette	Schall
Barbour	Dieterich	Lewis	Sheppard
Barkley	Dill	Logan	Shipstead
Black	Duffy	Lonergan	Smith
Bone	Erickson	Long	Steiwer
Borah	Fess	McAdoo	Stephens
Bratton	Fletcher	McCarran	Thomas, Okla.
Brown	Frazier	McKellar	Thomas, Utah
Bulkley	George	McNary	Townsend
Bulow	Glass	Metcalf	Trammell
Byrd	Goldsborough	Murphy	Tydings
Byrnes	Gore	Neely	Vandenberg
Capper	Hale	Norris	Van Nuys
Caraway	Harrison	Nye	Wagner
Carey	Hastings	Overton	Walsh
Clark	Hatfield	Patterson	Wheeler
Connally	Hayden	Pope	White

Mr. LEWIS. I wish to announce that the Senator from Kansas [Mr. MCGILL] is detained by illness. I ask that this announcement may remain for the day.

The VICE PRESIDENT. Eighty-eight Senators have answered to their names. A quorum is present.

MUSCLE SHOALS—CONFERENCE REPORT

Mr. SMITH submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5081) to provide for the common defense; to aid interstate commerce by navigation; to provide flood control; to promote the general welfare by creating the Tennessee Valley Authority; to operate the Muscle Shoals properties; and to encourage agricultural, industrial, and economic development, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter inserted by the Senate insert the following:

"That for the purpose of maintaining and operating the properties now owned by the United States in the vicinity

of Muscle Shoals, Ala., in the interest of the national defense and for agricultural and industrial development, and to improve navigation in the Tennessee River and to control the destructive flood waters in the Tennessee River and Mississippi River Basins, there is hereby created a body corporate by the name of the 'Tennessee Valley Authority' (hereinafter referred to as the 'Corporation'). The board of directors first appointed shall be deemed the incorporators, and the incorporation shall be held to have been effected from the date of the first meeting of the board. This act may be cited as the 'Tennessee Valley Authority Act of 1933.'

"SEC. 2. (a) The board of directors of the Corporation (hereinafter referred to as the 'board') shall be composed of three members, to be appointed by the President, by and with the advice and consent of the Senate. In appointing the members of the board, the President shall designate the chairman. All other officials, agents, and employees shall be designated and selected by the board.

"(b) The terms of office of the members first taking office after the approval of this act shall expire as designated by the President at the time of nomination, 1 at the end of the third year, 1 at the end of the sixth year, and 1 at the end of the ninth year, after the date of approval of this act. A successor to a member of the board shall be appointed in the same manner as the original members and shall have a term of office expiring 9 years from the date of the expiration of the term for which his predecessor was appointed.

"(c) Any member appointed to fill a vacancy in the board occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term.

"(d) Vacancies in the board so long as there shall be 2 members in office shall not impair the powers of the board to execute the functions of the Corporation, and 2 of the members in office shall constitute a quorum for the transaction of the business of the board.

"(e) Each of the members of the board shall be a citizen of the United States, and shall receive a salary at the rate of $10,000 a year, to be paid by the Corporation as current expenses. Each member of the board, in addition to his salary, shall be permitted to occupy as his residence one of the dwelling houses owned by the Government in the vicinity of Muscle Shoals, Ala., the same to be designated by the President of the United States. Members of the board shall be reimbursed by the Corporation for actual expenses (including traveling and subsistence expenses) incurred by them in the performance of the duties vested in the board by this act. No member of said board shall, during his continuance in office, be engaged in any other business, but each member shall devote himself to the work of the Corporation.

"(f) No director shall have financial interest in any public-utility corporation engaged in the business of distributing and selling power to the public nor in any corporation engaged in the manufacture, selling, or distribution of fixed nitrogen or fertilizer, or any ingredients thereof, nor shall any member have any interest in any business that may be adversely affected by the success of the Corporation as a producer of concentrated fertilizers or as a producer of electric power.

"(g) The board shall direct the exercise of all the powers of the Corporation.

"(h) All members of the board shall be persons who profess a belief in the feasibility and wisdom of this act.

"SEC. 3. The board shall, without regard to the provisions of Civil Service laws applicable to officers and employees of the United States, appoint such managers, assistant managers, officers, employees, attorneys, and agents, as are necessary for the transaction of its business, fix their compensation, define their duties, require bonds of such of them as the board may designate, and provide a system of organization to fix responsibility and promote efficiency. Any appointee of the board may be removed in the discretion of the board. No regular officer or employee of the Corporation shall receive a salary in excess of that received by the members of the board.

"All contracts to which the Corporation is a party and which require the employment of laborers and mechanics in the construction, alteration, maintenance, or repair of buildings, dams, locks, or other projects shall contain a provision that not less than the prevailing rate of wages for work of a similar nature prevailing in the vicinity shall be paid to such laborers or mechanics.

"In the event any dispute arises as to what are the prevailing rates of wages, the question shall be referred to the Secretary of Labor for determination, and his decision shall be final. In the determination of such prevailing rate or rates, due regard shall be given to those rates which have been secured through collective agreement by representatives of employers and employees.

"Where such work as is described in the two preceding paragraphs is done directly by the Corporation the prevailing rate of wages shall be paid in the same manner as though such work had been let by contract.

"Insofar as applicable the benefits of the act entitled 'An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes', approved September 7, 1916, as amended, shall extend to persons given employment under the provisions of this act.

"SEC. 4. Except as otherwise specifically provided in this act, the Corporation—

"(a) Shall have succession in its corporate name.

"(b) May sue and be sued in its corporate name.

"(c) May adopt and use a corporate seal, which shall be judicially noticed.

"(d) May make contracts, as herein authorized.

"(e) May adopt, amend, and repeal bylaws.

"(f) May purchase or lease and hold such real and personal property as it deems necessary or convenient in the transaction of its business, and may dispose of any such personal property held by it.

"The board shall select a treasurer and as many assistant treasurers as it deems proper, which treasurer and assistant treasurers shall give such bonds for the safe-keeping of the securities and moneys of the said Corporation as the board may require: *Provided*, That any member of said board may be removed from office at any time by a concurrent resolution of the Senate and the House of Representatives.

"(g) Shall have such powers as may be necessary or appropriate for the exercise of the powers herein specifically conferred upon the Corporation.

"(h) Shall have power in the name of the United States of America to exercise the right of eminent domain, and in the purchase of any real estate or the acquisition of real estate by condemnation proceedings, the title to such real estate shall be taken in the name of the United States of America, and thereupon all such real estate shall be entrusted to the Corporation as the agent of the United States to accomplish the purposes of this act.

"(i) Shall have power to acquire real estate for the construction of dams, reservoirs, transmission lines, power houses, and other structures, and navigation projects at any point along the Tennessee River, or any of its tributaries, and in the event that the owner or owners of such property shall fail or refuse to sell to the Corporation at a price deemed fair and reasonable by the board, then the Corporation may proceed to exercise the right of eminent domain, and to condemn all property that it deems necessary for carrying out the purposes of this act, and all such condemnation proceedings shall be had pursuant to the provisions and requirements hereinafter specified, with reference to any and all condemnation proceedings.

"(j) Shall have power to construct dams, reservoirs, power houses, power structures, transmission lines, navigation projects, and incidental works in the Tennessee River and its tributaries, and to unite the various power installations into one or more systems by transmission lines.

"SEC. 5. The board is hereby authorized—

"(a) To contract with commercial producers for the production of such fertilizers or fertilizer materials as may be needed in the Government's program of development and introduction in excess of that produced by Government plants. Such contracts may provide either for outright purchase of materials by the board or only for the payment of carrying charges on special materials manufactured at the board's request for its program.

"(b) To arrange with farmers and farm organizations for large-scale practical use of the new forms of fertilizers under conditions permitting an accurate measure of the economic return they produce.

"(c) To cooperate with National, State, district, or county experimental stations or demonstration farms, for the use of new forms of fertilizer or fertilizer practices during the initial or experimental period of their introduction.

"(d) The board in order to improve and cheapen the production of fertilizer is authorized to manufacture and sell fixed nitrogen, fertilizer, and fertilizer ingredients at Muscle Shoals by the employment of existing facilities, by modernizing existing plants, or by any other process or processes that in its judgment shall appear wise and profitable for the fixation of atmospheric nitrogen or the cheapening of the production of fertilizer.

"(e) Under the authority of this act the board may make donations or sales of the product of the plant or plants operated by it to be fairly and equitably distributed through the agency of county demonstration agents, agricultural colleges, or otherwise as the board may direct, for experimentation, education, and introduction of the use of such products in cooperation with practical farmers so as to obtain information as to the value, effect, and best methods of their use.

"(f) The board is authorized to make alterations, modifications, or improvements in existing plants and facilities, and to construct new plants.

"(g) In the event it is not used for the fixation of nitrogen for agricultural purposes, or leased, then the board shall maintain a stand-by condition nitrate plant no. 2, or its equivalent, for the fixation of atmospheric nitrogen, for the production of explosives in the event of war or a national emergency, until the Congress shall by joint resolution release the board from this obligation, and if any part thereof be used by the board for the manufacture of phosphoric acid or potash, the balance of nitrate plant no. 2 shall be kept in stand-by condition.

"(h) To establish, maintain, and operate laboratories and experimental plants, and to undertake experiments for the purpose of enabling the Corporation to furnish nitrogen products for military purposes, and nitrogen and other fertilizer products for agricultural purposes in the most economical manner and at the highest standard of efficiency.

"(i) To request the assistance and advice of any officer, agent, or employee of any executive department or of any independent office of the United States, to enable the Corporation the better to carry out its powers successfully, and as far as practicable shall utilize the services of such officers, agents, and employees, and the President shall, if in his opinion, the public interest, service, or economy so require, direct that such assistance, advice, and service be rendered to the Corporation, and any individual that may be by the President directed to render such assistance, advice, and service shall be thereafter subject to the orders, rules, and regulations of the board: *Provided*, That any invention or discovery made by virtue of and incidental to such service by an employee of the Government of the United States serving under this section, or by any employee of the Corporation, together with any patents which may be granted thereon, shall be the sole and exclusive property of the Corporation, which is hereby authorized to grant such licenses thereunder as shall be authorized by the board: *Provided further*, That the board may pay to such inventor such sum from the income from sale of licenses as it may deem proper.

"(j) Upon the requisition of the Secretary of War or the Secretary of the Navy to manufacture for and sell at cost to the United States explosives or their nitrogenous content.

"(k) Upon the requisition of the Secretary of War the Corporation shall allot and deliver without charge to the War Department so much power as shall be necessary in the judgment of said Department for use in operation of all locks, lifts, or other facilities in aid of navigation.

"(l) To produce, distribute, and sell electric power, as herein particularly specified.

"(m) No products of the Corporation shall be sold for use outside of the United States, its Territories and possessions, except to the United States Government for the use of its Army and Navy, or to its allies in case of war.

"(n) The President is authorized, within 12 months after the passage of this act, to lease to any responsible farm organization or to any corporation organized by it nitrate plant no. 2 and Waco Quarry, together with the railroad connecting said quarry with nitrate plant no. 2, for a term not exceeding 50 years at a rental of not less than $1 per year, but such authority shall be subject to the express condition that the lessee shall use said property during the term of said lease exclusively for the manufacture of fertilizer and fertilizer ingredients to be used only in the manufacture of fertilizer by said lessee and sold for use as fertilizer. The said lessee shall covenant to keep said property in first-class condition, but the lessee shall be authorized to modernize said plant no. 2 by the installation of such machinery as may be necessary, and is authorized to amortize the cost of said machinery and improvements over the term of said lease or any part thereof. Said lease shall also provide that the board shall sell to the lessee power for the operation of said plant at the same schedule of prices that it charges all other customers for power of the same class and quantity. Said lease shall also provide that, if the said lessee does not desire to buy power of the publicly owned plant, it shall have the right to purchase its power for the operation of said plant of the Alabama Power Co. or any other publicly or privately owned corporation engaged in the generation and sale of electric power, and in such case the lease shall provide further that the said lessee shall have a free right of way to build a transmission line over Government property to said plant paying the actual expenses and damages, if any, incurred by the Corporation on account of such line. Said lease shall also provide that the said lessee shall covenant that during the term of said lease the said lessee shall not enter into any illegal monopoly, combination, or trust with any privately owned corporation engaged in the manufacture, production, and sale of fertilizer with the object or effect of increasing the price of fertilizer to the farmer.

"SEC. 6. In the appointment of officials and the selection of employees for said Corporation, and in the promotion of any such employees or officials, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency. Any member of said board who is found by the President of the United States to be guilty of a violation of this section shall be removed from office by the President of the United States, and any appointee of said board who is found by the board to be guilty of a violation of this section shall be removed from office by said board.

"SEC. 7. In order to enable the Corporation to exercise the powers and duties vested in it by this act—

"(a) The exclusive use, possession, and control of the United States nitrate plants nos. 1 and 2, including steam plants, located, respectively, at Sheffield, Ala., and Muscle Shoals, Ala., together with all real estate and buildings connected therewith, all tools and machinery, equipment, accessories, and materials belonging thereto, and all laboratories and plants used as auxiliaries thereto; the fixed-nitrogen research laboratory, the Waco limestone quarry, in Alabama, and Dam No. 2, located at Muscle Shoals, its power house, and all hydroelectric and operating appurtenances (except the locks), and all machinery, lands, and buildings in connection therewith, and all appurtenances thereof, and all other property to be acquired by the Corporation in its own name or in the name of the United States of America, are

hereby entrusted to the Corporation for the purposes of this act.

"(b) The President of the United States is authorized to provide for the transfer to the Corporation of the use, possession, and control of such other real or personal property of the United States as he may from time to time deem necessary and proper for the purposes of the Corporation as herein stated.

"SEC. 8. (a) The Corporation shall maintain its principal office in the immediate vicinity of Muscle Shoals, Ala. The Corporation shall be held to be an inhabitant and resident of the northern judicial district of Alabama within the meaning of the laws of the United States relating to the venue of civil suits.

"(b) The Corporation shall at all times maintain complete and accurate books of accounts.

"(c) Each member of the board, before entering upon the duties of his office, shall subscribe to an oath (or affirmation) to support the Constitution of the United States and to faithfully and impartially perform the duties imposed upon him by this act.

"SEC. 9. (a) The board shall file with the President and with the Congress, in December of each year, a financial statement and a complete report as to the business of the Corporation covering the preceding governmental fiscal year. This report shall include an itemized statement of the cost of power at each power station, the total number of employees and the names, salaries, and duties of those receiving compensation at the rate of more than $1,500 a year.

"(b) The Comptroller General of the United States shall audit the transactions of the Corporation at such times as he shall determine, but not less frequently than once each governmental fiscal year, with personnel of his selection. In such connection he and his representatives shall have free and open access to all papers, books, records, files, accounts, plants, warehouses, offices, and all other things, property and places belonging to or under the control of or used or employed by the Corporation, and shall be afforded full facilities for counting all cash and verifying transactions with and balances in depositaries. He shall make report of each such audit in quadruplicate, one copy for the President of the United States, one for the chairman of the board, one for public inspection at the principal office of the Corporation, and the other to be retained by him for the uses of the Congress. The expenses of each such audit may be paid from moneys advanced therefor by the Corporation, or from any appropriation or appropriations for the General Accounting Office, and appropriations so used shall be reimbursed promptly by the Corporation as billed by the Comptroller General. All such audit expenses shall be charged to operating expenses of the Corporation. The Comptroller General shall make special report to the President of the United States and to the Congress of any transaction or condition found by him to be in conflict with the powers or duties intrusted to the Corporation by law.

"SEC. 10. The board is hereby empowered and authorized to sell the surplus power not used in its operations, and for operation of locks and other works generated by it, to States, counties, municipalities, corporations, partnerships, or individuals, according to the policies hereinafter set forth; and to carry out said authority, the board is authorized to enter into contracts for such sale for a term not exceeding 20 years, and in the sale of such current by the board it shall give preference to States, counties, municipalities, and cooperative organizations of citizens or farmers, not organized or doing business for profit, but primarily for the purpose of supplying electricity to its own citizens or members: *Provided,* That all contracts made with private companies or individuals for the sale of power, which power is to be resold for a profit, shall contain a provision authorizing the board to cancel said contract upon 5 years' notice in writing, if the board needs said power to supply the demands of States, counties, or municipalities. In order to promote and encourage the fullest possible use of electric light and power on farms within reasonable distance of any of its transmission lines the board in its discretion shall have power to construct transmission lines to farms and small villages that are not otherwise supplied with electricity at reasonable rates, and to make such rules and regulations governing such sale and distribution of such electric power as in its judgment may be just and equitable: *Provided further,* That the board is hereby authorized and directed to make studies, experiments, and determinations to promote the wider and better use of electric power for agricultural and domestic use, or for small or local industries, and it may cooperate with State governments, or their subdivisions or agencies, with educational or research institutions, and with cooperatives or other organizations, in the application of electric power to the fuller and better balanced development of the resources of the region.

"SEC. 11. It is hereby declared to be the policy of the Government so far as practical to distribute and sell the surplus power generated at Muscle Shoals equitably among the States, counties, and municipalities within transmission distance. This policy is further declared to be that the projects herein provided for shall be considered primarily as for the benefit of the people of the section as a whole and particularly the domestic and rural consumers to whom the power can economically be made available, and accordingly that sale to and use by industry shall be a secondary purpose, to be utilized principally to secure a sufficiently high load factor and revenue returns which will permit domestic and rural use at the lowest possible rates and in such manner as to encourage increased domestic and rural use of electricity. It is further hereby declared to be the policy of the Government to utilize the Muscle Shoals properties so far as may be necessary to improve, increase, and cheapen the production of fertilizer and fertilizer ingredients by carrying out the provisions of this act.

"SEC. 12. In order to place the board upon a fair basis for making such contracts and for receiving bids for the sale of such power, it is hereby expressly authorized, either from appropriations made by Congress or from funds secured from the sale of such power, or from funds secured by the sale of bonds hereafter provided for, to construct, lease, purchase, or authorize the construction of transmission lines within transmission distance from the place where generated, and to interconnect with other systems. The board is also authorized to lease to any person, persons, or corporation the use of any transmission line owned by the Government and operated by the board, but no such lease shall be made that in any way interferes with the use of such transmission line by the board: *Provided,* That if any State, county, municipality, or other public or cooperative organization of citizens or farmers, not organized or doing business for profit, but primarily for the purpose of supplying electricity to its own citizens or members, or any two or more of such municipalities or organizations, shall construct or agree to construct and maintain a properly designed and built transmission line to the Government reservation upon which is located a Government generating plant, or to a main transmission line owned by the Government or leased by the board and under the control of the board, the board is hereby authorized and directed to contract with such State, county, municipality, or other organization, or two or more of them, for the sale of electricity for a term not exceeding 30 years; and in any such case the board shall give to such State, county, municipality, or other organization ample time to fully comply with any local law now in existence or hereafter enacted providing for the necessary legal authority for such State, county, municipality, or other organization to contract with the board for such power: *Provided further,* That all contracts entered into between the Corporation and any municipality or other political subdivision or corporative organization shall provide that the electric power shall be sold and distributed to the ultimate consumer without discrimination as between consumers of the same class, and such contract shall be voidable at the election of the board if a discriminatory rate, rebate, or other special concession is made or given to any consumer or user by the municipality or other political subdivision or cooperative organization: *And provided further,* That as

to any surplus power not so sold as above provided to States, counties, municipalities, or other said organizations, before the board shall sell the same to any person or corporation engaged in the distribution and resale of electricity for profit, it shall require said person or corporation to agree that any resale of such electric power by said person or corporation shall be made to the ultimate consumer of such electric power at prices that shall not exceed a schedule fixed by the board from time to time as reasonable, just, and fair; and in case of any such sale, if an amount is charged the ultimate consumer which is in excess of the price so deemed to be just, reasonable, and fair by the board, the contract for such sale between the board and such distributor of electricity shall be voidable at the election of the board: *And provided further*, That the board is hereby authorized to enter into contracts with other power systems for the mutual exchange of unused excess power upon suitable terms, for the conservation of stored water, and as an emergency or break-down relief.

"SEC. 13. Five percent of the gross proceeds received by the board for the sale of power generated at Dam No. 2, or from any other hydropower plant hereafter constructed in the State of Alabama, shall be paid to the State of Alabama; and 5 percent of the gross proceeds from the sale of power generated at Cove Creek Dam, hereinafter provided for, or any other dam located in the State of Tennessee, shall be paid to the State of Tennessee. Upon the completion of said Cove Creek Dam the board shall ascertain how much additional power is thereby generated at Dam No. 2 and at any other dam hereafter constructed by the Government of the United States on the Tennessee River, in the State of Alabama, or in the State of Tennessee, and from the gross proceeds of the sale of such additional power 2½ percent shall be paid to the State of Alabama and 2½ percent to the State of Tennessee. These percentages shall apply to any other dam that may hereafter be constructed and controlled and operated by the board on the Tennessee River or any of its tributaries, the main purpose of which is to control flood waters and where the development of electric power is incidental to the operation of such flood-control dam. In ascertaining the gross proceeds from the sale of such power upon which a percentage is paid to the States of Alabama and Tennessee, the board shall not take into consideration the proceeds of any power sold or delivered to the Government of the United States, or any department or agency of the Government of the United States, used in the operation of any locks on the Tennessee River or for any experimental purpose, or for the manufacture of fertilizer or any of the ingredients thereof, or for any other governmental purpose: *Provided*, That the percentages to be paid to the States of Alabama and Tennessee, as provided in this section, shall be subject to revision and change by the board, and any new percentages established by the board, when approved by the President, shall remain in effect until and unless again changed by the board with the approval of the President. No change of said percentages shall be made more often than once in 5 years, and no change shall be made without giving to the States of Alabama and Tennessee an opportunity to be heard.

"SEC. 14. The board shall make a thorough investigation as to the present value of Dam No. 2, and the steam plants at nitrate plant no. 1, and nitrate plant no. 2, and as to the cost of Cove Creek Dam, for the purpose of ascertaining how much of the value or the cost of said properties shall be allocated and charged up to (1) flood control, (2) navigation, (3) fertilizer, (4) national defense, and (5) the development of power. The findings thus made by the board, when approved by the President of the United States, shall be final, and such findings shall thereafter be used in all allocation of value for the purpose of keeping the book value of said properties. In like manner, the cost and book value of any dams, steam plants, or other similar improvements hereafter constructed and turned over to said board for the purpose of control and management shall be ascertained and allocated.

"SEC. 15. In the construction of any future dam, steam plant, or other facility, to be used in whole or in part for the generation or transmission of electric power the board is hereby authorized and empowered to issue on the credit of the United States and to sell serial bonds not exceeding $50,000,000 in amount, having a maturity not more than 50 years from the date of issue thereof, and bearing interest not exceeding 3½ percent per annum. Said bonds shall be issued and sold in amounts and prices approved by the Secretary of the Treasury, but all such bonds as may be so issued and sold shall have equal rank. None of said bonds shall be sold below par, and no fee, commission, or compensation whatever shall be paid to any person, firm, or corporation for handling, negotiating the sale, or selling the said bonds. All of such bonds so issued and sold shall have all the rights and privileges accorded by law to Panama Canal bonds, authorized by section 8 of the act of June 28, 1902, chapter 1302, as amended by the act of December 21, 1905 (ch. 3, sec. 1, 34 Stat. 5), as now compiled in section 743 of title 31 of the United States Code. All funds derived from the sale of such bonds shall be paid over to the Corporation.

"SEC. 16. The board, whenever the President deems it advisable, is hereby empowered and directed to complete Dam No. 2 at Muscle Shoals, Ala., and the steam plant at nitrate plant no. 2, in the vicinity of Muscle Shoals, by installing in Dam No. 2 the additional power units according to the plans and specifications of said dam, and the additional power unit in the steam plant at nitrate plant no. 2.

"SEC. 17. The Secretary of War, or the Secretary of the Interior, is hereby authorized to construct, either directly or by contract to the lowest responsible bidder, after due advertisement, a dam in and across Clinch River in the State of Tennessee, which has by long custom become known and designated as the Cove Creek Dam, together with a transmission line from Muscle Shoals, according to the latest and most approved designs, including power house and hydroelectric installations and equipment for the generation of power, in order that the waters of the said Clinch River may be impounded and stored above said dam for the purpose of increasing and regulating the flow of the Clinch River and the Tennessee River below, so that the maximum amount of primary power may be developed at Dam No. 2 and at any and all other dams below the said Cove Creek Dam: *Provided, however*, That the President is hereby authorized by appropriate order to direct the employment by the Secretary of War, or by the Secretary of the Interior, of such engineer or engineers as he may designate, to perform such duties and obligations as he may deem proper, either in the drawing of plans and specifications for said dam, or to perform any other work in the building or construction of the same. The President may, by such order, place the control of the construction of said dam in the hands of such engineer or engineers taken from private life as he may desire: *And provided further*, That the President is hereby expressly authorized, without regard to the restriction or limitation of any other statute, to select attorneys and assistants for the purpose of making any investigation he may deem proper to ascertain whether, in the control and management of Dam No. 2, or any other dam or property owned by the Government in the Tennessee River Basin, or in the authorization of any improvement therein, there has been any undue or unfair advantage given to private persons, partnerships, or corporations, by any officials or employees of the Government, or whether in any such matters the Government has been injured or unjustly deprived of any of its rights.

"SEC. 18. In order to enable and empower the Secretary of War, the Secretary of the Interior, or the board to carry out the authority hereby conferred, in the most economical and efficient manner, he or it is hereby authorized and empowered in the exercise of the powers of national defense, in aid of navigation, and in the control of the flood waters of the Tennessee and Mississippi Rivers, constituting channels of interstate commerce, to exercise the right of eminent domain for all purposes of this act, and to condemn all lands, easements, rights of way, and other area necessary in order to obtain a site for said Cove Creek Dam, and the flowage rights for the reservoir of water above said dam, and to

negotiate and conclude contracts with States, counties, municipalities, and all State agencies and with railroads, railroad corporations, common carriers, and all public-utility commissions and any other person, firm, or corporation, for the relocation of railroad tracks, highways, highway bridges, mills, ferries, electric-light plants, and any and all other properties, enterprises, and projects whose removal may be necessary in order to carry out the provisions of this act. When said Cove Creek Dam, transmission line, and power house shall have been completed, the possession, use, and control thereof shall be intrusted to the Corporation for use and operation in connection with the general Tennessee Valley project, and to promote flood control and navigation in the Tennessee River.

"SEC. 19. The Corporation, as an instrumentality and agency of the Government of the United States for the purpose of executing its constitutional powers, shall have access to the Patent Office of the United States for the purpose of studying, ascertaining, and copying all methods, formulae, and scientific information (not including access to pending applications for patents) necessary to enable the Corporation to use and employ the most efficacious and economical process for the production of fixed nitrogen, or any essential ingredient of fertilizer, or any method of improving and cheapening the production of hydroelectric power, and any owner of a patent whose patent rights may have been thus in any way copied, used, infringed, or employed by the exercise of this authority by the Corporation shall have as the exclusive remedy a cause of action against the Corporation to be instituted and prosecuted on the equity side of the appropriate district court of the United States, for the recovery of reasonable compensation for such infringement. The Commissioner of Patents shall furnish to the Corporation, at its request and without payment of fees, copies of documents on file in his office: *Provided*, That the benefits of this section shall not apply to any art, machine, method of manufacture, or composition of matter, discovered or invented by such employee during the time of his employment or service with the Corporation or with the Government of the United States.

"SEC. 20. The Government of the United States hereby reserves the right, in case of war or national emergency declared by Congress, to take possession of all or any part of the property described or referred to in this act for the purpose of manufacturing explosives or for other war purposes; but, if this right is exercised by the Government, it shall pay the reasonable and fair damages that may be suffered by any party whose contract for the purchase of electric power or fixed nitrogen or fertilizer ingredients is hereby violated, after the amount of the damages has been fixed by the United States Court of Claims in proceedings instituted and conducted for that purpose under rules prescribed by the court.

"SEC. 21. (a) All general penal statutes relating to the larceny, embezzlement, conversion, or to the improper handling, retention, use, or disposal of public moneys or property of the United States shall apply to the moneys and property of the Corporation and to moneys and properties of the United States intrusted to the Corporation.

"(b) Any person who, with intent to defraud the Corporation, or to deceive any director, officer, or employee of the Corporation or any officer or employee of the United States (1) makes any false entry in any book of the Corporation, or (2) makes any false report or statement for the Corporation, shall, upon conviction thereof, be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(c) Any person who shall receive any compensation, rebate, or reward, or shall enter into any conspiracy, collusion, or agreement, express or implied, with intent to defraud the Corporation or wrongfully and unlawfully to defeat its purposes, shall, on conviction thereof, be fined not more than $5,000, or imprisoned not more than 5 years, or both.

"SEC. 22. To aid further the proper use, conservation, and development of the natural resources of the Tennessee River drainage basin and of such adjoining territory as may be related to or materially affected by the development consequent to this act, and to provide for the general welfare of the citizens of said areas, the President is hereby authorized, by such means or methods as he may deem proper within the limits of appropriations made therefor by Congress, to make such surveys of and general plans for said Tennessee Basin and adjoining territory as may be useful to the Congress and to the several States in guiding and controlling the extent, sequence, and nature of development that may be equitably and economically advanced through the expenditure of public funds, or through the guidance or control of public authority, all for the general purpose of fostering an orderly and proper physical, economic, and social development of said areas; and the President is further authorized in making said surveys and plans to cooperate with the States affected thereby, or subdivisions or agencies of such States, or with cooperative or other organizations, and to make such studies, experiments, or demonstrations as may be necessary and suitable to that end.

"SEC. 23. The President shall, from time to time, as the work provided for in the preceding section progresses, recommend to Congress such legislation as he deems proper to carry out the general purposes stated in said section, and for the especial purpose of bringing about in said Tennessee drainage basin and adjoining territory in conformity with said general purposes (1) the maximum amount of flood control; (2) the maximum development of said Tennessee River for navigation purposes; (3) the maximum generation of electric power consistent with flood control and navigation; (4) the proper use of marginal lands; (5) the proper method of reforestation of all lands in said drainage basin suitable for reforestation; and (6) the economic and social well-being of the people living in said river basin.

"SEC. 24. For the purpose of securing any rights of flowage, or obtaining title to or possession of any property, real or personal, that may be necessary or may become necessary, in the carrying out of any of the provisions of this act, the President of the United States for a period of 3 years from the date of the enactment of this act, is hereby authorized to acquire title in the name of the United States to such rights or such property, and to provide for the payment for same by directing the board to contract to deliver power generated at any of the plants now owned or hereafter owned or constructed by the Government or by said Corporation, such future delivery of power to continue for a period not exceeding 30 years. Likewise, for 1 year after the enactment of this act, the President is further authorized to sell or lease any parcel or part of any vacant real estate now owned by the Government in said Tennessee River Basin, to persons, firms, or corporations who shall contract to erect thereon factories or manufacturing establishments, and who shall contract to purchase of said Corporation electric power for the operation of any such factory or manufacturing establishment. No contract shall be made by the President for the sale of any of such real estate as may be necessary for present or future use on the part of the Government for any of the purposes of this act. Any such contract made by the President of the United States shall be carried out by the board: *Provided*, That no such contract shall be made that will in any way abridge or take away the preference right to purchase power given in this act to States, counties, municipalities, or farm organizations: *Provided further*, That no lease shall be for a term to exceed 50 years: *Provided further*, That any sale shall be on condition that said land shall be used for industrial purposes only.

"SEC. 25. The Corporation may cause proceedings to be instituted for the acquisition by condemnation of any lands, easements, or rights of way which, in the opinion of the Corporation, are necessary to carry out the provisions of this act. The proceedings shall be instituted in the United States district court for the district in which the land, easement, right of way, or other interest, or any part thereof, is located, and such court shall have full jurisdiction to divest the complete title to the property sought to be acquired out of all persons or claimants and vest the same in the United States

in fee simple, and to enter a decree quieting the title thereto in the United States of America.

"Upon the filing of a petition for condemnation and for the purpose of ascertaining the value of the property to be acquired, and assessing the compensation to be paid, the court shall appoint three commissioners who shall be disinterested persons and who shall take and subscribe an oath that they do not own any lands, or interest or easement in any lands, which it may be desirable for the United States to acquire in the furtherance of said project, and such commissioners shall not be selected from the locality wherein the land sought to be condemned lies. Such commissioners shall receive a per diem of not to exceed $15 for their services, together with an additional amount of $5 per day for subsistence for time actually spent in performing their duties as commissioners.

"It shall be the duty of such commissioners to examine into the value of the lands sought to be condemned, to conduct hearings and receive evidence, and generally to take such appropriate steps as may be proper for the determination of the value of the said lands sought to be condemned, and for such purpose the commissioners are authorized to administer oaths and subpena witnesses, which said witnesses shall receive the same fees as are provided for witnesses in the Federal courts. The said commissioners shall thereupon file a report setting forth their conclusions as to the value of the said property sought to be condemned, making a separate award and valuation in the premises with respect to each separate parcel involved. Upon the filing of such award in court the clerk of said court shall give notice of the filing of such award to the parties to said proceeding, in manner and form as directed by the judge of said court.

"Either or both parties may file exceptions to the award of said commissioners within 20 days from the date of the filing of said award in court. Exceptions filed to such award shall be heard before three Federal district judges unless the parties, in writing, in person, or by their attorneys, stipulate that the exceptions may be heard before a lesser number of judges. On such hearing such judges shall pass de novo upon the proceedings had before the commissioners, may view the property, and may take additional evidence. Upon such hearings the said judges shall file their own award, fixing therein the value of the property sought to be condemned, regardless of the award previously made by the said commissioners.

"At any time within 30 days from the filing of the decision of the district judges upon the hearing on exceptions to the award made by the commissioners, either party may appeal from such decision of the said judges to the circuit court of appeals, and the said circuit court of appeals shall upon the hearing on said appeal dispose of the same upon the record, without regard to the awards or findings theretofore made by the commissioners or the district judges, and such circuit court of appeals shall thereupon fix the value of the said property sought to be condemned.

"Upon acceptance of an award by the owner of any property herein provided to be appropriated, and the payment of the money awarded or upon the failure of either party to file exceptions to the award of the commissioners within the time specified, or upon the award of the commissioners, and the payment of the money by the United States pursuant thereto, or the payment of the money awarded into the registry of the court by the Corporation, the title to said property and the right to the possession thereof shall pass to the United States, and the United States shall be entitled to a writ in the same proceeding to dispossess the former owner of said property, and all lessees, agents, and attorneys of such former owner, and to put the United States, by its corporate creature and agent, the Corporation, into possession of said property.

"In the event of any property owned in whole or in part by minors, or insane persons, or incompetent persons, or estates of deceased persons, then the legal representatives of such minors, insane persons, incompetent persons, or estates shall have power, by and with the consent and approval of the trial judge in whose court said matter is for determination, to consent to or reject the awards of the commissioners herein provided for, and in the event that there be no legal representatives, or that the legal representatives for such minors, insane persons, or incompetent persons shall fail or decline to act, then such trial judge may, upon motion, appoint a guardian ad litem to act for such minors, insane persons, or incompetent persons, and such guardian ad litem shall act to the full extent and to the same purpose and effect as his ward could act, if competent, and such guardian ad litem shall be deemed to have full power and authority to respond, to conduct, or to maintain any proceeding herein provided for affecting his said ward.

"SEC. 26. The net proceeds derived by the board from the sale of power and any of the products manufactured by the Corporation, after deducting the cost of operation, maintenance, depreciation, amortization, and an amount deemed by the board as necessary to withhold as operating capital, or devoted by the board to new construction, shall be paid into the Treasury of the United States at the end of each calendar year.

"SEC. 27. All appropriations necessary to carry out the provisions of this act are hereby authorized.

"SEC. 28. That all acts or parts of acts in conflict herewith are hereby repealed, so far as they affect the operations contemplated by this act.

"SEC. 29. The right to alter, amend, or repeal this act is hereby expressly declared and reserved, but no such amendment or repeal shall operate to impair the obligation of any contract made by said Corporation under any power conferred by this act.

"SEC. 30. The sections of this act are hereby declared to be separable, and in the event any one or more sections of this act be held to be unconstitutional, the same shall not affect the validity of other sections of this act."

And the Senate agree to the same.

Amend the title, as proposed by the Senate, so as to read: "An act to improve the navigability and to provide for the flood control of the Tennessee River; to provide for reforestation and the proper use of marginal lands in the Tennessee Valley; to provide for the agricultural and industrial development of said valley; to provide for the national defense by the creation of a corporation for the operation of Government properties at and near Muscle Shoals in the State of Alabama, and for other purposes"; and the House agree to the same.

E. D. SMITH,
JOHN B. KENDRICK,
B. K. WHEELER,
G. W. NORRIS,
CHAS. L. MCNARY,
Managers on the part of the Senate.

JOHN J. MCSWAIN,
LISTER HILL,
Managers on the part of the House.

Mr. SMITH. Mr. President, in view of the fact that the changes in the bill as passed by the Senate are not very material, and as this measure is one of considerable importance, I ask unanimous consent for the immediate consideration of the report.

The VICE PRESIDENT. Is there objection?

Mr. MCNARY. Mr. President, while I joined the Senator in making the report, a great many Senators in the Chamber desire such reports as this to go over for the day, under the rule, because they want to have an opportunity to read them; and I cannot make an exception in this case. Therefore I must object.

The VICE PRESIDENT. Let the Chair suggest to the Senator from South Carolina that the report does not have to go over until tomorrow. The only question is whether the reading of it can be completed in 30 minutes before the

Court of Impeachment shall meet. Does the Senator care to continue?

Mr. SMITH. Mr. President, I thought perhaps the Senate might be in the spirit to adopt the conference report, as it is practically in the form in which the bill passed the Senate. I thought we might save time and expedite matters by considering it now. The author of the particular bill is of the opinion that we might get through with it before the time for the Senate to convene as a Court of Impeachment. That was the reason I asked unanimous consent, which, in effect, would be suspending the rule that it must go over for a day. However, in face of the objection, I merely present the report and consent to have it lie on the table.

Mr. NORRIS. Mr. President, of course it is in order under the rules to move to consider the report; but if the Senator from Oregon or any other Senator desires more time to look into it, I shall not object to its going over. However, just as the Senator from South Carolina says, we have been over this subject almost a thousand times.

The VICE PRESIDENT. The Chair just called attention to the fact that the presentation of a report of a committee of conference is always in order, except when the Journal is being read or a question of order or motion is pending.

Mr. McNARY. Mr. President, I have said I must adhere to the policy which I have heretofore inaugurated, in fairness to Members of the Senate who are not conversant with the particular report, and I hope the Senator from South Carolina will not insist on making the motion.

The VICE PRESIDENT. Without objection, the report will lie on the table and go over until tomorrow.

SUSPENSION OF REPORTS OF LARGE SPECULATIVE ACCOUNTS IN GRAIN FUTURES (S.DOC. NO. 61)

The VICE PRESIDENT laid before the Senate a letter from the Secretary of Agriculture, transmitting, in response to Senate Resolution 376, Seventy-second Congress, a report relative to the suspension of reports of large speculative accounts in grain futures, which, with the accompanying report, was referred to the Committee on Agriculture and Forestry and ordered to be printed, with illustrations.

CHAIN STORES: WASHINGTON—GROCERY (S.DOC. NO. 62)

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Federal Trade Commission, transmitting, in response to Senate Resolution 224, Seventieth Congress, a report of the Commission relative to prices and margins of chain and independent distributors, which, with the accompanying report, was referred to the Committee on the Judiciary and ordered to be printed.

CHANGE IN DATE OF THE INAUGURATION

The VICE PRESIDENT laid before the Senate a concurrent resolution of the Legislature of the State of Florida ratifying the twentieth amendment of the Constitution, fixing the commencement of the terms of President and Vice President and Members of Congress, and fixing the time of the assembling of Congress, which was ordered to lie on the table and to be printed in the RECORD, as follows:

Senate Concurrent Resolution 6

Concurrent resolution ratifying the proposed amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembling of Congress

Whereas the Seventy-second Congress of the United States of America, at its first session in both Houses, by a constitutional amendment of two thirds thereof, has made the following proposition to amend the Constitution of the United States of America in the following words, to wit:

"Joint resolution proposing an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembling of Congress

"*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two thirds of each House concurring therein)*, That the following amendment to the Constitution be, and hereby is, proposed to the States, to become valid as a part of said Constitution when ratified by the legislatures of the several States as provided in the Constitution:

"'Article —

"'SECTION 1. The terms of the President and Vice President shall end at noon on the 20th day of January, and the terms of Senators and Representatives at noon on the 3d day of January, of the years in which such terms would have ended if this article had not been ratified; and the terms of their successors shall then begin.

"'SEC. 2. The Congress shall assemble at least once in every year, and such meeting shall begin at noon on the 3d day of January, unless they shall by law appoint a different day.

"'SEC. 3. If, at the time fixed for the beginning of the term of the President, the President-elect shall have died, the Vice-President-elect shall become President. If a President shall not have been chosen before the time fixed for the beginning of his term, or if the President-elect shall have failed to qualify, then the Vice-President-elect shall act as President until a President shall have qualified; and the Congress may by law provide for the case wherein neither a President-elect nor a Vice-President-elect shall have qualified, declaring who shall then act as President, or the manner in which one who is to act shall be selected, and such person shall act accordingly until a President or Vice President shall have qualified.

"'SEC. 4. The Congress may by law provide for the case of the death of any of the persons from whom the House of Representatives may choose a President whenever the right of choice shall have devolved upon them, and for the case of the death of any of the persons from whom the Senate may choose a Vice President whenever the right of choice shall have devolved upon them.

"'SEC. 5. Sections 1 and 2 shall take effect on the 15th day of October following the ratification of this article.

"'SEC. 6. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three fourths of the several States within 7 years from the date of its submission'";

Therefore be it

Resolved by the Senate of the State of Florida (the House of Representatives concurring), That the said proposed amendment to the Constitution of the United States of America be and the same is hereby ratified by the Legislature of the State of Florida; be it further

Resolved, That certified copies of the foregoing preamble and resolution be immediately forwarded by the secretary of state of the State of Florida, under the great seal, to the President of the United States, the President of the Senate of the United States, and the Speaker of the House of Representatives of the United States.

Approved by the Governor of Florida May 10, 1933.

STATE OF FLORIDA,
Office Secretary of State, ss:

I, R. A. Gray, secretary of state of the State of Florida, do hereby certify that the foregoing is a true and correct copy of Senate Concurrent Resolution No. 6 as passed by the Legislature of Florida, session 1933, and filed in this office.

Given under my hand and the great seal of the State of Florida, at Tallahassee, the capital, this the 12th day of May A.D. 1933.

[SEAL] R. A. GRAY, *Secretary of State.*

PETITIONS AND MEMORIALS

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

THE STATE OF MARYLAND,
EXECUTIVE DEPARTMENT.

I, David C. Winebrenner, 3d, secretary of state of the State of Maryland, under and by virtue of the authority vested in me by section 59 of article 35 of the Annotated Code of Maryland, do hereby certify that the attached is a true and correct copy of Joint Resolution No. 10 of the acts of the General Assembly of Maryland of 1933.

In testimony whereof I have hereunto set my hand and have caused to be affixed the official seal of the secretary of state at Annapolis, Md., this 12th day of May A.D. 1933.

[SEAL] DAVID C. WINEBRENNER, 3d,
Secretary of State.

Joint Resolution 10

A joint resolution requesting the United States Senate to ratify the treaty whereby the United States would become a member of the World Court

Whereas the platform of both major parties endorsed the World Court and approved membership therein by the United States; and

Whereas there seems to be no need for longer delay in joining the other nations of the world in supporting and maintaining said Court; and

Whereas the entrance of the United States into said Court would give great strength and comfort to those who are trying to maintain world peace by just and peaceful means; and

Whereas immediate ratification of the pending treaty for the adherence of the United States to the World Court would have a most heartening effect on the people everywhere: Therefore be it

Resolved by the General Assembly of Maryland, That the United States Senate be, and it is hereby, requested to ratify without delay the treaty now pending before it for the adherence of the United States to the World Court; and be it further

Resolved, That in the event the United States adheres to the statute of the World Court it shall make the following reservation: The code of law to be administered by the World Court shall not contain inequalities based on sex; and be it further

Resolved, That the representatives in the United States Senate from Maryland be, and they are hereby, urged to vote and to use their influence for the ratification of said treaty; and be it further

Resolved, That the secretary of state be, and he is hereby, directed to send a copy of this resolution to the President of the United States, to the President of the United States Senate, and to each representative from Maryland in the United States Senate.

Approved April 21, 1933.

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of the Territory of Hawaii, which was referred to the Committee on Territories and Insular Affairs:

TERRITORY OF HAWAII,
OFFICE OF THE SECRETARY.

This is to certify that hereto attached is a true and correct copy of Joint Resolution No. 2, as passed by the Legislature of the Territory of Hawaii in its regular session of 1933, the original of which is on file in this office.

In witness whereof I have hereunto set my hand and caused the great seal of the Territory to be affixed. Done at the capitol in Honolulu this 28th day of April A.D. 1933.

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

Joint resolution requesting the Congress of the United States of America to amend the Hawaiian Homes Commission Act, 1920, so as to place certain of the lands of Auwaiolimu, Kewalo, and Kalawahine, on the Island of Oahu, Territory of Hawaii, under the operation of the Hawaiian Homes Commission Act, 1920, and to confer thereon the status of Hawaiian home lands

Whereas there is no available public land in close proximity to the city of Honolulu which may be allotted under the provisions of the Hawaiian Homes Commission Act, 1920, to native Hawaiians for residence purposes; and

Whereas there are a large number of native Hawaiians in the congested tenement districts in the city of Honolulu whose condition will be greatly improved if they are enabled to secure residence lots in less-congested areas in or near said city under the terms of the Hawaiian Homes Commission Act, 1920, and thereby escape from the unhealthy conditions of said tenement districts; and

Whereas it is advisable and for the best interests of the Hawaiian race that the lands hereinafter described, which are within the limits of the city of Honolulu but are unoccupied at the present time, be brought under the operation of the Hawaiian Homes Commission Act, 1920, and be made available to native Hawaiians for residence purposes in lots not exceeding in area one half acre each: Now, therefore,

Be it enacted by the Legislature of the Territory of Hawaii, That the Congress of the United States of America be, and it hereby is, requested, through the Delegate to Congress from the Territory of Hawaii, to place under the operation of the Hawaiian Homes Commission Act, 1920, and to declare to be, and to confer thereon the status of, Hawaiian home lands under said act those certain parcels of land, being portions of the lands of Auwaiolimu, Kewalo, and Kalawahine, on the island of Oahu, described in the proposed bill hereinafter set forth in words and figures, which bill the said Congress is hereinafter requested to enact, such lands to be made available for allotment by the Hawaiian Homes Commission under the provisions of said act to native Hawaiians for residence purposes in lots not exceeding in area one half acre each; and to that end the Congress of the United States of America is hereby requested and urged, through said Delegate to Congress, to enact and adopt a bill amendatory of the Hawaiian Homes Commission Act, 1920, in substantially the following words and figures, to wit:

"A bill to amend sections 203 and 207 of the Hawaiian Homes Commission Act, 1920 (U.S.C., title 48, secs. 697 and 701), conferring upon certain of the lands of Auwaiolimu, Kewalo, and Kalawahine, on the island of Oahu, Territory of Hawaii, the status of Hawaiian home lands, and providing for the leasing thereof to native Hawaiians for residence purposes in lots not exceeding in area one half acre each

"*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That paragraph numbered '(4)' of section 203 of the Hawaiian Homes Commission Act, 1920 (U.S.C., title 48, sec. 697) is hereby amended to read as follows, to wit:

"'(4) On the island of Oahu: Nanakuli (3,000 acres, more or less) and Lualualei (2,000 acres, more or less) in the district of Waianae; and Waimanalo (4,000 acres, more or less) in the district of Koolaupoko, excepting therefrom the military reservation and the beach lands; and those certain portions of the lands of Auwaiolimu and Kewalo described by metes and bounds as follows, to wit:

"'(i) Portion of the government land of Auwaiolimu, Punchbowl Hill, Honolulu, Oahu, described as follows: Beginning at a pipe at the southeast corner of this tract of land, on the boundary between the lands of Kewalo and Auwaiolimu, the coordinates of said point of beginning referred to government survey trig. station "Punchbowl" being 1,135.9 feet north and 2,557.8 feet east, as shown on government survey registered map 2692, and running by true azimuths:

"'1. 163° 31' 238.8 feet along the east side of the Punchbowl-Makiki Road;

"'2. 94° 08' 124.9 feet across Tantalus Drive and along the east side of Puuowaina Drive;

"'3. 131° 13' 232.5 feet along a 25-foot roadway;

"'4. 139° 55' 20.5 feet along same;

"'5. 168° 17' 257.8 feet along Government land (old quarry lot);

"'6. 156° 30' 333.0 feet along same to a pipe;

"'7. Thence following the old Auwaiolimu stone wall along L. C. Award 3145 to Laenui, Grant 5147, (Lot 8 to C. W. Booth), L. C. Award 1375 to Kapule and L. C. Award 1355 to Kekuanoni, the direct azimuth and distance being: 249° 41' 1,303.5 feet;

"'8. 321° 12' 693.0 feet along the remainder of the land of Auwaiolimu;

"'9. 51° 12' 1,400.0 feet along the land at Kewalo to the point of beginning, containing an area of 27 acres; excepting and reserving therefrom Tantalus Drive, crossing this land;

"'(ii) Portion of the land of Kewalo, Punchbowl Hill, Honolulu, Oahu, being part of the lands set aside for the use of the Hawaii Experiment Station of the United States Department of Agriculture by proclamation of the acting Governor of Hawaii, dated June 10, 1901, and described as follows: Beginning at the northeast corner of this lot, at a place called Puu Ea on the boundary between the lands of Kewalo and Auwaiolimu, the coordinates of said point of beginning referred to Government survey trig. station "Punchbowl" being 3,255.6 feet north and 5,244.7 feet east, as shown on Government survey registered map 2692 of the Territory of Hawaii, and running by true azimuths:

"'1. 354° 30' 930.0 feet along the remainder of the land of Kewalo, to the middle of the stream which divides the lands of Kewalo and Kalawahine;

"'2. Thence down the middle of said stream along the land of Kalawahine, the direct azimuth and distance being 49° 16' 1,512.5 feet;

"'3. 141° 12' 860.0 feet along the remainder of the land of Kewalo;

"'4. 231° 12' 552.6 feet along the land of Auwaiolimu to Puu Iole.

"'5. Thence still along the said land of Auwaiolimu following the top of the ridge to the point of beginning, the direct azimuth and distance being 232° 26' 1,470.0 feet, containing an area of 30 acres. Excepting and reserving therefrom Tantalus Drive, crossing this land.

"'(iii) Together with that portion of the land of Kalawahine (25 acres more or less), makai of Tantalus Drive, and lying between the portion of the land of Kewalo above described and the so-called "Kalawahine lots", in the District of Honolulu.'

"SEC. 2. Paragraph numbered (3) of subsection (a) of section 207 of the Hawaiian Homes Commission Act, 1920, as amended (U.S.C., title 48, sec. 701), is hereby amended by adding thereto immediately following the end thereof, an additional proviso, reading as follows, to wit:

"'*Provided further*, That the portions of the lands of Auwaiolimu, Kewalo, and Kalawahine on the island of Oahu under the control of the commission, shall be leased only for residence purposes in individual lots not exceeding in area one half acre per lot.'

"SEC. 3. This act shall take effect on and after the date of its approval."

SEC. 2. The Secretary of Hawaii is hereby requested and directed to forward certified copies of this joint resolution to the delegates to Congress from Hawaii, to the Secretary of the Interior, and to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States.

Approved this 26th day of April A.D. 1933.

LAWRENCE M. JUDD,
Governor of the Territory of Hawaii.

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

TERRITORY OF ALASKA,
OFFICE OF SECRETARY FOR THE TERRITORY.

I, Karl Theile, secretary of Alaska and custodian of the great seal of said Territory, do hereby certify that I have compared the annexed copy of Senate Joint Memorial No. 9 of the Alaska Territorial Legislature, 1933, with the original thereof, and that the same is a full, true, and correct copy of said original now on file in my office.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the Territory of Alaska at Juneau, the capital, this 2d day of May A.D. 1933.

[SEAL] KARL THEILE,
Secretary of Alaska.

Senate Joint Memorial 9 (by Mr. Walker)

To the President of the United States and to the Congress of the United States and to the Honorable A. J. Dimond, Delegate to Congress from Alaska, and to the Commissioner of Indian Affairs:

Your memorialist, the Legislature of the Territory of Alaska, in eleventh regular session assembled, do most respectfully represent that:

Whereas the vital-statistics records show that more than three times as many persons die in the Territory of Alaska from tuberculosis than from any other cause, and further that practically

all of the victims of the white plague are natives, and the 1930 census shows there are 29,983 natives in the Territory—5,990 in the first division, 8,686 in the second division, 7,298 in the third division, and 8,009 in the fourth division; and

Whereas the only facilities for handling this dreaded disease among the natives, as reported by the medical director connected with the Bureau of Indian Affairs, consists of an annex to the native hospital in Juneau, Alaska; that this institution is not nearly large enough to care for the Indian patients in this immediate vicinity, and that frequently it has been necessary to refuse admittance to many needy cases, which necessitates returning these patients to their families and further exposing others and spreading the disease; that this single institution has demonstrated the wisdom of maintaining such institutions in every division of the Territory, and the need for such places is urgent;

Now, therefore, we, your memorialists, petition the Congress of the United States to appropriate sufficient funds for the Bureau of Indian Affairs to construct and operate such institutions in each of the four judicial divisions of the Territory and at such places as the said Bureau of Indian Affairs shall deem advisable.

And your memorialists will ever pray.

Passed by the senate April 24, 1933.

ALLEN SHATTUCK,
President of the Senate.

Attest:

AGNES F. ADSIT,
Secretary of the Senate.

Passed by the house April 28, 1933.

JOE MCDONALD,
Speaker of the House.

Attest:

C. H. HELGESEN,
Chief Clerk of the House.

A true copy:

AGNES F. ADSIT,
Secretary of the Senate.

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

TERRITORY OF ALASKA,
OFFICE OF SECRETARY FOR THE TERRITORY.

I, Karl Theile, secretary of the Territory of Alaska and custodian of the great seal of said Territory, do hereby certify that I have compared the annexed copy of Senate Joint Memorial No. 6 of the Alaska Territorial Legislature, 1933, with the original thereof, and that the same is a full, true, and correct copy of said original now on file in my office.

In testimony whereof, I have hereunto set my hand and affixed hereto the seal of the Territory of Alaska, at Juneau, the capital, this 2d day of May A.D. 1933.

[SEAL]

KARL THEILE,
Secretary of Alaska.

Senate Joint Memorial 6 (by Mr. Lomen)

To the President of the United States and to the Congress of the United States and to the Honorable A. J. Dimond, Delegate to Congress from Alaska:

Your memorialists, the Legislature of the Territory of Alaska, in eleventh regular session assembled, do most respectfully represent that—

Whereas mining is the basic industry of the Territory of Alaska upon which a large percentage of the population is directly and indirectly dependent; and

Whereas about 98 percent or more of the area of Alaska is public land and contains great potential mineral resources, auriferous deposits, and large areas where mineralized gold-bearing quartz occurs, as has been determined by the United States Geological Survey; and

Whereas these vast areas of public lands are to a large extent unprospected, unappropriated, and not subject to taxation by the Territory nor the United States, and yield no revenue to the Government of either the United States or the Territory of Alaska; and

Whereas the future development of all industries in Alaska, including agriculture and lumbering, depends on the development of the mining industry; and

Whereas this Nation and the whole world are greatly in need of increased gold production as a means of rehabilitating industry and reviving and stabilizing commerce, and aiding in a recovery of prosperity and normal conditions; and

Whereas many of the most promising mining areas in Alaska are in comparatively inaccessible districts not supplied with transportation facilities available to the average prospector; and

Whereas the Government of the United States has in the past assisted in the colonization of her undeveloped territories and possessions by means of various subsidies and inducements to those willing to pioneer unsettled and undeveloped districts and territories, and the Government can, with comparatively small expense, render more aid in the development of Alaska and in the production of gold than has ever been heretofore rendered in the opening up and development of other unsettled and undeveloped possessions of the country; and

Whereas if gold production is stimulated and mining encouraged, colonization can be accomplished, new cities and towns established, agriculture and lumbering encouraged and stimulated, and unemployment relieved and gold production greatly increased by the extension of the necessary encouragement to prospecting; and

Whereas both the Army and the Navy of the United States have many airplanes which are idle during peace times, and have a trained personnel competent to pilot and operate such planes, which could be used to the great advantage of Alaska and the Nation and the whole world in prospecting for gold;

Now, therefore, your memorialists petition that the Senate and the House of Representatives of the United States enact into law without delay a bill to assist in the prospecting of the great undeveloped area of Alaska by authorizing the organization of a prospecting and development army, which shall serve for a definite term of enlistment, officered by competent geologists, engineers, and prospectors, and recompensed on the basis of a small wage, together with an interest in such discoveries as may be made of mineral-bearing lodes and placers; and that machinery be set up in said bill for the authorization of the use of Government airplanes in transporting men and supplies to the areas to be prospected; and that sufficient appropriation be made to carry the expense of such an army of prospectors for a period of 5 years.

And your memorialists will ever pray.

Passed the senate April 20, 1933.

ALLEN SHATTUCK,
President of the Senate.

Attest:

AGNES F. ADSIT,
Secretary of the Senate.

Passed the house April 27, 1933.

JOE MCDONALD,
Speaker of the House.

Attest:

C. H. HELGESEN,
Chief Clerk of the House.

A true copy:

AGNES F. ADSIT,
Secretary of the Senate.

TERRITORY OF ALASKA,
OFFICE OF SECRETARY FOR THE TERRITORY.

I, Karl Theile, secretary of Alaska and custodian of the great seal of said Territory, do hereby certify that I have compared the annexed copy of Senate Joint Memorial No. 8 of the Alaska Territorial Legislature, 1933, with the original thereof, and that the same is a full, true, and correct copy of said original now on file in my office.

In testimony whereof, I have hereunto set my hand and affixed hereto the seal of the Territory of Alaska, at Juneau, the capital, this 3d day of May A.D. 1933.

[SEAL]

KARL THEILE,
Secretary of Alaska.

Senate Joint Memorial 8 (by Mr. DeVane)

To the President of the United States, the Congress of the United States, the Department of Agriculture, and the Department of the Interior, and to the Delegate to Congress from Alaska:

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

Whereas the Congress of the United States has granted the President of the United States broad powers to reorganize the executive department of the Government, to prevent duplication of various departments, and to reduce governmental expenses; and

Whereas the Alaska Game Commission of the Department of Agriculture has built up an expensive and oppressive bureau costing the taxpayers of the United States more than $100,000 per annum, to wit: 1931, $97,450; 1932, $106,290; 1933, $103,566; and

Whereas the activities of the Alaska Game Commission have largely been and are oppressive and repugnant to a large majority of the people of the Territory of Alaska, especially since no distinction is made between commercial trappers and native Indians whose sole means of sustaining themselves is hunting, trapping, and fishing. They have made unreasonable, oppressive, and unenforceable regulations governing the taking and marketing of skins of fur-bearing animals resulting in large financial losses and great inconvenience to trappers and fur dealers who have all their resources invested in the fur industry; and

Whereas the Alaska Game Commission has ceased to represent the views of a majority of the permanent population of the Territory.

Wherefore your memorialist respectfully requests that the repeal of the Alaska game laws and abolishment of the Alaska Game Commission be made at the earliest possible date and that the Alaska Legislature be given full authority to make and enforce laws and regulations not inconsistent with the general laws of the United States and the treaties of the United States with other nations governing fur and game in Alaska and that pending such transfer of authority to the Legislature of the Territory of Alaska the President of the United States immediately reorganize the Alaska Game Commission by appointing a new commission, two

members of which shall be men actively engaged in the raw-fur industry.

That native Indians be exempted from the provisions of the Alaska game law and its regulations to the extent that they be allowed to take game for food when in need of food for themselves and families and such fur as may be required for clothing at all times regardless of any law regulation.

And your memorialist will ever pray.

Passed by the senate, April 21, 1933.

ALLEN SHATTUCK,
President of the Senate.

Attest:

AGNES F. ADSIT,
Secretary of the Senate.

Passed by the house April 28, 1933.

JOE MCDONALD,
Speaker of the House.

Attest:

C. H. HELGESEN,
Chief Clerk of the House.

A true copy:

AGNES F. ADSIT,
Secretary of the Senate.

TERRITORY OF ALASKA,
OFFICE OF SECRETARY FOR THE TERRITORY.

I, Karl Theile, secretary of Alaska and custodian of the great seal of said Territory, do hereby certify that I have compared the annexed copy of Senate Joint Memorial No. 11 with the original thereof and that the same is a full, true, and correct copy of said original now on file in my office.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the Territory of Alaska at Juneau, the capital, this 5th day of May A.D. 1933.

[SEAL]

KARL THEILE,
Secretary of Alaska.

Senate Joint Memorial 11 (by Mr. Bragaw)

To the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, the Secretary of Commerce, the Commissioner of the Bureau of Fisheries, and the Delegate from Alaska:

Your memorialist, the Legislature of Alaska, in regular session assembled, respectfully represents:

I. That whereas the act of Congress of June 18, 1926, entitled "An act to amend section 1 of the act of Congress of June 6, 1924, entitled 'An act for the protection of the fisheries of Alaska, and for other purposes'", in the first section of said act, and its first proviso, declares, "That every such regulation made by the Secretary of Commerce shall be of general application within the particular area to which it applies, and that no exclusive or several right of fishery shall be granted therein, nor shall any citizen of the United States be denied the right to take, prepare, cure, or preserve fish or shellfish in any area of the waters of Alaska where fishing is permitted by the Secretary of Commerce" (44 U.S. Stat.L. 752).

II. That whereas under the authority of the several United States fishery laws applicable to the public waters in Alaska the Secretary of Commerce has heretofore made and promulgated rules and regulations having the force of laws to control and protect the salmon fisheries in those waters; these rules and regulations are found in the Department of Commerce Circular No. 251, nineteenth edition, dated December 20, 1932, signed officially by E. F. Morgan, Acting Secretary of Commerce, with some subsequent amendments issued by the same official.

III. That whereas False Pass (Isanotski Strait), separating Unimak Island from the western end of the Alaska Peninsula, and Ikatan Bay lie wholly within the Alaska Peninsular area, Ikatan Bay and False Pass constitute the first opening coming westward along the Alaska Peninsula from the Pacific Ocean through and into Bristol Bay, and affords the first chance the Pacific salmon hordes have as they swim north and westward from their winter resorts in the more southerly Pacific waters to enter Bristol Bay en route to their natural spawning beds in the streams and lakes at the head of Bristol Bay; False Pass (Isanotski Strait) is a very narrow and shallow body of water, and at low tide the salmon do not pass; when the spring run of Bristol Bay red salmon are seeking their spawning grounds through False Pass, they huddle in countless millions in Ikatan Bay, the southern entrance to False Pass, waiting for the rising tide, on which they go through the pass into Bristol Bay. Ikatan Bay is the natural gathering place of the greatest and most valuable horde of Alaska red salmon to be found along the Alaskan coast; a monopoly of the trap privileges in taking and canning these fish in that bay and pass is of exceeding great value.

IV. That whereas paragraph 23, page 13, of Circular 152, nineteenth edition, as amended in additional Alaska fishery regulations issued and signed by the Secretary of Commerce on January 6, 1933, provides: "The use of any trap for the capture of salmon is prohibited except as follows: 1. Unimak Island: Along the coast on the west and south sides of Ikatan Bay from a point on False Pass (Isanotski Strait) indicated by a marker to a point"—including the lower part of False Pass and the whole west and south shore of Ikatan Bay—"and 2, the mainland along the north side of Ikatan Bay within 2,500 feet of a point"—there fixed; traps are prohibited at all other places along the shores of False Pass and Ikatan Bay. Paragraph 10, page 13, also provides: "The use of floating traps for the capture of salmon is prohibited." Paragraph 12 provides: "The use of purse seines for the capture of salmon is prohibited"—in False Pass and Ikatan Bay. Paragraph 19 provides: "Commercial fishing for salmon by gill nets, including drift nets and set nets, is prohibited west of 161° west longitude, exclusive of waters along the Bering Sea coast"—False Pass and Ikatan Bay are west of 161°. Paragraph 20 provides: "Commercial fishing for salmon by means of stake nets, except along the Bering Sea coast, is prohibited." Paragraph 2, page 12, of the rules and regulations governing the Alaska Peninsular area, provides: "In the waters along the south side of the Alaska Peninsula from Cape Tolstoi to Castle Cape, including the waters of Shumagin and other adjacent islands, the 36-hour closed period for salmon fishing prescribed by section 5 of the act of June 6, 1924, is hereby extended to include the period from 6 o'clock p.m. of Saturday of each week until 6 o'clock p.m. of the Wednesday following, making a weekly closed period of 96 hours," etc. Paragraph 3, following, provides: "In all other waters of this area the 36-hour closed period for salmon fishing prescribed by section 5 of the act of June 6, 1924, is hereby extended to include the period from 6 o'clock a.m. of the Saturday of each week until 6 o'clock a.m. of the Monday following, making a weekly closed period of 48 hours", etc. Ikatan Bay and False Pass lie about 100 miles west of the region described in paragraph 2; the weekly closed period in Ikatan Bay and False Pass is but 48 hours long, thus having under these rules and regulations 2 days each week longer fishing period than any other waters in any part of the Alaska Peninsular area, it has more protection under the rules and regulations and less restrictions than any other fishery in the Territory.

V. That whereas it appears to us from available information that the exclusive and almost unrestricted right to take Alaska salmon from False Pass and Ikatan Bay has long been under the ownership and control of the P. E. Harris Co. and the Pacific American Fisheries Co., two non-Alaskan corporations engaged in taking and canning salmon in said waters; that both these companies have long maintained salmon fish traps in the mouth of False Pass and on the west and south sides of said pass and bay; that in the fishing season of 1932 the Harris Co. took the salmon from False Pass and Ikatan Bay and canned 252,824 cases of forty-eight 1-pound cans to the case; that the Pacific American Fisheries Co. in that season took the salmon from the same waters and canned 69,824 cases of forty-eight 1-pound cans to the case; a total of 322,781 cases, containing 15,493,488 pounds—nearly 8,000 tons—of Alaska salmon from False Pass and Ikatan Bay; the average price of similar grades of Alaska salmon from the 10 years past, including 1932, is the sum of $6.88 per case; at that 10-year average price the 322,781 cases taken from False Pass and Ikatan Bay by these two companies in 1932 would be $2,220,733; the average price per case for that salmon in 1932, however, was reduced to the sum of $4.06 per case, but at that 1932 average price (the lowest in 10 years) the value of the 1932 False Pass and Ikatan Bay pack was $1,310,490, all of which belonged to the two said companies; that the cost of production of canned salmon in False Pass and Ikatan Bay is exceedingly low; all their salmon are caught in traps belonging to the companies which are located in the mouth of False Pass and on the west and south shore of Ikatan Bay; they transport their fish from their own traps in their own boats and scows to their own near-by canneries, and there they are prepared and canned;

VI. That whereas it appears to us from a fair consideration of the said fishery rules and regulations so heretofore approved and enforced by the Secretary of Commerce in their application to the natural conditions which exist at False Pass and Ikatan Bay that the Harris Co. and the Pacific American Fisheries Co., with the connivance and permission of those who make and enforce the rules and regulations are allowed to carry on their own exclusive and several right of fishery in one of the most important salmon streams in Alaska, and under unfair and illegal conditions are permitted to obstruct the ascent of these great salmon hordes in their efforts to reach their spawning grounds in the streams and lakes at the head of Bristol Bay; to secure for themselves an unfair and illegal advantage to the injury of the salmon industry by blocking the streams through which the fish get into Bristol Bay with traps set in the flow of the stream and thus violate the spirit of the act of Congress which forbids the establishment of traps at or near the flow of salmon streams; that the unfair but friendly rules and regulations prepared and enforced at this place by the Secretary of Commerce have created an unfair and illegal monopoly of right in these two cannery and trap companies, give them special privileges not possible to accord to any other person or company, and exclude all other persons and companies, Alaska and/or the Union or other fisherman from fishing in this location, thereby violating the spirit and letter of the act of Congress of June 10, 1926:

Wherefore your memorialist, the Legislature of the Territory of Alaska, in regular session assembled, does most earnestly request that the United States authorities take such immediate action to reduce the number of traps and restrict the days of fishing equal to those allowed in adjacent districts, and that such further action be taken as will prevent any person or company from acquiring an exclusive or several right of fishery therein, and that

all American purse seiners and gill netters be given equal right to fish therein while protecting the free flow of salmon through the False Pass stream.

And so your memorialist will ever pray.

Passed the senate May 2, 1933.

ALLEN SHATTUCK,
President of the Senate.

Attest:

AGNES F. ADSIT,
Secretary of the Senate.

Passed the house May 4, 1933.

JOE MCDONALD,
Speaker of the House.

Attest:

C. H. HELGESEN,
Chief Clerk of the House.

A true copy:

AGNES F. ADSIT,
Secretary of the Senate.

The VICE PRESIDENT also laid before the Senate a petition and a letter in the nature of a petition from sundry citizens of New Orleans, La., praying for a senatorial investigation relative to alleged acts and conduct of Hon. HUEY P. LONG, a Senator from the State of Louisiana, which was referred to the Committee on the Judiciary.

He also laid before the Senate a memorial of sundry citizens of the State of Ohio, and two letters in the nature of memorials from citizens of Louisiana, endorsing Hon. HUEY P. LONG, a Senator from the State of Louisiana, condemning attacks made upon him and remonstrating against a senatorial investigation of his alleged acts and conduct, which were referred to the Committee on the Judiciary.

He also laid before the Senate resolutions adopted by Commissioners' Courts of Bandera, Bexar, El Paso, and Live Oak Counties, and a mass meeting of business and professional men of the Thirteenth Congressional District of Texas at Wichita Falls, all in the State of Texas, endorsing the program of President Roosevelt and favoring the adoption of a public-works program providing highway construction in the State of Texas, which were referred to the Committee on Education and Labor.

He also presented a resolution adopted by the Veterans' Association of Summit County, Akron, Ohio, protesting against the operation of the so-called "Economy Act", particularly in the cases of wounded veterans, which was referred to the Committee on Finance.

He also presented a resolution adopted by South Texas Chapter, the Disabled Emergency Officers of the World War, of San Antonio, Tex., relative to new regulations and instructions covering the "causative factor" in connection with the cases of emergency officers of the World War, which was referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by the Brooklyn (N.Y.) Division of the Cosmopolitan Twine and Paper Association, Inc., protesting against the treatment of and discrimination against Jews in Germany, which was referred to the Committee on Foreign Relations.

He also presented a memorial of members of Martha Board Chapter, National Society Daughters of the American Revolution, of Augusta, Ill., remonstrating against the recognition of the Soviet Government of Russia, which was referred to the Committee on Foreign Relations.

He also laid before the Senate resolutions adopted by the Allied Patriotic Societies of New York City, N.Y., protesting against the passage of legislation tending to break down existing laws and Executive orders restricting immigration, which were referred to the Committee on Immigration.

He also presented resolutions adopted by Phoenix Camp, No. 1, United Spanish War Veterans, of Phoenix, Ariz., protesting against the operation of the so-called "Economy Act" and regulations thereunder, especially as it affects pensions of veterans, and their dependents, of the Spanish-American War, which were ordered to lie on the table.

Mr. COPELAND presented a resolution adopted by Columbia Council, No. 64, Sons and Daughters of Liberty, of Ridgewood, N.Y., favoring the passage of legislation further to restrict immigration into the United States, which was referred to the Committee on Immigration.

He also presented a resolution adopted by the Allied Patriotic Societies, Inc., of New York City, N.Y., favoring the enforcement of the Executive order instructing consuls to enforce strictly the clause of the present immigration law having the effect of excluding immigrants and aliens seeking employment in the United States, and protesting against the enactment of legislation granting certificates of legal entry to aliens who have entered the country illegally, which was referred to the Committee on Immigration.

He also presented a resolution adopted by the New York Committee of the National Woman's Party, of New York City, N.Y., favoring the passage of legislation granting women equality in nationality rights with men, which was referred to the Committee on Immigration.

He also presented a resolution of the New York Committee of the National Woman's Party, of New York City, N.Y., favoring adoption of a proposed amendment to the Constitution granting equal rights to men and women, which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by the Building Material Men's Association of Westchester County, Inc., of Scarsdale, N.Y., favoring the passage of legislation to modify or permit a more liberal interpretation of the anti-trust laws so as to aid in the restoration of business profits, which was referred to the Committee on the Judiciary.

He also presented a petition of the Taxpayers' Organization of Jamestown, N.Y., praying for the passage of legislation establishing a uniform minimum hourly wage rate of 50 cents and a maximum working week throughout the United States, with the exception of enlisted men under the Government, which was referred to the Committee on Education and Labor.

He also presented a petition of retail and wholesale meat dealers of New York State, praying for the imposition of adequate tariffs on importations of animal, marine, and vegetable oils and fats, and the oil content of such oils and fats and of raw materials from which they are processed, and on hides and skins, which was referred to the Committee on Finance.

He also presented a resolution adopted by the Brooklyn Council, Kings County, Department of New York, Veterans of Foreign Wars of the United States, favoring the imposition of a tax on income derived from all governmental obligations, which was referred to the Committee on Finance.

He also presented a resolution adopted by the Allied Patriotic Societies, Inc., of New York City, N.Y., protesting against the adoption of measures placing officers of the Regular Army on furlough with half pay, which was referred to the Committee on Appropriations.

He also presented a resolution adopted by citizens and organizations of the State of New York, protesting against any reduction in the military or naval forces of the United States or in the training or personnel of the civilian components thereof, which was referred to the Committee on Appropriations.

He also presented the memorial of Dr. Raiford T. Wainock, of Portland, Me., remonstrating against the furlough of certain officers of the Public Health Service, which was referred to the Committee on Appropriations.

He also presented a memorial of sundry citizens of Brooklyn, New York City, and vicinity, in the State of New York, remonstrating against the passage of legislation providing for the retirement of Government employees after 30 years' service, which was referred to the Committee on Appropriations.

He also presented a resolution adopted by the Civil Service Forum, of New York City, N.Y., protesting against the compulsory retirement of Government employees after 30 years' service "almost without any opportunity to adjust their lives or living conditions", which was referred to the Committee on Appropriations.

He also presented resolutions adopted by the Northside Democratic Association of the Borough of Queens, of Corona; the Small Home and Property Owners Defense League of South Shore, Staten Island; the Property Owners Association of Middle Village, Long Island; and the Central Queens Transit Association, of Hollis, Long Island, all in the State of New York, protesting against the passage of Senate

bill 1137, the home loan mortgage bill, in its present form, and favoring the making of certain amendments thereto, which were referred to the Committee on Banking and Currency.

He also presented memorials of members of the Jeffersonville Synagogue, of Jeffersonville, and of sundry citizens of New York City and Brooklyn, all in the State of New York, remonstrating against the persecution of, and alleged outrages committed against, the Jews in Germany, which were referred to the Committee on Foreign Relations.

He also presented resolutions adopted by the Brooklyn Division of the Cosmopolitan Twine and Paper Association, of Brooklyn; the Metropolitan Conference of Temple Brotherhoods; a mass meeting of citizens of Saratoga Springs, comprising members of all creeds; the Men's Club of the Progressive Synagogue, of Brooklyn; members of the United Brotherhood of Janina, of Brooklyn; and the Hudson District of the Zionist Organization of America, of Hudson, all in the State of New York, protesting against the persecution of, and alleged outrages committed against, the Jews in Germany, and favoring the use by the Government of its good offices in the premises, which were referred to the Committee on Foreign Relations.

He also presented resolutions adopted by the Owen Roe Club of New York and the United Irish-American Societies of New York, opposing the cancelation or further reduction of debts owed to the United States by foreign nations, which were referred to the Committee on Foreign Relations.

He also presented resolutions adopted by Central Islip Council, No. 1816, of Central Islip; Penataquit Council, No. 564, of Bay Shore; Champlain Council, No. 441, of Elmhurst; Ridgewood Council, No. 1814, of Brooklyn; Brooklyn Council, No. 60, of Brooklyn; and Columbus Council, No. 126, of Brooklyn, all of the Knights of Columbus, and the Brooklyn Alumni Sodality, of Brooklyn, all in the State of New York, protesting against recognition of the Soviet Government of Russia, which were referred to the Committee on Foreign Relations.

He also presented a resolution adopted by the Twenty-eighth Ward Taxpayers' Protective Association of Brooklyn, N.Y., favoring the restoration of the former 2-cent postage rate, which was ordered to lie on the table.

He also presented a resolution adopted by the Erie County Committee, the American Legion, Department of New York, protesting against the operation of the so-called "Economy Act" and Executive orders issued thereunder affecting the pay and allowances of disabled veterans of the World War, which was ordered to lie on the table.

LIGHTHOUSE STATION, PORTSMOUTH, N.H.

Mr. KEYES. Mr. President, I present a concurrent resolution adopted by the New Hampshire Legislature protesting against the lowering of the standard of the lighthouse station in Portsmouth Harbor, N.H., by the substitution of an unattended light and the elimination of the fog bell, and ask that it may be printed in the RECORD and referred to the Committee on Commerce.

The resolution was referred to the Committee on Commerce and ordered to be printed in the RECORD, as follows:

STATE OF NEW HAMPSHIRE, 1933.

Concurrent resolution protesting against the lowering of the standard of the lighthouse station in Portsmouth Harbor

Whereas the Federal Government contemplates the substitution of an unattended light and the elimination of the fog bell: Therefore be it

Resolved by the Senate of the State of New Hampshire (the House of Representatives concurring), That the State of New Hampshire protest against any lowering of the standard of this station as detrimental and dangerous to shipping; and be it further

Resolved, That a copy of these resolutions be sent to the Members of the New Hampshire delegation in the Congress.

May 11, 1933.

Attest:

[SEAL] ENOCH D. FULLER,
Secretary of State.

RECENT MEASURES AFFECTING VETERANS

Mr. ROBINSON of Indiana presented resolutions adopted by the Veterans' Society of Summit County, Ohio, which were ordered to lie on the table and to be printed in the RECORD, as follows:

Resolution adopted by the Veterans' Association, Summit County Unit, Akron, Ohio, May 5, 1933

Whereas Congress recently enacted legislation of vital concern to veterans of wars of this country and directly affecting the welfare of 11,000,000 citizens, this legislation is of great length and highly technical; and

Whereas this legislation of such vast importance and grave consequences was considered by a special committee of the House of Representatives for only 3 minutes and then reported favorably for passage under a special rule denying amendment and limiting deliberation to 40 minutes and immediately put upon its passage; and

Whereas the Members of the House of Representatives were not permitted to have copies of the said legislation but passed the measure without seeing the bill; and

Whereas said law provides that "any person who served in the active military or naval service and who is disabled as a result of disease or injury incurred in line of duty * * * may be paid a pension" and fails completely to assure that the wounded and service-disabled man or his dependents shall receive any assistance from the Federal Government, and that the thousands of our comrades suffering from tuberculosis, from gas, and additional thousands now insane due to shock or shell fire and battle horror are precluded from reestablishing their claim because of their inability due to helplessness; and

Whereas a single appointive subordinate official has complete and final jurisdiction over every claim of every veteran or his dependents and that this decision "shall be final and conclusive * * * and no court of the United States shall review such decision"; and

Whereas such legislation specifically encourages the extravagant and unprincipled policy of private pension bills, thereby opening wide the door of politics in the matter of veterans' affairs; and

Whereas officers and employees of the Government receive a small reduction of salary for one year, while the reductions and eliminations of veterans' compensation are permanent; and

Whereas there was no emergency for such legislation, as it does not become effective until July 1, 1933, and that Congress had ample opportunity to give the question the time and deliberation that the gravity of the subject should have received: Now, therefore, be it

Resolved by the Veterans' Association, Summit County Unit, (1) That the method of passing this legislation be vigorously condemned as violative of the principles of representative government and contrary to the spirit and intendment of the Constitution of the United States;

(2) That the vesting of power in the discretion of a single official to deny the right of a wounded veteran help from the Government is a harsh, cruel, and unjust exercise of power of government in a Republic;

(3) That the sweeping denial of the right of appeal to the courts of justice of our country is a dangerous and insidious attack upon the fundamental institution of American Government and that private pensioning is an unfair discrimination; be it further

Resolved, That the Congressmen of Ohio who have the courage to vote against this vicious assault upon the principles of government cherished by our citizens and fought for on fields of battle, even though these Congressmen were threatened with political ostracism for their stand, be commended as a splendid example of real courage and faith in the representative government, maintaining the principle that "government of the people, by the people, and for the people shall not perish from the earth"; be it further

Resolved, That copies of this resolution be forwarded to the President of the United States, the Senators and Representatives in Congress from Ohio, the Director of the Budget, the Administrator of Veterans' Affairs, the Vice President of the United States, and the Speaker of the House of Representatives.

CHAS. DICK.
L. D. ETNIRE,
JOHN D. HOTCHKISS.
CLYDE B. MACDONALD.
KARL S. TUCKER.
WALTER B. WANAMAKER.
GEO. M. LOGAN,
Chairman.

TREATMENT OF JEWS IN GERMANY

Mr. ROBINSON of Indiana also presented a resolution forwarded to him by Rabbi Milton Steinberg, president of the Indianapolis (Ind.) Zionist District, protesting against the treatment of Jews in Germany, which was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

Be it resolved, That the Indianapolis Zionist District of Indianapolis, Ind., views with pain and horror the persecution of the Jews of Germany; that its moral sensibilities have been outraged by authenticated reports of physical violence done against these people by systematic, legal exclusion of Jewish citizens from all contemporary German life, and by the persistent attempts of the German Government to reduce to the stage of degradation and

terror 600,000 Jews of Germany, whose only offense has been that they were born Jews.

That the Indianapolis Zionist District of Indianapolis, Ind., petitions you to express its sentiments and to exert your influence so that the Government of the United States may make official protest against such barbarous behavior of a modern, civilized nation and may use its moral influence in an attempt to check such excesses.

That the Indianapolis Zionist District of Indianapolis, Ind., petitions you to lend your efforts toward the amelioration of the lot of these persecuted Jews, and that it urges you to recommend a temporary loosening of immigration restrictions from Germany so as to permit for refugees from religious intolerance a haven in our United States.

That copies of the resolution be forwarded to our Representatives in Congress and to the Honorable Cordell Hull, Secretary of State.

This resolution was duly executed by the above-named organization on the 11th day of May, 1933.

Respectfully submitted.

RABBI MILTON STEINBERG,
President of Indianapolis Zionist District.

Mr. BARBOUR. Mr. President, I ask unanimous consent to have printed in full in the RECORD and appropriately referred a resolution adopted on March 27, 1933, at a mass meeting held in Asbury Park, N.J., protesting against the intolerant policy of the Hitler government toward the Jewish people in Germany. In this manner I want to draw to the attention of the Congress the demands of this group of representative citizens.

There being no objection, the resolution was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

Whereas a protest has been made heretofore on the 27th day of March 1933, at the high school auditorium in the city of Asbury Park, county of Monmouth, and State of New Jersey, against the intolerant policy of the Hitler government in relation to the Jews of Germany, in which protest participated the lay and spiritual leaders of Jewish, Catholic, and Protestant religions of the Monmouth county seaboard, as well as civic, political, and industrial leaders of said county; and

Whereas this formal protest was delivered to the State Department of our Federal Government and to the German Ambassandor, Wilhelm von Prittwitz; and

Whereas verified and confirmed reports from Germany have since that time brought to America, day after day, the news of a systematic and thorough exclusion of Jews from the civic and political life of Germany by the Hitler government, an exclusion which expresses itself in the elimination of Jews from all federal, state, and local offices, the wholesale dismissal of Jewish physicians, the forced retirement of Jewish professors and instructors from the colleges and universities and smaller educational institutions; the ejection of Jewish judges from the courts; the expulsion of Jewish lawyers from the bar; the limitation and restriction of the attendance of Jewish students in all the higher educational institutions: Therefore be it

Resolved, at this meeting of American-Jewish citizens of the county of Monmouth, State aforesaid, held this 10th day of May 1933, at the Synagogue Sons of Israel, in the city of Asbury Park, county of Monmouth, and State aforesaid, That we do hereby most emphatically condemn the unjust, intolerant, and outrageous anti-Semitic measures, policies, and discriminations of the Hitler regime; and be it further

Resolved, That we do hereby call upon the Honorable W. WARREN BARBOUR, and the Honorable HAMILTON F. KEAN, United States Senators for the State of New Jersey, and also upon the Honorable WILLIAM H. SUTPHIN, Congressman of the Third Congressional District of the State of New Jersey, to raise their voice of protest in the Halls of the United States Congress and move for the adoption of the resolution by the Congress and the Senate denouncing the unjust, unwarranted, and inhuman exclusion of Jews from the civic, political, and professional life of the country in which they have lived over 1,600 years and to which they brought untold glory and distinction in every field of endeavor; and be it further

Resolved, That we call upon the Honorable Franklin D. Roosevelt, President of these United States, to use his good offices in behalf of the oppressed and persecuted Jews in Germany.

Respectfully submitted by the resolutions committee.

MEYER COHEN,
Rabbi of Congregation Sons of Israel, Asbury Park, N.J.
SYDNEY DIERDEN,
President Congregation Sons of Israel, Belmar, N.J.
RALPH B. HEADRON,
Rabbi, Temple Beth El.
BENJAMIN FREEDMAN,
President Asbury Park Hebrew School.
LOUIS I. MILLER,
President Congregation Sons of Israel, Asbury Park, N.J.

REPORT OF THE INDIAN AFFAIRS COMMITTEE

Mr. BRATTON, from the Committee on Indian Affairs, to which was referred the bill (S. 691) to authorize appropriations to pay in part the liability of the United States to the Indian pueblos herein named, under the terms of the act of June 7, 1924, and the liability of the United States to non-Indian claimants on Indian pueblo grants whose claims, extinguished under the act of June 7, 1924, have been found by the Pueblo Lands Board to have been claims in good faith; to authorize the expenditure by the Secretary of the Interior of the sums herein authorized and of sums heretofore appropriated, in conformity with the act of June 7, 1924, for the purchase of needed lands and water rights and the creation of other permanent economic improvements as contemplated by said act; to provide for the protection of the watershed within the Carson National Forest for the Pueblo de Taos Indians of New Mexico and others interested, and to authorize the Secretary of Agriculture to contract relating thereto, and to amend the act approved June 7, 1924, in certain respects, reported it with an amendment to the title and submitted a report (No. 73) thereon.

REGULATION OF BANKING

Mr. GLASS. I am directed by the Committee on Banking and Currency unanimously to report back favorably with amendments the bill (S. 1631) to provide for the safer and more effective use of the assets of Federal Reserve banks and of national banking associations, to regulate interbank control, to prevent the undue diversion of funds into speculative operations, and for other purposes, and later I shall attempt to secure its consideration.

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

INVESTIGATION OF SALE OF MILK AND DAIRY PRODUCTS IN DISTRICT

Mr. KING. From the Committee on the District of Columbia I report back favorably without amendment the resolution (S.Res. 76) to investigate conditions respecting the sale and distribution of dairy products in the District of Columbia. I ask permission to file a report later.

The VICE PRESIDENT. Without objection, permission is granted. The resolution will be placed on the calendar.

ENROLLED BILL PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on today, May 15, 1933, that committee presented to the President of the United States the enrolled bill (S. 7) providing for the suspension of annual assessment work on mining claims held by location in the United States and Alaska.

BILLS AND JOINT RESOLUTION INTRODUCED

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

By Mr. WHITE:

A bill (S. 1659) to authorize an increase in the number of directors of the Washington Home for Foundlings; to the Committee on the District of Columbia.

(By request.) A bill (S. 1660) providing for the clearance of certain American vessels where a fine has been imposed under the laws of the United States; to the Committee on Commerce.

By Mr. BARBOUR:

A bill (S. 1661) granting a pension to Minnie Wild; to the Committee on Pensions.

By Mr. NEELY:

A bill (S. 1662) granting an increase of pension to Caspar Hartmann; to the Committee on Pensions.

By Mr. STEPHENS:

A bill (S. 1663) granting an increase in pension to Mary L. Burgess; to the Committee on Pensions.

A bill (S. 1664) for the relief of Shelby Howell Batson; to the Committee on Military Affairs.

By Mr. KING:

A bill (S. 1665) to provide for the establishment and maintenance, under the Bureau of Mines, of a research station at Salt Lake City, Utah; to the Committee on Mines and Mining.

By Mr. COPELAND:

A bill (S. 1666) to carry out the findings of the Court of Claims in the case of the Wales Island Packing Co.; to the Committee on Foreign Relations.

A bill (S. 1667) to amend section 177 of the Judicial Code; to the Committee on the Judiciary.

A bill (S. 1668) for the relief of Charles F. Bond, receiver of the partnership of Thorp & Bond, New York, N.Y.;

A bill (S. 1669) for the relief of Cowtan & Tout, Inc.;

A bill (S. 1670) for the relief of Etna Watch Co.;

A bill (S. 1671) for the relief of B. Lindner & Bro., Inc.;

A bill (S. 1672) for the relief of Louis Godick;

A bill (S. 1673) for the relief of Valle & Co., Inc.;

A bill (S. 1674) for the relief of Epstein Underwear Co.;

A bill (S. 1675) for the relief of Sorenson & Co., Inc.;

A bill (S. 1676) for the relief of Bengol Trading Co., Inc.;

A bill (S. 1677) for the relief of Schapiro Bros.;

A bill (S. 1678) for the relief of A. & M. Karagheusian, Inc.;

A bill (S. 1679) for the relief of J. Henry Miller, Inc.;

A bill (S. 1680) for the relief of the estate of George B. Spearin, deceased;

A bill (S. 1681) for the relief of the Snare & Triest Co.;

A bill (S. 1682) for the relief of the North American Dredging Co.;

A bill (S. 1683) for the relief of the Standard Dredging Co.;

A bill (S. 1684) to confer jurisdiction on the Court of Claims to certify certain findings of fact, and for other purposes;

A bill (S. 1685) for the relief of A. W. Duckett & Co., Inc.;

A bill (S. 1686) for the relief of H. P. Converse & Co.;

A bill (S. 1687) authorizing the Court of Claims of the United States to hear and determine the claims of the estate of George Chorpenning, deceased;

A bill (S. 1688) for the relief of Messieurs M. Aronin & Sons;

A bill (S. 1689) for the relief of Robbins-Ripley Co., Inc.;

A bill (S. 1690) for the relief of the Bowers Southern Dredging Co.;

A bill (S. 1691) for the relief of the Sound Construction & Engineering Co., Inc.;

A bill (S. 1692) for the relief of the Compagnie Generale Transatlantique;

A bill (S. 1693) for the relief of the International Mercantile Marine Co.;

A bill (S. 1694) for the relief of the city of New York;

A bill (S. 1695) for the relief of Messrs. Stein & Blaine;

A bill (S. 1696) for the relief of M. T. Stark, Inc.; and

A bill (S. 1697) for the relief of W. K. Webster & Co.; to the Committee on Claims.

By Mr. SHEPPARD:

A bill (S. 1698) for the relief of Frank S. Fischer; to the Committee on Military Affairs.

A bill (S. 1699) to prevent the loss of the title of the United States to lands in the Territories or territorial possessions through adverse possession or prescription (with accompanying papers); to the Committee on Territories and Insular Affairs.

By Mr. ROBINSON of Arkansas:

A joint resolution (S.J.Res. 54) limiting the operation of sections 109 and 113 of the Criminal Code; to the Committee on Agriculture and Forestry.

AMENDMENT TO INDEPENDENT OFFICES APPROPRIATION BILL

Mr. STEPHENS submitted an amendment proposing that the unexpended balance of the appropriation "International Radiotelegraph Conference, Madrid, Spain, 1933", shall be available for the payment to Eugene O. Sykes of an amount equal to the amount he would have received as salary from February 23 to March 20, 1933, both inclusive, as a member of the Federal Radio Commission, intended to be proposed by him to House bill 5389, the independent offices appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

REGULATION OF BANKING—AMENDMENTS

Mr. CONNALLY submitted two amendments intended to be proposed by him to the bill (S. 1631) to provide for the safer and more effective use of the assets of Federal Reserve banks and of national banking associations, to regulate interbank control, to prevent the undue diversion of funds into speculative operations, and for other purposes, which were ordered to lie on the table and to be printed.

COST OF ELECTRICAL DISTRIBUTION

Mr. COSTIGAN. Mr. President, I submit a resolution and ask that it be printed in the RECORD and lie on the table.

The resolution (S.Res. 80) was ordered to lie on the table, as follows:

Whereas growing interest is manifest throughout the Nation on the part of householders, both urban and rural, as to present and future uses of electricity and reasonable rates chargeable therefor; and

Whereas a considerable, if not controlling, factor in the cost of rural and domestic electric service is reported to be the expense of distributing transmitted current between local substations and the customers' meters; and

Whereas it is responsibly alleged by engineers that the service companies keep no record of this important distribution cost and that the subject has never been discussed before any engineering society; that technical literature does not deal with it; and that only rarely has it been considered in electric rate cases:

Resolved, That the Federal Power Commission is hereby requested to furnish the Senate with a report summarizing such information as may be available indicating the cost of electrical distribution expressed in cents per kilowatt-hour under varying service conditions, as contrasted with the more widely known costs of electrical generation and electrical transmission.

INVESTIGATION BY TARIFF COMMISSION

The VICE PRESIDENT. The Chair lays before the Senate a resolution coming over from a previous day, which will be read.

The resolution (S.Res. 68) submitted by Mr. REED on the 3d instant was read as follows:

Resolved, That the United States Tariff Commission is hereby directed to investigate, for the purpose of section 336 of the Tariff Act of 1930, the differences in the cost of production between the domestic article and the foreign article, and to report at the earliest date practicable upon goat, kid, and cabretta leathers.

Mr. REED. Mr. President, this is a resolution merely asking a study and information, but no other action. It is in the usual form. The Senate has passed a great many such resolutions.

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

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Utah?

Mr. REED. I yield.

Mr. KING. My recollection is that a similar resolution, or at least a resolution dealing with the same commodity, has been before the Senate within the past 4 or 5 months.

Mr. REED. Oh, I do not think so. There has been no investigation of this particular variety of leather. It can be done by the Tariff Commission in a very short time.

The VICE PRESIDENT. Without objection the resolution is agreed to.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting several nominations were communicated to the Senate by Mr. Latta, one of his secretaries.

COMPENSATION OF DISABLED VETERANS AND THEIR DEPENDENTS

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD two letters. The first is a letter received by me from Ernest A. Ryan, adjutant of the Kansas Department of the American Legion. The second is a copy of a letter delivered by myself to President Roosevelt, urging more of humanity and honorable dealing on the part of the Veterans' Administration in dealing with disabled veterans and with the widows and dependents of veterans.

It is my belief, Mr President, that everyone is beginning to realize and ready to admit that the Veterans' Administration and the Budget Department have gone far beyond what Congress intended or the country desired in administering the provisions of the Economy Act affecting veterans. I know that I never intended such drastic cuts for veterans suffering from wounds and disabilities connected with the veterans' service in the Army or Navy. I sincerely hope that statement from the White House last week means that there will be more of justice and less of uncalled-for cruelty

in the revision of regulations and in the reviews of individual cases of these veterans.

Mr. President, the honor of this Government is just as important as a balanced Budget—and the Nation's honor is involved in taking adequate care of deserving disabled veterans. I send the letters to the desk.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

OFFICE OF ADJUTANT,
KANSAS DEPARTMENT, THE AMERICAN LEGION,
Topeka, May 10, 1933.

Hon. ARTHUR CAPPER,
United States Senate, Washington, D.C.

DEAR SENATOR CAPPER: I presume that you have been besieged with communications from all parts of Kansas in regard to the recent regulations which have been put into effect governing pensions and compensations to World War veterans and Spanish War veterans.

I have completed my Fifth Congressional District meeting and I state to you frankly that I have never seen such a wholehearted and indignant uprising on the part of legionnaires in Kansas as there is over this legislation. That the legislation is unfair is not even being denied by the Veterans' Administration itself; and the extent to which the power voted the Administration under the Economy Act has been used, I am sure, far exceeds your expectations and the expectations of other members of the Kansas delegation who voted for the measure.

I presume it was your thought that the reductions in veterans' expenditures would affect largely those men who could not connect their disabilities with their war service and possibly a few others who could not prove their need for compensation at the time. However, this is not the manner in which the Economy Act has operated. The regulations issued subsequent to the act have proven extremely cruel to needy veterans who contracted their disabilities in active war service.

I can point to you instances in Kansas of outstanding veterans, with whom you are personally acquainted, who will suffer reductions in their service-connected compensations of as much as 40 to 60 percent. I believe in previous years that the Veterans' Administration has been correct and fair in the allowing of presumption of service connection in tubercular and mental cases, even when they extended the date as far as January 1925. Under recent regulations presumptive service connection is wiped out in these types of cases, and we find men heretofore totally disabled with tuberculosis and mental diseases who now will receive only $20 per month under the nonservice provision of the new regulations.

I do not think that I need bring it home to you that hundreds and thousands of these men are going to be thrown upon the charity rolls of their local communities during the coming months, and this is coming at a time when local communities cannot possibly make provision for their care. I think you will agree with me that it is far more equitable that the burden at this particular time could much better be borne from Federal income taxes paid largely by corporations and individuals who built their fortunes during the war than by placing this tax in the form of a charity assessment on the backs of the personal and real property taxpayer in our local communities.

Whole I am presenting no particular brief in behalf of nonservice cases, these being the least worthy of those who have been upon the Government pension rolls, I want to recall to your mind that even the drastic provisions of the recent regulations make provision for $20 per month for men totally disabled and who cannot connect their disability with service.

Undoubtedly these injustices have been called to your attention previously by individual legionnaires and service men who with their families have been affected by the recent action of Congress and the administration. I know and appreciate the fine service that you have rendered the World War veterans, and especially Kansas veterans, ever since we came home from service. I know that you still have that same appreciation for their war-time service and that same sympathy for their welfare in peace time.

I am asking you to present these problems, as you best see fit, not only to the Veterans' Administration but if necessary to the President himself. It will also be appreciated if you will see fit to call attention to the people of Kansas to what I am sure you now recognize to be the rank injustices of the recent Veterans' Administratiton regulations.

Thanking you in advance for your cooperation now and expressing again our appreciation for your loyal services in the past, I am,

Sincerely yours,

ERNEST A. RYAN,
Adjutant, Kansas Department.

WASHINGTON, *D.C., May 13, 1933.*

Hon. FRANKLIN D. ROOSEVELT,
President of the United States,
The White House, Washington, D.C.

DEAR MR. PRESIDENT: I have just received from Ernest A. Ryan, adjutant of the Kansas Department of the American Legion, a protest against the hurried discharge of hundreds of needy veterans from the national military home at Leavenworth. My information is that nearly 1,000 of these, practically none of them with any other means of support, are being discharged. Certainly, they cannot get jobs of any kind at this time. The local communities are not in shape to care for them adequately in addition to the heavy burdens already imposed upon them by the great army of unemployed in the country.

It was with heartfelt approval I read the statement from the White House Wednesday morning to the effect that there would be careful review of service-connected cases, and also of regulations affecting nonservice cases where the veterans are clearly disabled or destitute. It seems to me that is fair and just not only to the veterans in question but also to the country.

In regard to the Leavenworth situation, I believe Adjutant Ryan has sent you a telegram urging you to suspend all further discharges until the review of the regulations contemplated in the Wednesday morning statement by Mr. Early can be made.

Permit me to join Adjutant Ryan in that plea.

Permit me to urge that until the regulations are reviewed these disabled veterans be allowed to remain in the homes. Surely it is more equitable and more humane to discharge only those clearly entitled to such discharge after review than it is to cast them out now by the hundreds and then later allow some of them to return.

I realize this is a most difficult problem. I realize that you are doing everything in your power to handle the situation with justice to all and in a humane spirit. But I do want to urge that no needy disabled veteran be discharged upon public charity at a time when the local communities are straining every resource to take care of the large numbers of destitute already on their hands. And may I express the hope that immediate steps will be taken by the Veterans' Administration to correct the most glaring inequalities in the regulations now in force, and that pending these adjustments those likely to be affected by the change not be thrown out to shift for themselves at a time when this is practically impossible.

With sincere regards,

ARTHUR CAPPER.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 1410. An act to amend section 207 of the Bank Conservation Act with respect to bank reorganizations; and

S. 1415. An act to amend sections 5200 and 5202 of the Revised Statutes, as amended, to remove the limitations on national banks in certain cases.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 5040) to extend the gasoline tax for 1 year, to modify postage rates on mail matter, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DOUGHTON, Mr. RAGON, Mr. SAMUEL B. HILL, Mr. TREADWAY, and Mr. BACHARACH were appointed managers on the part of the House.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 7) providing for the suspension of annual assessment work on mining claims held by location in the United States and Alaska, and it was signed by the Vice President.

VETERANS' ALLOWANCES AND ADJUSTED-SERVICE CERTIFICATES

Mr. VANDENBERG. Mr. President, I ask unanimous consent to have printed in the RECORD two letters, one with respect to the allowances of veterans and the other with reference to the present movement in behalf of the payment of adjusted-service certificates. Preceding the letters are brief statements prepared by me, which I ask may also be printed in the RECORD.

There being no objection, the statements and letters were ordered to be printed in the RECORD, as follows:

Mr. President, two phases of veterans' legislation are involved in wide-spread discussion at the present time. One phase deals with excessive and indefensible reductions in service-connected disability allowances in violation of all the assurances which were given to Congress at the time of the passage of the so-called "Economy Act." Another phase deals with the renewed movement in behalf of present payment of adjusted-service compensation certificates. The only possible way in which I can hope to respond to the large number of inquiries that are coming to me upon this score is to ask the Senate's unanimous consent that two typical correspondence exhibits be printed in the RECORD.

The first exhibit deals with the so-called "bonus problem." The following typical letter was received from Mr. Stanley Banyon, editor of the News-Palladium, at Benton Harbor, Mich.:

"There is considerable discussion of the proposition that if the new administration is to attempt controlled inflation of the currency, as a stimulus to economic recovery, there ceases to be any sound reason why the so-called 'soldiers' bonus' should not now be included among those 'maturing obligations of the Government' to be paid with so-called 'greenbacks' at once. It seems to me that under a greenback program of controlled inflation the bonus question is a totally different question than it was 1 year ago. I do not discuss whether the inflation program is wise. That has been settled. We are to have it. Since we are to have it, I ask about the bonus as part of it. We all have great respect for your opinion on a matter of this nature, and I think your State would welcome any public statement you might care to make on the subject."

My self-explanatory reply follows:

"The so-called 'bonus problem' is substantially different today, in the light of the passage of the inflation bill, than it was previously. If the Federal Government is to embark upon the reissue of so-called 'greenbacks' under the general terms of the old act of 1862, for the purpose of meeting certain maturing obligations of the United States Government, it seems to me that a thoroughly sound case can be made out in favor of paying adjusted-compensation certificates in this fashion immediately. Therefore, if we are to have limited inflation as is the new administration's plan, I considered it logical and preferable to include the 'bonus' among those 'maturing obligations' which the President shall be thus authorized to pay in this fashion. I voted accordingly.

"There are several specific reasons which sustain this conclusion. I am glad to submit them to the approval of your judgment.

"First. There is more actual advantage to the Federal Treasury in using the major portion of the contemplated $3,000,000,000 of 'greenbacks' in paying off this particular 'Government obligation' than any other. The new inflationary law requires an annual 4-percent sinking fund to retire these 'greenbacks.' (A 'greenback' is a piece of paper money representing the Federal Government's promise to pay, without specific collateral value assigned to support it.) This annual sinking-fund obligation, in respect to the 'greenbacks' necessary to pay the bonus, would be about $25,000,000 per year less than the annual payment which otherwise must continue to be made into the maturity fund to pay the bonus in 1945. In other words, there would be an actual and substantial budgetary advantage today in using the contemplated 'greenbacks' to anticipate these bonus maturities. This is the exact reverse of the situation 1 year ago when we were not committed to inflation as a policy and when, on any other basis, the cash payment of the bonus would have more than doubled the already yawning deficit which was threatening to wreck the public credit.

"Second. The purpose of this inflation is said to be the encouragement of commerce through the increase in the volume of currency. I never have believed that the volume of currency is as important as the velocity of its turn-over—as witness the fact that we have as big a volume (barring hoarding) today as in the peak days of 1928. Certainly there must be velocity as well as volume—there must be the use as well as the creation of new money—if inflation is to serve any useful purpose. The payment of the bonus would produce swifter decentralized distribution and use than the payment of any other existing Government obligation. Therefore, if we are to try this inflationary stimulus—and that question is no longer open to argument—the present payment of the bonus best serves the end in view. Any argument to the effect that this money would be swiftly swallowed up and would soon cease to affect the situation, as was the case when the first 50 percent was made available upon my initial motion 2 years ago, is simply an argument against the utility of the contemplated limited inflation—with the exception that it must be remembered that the first payment was not in inflated money.

"Third. The present payment of the bonus in 'greenbacks'—if we are to pay any Government obligations in 'greenbacks'—would serve a collateral public purpose which is absent in the payment of any other existing Government obligations. It would take every World War veteran in the country off of local relief rolls for a considerable time to come. This would help relieve local welfare responsibilities and would aid the situation in cities and towns and States—even up to the Reconstruction Finance Corporation and its advances to the States for welfare purposes. Certainly there is a particular obligation to veterans in this connection.

"Fourth. The fact that the face of these adjusted-compensation certificates are not due until 1945—heretofore a compelling argument against anticipated payment of the 1945 value—ceases to be other than an academic consideration if the present payment be included within the already legalized 'greenback' limitation. Indeed, it were far better for the Government's reputation for good faith to thus inexpensively anticipate these particular 'maturing obligations' than, as in the case of other 'maturing obligations' contracted to be paid in gold, to repudiate the gold clause and force payment of gold obligations in paper money. Certainly I would not force a veteran to take 'greenbacks' in 1933 if he prefers to wait for other and different payment in 1945. But certainly I would give him the option at once, under all these circumstances and for these compelling reasons.

"This entire argument is predicated upon the fact that it already has been decided that the President shall have authority to issue up to $3,000,000,000 in 'greenbacks' to pay 'maturing obligations' of the Government as he sees fit. In other words the advisability of this type of inflation has ceased to be in argument. The only remaining argument, as I see it, is the choice of 'obligations' to be paid. I have warned before—and I warn again that 'printing-press money' is a dangerous experiment. It is too much like the opium habit—a progressive curse. The German Republic doubled her currency with 'printing-press money' in 2 years. The next doubling occurred in 2 months; the next in 2 weeks; the next in 2 days. It finally had to be stabilized on the amazing basis of 1,000,000,000,000 to 1. We must protect America against that debacle at any cost. The American inflation now proposed is limited to $3,000,000,000 in 'greenbacks.' They are protected by a 25-year sinking fund. They are limited to use on existing obligations of the Federal Government. It is to be fervently prayed that our self-restraint will keep us within limits. But since the power to proceed as indicated is now created and no longer open to argument, I believe that the power should also be created to include adjusted-service compensation certificates within the definition of those 'maturing obligations' entitled to present and immediate payment.

"I want to add that 'bonus marches' upon Washington, no matter how nobly meditated, have a most unfortunate effect upon these veterans' problems. No one would deny veterans, singly or in groups, the sacred right of petition. But when petitioners encamp upon the Capitol more or less indefinitely, there is an element of physical compulsion, whether intended or not, which emphasizes the threat above and beyond the petition itself. This inevitably has the exact reverse from the intended effect upon legislators."

The second exhibit which I desire to submit has to do with the rules and regulations announced by the United States Veterans' Bureau and the Bureau of the Budget in respect to reductions in pensions and disability allowances pursuant to the so-called "Economy Act." There are unexpected inequities and severities in the administrative rules and regulations which represent the form in which this Executive authority is to be exercised. Some of these inequities are more violent than those in the old order which it was sought to purge. Actual battle casualties have been reduced in allowances from 35 percent to 55 percent, sometimes even more. Total reductions of 72 percent in World War allowances and 66 percent in Spanish War allowances cannot be defended—either on the basis of justice, or on the basis of the driving need for economy which I support, or on the basis of the assurances given Congress when the "Economy Act" was passed. There must be a rational revision of these rules and regulations or "economy" inevitably will suffer from just such a reaction as previously hit prior allowances themselves. A typical letter on this subject from George A. Osborne, editor of the News at Sault Ste. Marie, Mich., was answered by me as follows:

"This will reply to your letter with its enclosed news article describing the contemplated reduction from $90 per month to $8 per month in the disability allowance to a veteran who 'received a volley of machine-gun bullets in the abdomen' while fighting in France in direct contact with the enemy and who thus was permanently disabled.

"Any such treatment of a veteran with direct service-connected disability is not only an affront to the humanities and to American patriotic sensibilities, but it also is a direct violation of the assurances which were given Congress at the time the President asked for special powers in the so-called 'economy bill.' I shall not only emphatically protest this action; I also shall use it as a further demonstration that the economy bill is being administered under rules and regulations never remotely contemplated when Congress was asked for the bill by the President in the dire emergency which he confronted the second week in March.

"Some of these rules and regulations, recently announced by the Budget Director, are shocking beyond words in their effects. They cannot be justified even in the name of 'economy'—to which we all must rigidly commit ourselves—because illogical and illegitimate economy simply invites reaction against all economy.

"Ten days ago the national commander of the American Legion, which is seeking patriotically to uphold the President's hands in his economy needs, protested to the President against some of these unexpected regulations. I promptly wired the commander at Indianapolis headquarters of the Legion, under date of May 5, as follows:

"'I want you to know that I emphatically agree with your statement that "those to whom President Roosevelt has intrusted administration of the Economy Act have gone far beyond what his spokesmen in Congress promised would be the extreme limit of the burden to be imposed upon veterans." The Legion certain is justified in asking a review of the new orders, particularly as affecting battle-front service-connected disabilities.'

"On May 12 President Roosevelt ordered his Budget Director and his United States Veterans' Bureau to review these offensive rules and regulations. They ought to be reviewed and they ought to be purged. I am perfectly sure that the veterans themselves are willing to again make their fair share of contribution to the country's needs. But no exigency on earth could justify anything remotely approximating a cut from $90 per month to $8 per month in the case of a veteran who was disabled in action in such an instance as you present. Unfortunately, this is not an isolated case. I am amazed that any administrators could conceive such ruthlessness.

"It is physically impossible for my office facilities to pursue each individual Michigan case which falls under the new bans. But I shall be glad to make an example of the particular case which you submit. It could not be expected that the necessary cut-backs in veterans' allowances would not bring a storm of protests. But neither should it have been expected that the cut-

backs would invade legitimate allowances in any such fashion as we now contemplate. I feel particularly offended because I insisted upon assurances to the contrary when the bill originally was in the Congress.

"I am hopeful that the review which the President has ordered will correct some of these aggravated situations. If not, they must be corrected otherwise. I understand that already it has been determined not to abandon regional offices of the United States Veterans' Administration at once. This would have been another grievous error, since it would have centralized these millions of claims in Washington and prolonged, perhaps by years, their adjudication in many instances."

STIMULATION OF BUSINESS

Mr. NYE. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Program to Stimulate Business", by James M. Thomson, appearing in the New Orleans Item.

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

[From the New Orleans Item]

PROGRAM TO STIMULATE BUSINESS

By James M. Thomson

Senator COSTIGAN, Democrat, of Colorado, has offered a bill in the United States Senate providing for a $6,000,000,000 public-works program. This bill contemplates an expenditure of $5,000,000 a day for 2 years.

Senator COSTIGAN is an able and progressive Democrat. I am more than happy to see identified with the bill the name of Senator CUTTING, a Republican, of New Mexico, and the name of Senator ROBERT LA FOLLETTE, of Wisconsin. Senator CUTTING is an interesting character. He is a scion of a very wealthy New York family who moved to New Mexico on account of his health. He is in his forties and is a bachelor. He is reputed to be worth a good many millions of dollars of inherited money. It is greatly to his credit that Senator CUTTING has taken almost uniformly from the time he entered the Senate the fight of the people. He deserted the Republican Party and supported Franklin Roosevelt in the last election. He made some of the best speeches that were made for Roosevelt. He represents a type of western progressive leadership which should have a voice in the councils of the administration.

Perhaps the greatest compliment that can be paid Senator ROBERT LA FOLLETTE, of Wisconsin, another young man, is to state that he is a worthy son of a great father. When American history is written the senior La Follette will rank as one of the really great Americans of his time.

I don't know how the Senate will line up on this bill, but it will be surprising to me if another Member of the Senate, a wealthy Republican, does not line up with these gentlemen for a $6,000,000,000 bond issue. I refer to Senator COUZENS, of Michigan. Senator COUZENS is a former partner of Henry Ford. He sold out his business for a good many millions of dollars. He is understood to have his money in the safest type of investment. It is clearly to his credit that the Michigan Senator has tried to stand uniformly for what he considers the popular interest. He refers to the attitude of Senator CUTTING and Senator COUZENS because it is popularly supposed that rich men in public life and whose investments may be in bonds or mortgages are considered to be influenced by their money in their vote and in their attitude. My personal contacts with men of this type have been rather refreshing. They are very often men desirous of legislation in the interest of the people.

I noted when America went off the gold payment abroad that J. P. Morgan came out in a statement not only approving the Government's action but approving inflation. When I started out several weeks ago to urge inflation or reflation on the Government I never expected to find myself in Mr. Morgan's company within a few weeks.

The point that I want to make is that in urging the issuance of five or six billion dollars by the Government to put the people to work, I do not believe that I am radical but think that I am business-like and conservative.

Interest on $6,000,000,000 is $180,000,000 a year at 3 percent, and if the Federal Government splits this money with the States and with the cities which need money and starts a vast employment program in this country, I for one expect to see business so stimulated that the Federal Government will increase its revenue by a billion dollars a year from income and other forms of taxes.

I have heretofore presented the argument that the loss to the country in increased wealth which can be got from employing 12,000,000 people now unemployed will be $5,000,000,000 a year. Public improvements are not a liability to a nation; they are an asset to a nation, and expenditure for public improvements is wise.

All the surplus wealth of Russia goes each year into public improvements. A great part of the surplus wealth of Italy goes each year into public improvements. France has put her surplus wealth into military equipment and has loaned it to her European allies for military purposes. In my opinion, Great Britain made a terrible mistake in inaugurating the dole and in maintaining millions of idle people for 10 or 12 years at British expense. The country had far better have issued public-improvement bonds and have put those people to work.

The United States does not need great military expenditures, I know.

DEPOSIT OF GOLD AND GOLD CERTIFICATES

Mr. STEIWER. Mr. President, I ask unanimous consent to have printed in the RECORD an article appearing in a Colorado paper written by Hon. C. S. Thomas, formerly a Member of this body.

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

Shakespeare once defined gold as the visible god. Whatever its physical qualities, it was always and still is the most formidable deity ever worshiped by mankind. Even when the first commandment was voiced on Sinai, the Jews were imaging the golden calf at the foot of the mountain. Moses destroyed their statue, but he could not dethrone the metal which until quite recently men and women were privileged to see, albeit the bulk of it was buried in the ground from whence it came.

We, or some of us, therefore, know that it is yellow, bright, and heavy. Also that by reason of the supernatural qualities with which it has been endowed it measures and shifts the values of all things spiritual and material. Moreover, the more fortunate of the people until recently, could actually acquire and enjoy meager portions of it; while theoretically, those possessed of other forms of money might demand its conversion into gold as the only real money in the habitable world, those contending for other standards being neither honest, intelligent, nor trustworthy. The metal failed to function and then abdicated. Yet the gold god is too sacred to be seen. Its fires burn too brightly for mortal eyes to gaze upon.

The leader of American Democracy, ostensibly invested by Congress with the purple of unlimited power, last week issued an old-fashioned Russian "ukase" commanding all citizens (they are still so designated) by or before May next to deposit with the financial authorities all gold and gold certificates in their possession in exchange for other forms of money. Failing this, the President by the same edict subjects them to arrest, indictment, and on conviction to a maximum fine of $10,000 or sentence of imprisonment for a term of 10 years or both. The visible god of Shakespeare is thereby clothed with invisibility and the single standard transformed from a human agency into a thing of omnipotence.

Under the law as written, gold is legal tender for the satisfaction of all human obligations. He who demands and he from whom it is demanded have no alternative but compliance with its terms. It was thus enacted at the behest and by the command of the single-standard powers and until yesterday it functioned as "the law of the land." But the President by his "ipse dixit" has assumed to repeal it.

The owner of paper money is not only prohibited from demanding its redemption in gold, he is commanded under the sanction of the penal code to exchange with the Treasury for its paper. Although his own, he may not even retain it save at the risk of his liberty. Its mere possession after May 1 becomes a felony eo ipso, not by act of Congress but by Executive order based on legislative delegation of authority.

With all due acknowledgement of the best of intentions, with which hell is said to be paved, I assert that this Executive order is the most deadly and appalling attack upon the integrity of the American Constitution thus far encountered since its ratification. Only by abdication can the Congress so legislate. Its Members falsify their oath of office when they so ordain. The President has no more power to exercise the authority thus conferred than he had before the effort was made to confer it. The plea of necessity would be farcical, if the incident were not so tragical in its reaction upon American institutions.

If the assertion were true that the salvation of the Republic or of the gold standard required this extreme policy, which it is not, then neither is worth the sacrifice. The latter has long been a curse and will so continue as long as the public interests are sacrificed upon its altar. Moreover, the Government has but to stretch out its hand and grasp the remedy; a fact which the world keenly realizes while its chancelleries willfully shut their eyes to it and will have none of it. If on the other hand, penalizing by edict those rightfully possessing and entitled to the use of gold is within the Executive power, especially in times of peace, then no right of the American citizen is safe from the exercise of despotic power.

The Nation has traveled far and fast on the road to centralization since the Civil War, but it is somewhat melancholy to reflect that the Democratic Party under Wilson and Roosevelt has done more to demolish State boundaries and trample upon the fundamentals of the bill of rights than its opponent, which for three quarters of a century we have bitterly denounced for its disregard of constitutional limitations. And the bitter pill is now coated with gold, whose bar sinister, branded by fraud on the Nation's forehead in 1873, dictating its policy for 60 years, itself bankrupt in morals and in fact and doomed to early extinction, has now dragged Democracy into the fathomless pool of repudiation. "Alas, it is not in our stars but in ourselves that we are underlings."

Comes at this juncture the economic statement that owing to expansion of debt and destruction of values, the Nation's liabilities

exceed its assets. If this be true, bankruptcy is in sight and repudiation, is inevitable. Is it surprising that gold as usual has between two days to run to its cover disappeared in the gloaming and left the Nation to the elements and to fate?

C. S. THOMAS.

MOTHER'S DAY—ADDRESS BY SENATOR NEELY

Mr. COSTIGAN. Mr. President, I ask unanimous consent to have printed in the RECORD an address in commemoration of Mother's Day delivered over the radio yesterday by the eloquent Senator from West Virginia [Mr. NEELY].

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

MOTHER'S DAY

For more than 19 centuries mankind has had three unfailing sources of inspiration to heroic efforts, great accomplishments, and sublime achievements. For more than 1,900 years the three words that represent these ever-flowing fountains of inspiration have charmed the ears, brightened the hopes, and thrilled the hearts of all the children of men. They have incited the genius that has produced the most exquisite pictures ever painted, the most beautiful poems ever written, the most melodious songs ever sung—songs, poems, and pictures that have given us sunshine for our shadows, joy for our sorrows, smiles for our tears, and intimated to us the endless bliss of immortality in that "realm where the rainbow never fades", where no one ever grows old, where friends never part and loved ones never, never die.

These three mighty, magic, and inspiring words are "Jesus", "Home", and "Mother."

The first of them impelled Charles Wesley to write:

"Jesus, lover of my soul,
Let me to Thy bosom fly;
While the nearer waters roll,
While the tempest still is high.

"All my trust on Thee is stayed;
All my help from Thee I bring;
Cover my defenseless head
With the shadow of Thy wing.

"Hide me, O my Savior, hide,
Till the storm of life is past;
Safe into the haven guide,
O receive my soul at last."

What unspeakable consolation, born of boundless faith in the everlasting Father's imperishable love for His erring children, is revealed in this beautiful hymn. Its music, "like a sea of glory, has spread from pole to pole."

The second of our magic words prompted John Howard Payne to compose that deathless song that has been sung and played around the world. Millions of weary wanderers on foreign strands have been transported upon the wings of imagination back to the romantic scenes of their childhood, to the picturesque paths which their infancy knew, to the happy days of the long ago by that soothing symphony of sublime sentiment:

"Mid pleasures and palaces though we may roam,
Be it ever so humble there's no place like home!
A charm from the sky seems to hallow us there,
Which, seek through the world, is ne'er met with elsewhere.

"Home, Home, sweet, sweet home!
There's no place like home!"

And the last of this tranquilizing trinity of wondrous words, with the stirring force of the celestial muse of Isaiah, impelled Elizabeth Akers Allen to write the following pathetic, appealing, and rapturous poem that is destined to live until the everlasting hills, "The vales stretching in pensive quietness between", and "old ocean's gray and melancholy waste", shall be no more:

"Backward, turn backward, O Time, in your flight,
Make me a child again just for tonight!
Mother, come back from the echoless shore,
Take me again to your heart, as of yore;
Kiss from my forehead the furrows of care,
Smooth the few silver threads out of my hair
Over my slumber your loving watch keep;
Rock me to sleep, Mother, rock me to sleep!

"Backward, flow backward, O tide of the years!
I am so weary of toil and of tears—
Toil without recompense, tears all in vain,
Take them, and give me my childhood again!
I have grown weary of dust and decay,
Weary of flinging my soul-wealth away;
Weary of sowing for others to reap;
Rock me to sleep, Mother, rock me to sleep.

* * * * * *

"Mother, dear mother, the years have been long
Since I last listened your lullaby song:
Sing, then, and unto my soul it shall seem
Womanhood's years have been only a dream.
Clasped to your heart in a loving embrace,
With your light lashes just sweeping my face,
Never hereafter to wake or to weep—
Rock me to sleep, Mother, rock me to sleep."

Kings and potentates and parliaments have proclaimed holidays, thanksgiving days, and emancipation days for observance by the people of various kingdoms and countries and states. But Miss Anna Jarvis, a distinguished woman of West Virginia, has established Mothers' Day in the love, in the devotion, and in the throbbing heart of the humanity of all the world.

Today we venerate the sacred name and memory of mother. We laud the virtue, extol the spirit of self-sacrifice, and eulogize the loving kindness of every mother living; and in imagination, with bowed heads, grateful hearts, and generous hands lay new wreaths of the freshest, the fairest, and the most fragrant flowers upon the graves of all the mothers who have gone from the fitful land of the living into the silent land of the dead. In this hour of sober and serious reflection we realize that everyone who treads the globe owes his birth to the unspeakable agony of a mother. From mother's breast the baby first was fed. In mother's arms the baby first was lulled to sleep. Mother, in the twilight hour of baby's existence, breathed the fervent prayer:

"That He who stills the raven's clamorous nest,
And decks the lily fair in flowery pride,
Would, in the way His wisdom sees the best,
For her darling child provide; but chiefly
In her loved one's heart, with grace divine preside."

Then, as the days grew into the months and the months lengthened into the years mother's life became a continuous round of solicitude, service, and sacrifice for her child.

Mother's hands made the first dress that baby ever wore. Mother's deft fingers made playthings for the little one that filled his eyes with wonder and his heart with joy.

A splinter in baby's finger, a briar in baby's foot, or a bruise on baby's toe became an affliction of such momentous consequence that only mother could heal it; only mother could banish its ache; only mother could exile its pain; only mother could smile away the tears it caused to flow down baby's cheeks.

And a little later mother, like an inexhaustible encyclopedia of universal knowledge, informed her baby about the birds and the beasts and the flowers and the trees. She discussed with him the cause of day and night; of winter's storm and summer's calm; the mysteries of the earth and sea and sky. She explained as best she could the marvels of the sun and moon and stars and the grandeur of the far-off milky way.

And the little one at night, upon his knees, at mother's side, with mother's hand upon his head, learned to say in the lisping accents of childhood:

"Now I lay me down to sleep,
I pray the Lord my soul to keep:
If I should die before I wake,
I pray the Lord my soul to take.
And this I ask for Jesus' sake.
Amen."

Thus from the day of the birth of her babe, "toiling, sorrowing, rejoicing onward through life mother goes", generously giving the best of her thought and energy and effort and life to make of her child a successful, useful, and righteous woman or man.

But until—

"The stars are old,
And the sun grows cold,
And the leaves of the judgment book unfold"—

no one will ever know the full measure of service the mothers of earth have constantly rendered their children.

The following touching story illustrates the fact that the average mother is ever ready to sacrifice as sublimely for her child as the mother pelican is said to sacrifice for her young by feeding them the lifeblood from her breast:

A poverty-stricken Italian woman was, by the death of her husband, compelled to work hard in a "sweatshop" to support her three little children. A humane organization learned that this unfortunate woman was in the last stage of consumption and endeavored to take her from her task. But she resisted and continued to work until she died of a hemorrhage. During this martyr's last moments someone inquired of her why she had worked so hard and so long, and she gasped, "I had to work to get the grub for the kids."

Greater love than this has no woman shown. She laid down her life for her children.

Just such love as this poor, dying Italian woman had for her children every other mother has for her own.

In token of our appreciation of the great boon of maternal devotion which we all enjoy, or have enjoyed in the days gone by, let us habitually exalt the name, commemorate the memory, and sing the praises of our mothers, and let us devoutly beseech our Heavenly Father to love them and keep them, and shower His richest blessings upon them forever and forever.

"O mother, thou wert ever one with nature,
All things fair spoke to my soul of thee;
The azure depths of air,
Sunrise and starbeam, and the moonlight rare,
Splendors of summer, winter's frost, and snow,
Autumn's rich glow, bird, river, flower, and tree.

"Mother, thou wert in love's first whisper,
And the slow thrill of its dying kiss;
In the strong ebb and flow of the resistless tides of joy and woe;
In life's supremest hour thou hadst a share,
Its stress of prayer, its rapturous trance of bliss.

"Mother, leave me not now when the long shadows fall athwart the sunset bars;
Hold thou my soul in thrall till it shall answer to a mightier call,
Remain thou with me till the holy night puts out the light
And kindles all the stars."

Mr. LONG subsequently said: Mr. President, there was ordered to be printed in the RECORD this morning, at the request of the Senator from Colorado [Mr. COSTIGAN], an address by the Senator from West Virginia [Mr. NEELY]. I understand that will be printed in the ordinary small type, will it not, unless I am able to get an order from the Committee on Printing to the contrary?

The VICE PRESIDENT. The Chair understands that the law provides that it shall be printed in small type unless authorized to the contrary by the Joint Committee on Printing.

Mr. LONG. I want to get authority from the Printing Committee to have it printed in the ordinary type of the RECORD. Will I have to have the request referred to the Printing Committee?

The VICE PRESIDENT. It will require action of the Joint Committee on Printing.

Mr. LONG. Of the two Houses?

The VICE PRESIDENT. Yes.

Mr. FLETCHER. Mr. President, was the request referred to the Joint Committee on Printing?

The VICE PRESIDENT. No; it was not.

Mr. FLETCHER. The law requires such matter to be printed in a certain type.

The VICE PRESIDENT. Yes; and the law requires action by the Joint Committee on Printing.

CARE OF VETERANS—DAYTON (OHIO) SOLDIERS' HOME

Mr. ROBINSON of Indiana. Mr. President, I desire to read a letter from Lawrence Andrews, of the editorial department of the Dayton Journal, with reference to the disabled veteran who was discharged from the Dayton Soldiers' Home in his underwear. That story was denied to some extent later in the day after it had been placed in the RECORD.

The Senator from South Carolina [Mr. BYRNES] had some matter incorporated in the RECORD that seemed to be somewhat at variance with the original story. I now have a communication from the Dayton Journal, which reads as follows:

DAYTON, OHIO, *May 12, 1933.*

Hon. ARTHUR R. ROBINSON,
Senate Office Building, Washington, D.C.

DEAR SENATOR: The United Press Association, under date of May 12, under a Washington, D.C., date line, carried the following story:

"WASHINGTON, May 12.—Perry M. Long, of Dayton, Ohio, may have left the soldiers' home minus his pants, but the Roosevelt economy program has nothing to do with the incident, Veterans' Administrator Frank T. Hines has informed Congress.

"C. W. Wadsworth, director of the soldiers' homes for the Veterans' Bureau, and F. C. Runkle, manager of the home in question, were the authorities given by Hines for the denial. The two termed the affair 'A carefully staged publicity stunt.'

"Hines' statement was placed in the CONGRESSIONAL RECORD by Senator BYRNES, Democrat, of South Carolina, after Senator ROBINSON, Republican, of Indiana, had placed in the RECORD a news item from the Dayton (Ohio) Journal, in which Long was quoted as saying he had been told on leaving the home, 'Orders is orders; you will have to take them off.'

"A picture with the item showed Long standing in his underwear, shirt, and shoes."

If you want to make liars out of two Government officials, namely, C. W. Wadsworth, director of soldiers' homes for the Veterans' Bureau, and F. C. Runkle, manager or governor of the Dayton home, in their assertion that the above affair was a carefully staged publicity stunt, just write to me or either of the following men: Irwin Rohlfs, former assistant prosecuting attorney of Montgomery County, residing at 1818 Ravenwood Avenue, Dayton, Ohio; Frank Humphrey, former municipal judge and prominent local Democratic leader, residing at 817 St. Agnes Avenue, Dayton, Ohio; Russell Schlafman, treasurer of the Montgomery County Veterans' Association, well-known local Democrat, residing at 410 Burns Avenue, Dayton.

Any of these men will be glad to furnish you with their own affidavits and affidavits from other persons who know the facts; that the above-referred affair did take place; that P. M. Long had no alternative but to turn in his clothes; that employees of the quartermaster's department at the home laughed when Long walked out in his underwear; that a stranger picked Long up just inside the home gates and took him to Ruebenstein's store, left him in the machine and went in and bought him a suit of overalls, and then took Long home; that Long is a tuberculosis patient; that he took a Civil Service examination for a Government position at Wright Field, Government aviation field near Dayton, but that they refused him the position because a physical examination showed him to be suffering from tuberculosis.

Either of the above-mentioned men can cite you dozens of equally pitiful cases and back up their assertions with affidavits if you will request them. One of the latest cases to come to their attention is that of a former soldier who received frozen feet while on duty in the Yukon; had part of his feet amputated, crippling him for life, and was discharged from the Army because of his disability as shown by his papers; that he has been receiving $60 a month pension, which is all that he has, and that this has just been cut to $18 a month. Perhaps that does not come under the Roosevelt economy program either, but I am prepared to send you photostatic records and affidavits to substantiate those facts.

Perhaps you will be interested to learn that since April 1, 1933, approximately 2,000 former service men have been sent out of the soldiers' home; that these men were turned loose in hundreds of cases without any funds whatever as charges on our local government and welfare agencies; that it was necessary for the veterans' association to open a temporary shelter in an old building in the heart of the downtown section, and that 55 men are now housed there with 15 of them compelled to sleep on the floor while cots are stored away at the home—cots which they formerly slept on.

It may interest you to know that the veterans association at first attempted to take care of these men by voluntary subscription and funds raised from benefits; that the burden became so heavy that they demanded that county commissioners, under the State law, appropriate immediately the sum of $254,000 for soldiers' relief to be raised by an additional half mill levy on over-burdened real estate; that the county commissioners did provide food and transportation for a number of veterans back to their homes, and finally were compelled to seek aid from the State relief commission, and that these needs are now being met by Reconstruction Finance Corporation funds. In other words a part of the burden of caring for indigent and disabled veterans is being borne by the Government out of Reconstruction Finance Corporation funds instead of the soldiers' home budget and at a greater per capita cost than formerly. Yet it is all a part of the "economy program."

You will find also, Senator, that all of the former soldiers in this city who are fighting for justice and fair play to be given their comrades, are men who do not themselves receive pensions, but who are insisting that those veterans who are in need be taken care of adequately by the Government.

The wide publicity given the Long story and picture has put officials at the soldiers' home on their guard, but at that time there was no alternative for Long but to turn in his clothes, and if you want an affidavit from Long I am certain that you can get it.

A rigid investigation of the manner in which the economy law is being enforced here would not be amiss and would be welcomed by 12,000 local veterans.

Sincerely yours,

LAWRENCE ANDREWS,
Editorial Department, The Dayton Journal.

P.S.—I am enclosing story that appeared on front page of Dayton News today. Suggest that you force Veterans' Bureau to make public correspondence they exchanged with Gov. F. C. Runkle, manager of Dayton home, on Long incident so you will have Runkle's story in black and white.

Even convicts discharged from Federal penitentiaries are given a suit of clothes and some cash.—L. A.

As will be noted, the writer suggests that the correspondence which passed between the Veterans' Bureau here in Washington and the Soldiers' Home in Dayton be made public. I am trying to get copies of that correspondence, and when I do I shall place them in the RECORD.

Mr. President, I understand the same situation exists all over the United States where veterans' hospitals are located, and there are some 54 or 55 of them. What a cruel thing it is! This administration will be known for its infamous so-called "economy act" long, long years after we are all dead and gone.

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

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

Mr. ROBINSON of Indiana. Certainly.

Mr. LEWIS. May I ask the Senator from Indiana who it is in charge of that home at Dayton representing the National Government?

Mr. ROBINSON of Indiana. F. C. Runkle.

Mr. LEWIS. How long has that official head been in charge of this particular locality and department?

Mr. ROBINSON of Indiana. I do not know of my own knowledge, but I understand about 2 years or more.

Mr. LEWIS. He is not a new appointee?

Mr. ROBINSON of Indiana. I think not. I think he is getting his orders from Washington, however. He is just administering the law as he is told to administer it under these inhuman regulations that the President and his chief executioner, Mr. Douglas, have promulgated.

Mr. LEWIS. I understand the Senator from Indiana merely deduces his idea that whatever transpired there was a result of orders obtained from Washington, but the Senator has no knowledge of such facts?

Mr. ROBINSON of Indiana. I think I will have some correspondence in the next day or so that passed between Washington and Dayton that will settle that question.

THE CALENDAR

The VICE PRESIDENT. Morning business is closed. The calendar is in order. The clerk will state the first business on the calendar.

JOINT RESOLUTION AND BILL PASSED OVER

The joint resolution (S.J.Res. 15) extending to the whaling industry certain benefits granted under section 11 of the Merchant Marine Act, 1920, was announced as first in order.

Mr. KING. I ask that that go over.

Mr. COPELAND. Mr. President, will not the Senator agree that the resolution may be considered at some day in the near future?

Mr. KING. I do not want to make any commitment in advance. I think the measure is so important and, to my way of thinking, so improper, not to say obnoxious, that I should not want to consider it under any limitation of debate. If it comes up in the proper way, in a way that does not involve limitation of debate, I shall have to take my chances.

Mr. COPELAND. Will the Senator withhold his objection just a moment?

Mr. KING. I will withhold it for a moment.

Mr. COPELAND. The resolution has to do wholly with the matter of an industry which is not associated with those matters which the Senator thinks are evil, connected with the American merchant marine. It has to do with the whaling industry and it is important at this time that there should be a reorganization of part of the work in order that there may be brought about an increase in the business. However, I shall not press the matter at this time.

The VICE PRESIDENT. On objection, the joint resolution goes over.

The bill (S. 682) to prohibit financial transactions with any foreign government in default on its obligations to the United States was announced as next in order.

Mr. JOHNSON. That may go over.

The VICE PRESIDENT. The bill will be passed over.

IMPEACHMENT OF HAROLD LOUDERBACK

The VICE PRESIDENT. The hour of 12:30 o'clock having arrived, under the order of the Senate, the Senate is now in session sitting as a Court of Impeachment for the trial of articles of impeachment against Harold Louderback, judge of the United States District Court for the Northern District of California.

The managers on the part of the House of Representatives—Hon. HATTON W. SUMNERS, of Texas; Hon. RANDOLPH PERKINS, of New Jersey; Hon. GORDON BROWNING, of Tennessee; Hon. U. S. GUYER, of Kansas; Hon. J. EARL MAJOR, of Illinois; and Hon. LAWRENCE LEWIS, of Colorado—were announced by the secretary to the majority (Mr. Leslie L. Biffle) and conducted to the seats assigned them.

The respondent, Harold Louderback, appeared with his counsel, Walter H. Linforth, Esq., and James M. Hanley, Esq., and took the seats provided for them.

The VICE PRESIDENT. The Sergeant at Arms will make proclamation.

The Sergeant at Arms made the usual proclamation.

The VICE PRESIDENT. The Journal of the proceedings of the last session of the Senate sitting as a Court of Impeachment will be read.

Mr. ASHURST. Mr. President, I ask unanimous consent that the reading of the Journal of the last previous session of the Senate sitting as a Court of Impeachment may be dispensed with and that the Journal may stand approved.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The Chair is informed by the Secretary of the Senate that on April 29, 1933, Representative HATTON W. SUMNERS, chairman of the managers on the part of the House of Representatives heretofore appointed to conduct the impeachment against Harold Louderback, United States district judge for the Northern District of California, filed with him, as said Secretary, under authority of House Resolution No. 108, the following documents:

1. The replication of the House of Representatives to the answer of said Harold Louderback to the articles of impeachment, as amended; and

2. A statement making more specific an allegation contained in article 5 of the articles of impeachment, as amended.

In order that they may be incorporated in the printed proceedings, the Chair lays before the Senate, sitting for the trial of the said impeachment, the said documents, which will also be printed for the use of the Senate.

The documents are as follows:

REPLICATION OF THE HOUSE OF REPRESENTATIVES OF THE UNITED STATES OF AMERICA TO THE ANSWER OF HAROLD LOUDERBACK, DISTRICT JUDGE OF THE UNITED STATES FOR THE NORTHERN DISTRICT OF CALIFORNIA, TO THE ARTICLES OF IMPEACHMENT, AS AMENDED, EXHIBITED AGAINST HIM BY THE HOUSE OF REPRESENTATIVES OF THE UNITED STATES OF AMERICA

The House of Representatives of the United States of America, having considered the several answers of Harold Louderback, district judge of the United States for the Northern District of California, to the several articles of impeachment, as amended, against him by them exhibited in the name of themselves and of all the people of the United States, and reserving to themselves all advantages of exception to the insufficiency, irrelevancy, and impertinency of his answer to each and all of the several articles of impeachment, as amended, so exhibited against the said Harold Louderback, judge as aforesaid, do say:

(1) That the said articles, as amended, do severally set forth impeachable offenses, misbehaviors, and misdemeanors as defined in the Constitution of the United States, and that the same are proper to be answered unto by the said Harold Louderback, judge as aforesaid, and sufficient to be entertained and adjudicated by the Senate sitting as a Court of Impeachment.

(2) That the said House of Representatives of the United States of America do deny each and every averment in said several answers, or either of them, which denies or traverses the acts, intents, misbehaviors, or misdemeanors charged against the said Harold Louderback in said articles of impeachment, as amended, or either of them, and for replication to said answers do say that Harold Louderback, district judge of the United States for the Northern District of California, is guilty of the impeachable offenses, misbehaviors, and misdemeanors charged in said articles, as amended, and that the House of Representatives are ready to prove the same.

HATTON W. SUMNERS,
On Behalf of the Managers.

IN THE MATTER OF THE IMPEACHMENT AGAINST HAROLD LOUDERBACK, DISTRICT JUDGE OF THE UNITED STATES FOR THE NORTHERN DISTRICT OF CALIFORNIA, IN THE SENATE OF THE UNITED STATES

MAKING MORE SPECIFIC AN ALLEGATION CONTAINED IN ARTICLE 5, ARTICLES OF IMPEACHMENT, AS AMENDED

Whereas on April 17, 1933, the managers on the part of the House of Representatives, in the impeachment against Harold Louderback, filed an amendment to article 5 of the Articles of Impeachment, which contains the following language:

"It also became a matter of newspaper comment in connection with that receivership matter and others that theretofore, about 1925 or 1926, the said Gilbert had been appointed by the said Harold Louderback when the said Harold Louderback was a judge of the Superior Court of California, an appraiser of certain real estate, the said Harold Louderback well knowing at the time of such appointment that the said Gilbert was without any qualification to appraise the value of such real estate, and in truth the said Gilbert never saw said real estate, and that the said Gilbert did not undertake to assist in the appraisal of said real estate, only signing the report which was presented to him, for which services he was allowed the sum of $500."

And whereas said language and allegation was objected to by counsel for Harold Louderback by a motion to strike out said language on the ground that the said Harold Louderback was not advised of "the time or times (of) said acts were committed by respondent", or "in what action or actions, proceeding or proceedings such alleged acts occurred" whereupon the managers agreed with counsel for the said Harold Louderback that they would endeavor to give to said counsel more exact information with regard to said transaction, and failing to do so by the 5th of May the said allegations would be withdrawn and no evidence of-

fered in their support, counsel for the said Harold Louderback agreeing that they would exert themselves to try to ascertain the facts with regard to the transaction referred to and advise the Managers.

Since such agreement and understanding the managers have ascertained more definite information with reference to this transaction, and now allege the facts to be that on or about April 5, 1927, in the matter of the estate of Howard Brickell, no. 46618, pending in probate that said Harold Louderback appointed the said Guy H. Gilbert an appraiser of property of said estate and also appointed with him as appraiser of said property Sam Leake, referred to in said article 5 of the Articles of Impeachment as amended; that on or about December 21, 1927, the said Harold Louderback made an order awarding to the said Guy H. Gilbert and to the said Sam Leake the sum of $500 each for their services; which information has been furnished to the said counsel for Harold Louderback.

HATTON W. SUMNERS, *Chairman,*
On Behalf of the Managers.

Mr. KING. Mr. President, I offer the resolution which I send to the desk.

The VICE PRESIDENT. The Senator from Utah offers a resolution, which will be read.

The resolution was read, considered by the Senate, and agreed to, as follows:

Ordered, That the opening statement on behalf of the managers shall be made by one person, to be immediately followed by one person who shall make the opening statement on behalf of the respondent.

Mr. ASHURST. Mr. President, I would not resort to such an unseemly thing as even to intimate that either statement should be attenuated beyond what is absolutely necessary; but it might be well for the Senate sitting as a Court of Impeachment to be advised as to how long the honorable managers on the part of the House desire to take for their statement, and how long the attorneys for the respondent will require. I am sure there is no disposition on the part of the Senate to limit the time. The rule permits an hour on each side.

The VICE PRESIDENT. Do the managers on the part of the House desire to make a statement as to the length of time they desire to address the Senate?

Mr. Manager SUMNERS. Mr. President, the managers on the part of the House cannot anticipate the exact length of time required to make the opening statement, but we do not believe we will require an hour. We think we can finish in less time than an hour.

The VICE PRESIDENT. Do counsel for the respondent desire to make any statement about the probable length of time they will desire?

Mr. HANLEY. Mr. President, I will say to the Chair and to the Senators that I think we will consume about an hour.

Mr. Manager SUMNERS. Mr. President, the managers on the part of the House would like the privilege of having the clerk of the Committee on the Judiciary in attendance to assist the managers with regard to the documents they shall use.

Mr. ASHURST. Mr. President, I apologize to the Senate sitting as a court and to the managers on the part of the House and to the attorneys for the respondent, but I trust I shall not be required to ask the managers or the attorneys to elevate their voices. Audition is extremely important. In the Senate Chamber, to be heard at all, one must lift his voice almost to an oratorical pitch. If the honorable managers and the honorable attorneys and the witnesses desire any audition—and that is what we seek—I beg of them to speak so that they may be heard.

Mr. Manager SUMNERS. Mr. President, we will endeavor to conform to the suggestion made by the Chairman of the Committee on the Judiciary of the Senate, and we appreciate the suggestion made.

The VICE PRESIDENT. Is there objection to the request of the managers on the part of the House to have the clerk of the Judiciary Committee sit with the managers? The Chair hears none, and permission is granted.

Mr. Manager SUMNERS. Mr. President, we desire to submit a further request, namely, that Mr. Bianchi, a member of the bar of San Francisco, who has been requested by the managers to assist them in the development of the facts of this case, and who is here, be permitted to sit with the managers.

The VICE PRESIDENT. Is there objection?

Mr. HANLEY. We will ask the chairman of the managers whether or not Mr. Bianchi is to be a witness. If he is, we should say that he should not be present.

Mr. Manager SUMNERS. Mr. President, it is not anticipated that Mr. Bianchi will be a witness; but the managers do not propose to foreclose their opportunity and privilege of putting him on the stand if they should deem it necessary.

The VICE PRESIDENT. Let the Chair suggest——

Mr. BRATTON. Mr. President, a point of order.

The VICE PRESIDENT. The Senator from New Mexico will state it.

Mr. BRATTON. Under the rules of the Senate, the point is to be decided by the Chair without debate and without comment.

The VICE PRESIDENT. The point of order is sustained.

Let the Chair suggest to the managers on the part of the House and to counsel for the respondent that it has been suggested to the Chair, in view of the statement made by the Senator from Arizona as to the difficulty in hearing in the Chamber, that the gentlemen occupy a place on each side of the Chair in making their statements to the Senate. That is a mere suggestion to the managers and to counsel. They can occupy whatever station they see fit; but if they desire a place here, it will be made for them.

Mr. Manager SUMNERS. Will the President indicate at what point it is desirable that the spokesman for the managers shall now stand?

The VICE PRESIDENT. At a point here [indicating] on the rostrum, where the speaker can be seen better than when sitting in the well.

Mr. HANLEY. Mr. President, the Chair has not yet ruled upon the question as to whether or not Mr. Bianchi, if he is to be a witness, should sit in the Chamber and assist the managers.

The VICE PRESIDENT. The Chair will submit the question to the Senate: Shall the gentleman suggested by the managers of the House be permitted to sit in the Chamber and confer with the managers? [Putting the question.] The ayes have it, and permission is granted.

The managers on the part of the House are recognized to make a statement of their case.

Mr. HANLEY. Mr. President, before the manager makes his statement we have an affidavit to submit. We should like that opportunity at this time, and also to file an answer to the portion of article V that has been amended since the last session of the Senate sitting as a Court of Impeachment. Mr. Linforth has the answer, and we will ask that the clerk read it. It is very short.

The VICE PRESIDENT. The clerk will read the answer.

The Chief Clerk read as follows:

IN THE SENATE OF THE UNITED STATES,
SITTING AS A COURT OF IMPEACHMENT.

THE UNITED STATES OF AMERICA *v.* HAROLD LOUDERBACK, UPON ARTICLES OF IMPEACHMENT PRESENTED BY THE HOUSE OF REPRESENTATIVES OF THE UNITED STATES OF AMERICA

Answer of respondent to article V as last amended

Respondent admits that on or about the 5th day of April 1927, while acting as judge of the Superior Court of the State of California in and for the city and county of San Francisco, in the matter of the estate of Howard Brickell, deceased, he made an order appointing Guy H. Gilbert, W. S. Leake, and R. F. Mogan appraisers; that in said matter Crocker First Federal Trust Co., of San Francisco, was special administrator of said estate; that in the first and final account of said trust company was included the sum of $500 each paid to said Gilbert and said Leake as appraisers' fees therein; that upon the hearing of the settlement of said account, an officer of said trust company testified that said account was in all respects true and correct; that the inventory on file in said estate showed its appraised value to be $1,020,804.38; that thereupon respondent, as judge of said superior court, made an order settling and allowing said account. Other than as hereinabove specifically set forth, respondent denies that he made any order awarding said Gilbert and said Leake, or either of them, $500 for their said services as such appraiser.

HAROLD LOUDERBACK,
Respondent.
WALTER H. LINFORTH,
JAMES M. HANLEY,
Attorneys for Respondent.

Mr. HANLEY. At this time, Mr. President and Members of the Senate, we will ask whether or not the witness, W. S. Leake, has been subpenaed and is here.

The VICE PRESIDENT. The Sergeant at Arms will give the information as to whether he is here.

The SERGEANT AT ARMS. W. S. Leake has been subpenaed by both sides; but, so far as I understand, is not present.

Mr. HANLEY. We understood, Mr. President, that he may not be here. If he is not here, in order not to delay the Senate in the trial, but for the purpose of having permission to take his deposition in California before the end of these proceedings, we ask that the clerk read the affidavit which we submit upon an application for a commission to issue.

The VICE PRESIDENT. Without objection, the affidavit will be read.

The Chief Clerk read as follows:

IN THE SENATE OF THE UNITED STATES,
SITTING AS A COURT OF IMPEACHMENT.

THE UNITED STATES OF AMERICA *v.* HAROLD LOUDERBACK, RESPONDENT

CITY OF WASHINGTON,
District of Columbia, ss:

Harold Louderback, being duly sworn, deposes and says: I am the respondent in the above-entitled matter. On September 6 and 7, 1932, the special committee of the House of Representatives, Seventy-second Congress, pursuant to House Resolution 239, at San Francisco, examined as a witness one W. S. Leake. At the conclusion of his examination by Mr. LaGuardia on September 7, 1932, the following occurred:

"Mr. LAGUARDIA. Mr. Chairman, I want to reserve the right to recall this witness at a later day.

"Mr. SUMNERS. Very well.

"Mr. HANLEY. We won't ask any questions at this time. We will wait until he is recalled.

"The WITNESS. Will I have time to go back and see about some matters?

"Mr. SUMNERS. Yes; you are excused, Mr. Leake.

"The WITNESS. If you phone me, I can get over here very quickly.

"Mr. SUMNERS. Yes; we will telephone you.

"The WITNESS. I thank you."

The witness, W. S. Leake, was never recalled, his direct examination evidently not concluded, and the witness was not cross-examined.

Subsequently, on February 24, 1933, the Congress of the United States of America, in the House of Representatives, resolved that affiant be impeached for misdemeanors in office, and in the first article of impeachment it is alleged that affiant entered into a certain arrangement and conspiracy with the said W. S. Leake for the objects and purposes set forth in said first article. Affiant never entered into any such arrangement or any such conspiracy or, in fact, any conspiracy with the said W. S. Leake, and the said W. S. Leake will testify that no such arrangement as alleged in said article I, and no such alleged conspiracy as there referred to, was ever entered into between himself and affiant. That the said W. S. Leake is a material and necessary witness for affiant upon the trial of this matter, without the benefit of which testimony affiant cannot safely proceed to trial.

That on the 29th day of April 1933, and for several days thereafter, two of the managers selected and appointed by the honorable House of Representatives were in San Francisco, Calif., namely, the Honorable RANDOLPH PERKINS and the Honorable GORDON BROWNING. That the said W. S. Leake resides, and for many years past has resided, in the Fairmont Hotel in said city of San Francisco, and was on said 29th day of April 1933 confined to his bed by illness, and upon and according to the information and belief of affiant, had been so confined to his bed for some time prior thereto, and was so confined to his bed on Tuesday last when affiant left San Francisco for Washington. That upon and according to the information and belief of affiant the physical condition of the said W. S. Leake is such as to prevent his appearance in person in Washington before this honorable Senate.

That on April 29, 1933, counsel for respondent called to the attention of said managers the condition of the said W. S. Leake and requested their consent to the taking of the deposition of the said W. S. Leake to be used upon the trial of this matter, or, their consent to the reading before this honorable Senate of the testimony so given by the said W. S. Leake on the hearing already referred to, and the supplementing of that testimony by deposition, counsel for respondent informing said managers at said time that they desired to examine the said W. S. Leake, in particular as to these alleged charges of conspiracy so set out in the first article of impeachment and so filed months after the taking of the testimony of the said Leake as hereinbefore set forth. The said managers advised my said counsel they desired to interview Mr. Leake and would on the Monday following advise my counsel as to their conclusion in the matter. My counsel thereupon made arrangements for said managers to interview said W. S. Leake, and according to my information and belief both said managers did interview Mr. Leake on the afternoon of the 29th of April 1933.

At said time and place my counsel also advised the said managers of their desire to supplement by deposition the testimony of one W. L. Hathaway, who was a witness at said hearing at San Francisco in September 1932, and also their desire to take the deposition of the wife of the said W. L. Hathaway, telling them of the testimony expected to be elicited from each of said witnesses, the same relating to the charge contained in said article I to the effect that the said W. S. Leake "did receive certain fees, gratuities, and loans directly or indirectly from one Douglas Short amounting approximately to $1,200" and advising them that it was expected to be proven by said witnesses and each of them that the loan referred to in article I had no relation whatever to the said Douglas Short—did not come from any fees received by the said Douglas Short as attorney for any receiver or otherwise, but was a personal loan made by the said W. L. Hathaway and his wife to the said W. S. Leake, and arranged for by a borrowing upon a life-insurance policy on the life of the said W. L. Hathaway.

My said counsel at said time informed said managers that the said W. L. Hathaway was critically ill and unable to appear in person before this honorable Senate and testify on behalf of respondent, and that, due to his then condition, his said wife would not leave him and appear in person upon the trial of this matter.

On the said hearing so had in September 1932, in San Francisco, the said wife of the said W. L. Hathaway did not appear and was not examined as a witness. Said managers requested an opportunity of personally interviewing the said W. L. Hathaway and his said wife, and, as the result of arrangements made by my said attorneys, one of said managers—namely, Hon. Randolph Perkins—did, on the 30th day of April 1933, interview both Mr. and Mrs. Hathaway. On Monday, May 1, 1933, at about 5 p.m., Mr. Browning, on behalf of said managers, notified my counsel the managers would not consent to the taking of the depositions of any of said witnesses and would not consent to the testimony of either Mr. Leake or Mr. Hathaway being supplemented by deposition.

Subsequently and on the 2d and 3d of May 1933 said managers did enter into a stipulation with my counsel to the effect that the testimony so given by the said W. L. Hathaway at said hearing had in San Francisco in September 1932 might be read upon the trial of this matter and did enter into a stipulation to the effect that, if present, his said wife would testify in accordance with the statement attached to said stipulation, and that if the said W. S. Leake did not appear before this honorable Senate upon the trial of this proceeding, the testimony given by him at said hearing in San Francisco might be read, but beyond this said managers refused to go and refused to stipulate.

Said W. S. Leake, at the time of the giving of the testimony aforesaid, was not asked and did not testify in regard to the $1,200 transaction referred to in article I, and was not asked and did not testify on the subject of the alleged conspiracy in said article I set forth.

Affiant desires the testimony of the said W. S. Leake on these and other subjects. Affiant does not desire to delay the trial of this proceeding. The testimony of the said W. S. Leake can readily be taken and returned for use upon this proceeding before the close of this trial, and if the said deposition is taken on Saturday next, said deposition can be completed and returned to this honorable Senate for use upon this trial within 48 hours thereafter.

Wherefore affiant respectfully requests that a commission forthwith issue, directed to Ernest E. Williams, United States commissioner at San Francisco, Calif., authorizing him to take on Saturday, the 20th day of May 1933 the deposition of the said W. S. Leake upon oral interrogatories to be then and there propounded to him by respective counsel, and thereafter return said deposition to this honorable body by air mail; said deposition to be taken either at his office or at the residence of the said witness in the event of his inability to attend in person at his office.

HAROLD LOUDERBACK.

Subscribed and sworn to before me this 15th day of May 1933.

[SEAL] CHARLES F. PACE,
Notary Public.

My commission expires February 12, 1936.

Mr. Manager SUMNERS. Mr. President, in reply to the application to take the deposition of W. S. Leake, the managers on the part of the House desire to say that they are extremely anxious to have W. S. Leake here. W. S. Leake was a very intimate associate of the respondent in this case. He was available to the respondent. I observe from the statement made that he was to be called. There was nothing to prevent the respondent from calling W. S. Leake and eliciting any information possessed by him which the respondent then regarded as desirable.

I desire to direct attention of the Senate to the fact that when the managers on the part of the House were recently in San Francisco there was this stipulation with regard to the testimony of W. S. Leake:

It is further stipulated that the testimony of W. S. Leake taken at a hearing above referred to—

That is, the hearing to which counsel for the respondent refers—

may be read upon said trial by either party hereto with the same force and effect as if the said witness were present and testified in person. This stipulation, however, insofar as W. S. Leake is concerned, is without waiver by either party hereto to insist upon the attendance of said Leake before the court above referred to, and shall become operative only in the event of the nonappearance of the said Leake at Washington before the said Court of Impeachment.

The observation of the managers on the part of the House is that counsel's complaint with reference to the incomplete examination of W. S. Leake is without point because W. S. Leake was available to counsel on the part of the respondent at the time when counsel complains that the testimony of W. S. Leake was not fully developed.

Second, when the managers on the part of the House were recently in San Francisco, the respondent, through his counsel, stipulated with the managers on the part of the House that, in the event of the nonappearance of W. S. Leake, the testimony of W. S. Leake when he was examined in San Francisco could be offered by either party, the respondent or the managers.

We are very anxious to have the attendance of W. S. Leake. At this time the managers are not prepared to deviate from the stipulation entered into by counsel for the respondent and the representatives of the managers.

The VICE PRESIDENT. What is the pleasure of the court with reference to the request of respondent?

Mr. HANLEY. Mr. President, we should like to be heard.

Mr. ASHURST. Mr. President, a point of order.

The VICE PRESIDENT. The Senator will state his point of order.

Mr. ASHURST. All such matters ought to be decided by the Chair without debate at this juncture. It is not appropriate at this time to take the time of the Senate in the discussion of a matter like this. Let the affidavit be presented and be printed in the RECORD.

The VICE PRESIDENT. As the Chair understands it, the question before the court, or before the Chair, according to the construction of the Senator from Arizona, is whether or not grant will be given by the court to take the deposition of W. S. Leake.

Mr. ASHURST. That is to be decided by the Chair.

The VICE PRESIDENT. That, it seems to the Chair, is a matter which should be determined by the court itself.

Mr. ASHURST. Very well. The Chair has a right to submit it to the court.

The VICE PRESIDENT. It seems to the Chair that it is not a question for the Chair to determine. Therefore the Chair has recognized these gentlemen to make statements prior to the vote of the court.

Mr. Manager SUMNERS. Mr. President, may I make a suggestion to the Chair and to the court? It is that this particular matter be held in abeyance until tomorrow for determination.

Mr. HANLEY. We have no objection to that.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

OPENING STATEMENT ON BEHALF OF THE MANAGERS ON THE PART OF THE HOUSE OF REPRESENTATIVES

Mr. Manager SUMNERS. Mr. President and members of the court, on account of the peculiar powers possessed by the Senate sitting as a Court of Impeachment, it is a little difficult to determine what ought to be the scope of the opening statement by the managers.

If I may be permitted a very brief introductory statement, an examination of the place, the function, and the philosophy of the impeachment power lodged in the Senate of the United States discloses that when the Senate sits as a Court of Impeachment, it possesses all the powers of a civil court trying an ouster suit. In addition to that, with regard to a member of the judiciary, holding an office secure from the direct power of the people to remove, the Senate possesses all the power which a free people possess to rid themselves of a public official who disregards individual rights, and whose conduct in office is calculated to bring disrespect and hurt to public institutions. I shall be very brief on this point.

Mr. President, there is, perhaps, no more interesting power possessed by government than the power of impeachment possessed by the Senate. It is rather an anomalous thing that a judge in a free country should be commissioned to hold office and exercise power over a free people secure from their power and opportunity to procure his removal. So the power of removal in such cases has been lodged in the Senate, and the Senate possesses all the power which free men have under our system of government to protect themselves and their institutions with regard to members of the Federal judiciary.

When we came to frame our Constitution we recognized a fact which had developed in England, from which country we inherited our institutions. Prior to the adoption of our Constitution the exercise of the power of impeachment had become practically obsolete in England. The impeachment of Warren Hastings was contemporaneous with the adoption of our Constitution, and the case of Lord Melvin in 1804 was the last one in which an impeachment was had in England.

In the beginning of the operation of our Constitution it was considered that an impeachment was a criminal action, notwithstanding the fact that our Constitution withdraws from the Senate all power to impeach. But in the process of time, because of the rather infrequent examination of the power, it has now come to be universally recognized, I believe, by all students of our Constitution that impeachment under the American Constitution is not a criminal action but, insofar as its distinctive features are concerned, it is an ouster suit, because the Senate has no power to punish. In addition to the power to oust, as I have indicated, and associated with that power to oust, is the delegated power of a free people to rid themselves of a public official whose conduct violates the principles of government under which a free people live.

Mr. President, this is the first time in 22 years that managers on the part of the House have appeared at the bar of the Senate offering to introduce testimony to substantiate impeachment charges. The House of Representatives, and particularly the Committee on the Judiciary, have a more frequent contact with this question. In this particular case the House of Representatives, in the first instance its Committee on the Judiciary, was moved to consider this matter by a letter received from the Bar Association of the city of San Francisco. With the permission of the Chair and as a matter explanatory and in line with the practice in the Archbald case, the last impeachment case considered by the Senate, I desire to have read this letter and to ask permission that my colleague [Mr. BROWNING] may read it for me.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. Manager BROWNING read the letter, as follows:

SAN FRANCISCO, CALIF., *May 24, 1932.*

JUDICIARY COMMITTEE,
House of Representatives, Washington, D.C.

SIRS: Under date of May 2, 1932, the Bar Association of San Francisco addressed a communication to His Excellency Herbert Hoover, President of the United States, with reference to certain matters published in the press of San Francisco concerning Hon. Harold C. Louderback, judge of the United States District Court at San Francisco, Calif., accompanying said communication with clippings from San Francisco newspapers.

Under date of May 9, 1932, we received an acknowledgment of said communication from Mr. Lawrence Richey, Secretary to the President, stating that the matter "is being referred for the consideration of the Attorney General", and thereafter we received a letter dated May 12, 1932, from Mr. Charles P. Sisson, Assistant Attorney General, stating in effect that our letter addressed to the President had been referred to the Department of Justice for consideration, and further stating "that the Department of Justice has no jurisdiction whatsoever over United States judges. Criticisms of Federal judges are ordinarily addressed to the Judiciary Committee of the House of Representatives."

Pursuant to the suggestion contained in the letter from the Assistant Attorney General, we are hereby addressing your honorable committee and forwarding copies of the above-mentioned correspondence, together with duplicate press clippings, for such action as your committee may deem proper.

We feel certain that you will readily realize that the interest of the Bar Association of San Francisco in this matter is solely a

public one and that it is concerned only in preserving the integrity of the bench, public confidence in, and respect for, the courts and the due administration of justice. We believe that no department of the Government should occupy a higher position in the public mind, or perform a more important function, than that of the courts, and that it is of the utmost importance that they shall be maintained on a plane of the strictest honesty and efficiency and shall be above suspicion. Charges against a court or judge, especially when publicly made, require thorough investigation, not only in the interest of the public and respect for our judicial system but also in the interest of the incumbent.

If your committee should undertake an investigation of the matters in question, our association will cheerfully render such assistance as is within its powers, in the hope that whatever the outcome may be the result will contribute to the maintenance of public confidence in our courts.

Respectfully submitted.

BAR ASSOCIATION OF SAN FRANCISCO,
By RANDOLPH V. WHITING, *President*.

Mr. Manager SUMNERS. Mr. President, in order to save time, we will not introduce the commission of the respondent and certain other documents which seem to have been usually introduced in the course of impeachment trials, but shall take it for granted that it will be understood that the respondent is a Federal judge of the northern district of California. Further, we shall not make specific reference to the preliminary action on the part of the House of Representatives, assuming that it will be understood that by due course and in the ordinary order this matter has gone through the preliminary processes and has now reached the Senate sitting as a Court of Impeachment.

It is a regrettable thing, of course, whenever it shall be deemed necessary to take the judgment of the Senate of the United States as to whether or not a judge or any other public official has forfeited his right to hold office in this country, but there is a duty that rests, first, upon the House, and now upon the Senate.

I shall be as brief as possible, and will introduce the conduct of this judge, the respondent, by a brief recitation of the facts which the managers on the part of the House will undertake to establish by competent testimony.

First, I desire to direct the attention of the court to the facts in what is known as the "Russell-Colvin Co. case." The Russell-Colvin Co. was a stock and bond brokerage concern, a member of the San Francisco Stock Exchange. Following the crash in the fall of 1929, this company became involved in serious financial difficulty. The stock exchange for some months had been in close contact with this concern, having constantly in the office of that organization its auditors, and receiving reports from an auditor by the name of Strong. It became evident after a while that it would be impossible for this concern to continue in business, and an equity receivership was suggested by the circumstances and conditions in which it found itself. That is the conclusion that was arrived at by frequent consultations between representatives of the concern and the stock exchange.

A proceeding brought in equity was determined, in the first instance, by those who had initiated this matter, the stock exchange and the copartnership. It was determined that the best man to be receiver was Strong, who was familiar with the affairs of the business. Representatives of the plaintiff in that case, representatives of the stock exchange, representatives of the copartnership, attended upon the respondent, asking the appointment of Strong to be the receiver, stating the facts with reference to his peculiar qualifications quickly to begin work because of his familiarity growing out of his contact with the business, the stock exchange having an interest in the matter which readily can be appreciated, and having only the interest of conserving the assets of that concern in order that its creditors might receive the largest possible amount. The respondents agreed to appoint Strong as receiver.

I shall not go into details, but directly after the appointment a controversy arose between Strong, the appointed receiver, and the respondent with reference to who should represent the receiver as attorney in this matter. The receiver insisted, under the circumstances, that he wanted an expert with regard to stock-and-bond matters and preferred to have for his attorney the firm which was the attorney, and had been for a long time the attorney, of the San Francisco Stock Exchange. The respondent insisted upon the selection of an attorney by the name of Short.

Short was then an employee in a law office at the rate of $200 per month, with certain divisions with reference to fees that he originated. The controversy terminated in the discharge of Strong and in the appointment of a man by the name of Hunter, who on the evening after his appointment selected Short as his attorney.

Unfortunately, with reference to the transactions centering in this development of the matter, there comes a clear issue of veracity as between the respondent and gentlemen of high standing in that community.

From the judge's chambers, insofar as this transaction is concerned, the scene shifts to the Fairmont Hotel. In that hotel there was resident the father-in-law of Short. Hunter lived there, also; and Mr. Leake, who has been referred to this afternoon, also lived there. Mr. Hathaway was registered at the hotel. Mr. Strong was registered at the hotel. Mr. Leake had two rooms with regard to which he was registered, and in one of those rooms lived the respondent, not registered. In a room registered in the name of Sam Leake lived the respondent, judge of the Federal Court of the Northern District of California.

A statement as to how Hunter came to be selected is about to this effect: On the evening of the day when Strong's discharge was determined the respondent, sitting in the lobby of the Fairmont Hotel with Mr. Leake, discussed with him the situation in which he found himself, namely, that it would be necessary, in his judgment, to discharge Strong, and he asked Mr. Leake to indicate to him a good man to take the job. Mr. Leake said he would have to think it over, and just at the psychological moment Hunter appeared walking through the corridor, and Mr. Leake said, "That is your man." Commissioned by the judge, he interviewed Mr. Hunter, and Mr. Hunter asked the privilege of consulting his employer. The next day Mr. Hunter indicated that he would take the job, and that night Mr. Short was engaged by Mr. Hunter.

The explanation which the respondent makes of the peculiar conditions under which he was living at the Fairmont Hotel was that he anticipated or rather there was possible a lawsuit against him, a civil action, and that he did not want to register at the hotel, because registering at the hotel was indicative of residence, and that if the suit was brought against him he wanted to be able to shift it to Contra Costa County, Calif. In order to strengthen the claim of residence in Contra Costa County, the respondent had registered there and voted there. It is charged by the managers and we propose to prove that the respondent registered as a voter and voted but refused to disclose the truth as to his place of residence by registering his name as people ordinarily do who have not anything to hide, in order that he might, in furtherance of the conspiracy—I do not like to use the term—commit a fraud against the rights of the contemplated plaintiff to have the case tried in the place where as a matter of fact the judge resided.

In this hotel resides Mr. Hathaway, the father-in-law of Mr. Short, the attorney whom the respondent was deeply concerned to have appointed.

Mr. Leake, according to his testimony, has no business. He keeps no bank account. He does claim to have this business—he is a mental healer. He teaches people how to think right and does not charge them for his services, but they make contributions to him. His office costs him $72 a month and his hotel—and, by the way, it is one of the more expensive hotels in San Francisco—costs him $200 per month. He is a widower. We shall establish the fact that Mr. Hathaway, the father-in-law of Short and beneficiary of the judge's interest, loaned to Mr. Leake $1,000 which he admits he had little hope of being able to collect, and later gave him $250.

Sam Leake, it is charged, is the cover-up man of the respondent, living those 2 years or more in a room registered in the name of the respondent. In order to be just about the matter, and we hope we will be just, the evidence will show that while Mr. Leake paid for the room at the hotel

in which the respondent lived, the respondent reimbursed him. It is the contention of the managers that in these transactions we begin to see the picture of the respondent as the respondent appears to the people of the northern district of California where he exercises jurisdiction.

The respondent's claim for wanting to be rid of Strong because Strong would not select the attorney whom he wanted was that he wanted somebody, either the attorney or the receiver, known to him to be an honest man whom he could trust and whom he knew. It is the contention of the managers that that is the front, and that behind it lay the facts which we propose to develop. It is our contention that those facts will develop as we examine the other cases to which I now desire to make reference, and I shall be brief about it.

We had raised the question that the fees in that case and the fees in the other cases to which we shall make reference were entirely out of proportion to what people of the ability of the receiver and the attorneys were drawing and were out of proportion to the services they rendered. Mr. Short, who was drawing a salary of $200 per month and whatever division of fees he could get for a little over a year, was allowed a fee of $51,000, and the receiver was allowed a fee of $45,000. It is the contention of the managers that, extravagant and unreasonable as are those fees, they do not constitute the gravamen of the respondent's offense with regard to these transactions.

Mr. Leake had another very intimate friend, Mr. Gilbert. The first appointment of Mr. Gilbert by the respondent was in the Stempel-Cooley case. I shall not take the time of the court to discuss that case because there is not anything very significant about it except that in that case Mr. Gilbert employed as his counsel the same Short referred to in the other transaction.

We now move to the Sonora Phonograph Co. case and take the liberty of suggesting to the court that the transactions of the respondent with regard to the Sonora Phonograph Co. case bear directly upon the claim of the respondent with reference to his desire to have competent receivers, attorneys, and so forth. The Sonora Phonograph Co. was a large distributor of phonographs and radios, one of the major businesses of that community. Without going into detail, financial difficulties brought it to the court of the respondent. The respondent selected for the receiver in that case a man whose whole training had been connected with the mechanical operations of a telegraph company, Mr. Gilbert. For thirty-odd years he had been an employee of the telegraph company, and there is no evidence indicating any familiarity on the part of this referee with business transactions. In this case the respondent designated as attorneys the firm of Dinkelspiel & Dinkelspiel, who showed up with three accounts which had been forwarded to them from New York, a typical case of bankruptcy ambulance chasing, as we contend. In this case they were allowed a fee of $20,000, which fee we shall undertake to establish was not a justified fee to be allowed.

The Prudential Holding Co. were large real-estate operators in that community, with alleged assets of $1,500,000, engaged in large and varied real-estate transactions; chiefly, however, in the operation and probably the construction of apartment houses. The respondent selected to represent him and the interests of the creditors in that case this telegraph operator, Mr. Gilbert. I do not mean to reflect upon Mr. Gilbert by that observation. He probably was a very fine telegraph operator, a good man to have been selected if the question had been with reference to operating telegraph instruments. Dinkelspiel & Dinkelspiel were also the attorneys appointed in that case.

There was a very remarkable transaction in connection with that case. The petition for the receiver was filed, sworn to by an attorney upon information and belief, and granted without a hearing. Immediately the concern itself came into court, seeking to have the action set aside. The respondent held that matter in abeyance until a petition in bankruptcy was filed in Judge St. Sure's division. There were three judges in that court. When Judge St. Sure was absent the respondent went across in Judge St. Sure's division, and, upon the application in bankruptcy, agreed to the writ, and appointed this same Gilbert and Dinkelspiel & Dinkelspiel receiver and attorneys, respectively, in that case. Then, later, he dismissed the application for the equity receivership on the ground that it ought not to have been issued, and granted the application in bankruptcy upon the sole ground that this action with reference to the equity receivership in his court had been granted. Judge St. Sure came back to his bench and dismissed the whole thing.

I am going to take up the time of the court to refer to only one additional case specifically. That is the Lumbermen's Reciprocal Association case.

The Lumbermen's Reciprocal Association was an insurance company engaged in writing workmen's compensation insurance. Perhaps I do not state it correctly; but they were insuring companies against the hazards to their workingmen. It was a Texas concern. It became known in California that the home office of the Texas concern was in difficulties; and immediately the insurance commissioner of the State of California busied himself to try to hold in California, for the benefit of the citizens of California insured and having claims, about $80,000 required by the law of California to be deposited in that State, the plan being not only to hold this money but to permit the administration of the affairs of this concern in California by the insurance commissioner of California in order to save the ordinary expense of equity administration for the benefit of the citizens of California who were being protected by that fund. We will show that the respondent not only refused to cooperate with the officials of California seeking to bring about that arrangement, but—I will make a general statement—that he did in substance whatever a Federal judge could do in the contest between the insurance commissioner and Mr. Samuel Shortridge, Jr., his receiver, to prevent those funds going back to the insurance commissioner of California.

Without going into the details of the procedure had, the action of the respondent was appealed from. It went to the circuit court of appeals of that circuit, and the respondent was reversed and the funds ordered into the custody of the insurance commissioner of California. When that mandate came back—and I will venture the statement that there is not to be found in the judicial history of this country a thing like it—when that mandate came back from the circuit court of appeals, commanding that these funds be turned over to the insurance commissioner, the respondent attached a condition to the mandate of the circuit court of appeals that the funds should not be turned back unless there should be effected an agreement that his determination, his assignment of fees to Shortridge and the attorney, would not be appealed from.

There are a good many things about that case which we will undertake to develop.

I beg the pardon of the court for having overlooked the Fageol Motor Co. case.

The Fageol Motor Co. was one of the very largest concerns in that part of the country. It was engaged primarily in assembling automobiles, and was engaged to a degree in making at least the bodies of automobiles. It got into difficulty also. Now, here is the picture:

Everybody interested came into conference with regard to what ought to be done in that situation; and after conference they decided that a man by the name of Tuller, who had been prominently connected with an automobile activity, a man with large experience in business and all sorts of financial and business contacts, should be the man who would be intrusted with taking the affairs of that business, administering them intelligently and wisely and economically, and giving back to the creditors the very greatest amount that could be salvaged from the concern.

Following that agreement the papers were prepared and the counsel for all the parties in interest presented themselves at the chambers of the respondent. That was shortly before the noon hour of adjournment. They were advised by the secretary of the respondent that the re-

spondent would not adjourn court at the usual hour; that he would be delayed. They left the papers. They went back at 1:30. They were told by the secretary for the respondent that the respondent had gotten through earlier than he expected and was gone. They returned at 2:30 to see the respondent, the judge of that people, and were told that he had already appointed Gilbert, this telegraph operator, instead of this automobile man, the choice of a free people.

An arrangement was finally effected, under a threat of going into bankruptcy, that if Gilbert and Dinkelspiel & Dinkelspiel—I did not mention that, the same Dinkelspiel & Dinkelspiel—would step into the background and let the people in interest run the thing, they would not go into bankruptcy; and Dinkelspiel & Dinkelspiel apparently faded into the background. They were satisfied with only $6,000. My impression is that this was a concern with assets that ran into some millions; and Gilbert, I believe, took the statutory fee.

Just one word in conclusion, gentlemen:

We propose to show to the court the picture of this respondent as it is developed by the facts in this case, to show that the reasonable and probable consequence of proven facts has been to destroy the confidence of the people of the northern district of California in the judicial integrity and fairness of this defendant, and make it, therefore, necessary, unpleasant as may be the duty of the Senate of the United States, to exercise its extraordinary power, the only power that this people have.

OPENING STATEMENT ON BEHALF OF THE RESPONDENT

Mr. HANLEY. Mr. President and Members of the Senate, you have just heard Mr. Manager SUMNERS make his opening statement. In the interest of accuracy I have put down, practically in form of writing, the whole situation as it will be developed to the Senate. I will try to follow that line of thought to show you that Judge Louderback should not be tried upon insinuation, not upon surmise, not upon suspicion, and not upon thoughts of any of the managers, but upon sworn testimony. In that respect let me address myself to you as to what we expect to show in this case.

You judges and jurors of the fate of Harold Louderback are about to try the articles of impeachment which you just heard repeated in the opening statement of Mr. Manager SUMNERS. We deem it proper at this time, without waiting to hear a single bit of testimony that will be adduced by the managers in support of their five charges, expressed in the impeachment articles, to make our statement now, at this time, of what we expect to show to each and all of you Senators of the United States sitting as judges and jurors in this case, to prove that there is not one syllable, there is not one thing in any of those articles, for which Judge Louderback should be found guilty.

Who is the man you are about to try? Judge Louderback is a man about 52 years of age. His father was Judge Davis Louderback, of San Francisco. His mother was born in San Francisco, where Judge Louderback was born. We are proud of our pioneers of California. Judge Louderback is the son of a mother pioneer, and his father was an old pioneer judge of the city of San Francisco and the State of California.

Judge Louderback's brother is George D. Louderback, professor of geology of the University of the State of California, and the dean of that university in the college of science and letters.

Judge Louderback in his youth was quite delicate. He was sent by his parents to Nevada, and while in Nevada he graduated from the University of the State of Nevada. He afterwards took his law course at Harvard University, and graduated therefrom. He then was admitted to the bar of the State of Massachusetts. He was then admitted to the bar of the State of California. He was a practicing attorney for a number of years, and was associated with men of the standing of the late William C. Van Fleet, a district judge; the late John S. Partridge, a former district judge of the northern district of California; Mr. Mastick, and others—eminent lawyers, eminent men of our community.

During the World War this same respondent went to the first officers' training camp, graduated therefrom and became a captain of artillery, and, at the end of the war, came back and resumed the practice of the law in San Francisco, with few clients, as was the case with most of those returning from the war.

Judge Louderback was elected a judge of the superior court of San Francisco for a term of 6 years. I am speaking of the man you are trying. Thereafter he was reelected to that office for another term of 6 years by the highest vote given any judge that year in the city and county of San Francisco. There are 16 judges of our superior court. Judge Louderback was elected the presiding judge thereof, and he remained the presiding judge for the term of 1 year. Thereafter he was nominated, selected, and appointed one of the three United States district judges for the northern district of California.

He was vouched for by the late Chief Justice Taft. He was vouched for by Judge Gilbert, the presiding and eminent judge of the Ninth Circuit Court of Appeals. He was vouched for by the chief justice of the Supreme Court of the State of California, the present chief justice, William Waste. This is the man whom you are about to be asked to find guilty of the charges in the articles of impeachment.

You heard Mr. SUMNERS in his opening statement say to you what he expected to prove. In the interest of an intelligent presentation of this matter, we deem it proper, not by rambling outside statements, not by anything that cannot be produced in evidence, but taking the articles of impeachment, to explain each and every one of them to you, so that when the testimony comes forth from the lips of the witnesses, you will be prepared to receive that testimony, and know what it is all about.

We will prove to you from exhibits, from documents, and from records in the cases mentioned in the articles, and from witnesses produced on both sides, that each and every charge against Judge Louderback—and I say this now advisedly to you Senators—will fall of its own weight.

You heard the half truth as told to you by the House manager about the Russell-Colvin Co. case. Let me tell you the whole truth about the matter. The Russell-Colvin Co. was a stockbrokerage concern doing a stock and bond business in San Francisco at the time of the receivership, on March 11, 1930. The appraised value of the securities belonging to that firm and to its customers was about $2,100,000. The appraised value of the firm's securities, not including other assets, was over half a million dollars.

In the receivership 679 claims were filed, totaling in money, $1,300,000. Bank loans and repurchase securities liquidated in the receivership amounted to nearly a million dollars. That was the kind of a receivership with which the court presided over by the respondent was asked to deal.

Respondent wanted the receiver to be a man of integrity and one of ability, a receiver who would follow instructions of the court in administering truly the affairs of that particular estate.

As we progress we will show to you that this receivership was one of the outstanding receiverships in the United States, both for ability shown, for integrity displayed, for economic and speedy operation, among all the receiverships in the United States.

The creditors of the Russell-Colvin Co. entitled to preference—and I want you to pay particular attention to this—and the customers entitled to priority, received 100 cents on the dollar. The ordinary margin customers, those who signed cards giving the firm authority to deal with their securities as they would, and not entitled to priority, received 46 percent of their claims, either in cash or in securities. We will show that the claims of the general creditors of the firm, including margin customers who were relegated to the position of general creditors for a portion of their claims, amounted to over half a million dollars, of which $152,000 represented claims of general customers

not creditors, and about $352,000 represented the claims of margin customers who were relegated to the position of general creditors.

We will show that the general creditors received 28 percent of their claims, with a prospect of an additional dividend of about 12 percent. We will show that the creditors and customers of the firm had received securities and cash in an amount of about $828,000, and, for all creditors of all kinds, of every nature and character, 65 percent was paid to the customers and the people who had dealings with that particular firm.

We will show that, due to the splendid administration of this estate—remember, now, I told you that there were 679 claims filed—only 21 objections were filed to the receiver's report, either by customers or creditors, and those objections were summarily settled, either at a hearing before the court or before the referee, with the result that the administration of this estate was substantially completed without any protracted litigation on the part of any dissatisfied customers, and the work of tracing the money and the securities to which they were entitled was completed in a period of about 18 months, and we will show that there is still due to be distributed in this estate about 12 percent when the assets are finally distributed.

It will be seen, from what I have stated to you, that this Russell-Colvin matter involved careful, conscientious, and expert handling. It was a case of magnitude, dealing with numerous customers of the concern, and with a great many conflicting claims.

I say to you Senators now, is it to be wondered that Judge Louderback wanted men in charge of this estate who would honestly and freely consult with him and inform him conscientiously and truthfully of the administration of the estate as and when it progressed? Judge Louderback felt that the receiver and the attorney for the receiver should have no entangling alliances with the stock exchange of San Francisco. The testimony will disclose to you that, because Judge Louderback did divorce the administration of this estate from the hands of the stock exchange of San Francisco, its influence was such that he is now being here tried upon articles of impeachment.

It is alleged in article I, and what might be termed a subdivision thereof, is in substance as follows. I quote now almost verbatim from article I of the impeachment articles. Here it is:

> That Judge Harold Louderback did, on or about the 13th day of March, at his chambers, in his capacity as judge, willfully, tyrannically, and oppressively discharge one Addison G. Strong, whom he had formerly appointed, on the 11th day of March 1930, as equity receiver in the Russell-Colvin case, after attempting to force the said Strong to appoint one John Douglas Short as the attorney for the receiver in said case.

It is alleged immediately thereafter that Judge Louderback did attempt to cause Addison G. Strong to appoint said Short as attorney for the receiver, by promises of allowance of large fees and by threats of reduced fees if Strong refused to appoint said Short.

We have filed with the Senate a formal answer setting out in some detail our set-up, and we will show you by affirmative proof in relation to this matter and from the testimony to be adduced that—remember this, because it will be spoken of in the testimony frequently—that Thelen & Marrin, attorneys for the plaintiff in the Russell-Colvin case, De Lancey C. Smith, another attorney, and Francis C. Brown—they were the attorneys for certain defendants—requested the appointment of Strong on the 11th day of March 1930; that at that time there were present in the chambers of Judge Louderback—now mark this well—Max Thelen, his partner, Mr. Marrin, Mr. DeLancey Smith, Mr. Francis C. Brown, Lloyd Dinkelspiel, who has no relation to the firm of Dinkelspiel & Dinkelspiel, adverted to by our friend, Mr. Manager SUMNERS, but was one of the partners of the firm of attorneys known as Heller, who is dead, Ehrmann, who is alive, White, who is alive, and McAuliffe, who is alive.

They are the attorneys and have been the attorneys for the San Francisco Stock Exchange. Mark that well, because it is to be a very important matter in the consideration of the affairs of the the Russell-Colvin Co. These attorneys, as I have said, were all attorneys for the stock exchange and had been for some time. Addison Strong was auditor for the stock exchange. He was also auditor for the Russell-Colvin Co. as and when that firm was doing business.

It is true he was recommended to Judge Louderback, as we will show you, to be appointed receiver. The recommendation was concurred in by all the parties present in the judge's chamber that day—the attorney for the stock exchange, the attorney for the plaintiff, the attorney for the defendant. Two of the partners of the firm of Russell-Colvin Co., namely, Ronald Burliner and Guy Colvin, were also present at the meeting. We will show you that Judge Louderback did not personally know Strong, although he knew him by reputation as a member of the firm of Hood and Strong, but personally Judge Louderback had never met Addison G. Strong.

At the meeting while they were present Judge Louderback emphasized the proposition that Addison G. Strong, if appointed receiver, would be an officer of the court and that he must confer with the judge in the matter of the appointment of his attorney. That was said to the group there. There was no hiding about it; no going behind doors. It was said to Strong in the presence of all who were then and there assembled that in the appointment of the attorney the court must be consulted.

Lloyd Dinkelspiel was there, representing the stock exchange and representing his own firm, the attorneys for the stock exchange. Strong was asked by Judge Louderback then and there, "Have you selected any one of the attorneys present in this room or in this chamber as your attorney?" Strong said, no, that he had not done so. We will show you, from the testimony, that regardless, at the very time Strong made that statement, in fact the day before, he had already selected a man named Lloyd Ackerman to act as his attorney in the event he was selected as receiver in the Russell-Colvin case. We will show you from the deposition of Mr. Lloyd Ackerman, taken while two of the managers were out in San Francisco the other day, that when Strong stated to Judge Louderback that he had not selected an attorney in the event he was selected as the receiver he told that which was not true. At the time he had already selected Lloyd Ackerman to act as his attorney in the event that he (Strong) was appointed receiver, and Ackerman had accepted the office. That is the witness Strong, who, we are told, was such a marvelous receiver and was to be the friend of the court and that he was full of integrity.

Later Strong was appointed, and he informed Ackerman that he could not appoint him. He said the pressure—this is, in substance, what we will show you—that the pressure brought to bear upon him by the San Francisco Stock Exchange was too great; that they wanted Strong to appoint their own attorneys, the firm of Heller, Ehrmann, White & McAuliffe as the attorneys for the receiver.

Let me say here parenthetically that we will show you under a rule of the stock exchange, the seats being very valuable, that in the case of a fellow member defaulting for any debts due to another member of the stock exchange the members must receive dollar for dollar before creditors. In other words, the seats that were sold in this case, with a curb seat, were worth 2 years before March 1930 one hundred and some odd thousand dollars, but we will show you that the receiver in this case sold the two seats on the exchange for $75,000. We will show you why the stock exchange was so anxious to control the appointment not only of the receiver but to have appointed the attorney for the San Francisco Stock Exchange.

Judge Louderback relied upon the statement of Strong before he appointed him, the statement being made at the meeting at the time of his appointment. If Addison G. Strong, the receiver appointed, had told Judge Louderback at that time that he had selected Heller, Ehrmann, White,

& McAuliffe he might not have been appointed; the Russell-Colvin case would not be before you, and the fact is we would have no impeachment case here to be tried this day.

What developed thereafter in the Russell-Colvin case? Immediately when the matter was placed before Judge Louderback what happened? The first thing that was discovered was that two filings were made in the same matter with the same defendants and in the same cause of action. Two filings—for what purpose? I leave that to the Senate when the time comes. The two filings were called to the attention of Judge Louderback after he had agreed on their recommendations to appoint their selected receiver, Addison G. Strong. We will show you that immediately suspicion was aroused in respondent's mind that he had to be careful in dealing with the affairs of the Russell-Colvin Co. The filings were simultaneous, I say. In one instance the case number was 2594, assigned to Judge St. Sure, and in the other the case number was 2595, assigned to Judge Louderback. Time will not permit me to go into the details of how and when. The clerk will do that when he arrives here, as to how they assign cases to the three judges by a certain system of pooling they have in that particular district. Judge St. Sure was absent. I think he was in Sacramento. That is a place where we hold court. We hold court in Eureka; we hold court in San Francisco in that district, and we hold court in Sacramento. At different times the different judges are assigned to these various places to sit. At that time and at the time of the assignment to Judge St. Sure he was sitting in Sacramento. In the absence of Judge St. Sure, we will show by letter and by stipulation, that Judge Louderback acts for him, and during the absence of Judge Louderback Judge St. Sure acts for him. We will show that Judge Louderback said: "I cannot attend to this matter now; get in touch"—or words to that effect—"with Judge St. Sure." They said, "No; we will dismiss the action assigned to Judge St. Sure's department. You appoint our receiver as selected"; and Judge Louderback did appoint the receiver as selected.

A strange thing will develop in this case, that is, the first double filing ever had in that Federal court is the double filing had in the Russell-Colvin case. When Judge Louderback made his order appointing Addison Strong he approved the bond. The hour was late, the closing time of the clerk's office had passed. The judge sent word to the clerk, as we will show you, to do what? To hold the office open in order to accommodate the litigants. The bond was filed and the order appointing the receiver was filed.

Now I want the Senate to just bear with me, because this man comes 3,000 miles from San Francisco; witnesses cannot all be brought here with reference to the matter, and it is important for us now, the only time we have to meet and face this accusation, to have the attention to some of the matters that will be brought out here; and I ask your indulgence and your patience to bear with me while I relate what took place at that time.

Before Strong left Judge Louderback's chambers, upon the afternoon of the 11th of March 1930, he turned to Strong and he said to Strong, in words and substance to this effect, "I want to talk to you when you qualify; I will wait for you in the chambers; come back to see me; I want to talk to you."

I will tell you what then took place and what we expect to show. Strong promised to return. The clerk's office is a distance of less than from the end of the Senate Chamber to the other end over here [indicating]—I would say a distance of about 50 or 75 or 80 feet away from the judge's chambers. The hour was about 5:30 or 5:35. The judge waited for Strong. Did Strong return? Oh, no. What did Strong do? All practitioners of the law in San Francisco, those who do not golf too early, try to leave their offices at about 5 or 5:15. But Strong immediately on his way down, as if the guiding hand of the stock exchange was waiting for him, moved to Montgomery and Market Streets and entered the Wells, Fargo Building. There in the great suite of offices was the lone man, Florence McAuliffe, waiting to receive him. Strong stayed with him for an hour or more, and when he left him the firm of Heller, Ehrmann, White & McAuliffe, the attorneys for the stock exchange, was selected. A telephone message then went on to Lloyd Ackerman, "We do not need you Lloyd; we have already taken the attorney for the stock exchange."

That is the picture we will show you of what took place in San Francisco in March of 1930. Then what took place?

Strong got very busy—I say Strong in the interest of time—in the morning about 9:30 and immediately came to Judge Louderback's chamber full of excuses and full of apologies for not having been there the night before. The conversation then drifted to what he had done. The judge told him that he had waited for him, that there was a matter he wished to talk to him about, and that was the matter of an attorney. Then he said to the judge that he had employed the firm of Heller, Ehrmann, White & McAuliffe as his attorneys—the attorneys for the stock exchange. The judge said to him in substance "That is the very thing that I feared would take place." Then the judge told him to think it over. We have some very eminent firms of lawyers in that city, the present speaker and his associate not included. We have the firm of Sullivan, Sullivan, and Theodore Roche, at that time, but now one of your own Members in it, Senator JOHNSON. We have Pillsbury, Madison & Sutro. We have Cushing & Cushing, very eminent lawyers. They were there practicing law. The judge named several firms and went down the line to name a number of firms from among whom he might select one as his counsel. But Strong said, "Heller, Ehrmann, White & McAuliffe" first, last, and all the time. That is not his exact language, but in substance and effect "I stand by them." The judge told him that he would not take the firm, that he wanted to get away from the stock exchange in the receivership, that it was too close in the family. He gave his reason, not any personal reason against the members of the firm, but that the association was too close and that he wanted the estate handled in an open, free way, as we will show you.

Strong refused to recede from his position. It was no one except that firm. He was defiant to the judge in his request. The judge asked him at the time if he had signed any request for the appointment. He said, "Not yet"; but he did cause a signed petition to be presented to the judge requesting the appointment of the firm of Heller, Ehrmann, White & McAuliffe, attorneys for the stock exchange. Mr. Jerome White may be a witness here and will probably so testify.

Immediately Judge Louderback called into consultation the attorneys for the parties. He told them in substance that it was probably incumbent upon him to remove Addison G. Strong as receiver unless Strong resigned; that he had lost confidence in Strong by reason of his conduct. Would you if you were a judge? Judge Louderback stated that he had seriously contemplated the removal of Strong and the appointment of H. B. Hunter as receiver. He requested then and there of those attorneys that they go out and find the qualifications of H. B. Hunter and report to him their findings upon that subject matter. "Is he a fit and proper man?" he asked them. "Go and look him up, because the conduct of this man Strong is such that I feel that I cannot go along with him because of the defiant attitude he is assuming toward the court."

He finally determined there was no other course for a courageous, just, and decent man to take but to remove Strong; and he did remove Strong.

It will also be shown that Judge Louderback said to the attorneys at this time—mark this—that it would be entirely agreeable to him to dismiss the proceedings, thereby getting rid of the entire matter. We will also show that before he appointed Hunter he caused his secretary to telephone the attorneys for the parties asking what their investigation disclosed, and the word came back that the same was favorable and that Hunter was a competent man.

The evidence will show that on the 13th of March, 1930, Judge Louderback vacated and set aside his order appointing Strong as receiver and that the same was filed; that there was no arbitrariness involved, but that there was no other course left for a decent, courageous man to

pursue because Strong was so defiant in his attitude as an officer of the court, and because, as we will show you, a receiver is an officer of the court, and the judge did the only thing, the human thing, the right thing, and that was to dismiss him and remove him.

We will further show to you that there is a standing general rule of that court, known as rule 53, which in part reads as follows:

> Receivers shall employ counsel only after obtaining an order of the court therefor.

We will show you that this rule at that time and prior thereto had been construed by the court and by the judges thereof to mean that counsel should be satisfactory and acceptable to the judge of said court.

Subdivision 1, article I, of the articles of impeachment alleges that respondent—I shall follow this as closely as the language will give me permission without reading it verbatim—willfully, tyrannically, and oppressively discharged Addison G. Strong as receiver. We will disprove this allegation. We will prove that Judge Louderback had the right at any time to remove his own officer as receiver in that case or any other receiver who was an officer of that court.

It will be established by the testimony of witnesses that Judge Louderback, the respondent, did not force or coerce Strong to appoint John Douglas Short as attorney, but that he suggested to him different attorneys of eminence and standing in the community for Strong to select from among them, but that the course of conduct of Strong and his defiance of the court made it necessary for the respondent at that time to remove Strong.

In subdivision 2 of article I it is charged that the respondent improperly used his office and his power as district judge in his own personal interest by causing the appointment of John D. Short as attorney for H. B. Hunter. It is stated that this was done at the instance and at the suggestion and at the demand of the gentleman whom the managers have so thoroughly played up here, Mr. W. S. Leake; that the judge was under personal obligations to W. S. Leake; that they had entered into an alleged conspiracy, the articles charge, wherein Leake was to provide Judge Louderback with a room at the Fairmont Hotel, and made arrangements for registering it in Leake's name and paying all bills in cash under an agreement with Leake; that Leake was to be reimbursed in full or in part, in order that the respondent might continue to actually reside in San Francisco, after having improperly and unlawfully established a fictitious residence in Contra Costa County for the sole purpose of removing for trial to said Contra Costa County the cause of action which the respondent expected to be filed against him. This is quoting in almost exact language subdivision 2 of article I.

It is further charged in said subdivision that said Attorney Short did receive large and exorbitant fees for his services as attorney for the receiver in the Russell-Colvin matter, and that W. S. Leake did receive certain fees, gratuities, and loans directly or indirectly from said Short amounting to approximately $1,200.

We will show you in this matter by evidence that the receiver, H. B. Hunter, appointed by Judge Louderback after the removal of Addison G. Strong, was at the time of his appointment by respondent connected with the firm of William Cavalier & Co., a company doing a general stock brokerage and banking business in San Francisco and thoroughly competent to act as receiver, and that H. B. Hunter was at that time and is now for all purposes one of the most competent receivers that possibly could be appointed in any jurisdiction of the United States.

The evidence will show that Hunter, after his appointment and qualification as receiver, petitioned for the appointment of the firm of Keyes & Erskine and John Douglas Short as his attorneys. Keyes & Erskine had been for a great many years one of the principal firms of attorneys handling at that time and now some of the biggest cases for the Bank of Italy, now the Bank of America, in the State of California; that a former member of that firm, Keyes, was for years president of the Humboldt Savings Bank and was the attorney for the Humboldt Savings Bank, with hundreds of millions of dollars of the people's money, when it merged with the Bank of America; that this firm was one of the outstanding firms in San Francisco, and that Short was connected with this firm; that it was this firm and Short who were selected as attorneys for H. B. Hunter; that the same was done upon petition, and the judge approved the petition.

We will show that Short, mentioned in subdivision 2, was not appointed at the suggestion of Leake; that Louderback, the judge, was not under any obligation to Leake; that Leake was his friend, but that is all.

We will show you that the appointment of this attorney was approved by the court, and that the conduct of the receivership and the results obtained more than justified Judge Louderback's good judgment in confirming the appointment and selection of H. B. Hunter, and in confirming the appointment of his attorneys.

It will be shown from the testimony that the receivership, as I stated in the beginning, was an outstanding receivership. It was handled economically, intelligently, effectively, and expeditiously. The results achieved for the benefit of both the creditors and the customers of that company were most gratifying. It will be shown from the evidence that Leake for more than 20 years resided at the Fairmont Hotel; that he resided there with his wife until she died in November of 1931; that Hathaway resided there at the Fairmont for a great number of years—I have forgotten the number; I think 12 years—and that his wife resided there; that he had been for many years, and at the present time is, the resident manager in the northern district of California of the Mutual Life Insurance Co. of the State of New York, a man of eminent standing, and a man of integrity.

Hathaway and Leake had been intimate friends from their boyhood—from the early eighties. At one time they were both residents of the city of Sacramento in our State. At one time Mr. Leake was the postmaster in that city, during one of the terms of the Cleveland administration. It will be shown that Leake is a man of prominence in the State; that at one time he was the editor of the San Francisco Call when it was run by what are known as the Spreckels interests. For more than 20 years last past he has been a metaphysical student. Call it what the managers will; I care not, be he a Christian Scientist, a New Thoughtist, or what. It will be shown that due to the continuous illness of Mrs. Leake during the period of 2 years prior to her death Mr. and Mrs. Leake became embarrassed, and that while Mrs. Leake was suffering her last illness Leake borrowed from Hathaway the sum of $1,000. This is part of the alleged amount that is stated in article I, in which Short was supposed to have given some of his fee to Leake in the way that is alleged in the article.

What is the fact about the matter, as we will show you? Leake borrowed from Hathaway $1,000. The loan was made possible because of the fact that Mr. and Mrs. Hathaway borrowed upon a life-insurance policy in Mr. Hathaway's own company, and $1,000 was made payable to Mr. and Mrs. Hathaway. Being the beneficiary under the clause, they insisted upon her signing it, and she signed the note to the insurance company and the application, and the check was made out by the insurance company. We will produce the check in evidence here, showing you the borrowers on the insurance policy, and give you the number thereof. We will show that the check was made payable to both of them; that they cashed this check for $1,000, and gave the cash to Sam Leake, or W. S. Leake, familiarly called "Sam" by those who know him.

We will show you that Sam Leake paid interest upon this $1,000 loan for 1 year up to April of 1932; that Mr. Hathaway and his wife made this loan to Leake because they were friendly, and because there was a great affection between the families one for the other, and they knew Leake's financial embarrassment. His wife had been dying for a period of 2 years.

It will be shown from the evidence introduced that son-in-law Short—that is, John Douglas Short—never knew a thing about the borrowing of the money by Leake from Hathaway, his father-in-law; and that the respondent, Judge Louderback, never heard of the situation until the proceedings were brought and the special investigation had in San Francisco. Then, for the first time, and the first time only, did Judge Louderback, the respondent, ever know that Leake had borrowed any money from any one, let alone Hathaway, because their intimacy was not of such a kind that they discussed the borrowing of money one from the other, or with others.

The testimony of Mr. Hathaway which was taken while the managers were in San Francisco in September last has been stipulated now to be read because of his illness. He had a partial stroke and was confined to his bed, and Mr. Manager PERKINS and the others saw him when they were there. That testimony will be read in accordance with the stipulation. A statement of what Mrs. Hathaway would testify to has been added to the stipulation, coupled with the application and the note, and so forth, that transpired between these two people. Mrs. Hathaway, attending to her ill husband, refused to come here unless forced by the Senate to desert him in his illness, and the managers have agreed to take, in lieu thereof, her statement as sworn testimony, as if it were given under oath in this particular case.

There was no thought of loaning Mr. Leake any money out of the fees that were allowed John Douglas Short in the Russell-Colvin receivership. We will show you that no one knew of the loan from Hathaway to Leake except Leake, Hathaway, and Mrs. Hathaway. It will be shown further from the testimony that when Mr. Leake needed more money at a subsequent time, Hathaway gave Leake $250. I do not know whether he considered it a loan or not, but my memory of the testimony that will be read to you is that he considered that he could not go away upon a trip feeling that his old friend Sam was there in need, or probably in distress, and that he let him have $250. That is the type and kind of a man that Hathaway is—the resident manager of the Mutual Life Insurance Co. of New York, whose testimony will be read to the Senate in this particular case.

We will show you that the fees of Short and Keyes & Erskine as attorneys in the Russell-Colvin case had not anything to do, of any kind or character, with a loan made by Hathaway to Leake; and we will thoroughly disprove the allegation that the $500 alleged in article I, either directly or indirectly, or at all, came from Douglas Short's portion of the fee, or any part of it.

I want the Senate now to bear with me upon a proposition that will come to its attention with reference to this alleged exorbitant fee, as stated by the managers. In that connection I will say that we are going to show you that John Douglas Short and the firm of Keyes & Erskine did not receive any large or exorbitant fee for their services in the Russell-Colvin case as attorneys for the receiver. How are we going to do that? I will tell you how.

We are going to show the Senate, upon the question of fee, that parts of 3 days were spent in that proceeding; that the hearing was upon application for the allowance of compensation to the 3 attorneys, the 2 Erskine brothers, and John Douglas Short for services rendered to the receiver; that a hearing was had, noticed in open court, upon that proposition. I will show you that a hearing took place upon March 14, 1916, and a day that some will remember, the 17th day of March 1931, in San Francisco, upon the question of fee; that there were present in court a great number of the creditors; that all of the attorneys representing the different parties were there; that there was a contest as to the amount of the fee. They had asked for the sum of $65,000. A hearing was had, and witnesses were examined, and upon that full hearing the court awarded the fees; but before I come to what he awarded I am going to tell you the proof upon which he awarded the fees.

Upon the hearing there was introduced the testimony of three outstanding attorneys at the bar of San Francisco, John L. McNab, Albert Rosenshine, and Henry A. Jacobs. These three attorneys testified that, in their opinion, the services rendered by the attorneys in the Russell-Colvin case were worth somewhere between $55,000 and $75,000.

One of the attorneys, John L. McNab, stated that, in his opinion, $75,000 was a fair fee for the services rendered. McNab is a man of standing in our community. He is a well-known attorney in both State and Federal practice. At one time he was United States district attorney for the Northern District of California—the same position as that to which you confirmed, the other day, H. H. McPike. He is quite an eminent man in national affairs. He nominated one of the Presidents of these United States. His honor and his integrity have never been questioned. He testified, after cross-examination by eminent counsel, that the reasonable value of those services was the sum of $75,000.

Albert Rosenshine, who testified as to the value of the services, is an attorney of integrity and distinction in California. He has handled large affairs for very wealthy clients, and he is well known in our State. For many terms he was a member of the Legislature of the State of California. He has been the attorney for the banking superintendent of that State. At the present time he is handling a similar affair for another stock-brokerage concern known as the Gorman-Keyser receivership. Rosenshine was eminently qualified to give his opinion as to the value of the services rendered by Keyes & Erskine and John Douglas Short, and we will show you that he testified that in his opinion their services were worth $65,000.

Mr. Henry A. Jacobs is a prominent member of our bar, a lawyer of eminence, standing, and integrity. He is a member of the firm of Jacobs, Blanckenberg & May, who engage particularly in what is known as the commercial-law business, and is thoroughly familiar with the type of services rendered in the Russell-Colvin estate; and he, Jacobs, fixed the sum at $55,000.

The receiver and the attorneys for the receiver gave to the court a set-up of their services, and testified as to the value of their services, and requested the court to fix a reasonable fee for them for the services rendered.

I want the Senate to mark this well. On March 17, after one adjournment of the matter, a consultation was had between the attorneys with reference to the fee. Those who had filed objections to the amount requested, and one of the attorneys who was carrying on the examination of the witnesses in reference to the value of their services, made a statement in open court. I am going to read to you as to what we are going to show about the extravagant fees which were alleged to have been given in this particular receivership. This is the statement of the counsel leading the objectors:

> We are ready to proceed, if it please the court. During the morning and noon, counsel on the other side and myself have been in conference for the purpose of arriving, if we possibly may, at a settlement of this application. We have come to the conclusion that if the court would ratify the settlement of the various other creditors heard in court, and if the creditors will be satisfied, that the court allow Mr. Hunter the sum of $20,000 for services rendered in addition to what he had received (meaning $1,000 a month he had received up to that time), and to Messrs. Keyes & Erskine and Short the sum of $46,250. All of this will be without prejudice to the rights of the receiver and the attorneys to apply in the future in the ordinary course of business and under normal conditions for compensation for services to be rendered from this date on. We have also felt that the sum of $8,750 would be a reasonable and adequate compensation to be allowed for the attorneys for the plaintiff and the attorneys for the defendant, in such sum and such proportion as they may see fit to divide among themselves. I feel confident there are some very serious questions involved as to the right of the attorneys for the plaintiff and especially the attorneys for the defendant to come into court and ask for compensation.

Mr. ASHURST. Mr. President, I desire to offer a resolution at this point.

The VICE PRESIDENT. Will counsel suspend for that purpose?

Mr. HANLEY. Certainly.

Mr. ASHURST. I send forward a resolution, which I ask to have agreed to. It is necessary to have the resolution agreed to at this time.

The VICE PRESIDENT. The clerk will read the resolution.

The legislative clerk read as follows:

Ordered, That during the trial of the impeachment of Harold Louderback, United States district judge for the Northern District of California, the Vice President, in the absence of the President pro tempore, shall have the right to name in open Senate, sitting for said trial, a Senator to perform the duties of the Chair.

The President pro tempore shall likewise have the right to name in open Senate, sitting for said trial, or, if absent, in writing, a Senator to perform the duties of the Chair; but such substitution in the case of either the Vice President or the President pro tempore shall not extend beyond an adjournment or recess, except by unanimous consent.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the order will be entered.

The Chair takes the privilege of appointing the senior Senator from New Mexico [Mr. BRATTON] to preside for the balance of the day.

(Thereupon Mr. BRATTON took the chair.)

The PRESIDING OFFICER. Counsel will proceed.

Mr. HANLEY. The statement of counsel from which I was quoting proceeded as follows:

However, I feel confident also and I am certain that they have rendered service for the benefit of this estate in this case, and with that point in view, I certainly am not going to contest their receiving a reasonable allowance. From that I conclude the arrangement is satisfactory to everybody, but I do feel that the sum of $8,750 is reasonable under all the facts of the case, and I also, without prejudice to their right to go into court in the future, if they see fit, and to ask for reasonable compensation for services which they will render in the future.

That is the end of the statement of counsel asking the allowance. Then followed a discussion between the attorneys, whereupon Judge Louderback said, and I quote the language used:

This arrangement is within the scope of what I think proper, although I will be frank with you gentlemen and say that it is not what I would have made it if this matter were pressed—its present form—I am satisfied with it, if everyone else is, and apparently everyone else is satisfied—it being within the range of a proper fee. I think it is satisfactory to the court to accept that, and without proceeding further, then, with the hearing, in view of the fact that everybody is apparently satisfied, or has shown no objection to this matter, or no objection has been offered by anyone who has been participating in this hearing, I will allow the sums mentioned, $20,000 to Mr. Hunter in addition to the money he has already received in monthly payment; I will allow $46,250 to the attorneys John Douglas Short and Erskine & Erskine, and I will allow the plaintiff's attorneys and the defendant's attorneys the sum of $8,750, and I presume everybody present signifies his acceptance of that arrangement and all join in its approval. I see Mr. Thelen and I believe Mr. Brown is here. Are you satisfied with what has been done?

Mr. Smith replied, "Yes, sir."

The Court then said:

And I presume these arrangements are satisfactory to both of you gentlemen.

Mr. Smith said, "Yes, sir."

Judge Louderback then said, in substance:

I think you gentlemen ought to feel yourselves thanked in this proceeding for handling this matter in the way that you have. You certainly have undertaken a great deal of work in verifying all of these various petitions.

I interrupt to say that over 300 petitions were filed, some very lengthy, requiring a great deal of care, labor, and intelligence in their preparation. All of those were, by order of court, always O.K'd by Thelen & Marrin and by Brown and DeLancey Smith, and when the judge was speaking of the various petitions, he referred to the O.K. that had been placed upon them by the attorneys representing the parties. I continue quoting in substance from what the judge said on that occasion:

You certainly have undertaken a great deal of work in verifying all of these various petitions, and satisfying yourselves that the interests of yourselves and your clients are being protected. I was given your names on the various petitions as they have gone through, and I thought it was very splendid, and such a close check was made by all the parties to see what was done was done properly, and I approve of it, and I presume you did, or you would not have allowed it to be done as it was.

That is the extravagant fee we are alleged to have given to these attorneys. This is the proof we will offer to show that it was a stipulated fee, after a 3-day hearing in open court; yet you are asked to find Judge Louderback guilty because he allowed extravagant and exorbitant fees to the attorneys who stipulated to the genuineness and to the faithfulness of the services rendered.

It will be seen from what I have just stated as to what took place in open court on the 17th of March that the fee allowed for the receiver and the fee for the attorneys were stipulated to by all of the parties, and by the creditors, in open court, after the testimony of expert witnesses who were called to aid the court in fixing the fee for the receiver and the fee for the attorney for the receiver. They were and are reasonable fees, fixed by the respondent, as we will show you in this case.

The attorneys for the receiver gave more than a year of their entire time to the receivership. Their intelligence and knowledge effected great saving to the estate. Litigation was avoided. There were 659 claims against this estate, every one of them a potential lawsuit. Instead of it being necessary to refer the six hundred-odd claims to a master to settle them, the attorney and the receiver, really acting as masters themselves, were successful in settling all but 21 of these particular claims.

It is alleged in the concluding subdivision of article I of the articles of impeachment as follows:

That Judge Louderback entered into a conspiracy to violate the provisions of the Political Code of the State of California to establish a residence in Contra Costa County, when Judge Louderback in fact did not reside in the county, and could not have established a residence without concealment of his actual residence in the county of San Francisco, covered and concealed by means of his said conspiracy with said W. S. Leake, all in violation of the law of the State of California.

Then the article goes on and, in substance, charges this:

That to give color to his fictitious residence in Contra Costa County, all for the purpose of preparing and falsely creating proof necessary to establish himself as a resident of Contra Costa County in anticipation of an action he expected to be brought against him, for the sole purpose of meeting the requirements of the Code of Civil Procedure of the State of California, providing that all causes of action must be tried in the county in which the defendant resides at the commencement of the action, and did in accordance with the conspiracy entered into with W. S. Leake, unlawfully register as a voter in said Contra Costa County, when in law and fact he did not reside in said county, and could not so register, and the said acts of said Harold Louderback—

Mark this—

and the said acts of said Harold Louderback constituted a felony as defined by section 42 of the Penal Code of California.

Senators, judges, and jurors, we are going to show you that Leake had been a friend of Judge Louderback; that Leake was a resident of the Fairmont Hotel, and that the respondent here, due to unhappy differences which existed between himself and his wife, on the 21st day of September 1929 separated from his wife; that he obtained a room in the Fairmont Hotel, and that said room was registered in the name of Leake. Arrangements were made with respondent that he was to pay monthly to the hotel through W. S. Leake the amount of the hotel charges for the room, and also any expenses incident to the judge's staying there, such as tailor's bills, barber's bills, meals, and so forth.

In September 1929 Mr. Leake's wife was very ill, and occasionally Mr. Leake, in order to obtain rest, had to take other rooms, because of two trained nurses who were with Mrs. Leake during that period. He had to get other rooms in the hotel in which to sleep. One of the rooms that was formerly occupied by Mr. Leake was a room Judge Louderback took over as his temporary abode. Judge Louderback consulted with his friend Leake, and he told Mr. Leake that he did not know whether the separation was going to be a temporary one or a permanent one. We will show you that the judge, being a Federal judge, was careful about having it notorious in San Francisco that he and his wife had separated; he wanted to keep that matter out of the daily press, although he did not succeed, because it got in the daily

press as early as February 1930, and it contained the very idea that has been stated here.

When Leake heard these statements from the respondent he made arrangements with the hotel management for Judge Louderback to stay at the hotel. We will show that every bill contracted at the hotel by respondent was paid by the respondent to Leake. This was either by check or cash. In turn, Leake paid the Fairmont Hotel. The room number was 26, and the Senate will hear of it many times. The canceled checks made to Leake for this room, which we have, we will present to the Senate and allow the Senate to see those checks.

The respondent openly was about the hotel. He had his meals there, he signed the tags that were charged to the room, and he did everything open and aboveboard. There was no concealment of the fact that he was at the hotel, though he was not registered at the hotel.

It will be shown that in September 1929 Judge Louderback, the respondent, had no intention of any kind or character of making his residence in Contra Costa County. It was not until April 1930 that he concluded to make his residence in Contra Costa County. Respondent will show that in the month of April 1930, and that for some years prior thereto, his brother, George D. Louderback—he is the professor to whom I referred in the beginning—and his wife resided at 107 Ardmore Road in the Kensington district of Contra Costa County, which is a little division there about 100 yards in the Berkeley Hills, the county of Alameda stopping at that point and Contra Costa County being the adjoining county. Judge Louderback's brother resided at that place. We will show you that it is about 40 minutes' ride from San Francisco. People commute all the time down the peninsula and across the bay, and it is within commuting distance from the business section of San Francisco.

We will show that in the month of April 1930, with the consent of his brother, Prof. George D. Louderback, and his wife, the respondent determined to make his home with his brother, and he carried out his intention so to do, and that on the 17th of April 1930 he removed nearly all his personal effects, his trunk, and his clothing, and so forth, to a room in the home of his brother, and the room was given to him by his brother to be used by him and for his benefit. Judge Louderback left in his room at the Fairmont Hotel only such articles of clothing as he might need while stopping temporarily at the hotel.

Judge Louderback in evidencing his intention to reside at his brother's home and become a resident of Contra Costa County did on or about the 17th of April 1930 cancel his voting registration in the city and county of San Francisco; and on the 18th of April 1930—the 18th of April is quite an official day with us out there and we can remember it—on April 18, 1930, he registered in the little town of Martinez as a voter in the county of Contra Costa and has voted there ever since. He was actually living and residing there, and this was his home; it was his place of residence.

Respondent will show that in moving to Contra Costa County and registering as a voter therein he acted then with the bona fide intention of abandoning San Francisco as his place of residence and making his home and his residence at the home of his brother in Contra Costa County; that the residence of his brother was the only residence Judge Louderback has had from about the middle of April 1930 up to and including the present time; that it was and is his bona fide residence; that he has no other residence.

Respondent will show that when he was a young man he was a student at the Nevada University and that he lived with his brother, who was then a professor at that institution prior to the time when he was appointed to the institution in California. We will show this from the testimony of his brother, George Louderback, the professor to whom I have adverted. We will show you that George D. Louderback is a man of standing and dean of the College of Letters and Science at the University of the State of California.

It will be shown that the civil code of procedure, or the code of civil procedure, as we call it, does not provide that all cases must be tried in the county where the defendant resides at the time of the commencement of the action. It is only a matter that the defendant can take advantage of if he will. It can be tried in any county.

Respondent states that when the testimony shall be adduced, covering all the charges set forth in article I of the impeachment articles, it will be shown there never was any act of Judge Louderback, as stated in article I, that amounts to misbehavior, misconduct, crime, high or low, felony, or misdemeanor, or any other of the matters that are contemplated as high crimes or misdemeanors under the Constitution of the United States of America.

I now turn to another matter. In the interest of having the Senate know that we are not in any way stopping this investigation, that we are now at the beginning, stating it fully, we tell you what we are going to prove in each article as they present themselves categorically and sequentially, I, II, III, IV, and V. I now come to what is known as the "Lumbermen's Reciprocal Association case", which is covered by the second article of impeachment. It is charged in the first part of article II that the respondent was guilty of a course of improper and unlawful conduct as a judge, filled with partiality and favoritism in improperly granting excessive, exorbitant, and unreasonable allowances and disbursements to one Marshall B. Woodworth and to one Samuel M. Shortridge, Jr., as receiver and attorney, respectively, in the case. I might state here that the learned managers have misstated the situation. It is stated that Marshall B. Woodworth was the receiver. He was only the attorney. In the article as drawn Marshall B. Woodworth is named three times as the receiver instead of the attorney.

It is charged in the second paragraph of said article II that respondent improperly acquired jurisdiction of the case contrary to the law of the United States and the rules of the court; that on the 29th day of July 1930 he appointed Woodworth and Shortridge receiver and attorney in said case; that after appeal had been taken from the order and other acts of respondent to the United States Circuit Court of Appeals, Ninth Circuit, the said court set aside the order and acts of respondent, which were reversed by that court, that after the mandate of the court directing respondent to turn over the assets of the associations in his possession to the insurance commissioner of California it is alleged that the respondent unlawfully and improperly and oppressively did sign an order directing the receiver to turn over said assets to the insurance commissioner but improperly and unlawfully made said order conditional that the insurance commissioner or any party in interest would not take an appeal from the allowance of fees and disbursements granted by respondent to said Woodworth and Shortridge, thereby improperly using his office as a judge to favor and enrich his personal and political friends and associates, to the detriment and to the loss of the said insurance commissioner and parties in interest in said action, causing unnecessary delay, and, it is alleged, forcing the State insurance commissioner to unnecessary delay and expense in protecting the rights of all the parties against such arbitrary, improper, and unlawful order of the respondent.

Then the article goes on to allege that the respondent did improperly and unlawfully seek to coerce the insurance commissioner and the parties in interest to accept and acquiesce in the excessive fees and exorbitant and unreasonable disbursements which were granted by the respondent to the said Woodworth and the said Shortridge, receiver and attorney, respectively.

It is further alleged that respondent did unlawfully and improperly force and coerce the parties to enter into a stipulation modifying said improper and unlawful order.

It is further alleged that the respondent did make it necessary for the insurance commissioner to take another appeal from said arbitrary, improper, and unlawful action of the respondent.

It is further alleged in article II that the respondent did not give fair and impartial and judicial consideration to the objections of the insurance commissioner against the allow-

ance of excessive fees and unreasonable disbursements. Then, it is alleged, that it was all done to enrich his friends and at the expense of litigants, and then that the respondent did cause said insurance commissioner and the parties in interest additional delay and expense and labor and taking an appeal to the United States Circuit Court of Appeals in order to protect their rights. It is then alleged that, by reason of his alleged misconduct, respondent was guilty of a misdemeanor in office. That is the charge part of the second article of impeachment.

We will show you in that connection the following: That on the 29th day of July 1930 a verified bill of complaint was filed in the office of the clerk of the court for the northern district, the southern division, by Helen Lay, who was plaintiff, against the Lumbermen's Reciprocal Association, defendant; that the complaint was signed by Reisner & Deming, attorneys for the plaintiff; that an application was made for the appointment of a receiver for the Lumbermen's Reciprocal Association. The testimony will show that Bronson, Bronson & Slaven were the attorneys for the defendant; that the attorneys representing both parties requested in writing the appointment of a receiver; that both parties signed a written application requesting the appointment of Samuel M. Shortridge, Jr., as receiver; that thereafter Samuel M. Shortridge, Jr., qualified as receiver and thereafter he petitioned the court for the appointment of Marshall B. Woodworth as his attorney, and the petition was granted; and that they entered upon the discharge of their duties.

The receivership in this matter was for an insurance company that was incorporated under the laws of the State of Texas, from which comes our learned friend who made the opening statement on behalf of the managers. It had an office in the city and county of San Francisco, State of California. The plaintiff had a judgment against this insurance company and was fearful that all its funds in California would be removed and impounded in the State of Texas, thereby lessening the chances of the plaintiff to collect her judgment. Suit was brought to hold the funds in the jurisdiction of California for the benefit of the corporation and the creditors in California.

We will show that, due to the state of the law in California, the insurance commissioner of California was unable to take action in this State, that is in California, until a receiver was appointed in the State of Texas. It will be shown that if the insurance commissioner of California was compelled to wait until the action was taken in the State of Texas it might be too late; and therefore the suit was brought in the Federal court of our district.

It will be shown that Judge Louderback, the respondent, had no means of knowing that a petition would be filed in the matter; nor did he know nor was he informed, until after the filing of the suit, that the appointment of Samuel M. Shortridge, Jr., would be requested by both parties to act as receiver in the case; that on the 6th day of August 1930 the defendant, in the action by its attorneys, the same ones, filed an answer and they admitted all allegations contained in the complaint; that in the said answer no attack was made upon the jurisdiction of the court presided over by the respondent to entertain the bill of complaint or to grant the relief prayed for.

The evidence will show that Roy Bronson, one of the attorneys for the Lumberman's Reciprocal Association, advised with the Industrial Accident Committee of the State of California, and succeeded in having an award made in favor of Helen Lay, the plaintiff in this action. The award was for $5,000. This gave a jurisdictional amount for the plaintiff, Helen Lay, enabling her to bring the action she brought in the Federal court against the Lumberman's Reciprocal Association. We will show you that the complaint in the equity proceeding in which Reisner & Deming appeared for the plaintiff, was prepared from data furnished by Bronson, Bronson & Slaven, and that Mr. J. T. Reisner accompanied Mr. T. J. Slaven and conferred with respondent at the time the receiver was appointed.

It will be developed from the evidence that the award of $5,000 to the plaintiff Helen Lay by the Industrial Accident Commission was set aside after the filing of the equity suit by the plaintiff, Helen Lay. Frank L. Guerena, the attorney for the insurance commissioner of California, appeared for the employer of the deceased husband of Helen Lay, the plaintiff in the equity suit, and asked for a rehearing of the award made by the Industrial Accident Commission, and ex parte had the first award set aside. This was for the purpose of aiding the insurance commissioner of California to gain jurisdiction of this case after the Federal court had already appointed a receiver, at the request and with the consent of the plaintiff and defendant, and after the defendant had fully answered and admitted the allegations of the bill of complaint filed by the plaintiff, Helen Lay. This will be shown from the records and files in the action of *Helen Lay* v. *Lumberman's Reciprocal Association.*

It will be shown that an order to show cause to set aside the appointment of Samuel M. Shortridge, Jr., as receiver in said matter was issued at the request of the insurance commissioner of California and that a hearing was had thereon. Respondent denied said order to show cause. The respondent at no time, until the decision was rendered by the United States Circuit Court of Appeals, entertained any doubt of the jurisdiction of his court to proceed and pass upon the various matters that arose in said action. Respondent's conduct in this regard was not filled with partiality and favoritism, or favoritism in any way, as alleged in article II of the impeachment articles.

It will be shown that on the 1st of December 1930 there was filed in the office of the clerk of the court an order fixing and allowing compensation to the receiver and his counsel, in the sum of $3,000 each for services rendered, covering a period from the 29th day of July 1930 to the 30th day of November 1930. The allowance was made by respondent upon a detailed statement of the services rendered by the receiver and his attorney and upon written stipulation of Reisner & Deming, the attorneys for plaintiff, and Bronson, Bronson & Slaven, the attorneys for the defendant. We will introduce said stipulation in evidence. In substance it provides as follows:

> The compensation for the services of the receiver for the above period of time from July 29, 1930, to and including November 30, 1930, in the sum of $3,000 is a proper and reasonable sum for the services rendered, and that the compensation for the legal services of the attorney for the receiver for the above period of time in the sum of $3,000 is a proper and reasonable sum for the legal services rendered by such attorney.

We will show that thereafter, about the 23d day of April 1931, respondent made a further order allowing said receiver and his attorney an additional sum of $3,000 each as compensation for services rendered by them, covering a period from December 1, 1930, to and including the 31st day of March 1931. This order was likewise based upon the written stipulation of the attorneys for the plaintiff and defendant that the same was a reasonable amount to be charged. We will introduce this stipulation in evidence, showing that the court in both instances acted not alone in the exercise of his own judgment but also upon the judgment and consent of the parties to the action. It will appear that no objection was made by anyone to the allowance of the fees to the receiver and his attorney until the hearing of the fourth and final account of the receiver, which was settled on the 15th day of December 1931.

Respondent never, at any time or at all, intended to, or did, in his opinion, grant excessive, exorbitant, and unreasonable allowances as disbursements to the attorney for the receiver or to the receiver in said matter. It is true that after the fourth and final account of receiver was settled, another appeal was taken to the circuit court of appeals for the ninth district from the order settling the fourth and final account and approving the fees heretofore allowed, as well as the disbursements of the receiver and his attorney. We shall show that the order of December 15, 1931, was made under the conditions set forth in our answer, and not otherwise.

We will show that it is not true that respondent improperly used his office as a district judge to favor and enrich his personal and political friends and associates to the detriment and loss of litigants in respondent's court; and, further, it is not true that he was forcing the insurance commissioners of California and the parties in interest to unnecessary delay, labor, and expense in the action. It is not true that all this was done in an arbitrary, improper, and in an unlawful manner. The evidence will show that when the order of December 15, 1931, was prepared by Marshall B. Woodworth, who presented the same to Frank L. Guerena, the attorney for the insurance commissioner for the State of California, the attorneys discussed said proposed order and also the meaning of the proviso therein. By the way, Marshall B. Woodworth was a candidate for district judge at one time, secretary to the late Judge Morrow, who was for many years a Member of Congress, for many years a district judge, and many years on the court of appeals. Marshall Woodworth was a candidate for office against Judge Louderback at the time the judge was appointed. He was attorney in this particular case, a man of standing in our community, former United States district attorney, stepping up the ladder rung by rung until he reached some eminence in his profession.

As explained by Mr. Woodworth to Mr. Guerena, the purpose of the proviso was to obtain a bond to insure the receiver that no liability would be incurred by him in surrendering assets to the insurance commissioner. A discussion was had between the attorneys as to the amount of the bond. They could not agree upon the amount and, therefore, the proviso was left in the order and presented to the respondent for signature. When the order was presented to the respondent by Marshall B. Woodworth, respondent inquired of said Woodworth what he understood to be the meaning of said proviso. Mr. Woodworth explained to the court the discussion and talk he had had with Attorney Guerena with relation thereto. Respondent then signed said order, knowing at the time that he had a right under the terms of the order to modify the same.

Respondent within a few days after he signed the order sent for Marshall B. Woodworth, the attorney for the receiver, and stated to him, in substance, that, on mature reflection, he was satisfied that the proviso in the order of December 15 was erroneous, and that he desired to modify said order by striking out the proviso provision and that, inasmuch as an appeal had been taken, a question might arise as to whether or not he had a right to so modify the order, and therefore suggested to him that he prepare a stipulation to that effect and have it signed by all the parties; whereupon he would then make an order based on the stipulation striking out the proviso from said order.

We will show that respondent did, on the presentation of said stipulation to him on the 11th day of January 1932, make an order modifying his order of December 15, settling the fourth and final account in accordance with the stipulation signed by the parties to the action. The modification made contained a clause that the stipulation signed was made without prejudice to the rights of any party thereto with respect to an appeal therein pending. We will demonstrate that respondent in settling the fourth and final account of the receiver never had in mind to enrich or to favor any friend, political or otherwise, or was said order made to the detriment of any litigant or litigants, or was said order made with the intention of forcing, or causing to force, the insurance commissioner of California, or any party of interest, unnecessary delay and expense in protecting the rights of all or any of the parties in said action.

We will demonstrate further that respondent did not improperly, unlawfully or at all seek to coerce the said insurance commissioner or any parties in interest in the action to accept or to acquiesce in any fees and disbursements granted by respondent to the said receiver and to his said attorney.

Respondent will show that in making the respective orders set out in article II of the impeachment articles allowing the compensation to the receiver and his attorney and allowance of expenses and disbursements, respondent acted honestly and conscientiously, believing at that time that the disbursements and that the fees allowed by him were reasonable and proper fees. Respondent will show that his judgment in this respect was influenced to some extent by the advice given him by the attorneys for plaintiff and defendant, in their written stipulation certifying that the services rendered by the receiver and his attorney were reasonably worth the amount requested and finally allowed by respondent.

Respondent will demonstrate that if there was any mistake made by him in the granting of the fees or in the allowing of the disbursements, the same was not brought about because or as the result of friendship for the parties or prejudice against anyone. If a mistake was made, it was made in good faith and without any thought or purpose or desire on part of respondent to be partial, oppressive, excessive, or unreasonable. There are many other matters that respondent will show in this connection, but time will not permit going into detail. All of this will be brought out in the evidence by witnesses that will testify.

The fact that the United States Circuit Court of Appeals reversed Judge Louderback in this case in no way reflects upon his ability or integrity as a judge.

It cannot be held that a judge, using his best judgment and giving his decisions on questions of law and questions of discretion in good faith, although a higher court may disagree with him, is subject to impeachment for that reason. If a reversal by a higher court is ground for impeachment, then there would be no judges remaining on the Federal bench of the United States. All judges sitting in courts of first instance are at some time in their careers reversed by higher courts. The Supreme Court justices of the United States differ with each other and have numerous dissenting opinions rendered by their members. To announce or to hold the doctrine that the mere fact of a reversal of a judge by a higher court is ground for impeachment would be monstrous.

Respondent will show that article II, in the light of the evidence to be introduced, will fall of its own weight.

Mr. LONG. Mr. President, I should like to ask the President if he will propound to counsel a question. What does the counsel allege to have happened? As I understand, when these fees were allowed to the attorneys for the receiver, provided they did not take an appeal, the House managers allege——

Mr. ASHURST. Mr. President, a point of order. All questions propounded by a Senator must be in writing.

The PRESIDING OFFICER. The Chair sustains the point of order.

Mr. LONG. That is too much trouble.

Mr. HANLEY. I have finished article II; but I should have been very anxious to answer, although it was not in writing, the question of the Senator from Louisiana.

Article III is the so-called "Fageol Motor Co. case."

It is alleged in article III that respondent was guilty of misbehavior in office, resulting in expense, disadvantage, annoyance, and hindrance to litigants in respondent's court in the Fageol Motor Co. case, in that respondent knew that G. H. Gilbert, whom he appointed receiver, was incompetent, unqualified, and inexperienced to act as such receiver. It is further alleged in article III that respondent oppressively, and in disregard of the rights of litigants in his court, did appoint Gilbert, knowing that he was incompetent, unfit, and inexperienced for such duties. It is further alleged that he further refused to grant a hearing to plaintiff, defendant, creditors, and parties in interest at the time of the appointment of said receiver. It is further alleged in article III that he did cause the litigants and parties in interest to be misinformed of his action in appointing G. H. Gilbert receiver, while he took necessary steps to qualify as such receiver. It further alleges that this deprived litigants and parties in interest of the opportunity of presenting the facts and circumstances and condition of the receivership, the nature of the business, and the type of person necessary to

operate the business in order to protect creditors, litigants, and all parties in interest. It further alleges that this deprived the parties of the opportunity of protesting the appointment of an incompetent receiver. It then states that by reason of these acts the respondent was guilty of a course of conduct constituting misbehavior as a judge, and that he was and is guilty of misdemeanor in office.

Having told you what we expect to prove, if at the end of the trial my statement is shown to be true, you will find that this article, like the others to which I have referred, will fall of its own weight. But what are we going to show you in this regard in reference to the Fageol Motor Co. case?

We answered in our formal answer very fully the allegations set out in article III with reference to the Fageol Motor Co. case. In support of our answer we will show you by the pleadings, exhibits, documents, letters, and witnesses that there are no grounds for the allegations set forth in article III. Respondent will show you that on the 17th of February 1932 an order was made by him as district judge, appointing G. H. Gilbert as receiver of the Fageol Motor Co. upon the complaint of the Waukesha Motor Co. There was an answer filed by the defendant through its attorneys, Bronson, Bronson & Slaven. Upon the filing of the complaint, the application for the appointment was made. In the answer filed, the defendants asked that the relief prayed for in the bill be granted.

Respondent was holding court when the attorneys for the plaintiff and defendant went to the judge's chambers and left an order appointing the receiver, with the name of the receiver left blank, and requested respondent's secretary to call respondent's attention to the name of a party they desired appointed receiver. At this time respondent does not recall the name of the party suggested. Respondent having no information with reference to the party the attorneys suggested to be appointed receiver, respondent appointed G. H. Gilbert receiver by filling in the blank space in the order, and signing the order.

The order signed by respondent appointing Gilbert—now, mark this well, Senators—contained the following. I do not want to bore you, but listen to it:

> Decreed that the receiver be, and hereby is, directed within 30 days from the date of this decree to cause to be mailed to each and every creditor of the defendant known to such receiver a copy of this order and a notice of a motion to make the receivership herein permanent, such mailing to be in a securely sealed envelope, postage prepaid, and to be addressed to said creditor at the last post-office address known to said receiver, and such service by mail is hereby decreed to be due, timely, sufficient, and complete service of notice of this decree and this suit, and of such notice and all proceedings had or to be had herein, and upon all such creditors, for all purposes.

That is the order appointing temporarily, for a period of 30 days, Gilbert as the receiver.

Now, what took place?

Upon the signing of the order appointing G. H. Gilbert receiver he qualified as such, and thereafter filed petition for authority to employ counsel. Dinkelspiel & Dinkelspiel were appointed attorneys for the receiver. After said receiver and his said attorneys had acted for a period of 30 days, and after they had caused the notices to be mailed to the creditors, as provided for in the order appointing G. H. Gilbert, this one who forced the receivership upon the Fageol Motor Co., as stated by Mr. Manager SUMNERS, never came into court, never opposed the continuance of the receiver, and we will show you that upon a hearing had, no one appeared to protest the continuance and permanency of the receivership of G. H. Gilbert; and this is the one that you are told we forced upon them!

Respondent will show that written admissions of service were given by the attorneys for the parties upon the papers now on file in said matter; that the matter came on in open court on the 17th day of March 1932 and was continued until the 21st day of March 1932. No opposition to making the temporary order permanent was offered by anyone. No objection was made by anyone in any written filing in said court to the appointment of G. H. Gilbert as either temporary or permanent receiver. Respondent did not know and never had any reason to believe said G. H. Gilbert was incompetent, unfit, and inexperienced for his duties as such receiver, and in fact he was not incompetent. Respondent will show, by witnesses to be produced, that the services rendered by G. H. Gilbert as receiver redounded to the benefit of the estate. Respondent will show that one of the largest creditors, namely, the Central National Bank of Oakland, through its vice president, stated that the work done by Mr. Gilbert as receiver, and Dinkelspiel & Dinkelspiel, was in every way satisfactory, and that the creditors found no trouble in working with the attorneys and receiver for the benefit of the Fageol Motor Co.; that they gave their cooperation in every way for the benefit of the corporation. The vice president of said creditor stated—mark you this, Senators—that if the receiver were one of his own choice, and had been selected by him, he could not have had better cooperation for the estate than was given in the matter by the receiver, Mr. Gilbert, and his attorneys, Dinkelspiel & Dinkelspiel.

I am coming to an end very shortly.

We will introduce evidence that G. H. Gilbert competently and carefully handled the affairs of the Fageol Motor Co. while receiver.

Respondent will show you that he never refused to grant a hearing to the plaintiff and defendant, or any creditor or creditors, or any party or parties in interest in the Fageol Motor Co. matter. Respondent will show that he was never requested to grant a hearing to plaintiff and defendant, or any creditor or creditors, or anyone interested in the proceeding in regard to the appointment of G. H. Gilbert as such receiver. Respondent will further show that he did not suppress the fact that he had appointed G. H. Gilbert as receiver to enable said Gilbert to take the necessary steps to qualify as such receiver. Respondent will show you in this regard that he simply signed the order that was left with him, filled in the name of G. H. Gilbert as receiver, and advised his secretary to notify the interested parties that Mr. Gilbert had been appointed receiver.

Respondent will demonstrate to the Senate that all of his conduct and actions in relation to the appointment of G. H. Gilbert as receiver in the Fageol Motor Co. case were open and aboveboard, and were done by respondent for the purpose and with the thought in mind of having a receiver appointed in the matter in whom he had confidence and trust. Respondent will show by witnesses that the conduct and actions of G. H. Gilbert in the Fageol Motor Co. case, the subject of article III of the articles of impeachment, redounded to the credit and benefit of said estate. When we show you these facts and circumstances the allegations set forth in article III must fall of their own weight.

I now come, Senators, to another article—article IV. There are five articles, and this is article IV.

Article IV of the articles of impeachment charges "misbehavior in office, filled with partiality and favoritism, in improperly, willfully, and unlawfully granting, upon insufficient and improper papers, an application for the appointment of a receiver in the Prudential Holding Co. case for the sole purpose of benefiting respondent's personal friends and associates."

Article IV then sets forth the alleged manner in which these acts were committed.

Respondent will show that on the 15th day of August 1931, upon the application of the Character Finance Co., of Santa Monica, Calif., in the matter of Prudential Holding Co., a Nevada corporation, respondent made an order appointing G. H. Gilbert receiver, and thereafter made an order appointing Dinkelspiel & Dinkelspiel attorneys for receiver. The facts and circumstances surrounding the appointment of Mr. Gilbert as receiver are as follows:

On the 15th day of August 1931 a complaint was filed asking for a receiver. The attorneys for the plaintiff were Gold, Quittner & Kearsley. Mr. Brice Kearsley, Jr., a member of said firm of attorneys, appeared for the plaintiff; and Mr. J. H. Stephens, vice president and director of the defendant, was present and represented the defendant. Mr. Stephens joined in the request of the attorney for the plaintiff for the order appointing a receiver.

A great many allegations of fact were made in the complaint for the purpose of establishing diversity of citizenship, and ownership of property by the defendant within the jurisdiction of the court presided over by the respondent, as the grounds of jurisdiction of said court.

On August 20, 1931, a motion to dismiss said action was filed, the defendant appearing specially for the making of said motion. The grounds upon which the said motion was based were that said bill of complaint was not properly verified, and that plaintiff was a resident of the Southern District of California and the defendant a resident of the State of Nevada. A hearing was had on said motion on the 29th of August 1931. On that date plaintiff was granted permission to file a memorandum of authorities. The motion to dismiss was finally submitted on the 19th day of September 1931, and was granted by respondent on the 2d day of October 1931.

Respondent will show that on the 5th day of September 1931, a petition in bankruptcy was filed against the Prudential Holding Co.; that the the matter was assigned to Judge St. Sure's department; that during the absence of Judge St. Sure respondent acted for him; that on the 30th day of September 1931, respondent, acting for Judge St. Sure, appointed G. H. Gilbert receiver in bankruptcy, and thereafter approved the appointment of Dinkelspiel & Dinkelspiel and a number of other attorneys as attorneys for the receiver in bankruptcy.

Respondent will show that he did not willfully, improperly, and/or unlawfully take the jurisdiction of the cause in bankruptcy, but the matter came to him in the regular course of business while he was acting for Judge St. Sure, during the temporary absence of Judge St. Sure. Instead of bringing Judge St. Sure before this court as a witness, respondent, by his attorneys has secured the consent of the managers to introduce in evidence a letter from Judge St. Sure which sets forth the reason why respondent acted for him during his absence. This letter also contains other matters that are relevant to the proceedings, and at the proper time it will be read to the Senate. This letter will conclusively prove that Judge Louderback, the respondent, is not guilty of "willfully, improperly, or unlawfully sitting in a part of the court to which he was not assigned, at the time, took jurisdiction of the case in bankruptcy, and though knowing the facts in the case and the application before him, for the dismissal of the petition and discharge of the equity receiver", as charged in article IV.

Judge Louderback did grant a motion to dismiss the case that was pending before him on the 2d day of October 1931. Respondent will show that the authorities as to the jurisdictional matter are conflicting, but that the judge exercised his judgment and dismissed the action pending before him. During the trial, these matters will be brought to the attention of the Senate. In this connection, respondent will show that the bankruptcy matter pending before Judge St. Sure was ultimately dismissed by Judge St. Sure; that this company afterward went into bankruptcy; that at the time the petition was filed, the Prudential Holding Co. was hopelessly insolvent; and that although it had a large capitalization, it had practically no assets, this million-and-a-half-dollar corporation spoken of by Mr. Sumners. Respondent will show that the application for the appointment of a receiver, and the order appointing receiver was made in good faith upon the representations of the plaintiff and the defendant also. It is true that the first petition for the appointment of a receiver in this matter was verified by Brice Kearsley, Jr., attorney for plaintiff. It further appears in the verification that the attorney was duly authorized by the plaintiff to verify the petition, and respondent maintains that said verification was good in law. It is true that an amended petition was filed, and one of the officers of the plaintiff verified the same. Respondent will show that respondent did not in any manner or form attempt to benefit and enrich the receiver or his said attorneys, that he did give his fair, impartial consideration to the application of the Prudential Holding Co. for a dismissal of the complaint, and that he did dismiss said complaint. We will show that none of the matters alleged in article IV reflecting upon respondent's conduct are true. In the Prudential Holding case, no fees were allowed either for the receiver or the attorneys for the receiver.

When we have shown you these facts and circumstances, you Senators, as jurors, will see that the allegations of misconduct and wrongdoing contained in article IV are not true and must fall of their own weight.

I now come to the last article, and you will be pleased when I tell you that. This is known as "article V" as amended."

This article deals with three new matters:

SONORA PHONOGRAPH CASE, GOLDEN STATE ASPARAGUS CASE, AND STEMPEL-COOLEY CASE

Article V, as amended, was filed in the Senate on the 18th day of April 1933. The record will show that the managers agreed that the reference in paragraph 1 of the amended article is only to the matters set out in articles I, II, III, and IV, and that the balance of amended article V sets out new matter. The new matter involves the Sonora Phonograph Co., Golden State Asparagus Co., and the Stempel-Cooley cases, and also an order made by respondent when he was a judge of the Superior Court of the State of California.

In our formal answer to amended article V, we answered with some detail the matters charged in amended article V, and we have also fully set forth affirmatively our position in regard thereto before the Senate.

With reference to the new and additional matters set up in article V, as amended, we expect to prove as follows:

RUSSELL-COLVIN CASE

Respondent did not know and never had heard, prior to the inception of these proceedings, that on March 25, 1931, or at any other time, John Douglas Short had given to his father-in-law, W. L. Hathaway, the sum of $5,000 or any sum in any amount from the compensation he had received as one of the attorneys for the receiver in the Russell-Colvin case. Respondent did not know at any time prior to the inception of these proceedings that W. L. Hathaway had advanced a loan to W. S. Leake in the sum of $1,000, or any other sum, or any amount. Respondent will introduce evidence, as heretofore stated, that the thousand dollars given by Hathaway to Leake was a loan, and a promissory note was taken therefor, and that said money loaned to said Leake came from a loan that Hathaway had negotiated with the Mutual Life Insurance Co. of New York upon an insurance policy on his life, and that the check made payable to W. L. Hathaway and wife was cashed and turned over to W. S. Leake as and for a loan. Respondent will show that the payment of the $5,000 by John Douglas Short to his father-in-law, W. L. Hathaway, had no relation whatever to any loan that Hathaway had made to Leake. We will prove that this $5,000 was paid by Mr. Short to his father-in-law in part of moneys advanced to Mr. Short by said Hathaway, and that the remainder of the $5,000 paid by Short to Hathaway was on account of the purchase price of certain real property heretofore conveyed by the said Hathaway to said Short and his wife, the daughter of W. L. Hathaway. We will show that the matters pertaining to this loan from the Hathaways to Leake were unknown to anyone other than the parties thereto until they were disclosed by the special committee of the House of Representatives at the hearing held in San Francisco between the 6th and 12th days of September 1932, and that said loan from Hathaway to Leake never did or could have the effect of bringing the court over which respondent presides into disrepute as alleged in article V, as amended.

Respondent will show that his relations with W. S. Leake at no time placed him under any obligations to, made him dependent upon, or put him under the influence of the said W. S. Leake in any manner and to any degree or at all.

Respondent has answered article III fully in his formal answer, and in his answer to amended article V particularly with respect to what is known as the Fageol Motor case. We have heretofore stated to you what we will prove in this matter with reference to the fact that G. H. Gilbert was not without qualifications to discharge the duties of receivership. We will show you that the appointment of Mr. Gil-

bert as receiver and of Dinkelspiel & Dinkelspiel as his attorneys was not made in "tyrannical and oppressive disregard of the rights and interests of the parties in interest" as alleged in amended article V. We will show that there is no justification for the language used or the insinuations contained in amended article V, wherein reference is made to the Fageol Motor Co. case.

Respondent will introduce evidence in regard to this matter that will clearly establish that his conduct in relation to this case was unimpeachable, and that no criticism can justly be made, or could have been made, in relation to the appointment of G. H. Gilbert as receiver and Dinkelspiel & Dinkelspiel as his attorneys.

SONORA PHONOGRAPH CASE

This case is treated for the first time in amended article V. The Sonora Phonograph case originated in New York, and the proceedings before Judge Louderback involved an ancillary receivership. Judge Louderback appointed G. H. Gilbert as a receiver in bankruptcy. A petition was filed on December 19, 1929, and on December 20, 1929, Judge Louderback appointed G. H. Gilbert and the Irving Trust Co. as coancillary receivers. It will be shown that subsequently the Irving Trust Co. on motion was released as coreceiver. The firm of Dinkelspiel & Dinkelspiel was appointed attorneys for the receiver after a petition filed. The fees for the Receiver Gilbert were statutory and were allowed in the bankruptcy proceedings.

Our formal answer to the allegations referring to the Sonora Phonograph Co. case denies specifically the alleged wrongdoing in this case as expressed in amended article V. We will show to the Senate, in line with the allegations of our answer, that that which is set forth in said amended article V about G. H. Gilbert being a personal and political friend of Harold Louderback is not true.

The evidence will show that respondent had been acquainted with Mr. Gilbert for a number of years and had confidence and trust in his integrity and ability. We will show that G. H. Gilbert had qualifications to discharge the duties of receivership, and that he was a man of good executive ability and had for years many people under him in the position occupied by him with the Western Union Co. We will show you that his services with the Western Union Co. were valuable services, that he was with this company consecutively for a period of 34 years, that he raised himself in said company by his diligence and intelligence from a clerk to traffic manager, and that he left this position with the company some time ago voluntarily. We will show you that the Sonora Phonograph Co. ran as a going business for a period of time under the direction of Mr. G. H. Gilbert, the receiver, and that he successfully handled said business, and collected large amounts of money in said receivership. When we have explained to you, as we will, all the facts and circumstances in relation to this Sonora Phonograph Co., we say to you Senators, judges and jurors, that the allegations in relation to this case will fall of their own weight. So far as the fees to Dinkelspiel & Dinkelspiel are concerned—the $20,000 allowed—we will show were not unreasonable and the parties interested were willing to and did consent to an allowance of $17,500.

GOLDEN STATE ASPARAGUS CASE

This case is alleged, for the first time, in amended article V. The American Can Co., through its attorneys, caused an action for the appointment of a receiver in equity against the Golden State Asparagus Co., to be filed on September 5, 1930. At the request of the attorneys for the plaintiff and defendant, Mr. George M. Edwards was appointed equity receiver. After Mr. Edwards qualified, he had a talk with Judge Louderback, the respondent herein, and after said talk filed a petition for the appointment of Dinkelspiel & Dinkelspiel as his attorneys. We will show you that the work accomplished by Mr. Edwards, the receiver, and Dinkelspiel & Dinkelspiel was commended by the parties to the action.

Respondent will show that he suggested to George M. Edwards the appointment of Dinkelspiel & Dinkelspiel in said receivership matter, that the suggestion was acceptable to said George M. Edwards, the receiver. We will show that respondent stated to Mr. Edwards that if the attorneys respondent suggested were not satisfactory to him respondent would suggest others. We will show that the attorneys suggested by respondent were agreeable to Mr. Edwards, that he petitioned to have them appointed, and that his selection of attorneys was confirmed by order of court. We will show that the legal work in connection with the receivership required the time and attention of the attorneys selected by the receiver, that it materially aided the proper administration of said receivership, and that there was allowed by respondent to said attorneys the sum of $14,000 on account.

Respondent will show that he has not denied $1,500 each to the attorneys for the plaintiff and defendants, but that that matter is still pending and undetermined. Respondent states and will show that there was very substantial legal services rendered in the matter. We will show to the Senate that the sum of $14,000 allowed on account for the services rendered to the receiver was a reasonable and proper amount to be allowed, at the time it was allowed, on account of services heretofore rendered by said attorneys in the matter of said estate, that respondent allowed George M. Edwards, the receiver, the sum of $14,000 and the same amount to his attorneys. All parties had agreed upon $14,000 to Receiver Edwards.

We will show that his conduct in the action in ratifying the appointment of the attorneys in the said matter did not add to or cause any "disrespect, apprehension, and public contempt of said respondent to the public in the northern district of California", or anywhere else. That the fees of the attorneys for the receiver were fixed after a hearing had in open court with reference to the amount that should be allowed. And upon a full hearing of said matter, respondent fixed the fee in said case, which due to the value of the services rendered, were and are reasonable for the work performed by said attorneys. Nothing occurred in the Golden State Asparagus case which called for any censure of respondent. Nothing occurred which would tend to show that the discretion exercised and the judgment arrived at by respondent were not sound. We will show that none of the acts and conduct of respondent in this case, by any stretch of the imagination, could be construed as high crimes or misdemeanors spoken of in the Constitution of the United States. We expect to show these matters, and when we do, we state that the allegations in relation to this matter, as expressed in article V, as amended, will fall of their own weight.

STEMPEL-COOLEY CASE

In article V, as amended, references were made to what is known as "the Stempel-Cooley case." This was a bankruptcy matter. The firm of Stempel-Cooley were the owners of some 5 apartment houses and 1 incomplete building at the time the bankruptcy petition was filed. Mr. G. H. Gilbert was appointed receiver, and on a petition filed, Keyes & Erskine were appointed the attorneys. Respondent will show that said receiver was allowed the sum of $500 for his services and that said sum was and is a fair and reasonable sum for the services so rendered by the receiver in said matter, and that no appeal was ever taken from the amount of said sum of $500 to said Keyes & Erskine. That respondent did not fix the fee of said receiver in said matter. That the same was fixed and allowed by the referee in bankruptcy.

Respondent will show you that there were no acts or conduct on his behalf that could call for any censure, or any lack of discretion on his part. His conduct in this case was free from any alleged commission of "high crimes or misdemeanors" as this term is used in the Constitution of the United States. When this case is explained to the Senate, we feel sure that the allegations of his conduct in relation thereto as expressed in article V, as amended, of the impeachment articles will fall of their own weight.

APPOINTMENT OF G. H. GILBERT AS AN APPRAISER WHILE RESPONDENT WAS JUDGE OF THE SUPERIOR COURT OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

We respectfully urge that we should not be called upon to explain anything in relation to this case because it was heard

prior to the time Judge Louderback, the respondent herein, was a Federal judge.

However, respondent states that he will show that, although he did appoint G. H. Gilbert as appraiser while he was a State judge, he had no knowledge as to what work was performed by said G. H. Gilbert. And he states that whatever fees he may have allowed while a State judge in this case were reasonable fees that should have been allowed appraisers in such a matter. That if respondent is called upon to explain said matter, he will satisfy the Senate that whatever acts were done by him, and whatever appointments were made by him, were made in good faith. That three appraisers were appointed in an estate. G. H. Gilbert was 1 of the 3. Respondent had no means of knowing the amount of services rendered by each. The fees charged were reasonable and paid by the executor. The respondent only had knowledge of these when the account in the estate was approved.

We have outlined to the Senators, sitting as judges and jurors, what we expect to prove on behalf of the respondent herein. We know that we can establish and will establish the absolute innocence of wrongdoing of any kind or character on behalf of Judge Harold Louderback, the respondent herein. And we confidently expect when the testimony is in, and the case is closed that the Senate will render a verdict acquitting Judge Harold Louderback, respondent herein, of each and every, all and singular, the alleged charges made against him. We confidently expect this. On behalf of Judge Louderback, we thank you for your attention, your kindness, and your patience.

Mr. ASHURST. Mr. President, although under the rules all orders must be submitted in writing, I ask the court to indulge me for a moment on a matter relating purely to the time when the Senate shall sit as a court. Before presenting an order, I want to sound out the sentiment and see what members of the court may have to say or think about the time for convening. If I may have the attention of the Senator from Oregon [Mr. McNARY] I suggest that the Senate sitting as a Court of Impeachment convene hereafter at 10 o'clock in the forenoon; but before offering an order to that effect I should like to have some expression from members of the court.

Mr. McNARY. Mr. President, I thank the Senator for his courtesy, which is habitual. I had intended to call a conference of the Republican minority for tomorrow to consider this very suggestion, as well as some pending legislation. I would rather not at this time consent to an order being made for a meeting at 10 o'clock until after a conference is had tomorrow. I want to cooperate with the Senator, as he knows. We are anxious to get through. There is a question in my mind, however, whether we should convene at 10 o'clock and continue the trial until 1 o'clock, and then proceed with the consideration of legislative business. That would be one way to handle the matter. Another way would be to meet at 10 or 11 o'clock in the morning and go through the day, completing the trial at the earliest possible date, without the intervention of legislative business. I am not sure which is the wiser course. I would prefer that when we conclude today we adjourn until 11 or 12 o'clock tomorrow, at which time I shall be glad to discuss the subject further with the Senator.

Mr. ASHURST. Mr. President, then I move that when the court concludes its business today it stand in recess until 11 o'clock tomorrow forenoon.

The PRESIDING OFFICER. The question is on the motion of the Senator from Arizona.

The motion was agreed to.

Mr. ASHURST. Now, Mr. President, the witnesses are on hand, we have 2 more hours of the day, and I send the following order to the desk and ask for its consideration.

The PRESIDING OFFICER. The Senator from Arizona proposes an order, which the clerk will read.

The legislative clerk read as follows:

Ordered, That the witnesses shall stand while giving their testimony.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the order will be entered.

The managers on the part of the House may call the first witness.

Mr. Manager SUMNERS. Mr. President, I inquire of the Chair whether we shall call the first witness and have him sworn, or call all the witnesses available and have them all sworn at once?

The PRESIDING OFFICER. The Chair thinks that the business of the court would be expedited by swearing each witness as he enters the Chamber. The oath can be administered quickly.

Mr. Manager SUMNERS. May we inquire where the witness will stand?

The PRESIDING OFFICER. The Chair suggests that the witness stand in the center, at the desk, near the reporter, and equidistant from counsel.

Mr. Manager SUMNERS. I should like to propound another inquiry, if it is not asking too much. Would the Chair prefer that counsel sit or stand while examining the witness?

The PRESIDING OFFICER. It is the judgment of the present occupant of the Chair that counsel may sit or stand, according to their convenience.

EXAMINATION OF FRANCIS C. BROWN

Mr. Manager BROWNING. Call Mr. Francis C. Brown.

FRANCIS C. BROWN, having been duly sworn, was examined and testified as follows:

By Mr. Manager BROWNING:

Q. What is your name?—A. Francis C. Brown.

Q. Where do you live, Mr. Brown?—A. I reside in San Francisco, Calif.

Q. What is your occupation?—A. I am an attorney.

Q. For how long have you been an attorney?

Mr. HEBERT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HEBERT. Would it be in order to call a quorum at this time? A number of Senators are absent from the Chamber, and it seems to me that it would be in order to call a quorum at this time, since the first witness is just starting to give his testimony.

The PRESIDING OFFICER. It would be in order.

Mr. HEBERT. 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:

Adams	Coolidge	Hebert	Robinson, Ark.
Ashurst	Copeland	Kendrick	Robinson, Ind.
Austin	Costigan	Keyes	Russell
Bachman	Couzens	King	Schall
Bailey	Cutting	La Follette	Sheppard
Bankhead	Dickinson	Lewis	Shipstead
Barbour	Dill	Logan	Smith
Barkley	Duffy	Long	Steiwer
Black	Erickson	McAdoo	Stephens
Bone	Fess	McCarran	Thomas, Okla.
Bratton	Fletcher	McKellar	Thomas, Utah
Brown	Frazier	McNary	Townsend
Bulkley	George	Metcalf	Trammell
Bulow	Glass	Murphy	Tydings
Byrd	Goldsborough	Neely	Vandenberg
Byrnes	Gore	Norris	Van Nuys
Capper	Hale	Nye	Wagner
Caraway	Harrison	Patterson	Walsh
Carey	Hastings	Pope	Wheeler
Clark	Hatfield	Reed	White
Connally	Hayden	Reynolds	

The PRESIDING OFFICER. Eighty-three Senators having answered to their names, a quorum is present. The managers on the part of the House will proceed.

By Mr. Manager BROWNING:

Q. How long have you practiced law in San Francisco?—A. Since 1924.

Q. With whom were you associated in March 1930 in the practice of the law?—A. With De Lancey C. Smith.

Q. As such were you counsel for the Russell-Colvin Co. at that time?—A. We were.

Q. What is the Russell-Colvin Co.?—A. The Russell-Colvin Co. was a copartnership which was then engaged in the business of stock brokerage—a general stock-brokerage business.

Q. What was their financial condition at that time?—A. Their financial condition became very unliquid in March 1930.

Q. What steps were determined on by counsel to try to get them out of their difficulties?—A. Early in March or late in February 1930, an effort was made to liquidate some of the company's frozen assets, consisting of real estate and stocks and bonds and other securities which they had underwritten. These efforts were partially successful and partially unsuccessful. The San Francisco Stock Exchange notified the company that unless they raised a certain amount of money, $200,000, by Monday, March 9 or 10, 1930, a suspension would take place. The company was suspended from the stock exchange on March 9, 1930. We then directed our attention to placing the company in receivership in the Federal court.

Q. What steps did you take?—A. We conferred with the firm of Thelen & Marrin, composed of Max Thelen and Paul S. Marrin, who are likewise attorneys, who represented a plaintiff known as Gardner M. Olmstead in an equity receivership proceeding. The proceeding was initiated in the northern district of California by Messrs. Thelen and Marrin by filing a petition, to which we filed an answer admitting the allegation, and then proceeded before Judge Louderback, to whom one of these matters was assigned for the appointment of a receiver.

Q. When was the first time you went to the district court clerk's office in connection with this matter?—A. It was on Monday, March 10, 1930. I think that was the date.

Q. What was done about it on that date?—A. On that date we took out a petition and a verified answer and tendered it for filing. We were informed by the clerk that a number had been drawn which was assigned to the department of Judge A. F. St. Sure. We were further informed that Judge A. F. St. Sure was sitting in Sacramento, Calif., which is north of San Francisco, and that he would not preside at the appointment of a receiver unless we went to Sacramento. We were then informed that no other judge of the three judges sitting there would preside on the matter in the absence of Judge St. Sure, and Mr. Marrin, of the firm of Thelen & Marrin, then decided not to file the petition. It was the next day that the petition was finally filed.

Q. The next day did you take one or two petitions to the district court clerk's office?—A. I personally did not take any, but Mr. Marrin, representing the plaintiff, did.

Q. Were you with him?—A. I was with him; yes.

Q. Were both of those petitions filed?—A. My recollection is that both the petitions were filed approximately at the same time, or one shortly after the other.

Q. And the names of the judges were drawn to consider these petitions?—A. The first petition was again assigned to Judge A. F. St. Sure, who was still absent in Sacramento. The next petition was assigned to Judge Louderback.

Q. Will you explain why the two petitions were filed on that second day, on March 11?—A. The two petitions were filed, according to my understanding, primarily because of the absence of Judge St. Sure in Sacramento, and, secondarily, because it was considered advisable to have two petitions.

Q. After the petitions were filed, and you drew the names of Judge St. Sure and Judge Louderback, what further was done?—A. Mr. Marrin and Mr. Thelen and Mr. Addison G. Strong, who is the one we were proposing for receiver, Mr. Lloyd Dinkelspiel, representing the firm of Heller, Ehrmann, White & McAuliffe, attorneys for the San Francisco Stock Exchange, went into Judge Louderback's secretary's office and made an appointment to see the judge. He was holding a short session of court in the forenoon. The appointment resulted in our seeing the judge about 11 or 11:30 o'clock—some time in the forenoon shortly before 12 o'clock on that day, which was Tuesday.

Q. Who was Mr. Strong?—A. Mr. Addison G. Strong was a member of an accounting firm of San Francisco, certified public accountants, known as Hood & Strong. They were the auditors for the San Francisco Stock Exchange, and they were likewise the accountants who had had charge of auditing the books of the Russell-Colvin Co., the stock-brokerage firm. Furthermore, Mr. Strong had been for some months prior to March 1930 in immediate supervision of the affairs of the Russell-Colvin Co., which, as I have stated, were in a somewhat muddled condition.

Q. Who sent him to supervise this concern?—A. He was sent by the stock exchange, and with the consent of the copartners constituting the partnership.

Q. What right did he have there? Why was he sent there? What right did the stock exchange have to send him?

Mr. LINFORTH. One minute. I object to that question as calling for the opinion or conclusion of the witness, Mr. President.

Mr. ASHURST. Mr. President, I did not hear the counsel.

The PRESIDING OFFICER. Will counsel please repeat his suggestion?

Mr. LINFORTH. That question is objected to as calling for the opinion and conclusion of the witness and not binding at all upon the respondent.

Mr. ASHURST. That is to be decided by the Presiding Officer without debate.

The PRESIDING OFFICER. The present occupant of the chair is of the opinion that at this time the witness has not shown himself to be qualified to answer that question.

By Mr. Manager BROWNING:

Q. Who were Thelen & Marrin?—A. Thelen & Marrin were a firm of attorneys in San Francisco consisting of Max Thelen and Paul S. Marrin.

Q. As attorneys for the Russell-Colvin Co., did you know their relationship to the San Francisco Stock Exchange?—A. I do not understand your question—the relationship of whom to the San Francisco Stock Exchange?

Q. The Russell Colvin Co.—A. Oh, yes; they were members of the San Francisco Stock Exchange and owned a seat on the exchange. They had, periodically, I think semiannually, or possibly quarterly, to submit to the stock exchange a balance sheet and a financial statement which the auditors for the stock exchange reviewed, and on the basis of the showing in the balance sheet and the financial statement they were either permitted to continue to do business or were notified to improve their condition or were suspended, depending upon what conditions were shown by the balance sheet.

Q. Was it in pursuance of their policy to try to find out the condition that Mr. Strong was in the firm that you represented as an auditor or as a supervisor?

Mr. LINFORTH. Just a minute. We object to that question as calling for the opinion or conclusion of the witness, and on a matter which is not binding upon the respondent.

The PRESIDING OFFICER. The Chair overrules the objection.

The WITNESS. Will you repeat the question, please?

The PRESIDING OFFICER. The question will be read to the witness.

The question was read by the Official Reporter, as follows:

Was it in pursuance of their policy to try to find out the condition that Mr. Strong was in the firm that you represented as an auditor or as a supervisor?

A. Yes. If I may explain my answer, some time in October—I believe it was in 1929——

Mr. LONG. Mr. President, I cannot hear the witness.

The PRESIDING OFFICER. The witness will please speak louder.

A. Some time in the fall of 1929 one of these financial statements had been submitted to the stock exchange which showed that the company was in a very weak condition from the standpoint of liquidity. From that date on, as I recall it, the stock exchange insisted that all further business transacted by the firm be reviewed by their representative, so that whatever action the firm desired to take might be vetoed, if necessary, by a representative of the exchange, and Mr. Strong was the designated man acting in that capacity.

Q. Who consented to Mr. Strong or recommended him to the court as a proper person for receiver in this case?—

A. Mr. Marrin and I conferred concerning the man whom we would recommend to the court and agreed, in conjunction with the attorneys for the stock exchange, the attorneys for several of the larger creditors, or several large creditors, I should say, to recommend Mr. Strong, and we were the ones who did recommend Mr. Strong to the court.

Q. Please state what occurred when you and the other parties whom you mentioned a few moments ago went into the chambers of Judge Louderback to confer with him about the appointment of Mr. Strong as receiver.—A. When we arrived in the chambers of Judge Louderback he was there, and Mr. Marrin, representing the plaintiff, summarized to the judge the contents of the petition, stating the financial condition of the company, the fact that they had been suspended on the preceding day from doing any further business on the San Francisco Stock Exchange, and the further fact that attachments had been threatened and other legal proceedings were imminent. He further outlined the nature of the company's business and the need for the appointment of a receiver, either to tide it over the period during which it was lacking money or to liquidate; and he outlined Mr. Strong's qualifications at some length, pointing out that he had been acting in the supervisory capacity which I have mentioned over the firm's affairs. I then supplemented this statement by Mr. Marrin by further stating my opinion as to the qualifications of Mr. Strong.

Q. Did you state to the judge at that time what parties had agreed to Mr. Strong or were asking his appointment?—A. I believe I made the statement directly. In any event, during the course of the interview with the judge he inquired as to what the attitude of certain other creditors or other creditors were, and we pointed out that the receivership proceedings met with the approval of a number of other creditors.

Q. Were they the ones he had asked about that you assured him had agreed to it?—A. I do not recall that any names were menetioned. We did mention the name of another law firm who represented two very large creditors, stating they were agreeable to the selection and were also agreeable to the proceeding, as I remember.

Q. You mean the selection of Mr. Strong?—A. Yes.

Q. Then state what occurred next.—A. The judge interrogated Mr. Marrin and me as to whether or not a bankruptcy was apt to overthrow or supersede the equity-receivership proceeding. I believe we both made comment upon that, the substance of the comment being that the firm had an adequate defense by showing that it was solvent in fact even though it was in an unliquid condition. He then said that it would be necessary to dismiss the first petition which had been assigned to the department of Judge St. Sure before he would act upon the petition which had been assigned to him. He said he would exact a bond of the receiver of $50,000 and would also exact of the plaintiff a bond of $50,000 conditioned to indemnify every other creditor than the party to the proceeding who might be injured by the appointment of a receiver in the event it subsequently appeared that the appointment of a receiver was improvident.

Q. What kind of a bond is that, Mr. Brown?—A. I never heard of a bond of that kind before. I was informed by the clerk, Mr. Naling, that he had never heard of one, and we had great difficulty in getting it written.

Q. Did you actually give the $50,000 indemnity bond by the petitioner?—A. If I may interrupt, it just occurs to me that something else took place when we were in the judge's chambers that I did not refer to. The judge asked Mr. Strong whether any of the attorneys present were his attorney. He mentioned them by name. Mr. Strong said they were not his attorney. He then asked Mr. Strong who his attorneys were and Mr. Strong said he had no regular counsel.

Then we retired from the judge's chambers, and had taken out to the clerk's office a representative of the Hartford Accident & Indemnity Co., to write the receiver's bond. We questioned him concerning the bond which the judge said he would exact of the plaintiff and he informed us that the company would not write a bond in the sum of $50,000 unless it had complete collateral, which the plaintiff was not in position to offer.

We then went back into the judge's chambers, as I remember it, also in the forenoon, and told him that the bonding company would not write a $50,000 bond and suggested that a bond in that amount was excessive and asked him to reduce it. He then agreed to reduce it to $10,000. I believe this second interview which I have mentioned took place shortly after the 1st on the forenoon of Tuesday.

Q. Then after that what steps did you take?—A. I went back to my office and Mr. Thelen and Mr. Marrin went back to their office, and we arranged for the dismissal or Mr. Marrin arranged for the dismissal of the petition which had been assigned to Judge St. Sure, and we both collaborated on securing a bond of $10,000 for the plaintiff and later in the afternoon went out again to the judge's chambers—as I remember it, it was rather late, around 4 or 4:30—having with us the dismissal which Mr. Marrin filed and the necessary papers, the receiver's bond and so on, and the order for the appointment of a receiver in the proceeding which had been assigned to Judge Louderback.

Q. Did you see the judge at that time?—A. We did.

Q. Who was present when you saw him on that occasion?—A. Mr. Thelen, Mr. Martin, Mr. Strong, and, I believe, Mr. Dinkelspiel was present, but I am not sure—yes, Mr. Dinkelspiel was present—and I.

Q. Which Dinkelspiel?—A. Mr. Lloyd Dinkelspiel.

Q. With what firm is he connected?—A. He is connected with the firm of Heller, Ehrmann, White & McAuliffe.

Q. When you went out this time, as I understand it, you had completed the bond?—A. We had not completed the plaintiff's bond because the condition which the bond should contain was not clear in our minds. The judge had not made it clear or had merely made a general statement that he wanted a bond of $10,000 of the plaintiff in case the receivership proceeding was improvident, so we again took out a representative of the Hartford Co., together with a completed receiver's bond and a partially completed plaintiff's bond. I believe at that time the answer of the company admitting the allegations of the complaint was filed, after the judge dictated an addition to be contained in that.

Q. What occurred in this conference with the judge?—A. In this conference the judge looked over the order appointing the receiver and filled in the amount of the bond. He also, as I remember it, dictated the exact wording which he would require in the plaintiff's bond and dictated to me an addition which was to be inserted in the answer and which I specifically, on behalf of the defendant company, consented to the appointment of Mr. Strong as receiver.

The order was signed appointing Mr. Strong receiver. The plaintiff's bond was completed and was given to the judge, who approved it and approved the receiver's bond. The judge told Mr. Strong that after he had qualified or after the qualification matters were attended to that he wanted to see him. After leaving the judge's chambers we went into the clerk's office where Mr. Strong signed the receiver's oath and took the oath, and then bonds and orders were filed and the receiver qualified. Then we left.

Q. What time of day was that?—A. I could not give you the exact time. It was quite late. It was probably between 5 and 6, or around 5:30, I would say, because the clerk had held the office open for several hours to accommodate us on account of the fact that it was so urgent to have the receiver appointed.

Q. At the time you left the judge's chambers and he told Mr. Strong to come back after qualification was over, state whether or not he told him to come back that day.—A. He did not, to my recollection.

Q. Do you recall what occurred there?—A. I recall what occurred perfectly; yes.

Q. At the time Mr. Strong had qualified and you left the clerk's office, to your knowledge had anything up to that time been said with regard to who would be his attorney or his counsel in this case?—A. By whom?

Q. By anyone to your knowledge.—A. No; there was no discussion of any kind at that time.

Q. Had you been in all the negotiations up to that time so far as you know?—A. I had been present on both of the two occasions on which the parties I have mentioned interviewed the judge, and no mention was made at that time other than I have stated.

Q. The first information you had about his seeking counsel or his consideration of who would be counsel occurred at what time?—A. Mr. Strong and Mr. Marrin and Mr. Thelen and I rode down on the street car from the courthouse or the Federal Building to Montgomery Street, which is some 6 or 7 blocks below. On the way down Mr. Strong and I, and, I believe, Mr. Thelen, were sitting on one of the side seats and also participated in the discussion. Mr. Strong asked me what I thought of Mr. McAuliffe—Mr. F. M. McAuliffe——

Mr. LINFORTH. Mr. President, we submit the witness is not answering the question, but the statement he is making is purely hearsay and not binding on the respondent. We object to it for those reasons.

The PRESIDING OFFICER. The objection is overruled.

A. (Continuing.) Mr. Strong asked my opinion of Mr. F. M. McAuliffe, of the firm of Heller, Ehrmann, White & McAuliffe, as possibly counsel or attorney for the receiver. I told him I thought Mr. McAuliffe was preeminently qualified in every respect. He also asked me my opinion of another attorney in San Francisco, Lloyd Ackerman, and I told him I considered Mr. Ackerman was well qualified also. I may state that both of those attorneys are attorneys for either the stock exchange in the case of Heller, Ehrmann, White & McAuliffe, or, as to Ackerman, attorney for the eastern members of the San Francisco Stock Exchange—I should say members of the San Francisco Stock Exchange who are also members of the New York Stock Exchange.

By Mr. Manager BROWNING:

Q. As such, do they specialize in that kind of work?—A. I considered that they were both well qualified in handling the duties of the attorneys for the receiver of this concern.

Q. What was the next that you heard of the relationship between Mr. Strong and the judge after that time?—A. The following day I received a telephone call from Mr. Strong which came to my office in my absence. I called back on the telephone in response to that and made an appointment with Mr. Strong to go to his office and see him. He then informed me of——

Mr. LINFORTH. We submit, Mr. President, that the testimony about to be given by the witness is hearsay, self-serving, not taking place in the presence of the respondent, and not binding upon him.

The PRESIDING OFFICER. The present occupant of the chair thinks the objection is well taken.

Mr. Manager BROWNING. Mr. President, if you will pardon me, I do not see how we can prove a conspiracy unless we are permitted to prove the attitude and the effect that this had on the parties directly concerned in this matter.

The PRESIDING OFFICER. The Chair does not intend to proscribe counsel unduly, but he thinks the ruling just made is correct.

By Mr. Manager BROWNING:

Q. Then, in response to this telephone call, you went to see Mr. Strong?—A. And I conferred with him; yes.

Q. Did you ascertain from him then what had occurred between him and the court that morning?—A. Well, he outlined to me at great length——

Mr. HANLEY. Just a moment. We object to what Strong said to this witness as not binding on Judge Louderback, the respondent herein. It calls for hearsay testimony which he had no opportunity to contradict or to make any statement about.

The PRESIDING OFFICER. Does the manager desire to have this witness testify what Mr. Strong told him had been said between Mr. Strong and the judge that morning?

Mr. Manager BROWNING. No. The question was only as to whether he had obtained from Mr. Strong at that time Mr. Strong's version of what had occurred between him and the judge, but not as to what it was.

Mr. LINFORTH. Mr. President, the witness had started to give the conversation which he was about to relate.

The PRESIDING OFFICER. The Chair will sustain the objection.

By Mr. Manager BROWNING:

Q. After you visited Mr. Strong, what was the next thing you learned about the matter?—A. I had, as I recall it, one other conference with Mr. Strong after this; and on March 13, 1930, I received a telephone call from the secretary to Judge Louderback, asking me to come to his chambers; that is, the next contact that I had with the judge or his secretary was a telephone call which came in on Thursday, I believe it was.

Q. In response to that, did you go to the judge's chambers?—A. I did.

Q. Whom did you find there?—A. I went there in the company of Mr. Marrin and Mr. Thelen, and when we arrived there we were taken into the judge's chambers, and we there saw the judge.

Q. What transpired in that conference?—A. The judge stated that it had not been his custom to appoint receivers with whom he was not personally acquainted; that he had deviated in the instance of Mr. Strong because he had been so strongly urged and highly recommended by us for the appointment. He stated further that he did not understand Mr. Strong; that he had told him the first day to come back and see him, and he waited in his chambers until 6:30, I believe he said, and that Mr. Strong did not come back; that he came back the following day and had seen him the following morning, which would be Wednesday morning, and he had then and there conferred with the judge, and everything had been very pleasant between them in their conversation until it came down to the selection of a lawyer or attorney for the receiver, and that Mr. Strong would not take counsel or accept the judge's suggestion as to who should be the attorney for the receiver. He said furthermore that he had violated the judge's instructions in that on the previous day, or the day before, I forget which, the judge had definitely instructed Mr. Strong not to go near Mr. McAuliffe, and that Mr. Strong had violated his instructions and had signed a petition for the appointment of Mr. McAuliffe's firm as attorneys for the receiver, and that he had further violated the judge's instructions by taking possession of the assets or securities which this stock brokerage firm had in its box, contrary to the judge's instructions, which were to the effect that he should do nothing until his attorney had been finally approved by the court. Then I replied to the judge, and I think Mr. Marrin likewise talked to him.

Q. What was the purport of the conversation you had with him?—A. Well, the general purport of it was that I considered—if I may go back just a moment, the judge also said that he felt that Mr. Strong was not as well qualified as we had said he was, on account of the fact that he had broken faith with the judge.

I pointed out that we had known Mr. Strong for many years, and that his firm enjoyed an enviable reputation in San Francisco; that he was attorney for the Stock Exchange, and that I felt that any misunderstanding between them was entirely a misunderstanding, and was not due to any lack of good faith on Mr. Strong's part. I also said that, in my opinion, it was probably due to a misunderstanding as to what was said in case Mr. Strong had not abided by the judge's instructions; and I believe—yes; the judge also said that he had made up his mind to remove Mr. Strong as receiver unless he would sign a written resignation which the judge had prepared. He said, "I have in my desk a signed order, or an order which I will sign, and which I intend to serve on Mr. Strong unless he resigns." He said, "I suggested that he select as his counsel some of the leading firms in the city"; and he named the firm of Pillsbury, Madison & Sutro, who were a well-known law firm there, and the firm of Sullivan, Sullivan & Roche, or Cush-

ing & Cushing; and he said that Mr. Strong would not accept any of these firms as attorneys, but insisted upon Mr. McAuliffe.

Q. Did he state at that time that he had also named John Douglas Short, or Keyes & Erskine, or Erskine & Erskine?—A. He never mentioned the name of Mr. Short, or Mr. Erskine, or either of the Messrs. Erskine. Mr. Keyes is dead.

Q. Then what occurred next in the conversation?—A. There was quite a lengthy conversation.

I stated my position very strongly—that I considered that the removal of Mr. Strong was unjustified, and attempted to dissuade the judge from following through the program. He said that he had summoned Mr. Strong to his office, and that he would be there shortly, as I remember, and that unless Mr. Strong resigned he intended to remove him. In other words, he was adamant in his position.

He said that he had in mind to name as the successor of Mr. Strong a man by the name of Hunter—H. B. Hunter—who, he stated, had been recommended to him by Mr. Sidney Schwartz, the former vice president or president of the San Francisco Stock Exchange; I do not know which. He said that Mr. Hunter had served on a jury in his court, and that he had also acted as receiver in the case of the Security Bond & Finance Co., of Berkeley, Calif.; that he considered that Mr. Hunter was well qualified, and that he would give us until 4 o'clock that afternoon to make inquiry concerning Mr. Hunter's qualifications; that if, during that period of time—in other words, between 12 o'clock and 4 o'clock—we notified him of any legitimate reason why Mr. Hunter should not be appointed, he would consider the objection, but that he was not giving us the opportunity of saying "yes" or "no." He also stated to us that if any of us talked to Mr. Hunter, or communicated with him in any way, he would not appoint him.

Q. Was that the end of the conference? Did he say anything to you at that time about who would represent Mr. Hunter as attorney?—A. Well, he said this: He said that he was determined, in view of the fact that a dispute had arisen between him and Mr. Strong, to appoint someone who was so highly qualified that there could be no question concerning his appointment; and at some time during the course of that conference he said that he had been approached by a man who was high up in the local Masonic circles as a candidate for appointment as receiver in that case, but that he declined to consider his name on account of the fact that he had as his attorneys Shortridge & McInerney; Shortridge & McInerney being a firm of lawyers consisting of Samuel Shortridge, Jr., and, I believe, Joseph McInerney.

I think that is the general substance of that conference.

Q. As you left the judge's chambers, was Mr. Strong there?—A. Mr. Strong was in the judge's anteroom as we went out, and he was ushered in as we left.

Q. How long did you stay after that?—A. As I remember it, we waited outside of the judge's anteroom—in other words, in the corridor—until Mr. Strong came out, and then rode down on the street car with him.

Q. What did you learn at that time had been the judge's action?—A. I believe Mr. Strong showed us a copy of an order removing him. In any event, he informed us that he had been removed.

Q. After Hunter entered upon his duties, or was qualified as receiver, whom did he employ as his attorney?—A. I believe he nominated John Douglas Short as his attorney, and the latter subsequently associated with him the firm with which he was associated, namely, Keyes & Erskine, consisting of Herbert Erskine and Morse Erskine.

Q. Do you know whether he was a partner in that firm?—A. It is my understanding that he was not a partner.

Q. What contract, if any, did you have with the conduct of the receivership under Mr. Hunter?—A. After Mr. Hunter had been appointed, and Mr. Morse Erskine and Mr. Short had assumed the duties of attorneys for the receiver, a conference was called, at which Mr. Marrin and I and the receiver and his attorneys were present. We were then informed that the judge had desired us to supervise or approve, rather, every step that was taken in the receivership; and thereafter periodically during the course of the receivership a great number of petitions were filed for instructions concerning virtually every liquidation, and they were submitted to us, and we perused them, and either approved them or did not approve them, accordingly as they seemed to be satisfactory or objectionable.

Q. What, if any, appreciable amount of work connected with the receivership did you and your firm do?—A. A very substantial amount of work.

Q. What was the nature of it?—A. Well, we had been so intimately connected with the firm's affairs before it went into receivership that there were a great number of matters which were pending, of which we had knowledge—I do not say a great number, but a number of matters of which we had knowledge, and we consulted with the attorneys for the receiver and endeavored to acquaint them with the facts as we knew them; and we were also attorneys for a corporation known as the Consolidated Paper Box Co., the securities of which had been underwritten by Russell-Colvin & Co. There were a great number of transactions concerning the liquidation of Russell-Colvin & Co.'s holdings of the Consolidated Box Securities which were handled almost entirely by us in the negotiating stages and turned over to the receiver and his attorneys, and there were a great number of other matters where we were consulted, and a great many conferences.

Q. Do you recall the time when the fees in this case were allowed to Mr. Short and to Mr. Hunter?—A. Yes, sir.

Q. Before that allowance did you have any conferences with them with regard to it?—A. We had a conference with Morse Erskine, one of the receiver's attorneys, and with the receiver, at which Mr. DeLancey Smith and Mr. Marrin and I were all present.

Q. Whom did they all represent in this conference?—A. Mr. Smith and I represented the defunct firm and Mr. Marrin represented the plaintiff. I may add that the receiver also informed Mr. Marrin in my presence that the judge desired to have him or his firm exercise the same degree of supervision that we exercised over the conduct of the receivership.

Q. In this conference over fees, what amounts did they suggest to you as their fees in the case?—A. We had been requested to attend the conference for two reasons. One was——

Mr. LINFORTH. One moment. We submit that that is not at all responsive to the question. I will ask the reporter to read the question.

The Official Reporter read as follows:

Q. In this conference over fees, what amounts did they suggest to you as their fees in the case?—A. We had been requested to attend the conference for two reasons. One was——

The PRESIDING OFFICER. The Chair thinks the answer thus far is not responsive.

A. The amount of fees which were suggested were $75,000 compensation for the attorneys for the receiver for services performed up to that date, and it is my recollection that that conference took place in the latter part of December or the first week in January of 1931.

By Mr. Manager BROWNING.

Q. Who suggested that amount?—A. Morse Erskine.

Q. What was suggested for the receiver up to that time?—A. A fee of $50,000, against which was to be credited the sum of $1,000 which the receiver had been drawing monthly from the date of his appointment.

Q. Did those of you who had been called into this conference with them at that time agree to those fees?—A. We did not.

Q. What countersuggestion did you make?—A. Mr. Smith——

Mr. LINFORTH. Just a moment. We submit, Mr. President, that the answer that was given cannot in any way, shape, or form be binding on the respondent unless that

matter was called to his attention at the time of the hearing on the application and the making of the order allowing the fees.

The PRESIDING OFFICER. The objection is overruled.

By Mr. Manager BROWNING.

Q. What counterproposal was made by you, if any?—A. I forgot the exact figure. I think Mr. Smith and Mr. Marrin and I had agreed upon a figure which Mr. Smith then suggested at the conference. I believe that was $20,000 for the receiver, and either $25,000 or $30,000 for his counsel.

Q. Do you know on what you based those figures?—A. I based it on our personal knowledge of the services which had been rendered, all of which we had had personal knowledge of. I believe we had been over or had reviewed—no; I withdraw that. Also upon what we understood to be the reasonable value of such services.

Q. For what other purpose were you called into this conference except on this fee proposition?—A. For the purpose of suggesting fees which the attorneys for the plaintiff and the attorneys for the defendant intended to apply for.

Q. Was there any discussion of that at that time?—A. Yes. Mr. Erskine asked Mr. Marrin what fee—or asked Mr. Smith, I believe, what fee they intended to apply for, and Mr. Smith replied that the attorneys for the plaintiff and ourselves had agreed upon a joint application in the sum of $15,000 total compensation for all.

Mr. LONG. I did not understand that. Did you say $15,000 or $58,000?

A. Fifteen thousand. Mr. Erskine declined to commit himself when Mr. Smith refused—when we refused to accept the $75,000 suggestion of his fee.

By Mr. Manager BROWNING.

Q. Did you get any closer together in your agreement than the $30,000 on your part and the $75,000 on their part?—A. No, sir.

Q. There was not any further discussion, as I understand, of the proposition of you and the attorneys for the petitioner making joint application for $15,000?—A. Well, the original understanding which we had had with the attorneys for the receiver at the time they informed us that the judge desired to have us do this work was that we were to be compensated out of the estate, and at various times Mr. Erskine had reiterated that understanding. This conference more or less broke up in a strained condition on account of the fact that we were at loggerheads on the fees which they suggested.

Q. How much was actually allowed at the hearing on these fees?

Mr. LINFORTH. Just a moment. Do you mean allowed to the attorneys for the receiver or to the witness?

Mr. Manager BROWNING. Answer the question.

Mr. LINFORTH. May I have the question read?

The PRESIDING OFFICER. The reporter will read the question.

The Official Reporter read as follows:

Q. How much was actually allowed at the hearing on these fees?

Mr. LINFORTH. Just a moment. Do you mean allowed to the attorneys for the receiver or to the witness?

The PRESIDING OFFICER. The Chair thinks counsel may cross-examine the witness on that phase of it when the proper time arrives. The witness may answer the question.

A. The attorneys for the receiver were allowed $46,250, and the attorneys for the plaintiff and the defendant combined were allowed $8,750. I forget the exact amount that was allowed the receiver.

By Mr. Manager BROWNING.

Q. Was this on account, or for the entire service in the case?—A. It was on account.

Q. After that, how much more, if anything, was allowed the attorneys for the receiver?—A. $5,000.

Q. Do you know the total amount that was allowed the receiver in this case?—A. I have not that exact figure in mind, Mr. Browning.

Q. Over what period of time did this receivership run as an active receivership?—A. This application for fees, as I recall it, was heard in April 1931, and the receivership had commenced on March 13—the work of Mr. Hunter had commenced on March 13, 1930. At that time, at the time the fees were allowed, no dividends had been paid, and no securities had been delivered, except safe-keeping securities; in other words, securities which were not subject to any marginal requirements.

Q. Has the receivership been closed yet?—A. No, sir.

Q. Over what period of time was the bulk of the work to be done? How long did it require to do the principal part of the work in this case?

Mr. LINFORTH. Just a moment. We object to that question as calling for the opinion or conclusion of the witness.

Mr. Manager BROWNING. I asked him to state a fact as to what it was.

The PRESIDING OFFICER. The witness may answer.

A. The bulk of the work was accounting work, which was done by a staff of employees whom Mr. Hunter hired for that work. It consisted largely of tracing the securities into the individual pools and determining the respective equities of the various margin customers. That was due to the fact that the firm of Russell-Colvin & Co. had a brokerage account with E. A. Pierce & Co., and also with several other members of the New York Stock Exchange, each of which had been liquidated at or about the time the receiver was appointed, and, according to the system followed by Mr. Hunter and his attorneys, that required tracing, according to their system.

By Mr. Manager BROWNING.

Q. What was the size of this estate? What were the assets of the concern?—A. The assets of the general estate, as I recall it, were approximately $500,000. I would have to refresh my recollection on that. I have not those figures in mind.

Q. Do you have the figures before you?—A. I have not them before me, but I can refresh my recollection and give them to you.

Q. Are they available?—A. They are available. The bulk of the estate consisted of securities which were held in marginal accounts.

Q. What disposition did the receiver make of them?—A. They were ultimately delivered—such securities as remained were prorated against the accounts participating in the various pools, and the securities were delivered back to the persons who were entitled to them upon payment of their proportionate contributions.

Q. What do you mean they were charged for, when you say upon the payment of their proportionate contributions?—A. They were charged for contributions to the losses which had been sustained by other margin customers whose securities had been sold in the process of liquidation by the other stock brokerage firms with which Russell-Colvin & Co. had brokerage accounts, and also were charged with an overriding charge to compensate the receiver and his attorney for work which was estimated to be allocated to that part of the liquidation. In other words, there was a percentage charge fixed against all margin customers which they had to pay, or which their securities had to bear before they could get delivery.

Q. How much cash was realized by the receiver, if you know, in this liquidation for distribution to the creditors?—A. I am sorry, Mr. Browning; I did not understand you would want me to have that information offhand. I did not refresh my recollection.

Q. Is that available?—A. That is available, yes.

Q. Could you bring it tomorrow?—A. Yes, sir.

Mr. Manager BROWNING. Mr. President, I really think it is important for us to have those facts which are available, and we could have them in the morning, if the court saw fit to adjourn over until tomorrow.

Mr. KING. Mr. President, may I be permitted, through the President, to inquire of the honorable counsel whether or not they have some other witness with whom they could proceed this afternoon?

Mr. Manager BROWNING. Yes; we have.

The PRESIDING OFFICER. Is it the desire of the managers on the part of the House to let this witness stand aside temporarily, and proceed with another witness?

Mr. Manager SUMNERS. Mr. President, may we inquire how long the court anticipates sitting this afternoon?

The PRESIDING OFFICER. That is entirely in the control of the members of the court.

Mr. KING. Mr. President, may I take the liberty of suggesting that we continue until 6 o'clock?

Mr. NORRIS. Mr. President, under the rules, I believe, any Member of the Senate has a right to ask a question if he submits it in writing.

The PRESIDING OFFICER. That is the understanding of the Chair.

Mr. NORRIS. I have a question in writing which I should like to have propounded to the witness.

The PRESIDING OFFICER. The Senator will send the question to the desk, and the clerk will read it.

The Chief Clerk read as follows:

Did the receiver get a salary as receiver in addition to the lump sum you have named?

A. The receiver drew a monthly allowance or salary or drawing account of $1,000 a month. The understanding was that the fee suggested at this conference between the attorneys for the receiver and ourselves, namely, $50,000, was to be credited with the amount which had theretofore been paid to the receiver. Subsequently, when the allowance was made, it is my recollection that the order of allowance provided for the payment of a lump sum which did not include the money theretofore paid to the receiver. I am not entirely certain of that, however.

Mr. KING. Mr. President, I submit the following interrogatory.

The PRESIDING OFFICER. The Senator from Utah submits an interrogatory, which the clerk will read to the witness.

The Chief Clerk read as follows:

Did the respondent say that his objection to McAuliffe was that he was the attorney of the stock exchange?

A. He did not.

Mr. McKELLAR. I desire to propound an interrogatory.

The PRESIDING OFFICER. The Senator from Tennessee sends forward the following interrogatory, which the clerk will read to the witness.

The Chief Clerk read as follows:

How much money was realized from the estate and what was the total amount paid to the receiver and what amount to the receiver's attorneys?

A. The receiver's attorneys received an allowance, as I recall it, in April 1931, of $46,250, which was compensation to the date of their application. Subsequently, the following year, they received a further allowance of $5,000 as a fee, which the receiver himself received. There was so much that took place concerning that, that I really do not remember the exact figures at this moment. I might explain it more fully if you desire to have it explained.

Mr. McKELLAR. If the figures are available, you can get them.

A. I can procure them, but I do not have them at hand.

Mr. KING. I desire to submit two further interrogatories.

The PRESIDING OFFICER. The Senator from Utah submits the following additional interrogatories, which the clerk will read.

The Chief Clerk read as follows:

Was it not a proper requirement to have the second application for receiver dismissed?

A. Answering the question, the first petition was the one which was dismissed. That was the one which had been assigned to Judge St. Sure; and the second petition was assigned to Judge Louderback. I do not consider there was anything improper, in my opinion, concerning the dismissal of the first petition. It was merely a circumstance which the judge insisted upon before allowing the appointment on the second petition.

Mr. KING. Mr. President, I modify the first interrogatory, as read, in view of the answer of the witness and submit the following.

The PRESIDING OFFICER. The Senator from Utah submits the following interrogatory, which will be read to the witness by the clerk.

The Chief Clerk read as follows:

Was it not a proper requirement to have the first application for receiver dismissed?

A. In my opinion, it was.

Mr. KING. Mr. President, I submit a further interrogatory.

The PRESIDING OFFICER. The clerk will read to the witness the interrogatory propounded by the Senator from Utah.

The Chief Clerk read as follows:

What reason did the respondent give for not agreeing to the appointment of McAuliffe or his firm as attorneys for the receiver?

A. I do not recall that he assigned any reason. The objection or the comment which he made was that the receiver had broken faith with him and that he did not understand him and that he did not consider that he was as well qualified as we had outlined to him in our first statement.

Mr. KING. I desire to submit another interrogatory, if I may.

The PRESIDING OFFICER. The Senator from Utah submits another interrogatory, which the clerk will propound to the witness.

The Chief Clerk read as follows:

Was not McAuliffe attorney for the stock exchange?

A. Mr. McAuliffe was a member of the firm of Heller, Ehrmann, White & McAuliffe, which firm was acting at that time as attorneys for the San Francisco Stock Exchange.

Mr. LONG. I had two questions I desired to ask. The Senator from Utah has asked one of them, and I send the second to the desk.

The PRESIDING OFFICER. The Senator from Louisiana propounds an interrogatory, which the clerk will read.

The chief clerk read as follows:

Were the receiver and attorney appointed men of good character and standing?

A. I do not know anything about the character or standing of Mr. Hunter. In our inquiry we found nothing which we could advance as a legitimate reason why he should not be appointed. I think that Mr. John Douglas Short is a man of good character. I do not consider that Mr. Herbert Erskine is a man of good character or good reputation.

By Mr. Manager BROWNING:

Q. Did you at that time know Mr. John Douglas Short?—A. I had known Mr. Short for some time; yes.

Q. Now, with regard to the stock exchange, will you state what interest they had in the receivership?—A. Well, the firm of Russell-Colvin Co. was the first member firm which went into open liquidation; in other words, which failed; and Mr. Dinkelspiel, representing the governing board of the stock exchange, and the governing board informed us that they desired to see an orderly liquidation so as to prevent any feeling of panic on the part of other customers doing business with other firms. Furthermore, under the rules of the San Francisco Stock Exchange, the members of the exchange have a prior right to resort to the seats in settlement of any obligation to those members. The primary reason that he assigned was that they wanted to see an orderly liquidation and an economical liquidation.

Q. Soon after the receivership was established, or soon after a receiver was appointed and was operating, was there an effort to put the concern into bankruptcy?—A. There was.

Q. What was done about that on the part of the receiver and his attorneys?—A. I think, within a week or within 10 days, in any event, after the equity proceedings

had been initiated, a bankruptcy proceeding was commenced by a single creditor, which was subsequently supported by two intervening petitions. They were served upon the firm, and Mr. Erskine—Mr. Morse Erskine—suggested that we appoint or employ or agree to the employment of an attorney in San Francisco who is a known specialist in bankruptcy matters—or was a known specialist in bankruptcy matters—Milton Newmark—and Mr. Erskine stated that Mr. Hunter was very friendly with Mr. Newmark and would like to throw something his way. We agreed to the association of Mr. Newmark with ourselves, and an answer was filed denying insolvency but admitting the other allegations of the petition in bankruptcy with the exception of the statement as to one indebtedness.

Q. Was that petition in bankruptcy sustained?—A. It was subsequently dismissed. One of the asserted claims set forth in the first petition in bankruptcy was, in our opinion, a very weak claim and could not be substantiated at the trial. Later that was compromised by the receiver and his counsel, and, as a condition of settlement, the proceeding was dismissed.

Q. About the middle of last July or last summer, previous to the visit of the committee from the House to San Francisco, did you have any conference with Judge Louderback with regard to this case?—A. I did.

Q. Please state what it was.—A. I received a telephone call from the judge's secretary asking me to come to his chambers, and I went there in response to the call. He then interrogated me as to whether or not Mr. Addison G. Strong, the receiver, had been present on both occasions when the attorneys had been before him concerning the appointment of Mr. Strong as receiver. He also said that he did not understand who was instigating the publicity which had previously been running in the San Francisco newspapers for the attempted impeachment proceedings at that time, and he stated that he did not know whether or not Mr. Thelen had been instrumental in it. He said that he thought he might have been instrumental in it for the reason that Mr. Thelen's younger associate, Mr. Gordon Johnson, was president of the Barristers' Club in San Francisco.

Then he also asked what I thought about the matter in which the receiver had conducted the liquidation, in the first place, and whether it was entirely satisfactory to us; and, in the second place, whether or not the amount of the fees which had been allowed were agreeable to us. I told him that all the proceedings which the receiver had taken were not satisfactory to us. He said, "You should have taken it up with me." I said that I did not know that I enjoyed the privilege of taking the matter up with him. He said that that was the reason that he had requested the receiver and his attorney to submit all petitions to us. That, however, was the first information we had then about the fees. I told him that I considered the fees were quite excessive, and I thought the liquidation might have been made much more economically.

Mr. Manager BROWNING (to counsel for the respondent). You may take the witness.

The PRESIDING OFFICER. Do counsel for the respondent desire to cross-examine this witness?

Mr. LINFORTH. Yes; but we prefer to wait until the record is concluded with the witness. I will inquire of Mr. Manager BROWNING if he is through with the witness?

Mr. Manager SUMNERS. Mr. President, tomorrow we should like to have the witness testify merely to the figures with regard to which the witness has been interrogated.

The PRESIDING OFFICER. Counsel for the respondent will proceed with the cross-examination.

Mr. LONG. Mr. President, I should like to ask the witness two more questions. I send them to the desk.

The PRESIDING OFFICER. The Senator from Louisiana propounds two more questions, which the clerk will read.

The Chief Clerk read as follows:

Q. Why did you not take matters up with the judge if, as you testified, you were required to look over all matters?

A. The matters which I had in mind at the time I discussed it with the judge were matters of general policy, which were not made the subject of petition. If I may explain, the petitions were submitted from time to time asking permission to deliver for safekeeping securities or asking for approval of a compromise of this claim or the other claim, and so on—matters of general policy that had not been taken up in that form. The reason, however, that I did not take it up was that I did not understand and neither my associate nor I was ever informed by the judge directly that he desired to have us consult with him concerning any of his statements rather than to consult with the attorneys; and it was only in a very few instances when matters were submitted to us that we did not give our approval because the petitions were carrying out the general program which the receiver had initiated for liquidating the concern. I believe that the general program might have been different, but the detail of the program which he selected was apparently proper.

The PRESIDING OFFICER. The clerk will read the second question propounded by the Senator from Louisiana.

The Chief Clerk read as follows:

Q. Why did you not object to or appeal the fee order if you thought it improper?

A. For two reasons. One was that insofar as our own compensation was concerned we felt that the finding by the court would undoubtedly be the amount which we were informed by the attorneys the court was prepared to allow us, and that the finding of fact would preclude an appeal on the facts. Secondly, for the reason that insofar as the fees allowed to the receiver and his counsel are concerned, at that time it definitely appeared that the partners in this concern whom we represented had no residuary interest left after settlement, and consequently there was no interest which they had to be saved by an appeal, and we had not been employed by them and were not employed by them or paid by them to prosecute any such objections on appeal.

Mr. KING. Mr. President, I submit the following interrogatory.

The PRESIDING OFFICER. The Senator from Utah submits the following interrogatory, which the clerk will read to the witness.

The Chief Clerk read as follows:

Q. Did you not state that the judge requested you or your firm to supervise the work of the receiver or his attorney?

A. That is what the receiver and his attorneys informed us, that he desired to have us give our approval to the various petitions which were filed from time to time and to consult with them. We did consult with them from time to time—not to consult with the judge but to consult with the attorneys for the receiver.

The PRESIDING OFFICER. Counsel for the respondent may cross-examine.

Cross-examination by Mr. LINFORTH:

Q. Mr. Brown, you had two interviews with the judge on Tuesday, the 11th of March 1930?—A. Yes, sir.

Q. One in the morning?—A. One shortly before noon.

Q. And the other toward evening?—A. That is correct.

Q. In the interview toward the noon hour who was present, do you say, at that time?—A. Mr. Thelen, Mr. Marrin, Mr. Strong, Mr. Dinkelspiel, and I.

Q. Mr. Dinkelspiel was the representative of the Heller, Ehrmann, White & McAuliffe firm, was he not?—A. Yes, sir.

Q. And Mr. Strong appeared in person at that time?—A. We had him there so that the judge could see him and interrogate him if he desired.

Q. In the talk that was had on the first occasion, was the judge told of the connection of Mr. Strong with the San Francisco Stock Exchange?—A. It was outlined at some length to him; yes.

Q. He was told that he was the auditor of the San Francisco Stock Exchange? Is that right?—A. I believe he told us, and also told of his connection with the firm of Russell-Colvin Co.

Mr. HEBERT. Mr. President, we cannot hear the witness over here. If the witness will face the center of the Chamber I think perhaps we can hear him better.

The PRESIDING OFFICER. The witness will speak a little louder so that members of the court may hear.

A. (Continuing.) He was told of Mr. Strong's connection with the stock exchange as auditor and also of his connection with the firm of Russell-Colvin & Co. as a member of the firm of Reed & Strong, who had supervised the audit of their books, and also had supervised for the stock exchange some of the company's activities for the previous month.

By Mr. LINFORTH:

Q. Do you recall, Mr. Brown, if he was also informed that the Russell-Colain people were members of the San Francisco Stock Exchange?—A. I believe he was; yes. He was informed that the firm was a member of the exchange. I do not remember that the San Francisco Stock Exchange was specifically mentioned, but I may say this, Mr. Linforth, that the fact that Mr. Dinkelspiel represented the San Francisco Stock Exchange and was there in its interest was made known to the judge.

Q. Did the judge, on the first visit on the 11th, indicate that he was going to appoint Mr. Strong?—A. Yes.

Q. On that occasion was the question of the amount of the bond discussed?—A. Yes.

Q. On that occasion did the judge say anything on the subject of reserving the right to select the attorney for the receiver?—A. The only thing he said which might even carry that inference was questioning Mr. Strong as to who was his attorney and whether any of the persons present were his attorneys.

Q. He did ask Mr. Strong at the time—that is, on the first visit on the morning of the 11th—whether or not he had already employed counsel?—A. That is not what he asked him; no.

Q. Did he ask him on the first visit on the morning of the 11th whether or not he had already employed counsel?—A. He did not.

Q. Did he ask him on the morning of the 11th whether he had already consulted counsel?—A. He did not.

Q. What did he say to him on that subject on the first visit on the morning of the 11th?—A. He asked him whether—he said to Mr. Strong, "Are any of the lawyers present—Mr. Thelen, Mr. Marrin, Mr. Dinkelspiel, or Mr. Brown—your attorneys?" taking them up one by one. Mr. Strong answered "No." He said, "Who are your attorneys?" Mr. Strong said that he had no regular counsel, as I recall it.

Q Was that the full extent of the talk that morning on the subject of attorneys?—A. To the best of my recollection that is all that was said.

Q. The fact is that on that morning in answer to what the judge did ask, Mr. Strong did not reply that he had already consulted Mr. Lloyd Ackerman, did he?—A. I do not think that is a fact.

Q. Did Mr. Strong reply that he had already at that time consulted Mr. Ackerman?—A. He did not.

Q. When you returned on Tuesday, the 11th day of March, 1930, was anything said at that time about his employment of attorneys?—A. I believe the entire comment or conversation which I have just related took place in the forenoon and that there was nothing further said on that subject whatever at the afternoon conference.

Q. In the morning conference or the afternoon conference did the judge emphasize the proposition that Mr. Strong, if appointed, would be an officer of the court?—A. I do not think he did; no.

Q. Is your recollection clear on that subject, Mr. Brown?—A. My recollection is as clear on that subject as it is on everything else, Mr. Linforth.

Q. Did the judge at either the first or the second interview on Tuesday, the 11th day of March, tell Mr. Strong that if appointed he would be an officer of the court and that he must confer with the judge in the matter of the selection of his attorneys?—A. I have no recollection of it.

Q. Is that as far as you can go?—A. What do you mean by that?

Q. You have no recollection on the subject whatever?—A. I do not recall any such statement having been made.

Q. Are you in a position to say, and will you say, that that did not take place?—A. I would not be prepared to say that something of that kind might not have been said. It is my recollection that it was not said, however.

Q. You were taking part in the conversation, were you not?—A. I took part in the conversation which I myself engaged in, and I listened to the rest of it.

Q. Is it your present frame of mind that while you do not want to go on record as denying that such took place, yet it is your recollection that it did not?—A. My position is that it may have been said, but I have no recollection of having heard it.

Q. Is it not the fact that after the judge had made the statement referred to in the preceding question, the judge then turned to Mr. Strong and asked him had he selected any attorney?—A. May I have the question read to me?

The PRESIDING OFFICER. The reporter will read the question to the witness.

The Official Reporter read as follows:

Q. Is it not the fact that after the judge had made the statement referred to in the preceding question, the judge then turned to Mr. Strong and asked him had he selected any attorney?

A. As I stated, I do not recall the judge's having made the statement which your question implies you believe he did make, and I do not recall any such other connection. I do recall the fact that he asked him whether any of the persons present were his attorneys, and I recall Mr. Strong's reply, and that is all.

Q. Did he according to your recollection ask him at that time whether or not he had selected any attorney?—A. By that do you mean selected an attorney in the proceeding or for the proceeding?

Q. In the receivership matter in the event of his being appointed as receiver.—A. Not to my recollection; no.

Q. Is it your recollection that Mr. Short did not answer he had not?—A. You mean Mr. Strong?

Q. Mr. Strong, yes; pardon me.—A. I do not recall the question having been asked, and, therefore, I certainly do not recall any such answer as that.

Question. Will you deny that the judge made such a statement to Mr. Strong?

Mr. Manager SUMNERS. Mr. President, are we permitted to object on the ground that questions have already been answered?

The PRESIDING OFFICER. Such an objection is permissible.

Mr. Manager SUMNERS. We offer that objection to repetition of the question.

The PRESIDING OFFICER. The Chair thinks the witness has answered the question.

Mr. LINFORTH. If the Presiding Officer thinks so, we shall not repeat it.

By Mr. LINFORTH:

Q. On Thursday—I believe you have stated that was the 13th, Mr. Brown?—A. Monday was the 10th, Tuesday the 11th, Wednesday the 12th, and Thursday the 13th. That is my recollection.

Q. That is correct, is it not?—A. That is my recollection.

Q. Who was with you at the time you called at the chambers of the judge in answer to the telephone message from the secretary?—A. Mr. Thelen, Mr. Marrin, and I.

Mr. ASHURST. Mr. President, I respectfully suggest to the honorable managers and the honorable attorneys on the part of the respondent that we would be willing to take a recess of the court at this time.

The PRESIDING OFFICER. Does the Senator from Arizona so move?

Mr. ASHURST. I move that the Senate sitting as a Court of Impeachment take a recess until 11 o'clock tomorrow morning, and that the Senate proceed to the consideration of legislative business.

The PRESIDING OFFICER. The Senator from Arizona moves that the Senate sitting as a Court of Impeachment take a recess until 11 o'clock tomorrow morning and that the Senate proceed to the consideration of legislative business.

The motion was agreed to; and (at 5 o'clock and 30 minutes p.m.) the Senate sitting as a Court of Impeachment took a recess until 11 o'clock a.m. Tuesday, May 16, 1933.

EXECUTIVE SESSION

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

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate several messages from the President of the United States submitting nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

REPORTS OF COMMITTEES

The VICE PRESIDENT. Reports of committees are in order.

Mr. STEPHENS, from the Committee on the Judiciary, reported back favorably the nomination of Francis A. Garrecht, of Washington, to be United States circuit judge, 9th circuit, to succeed Frank H. Rudkin, deceased.

Mr. TRAMMELL, from the Committee on Naval Affairs, reported back favorably sundry nominations for promotion in the Navy.

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

Are there further reports of committees? If not, the calendar is in order.

THE CALENDAR—UNDER SECRETARY OF THE TREASURY

The Chief Clerk read the nomination of Dean G. Acheson, of Maryland, to be Under Secretary of the Treasury.

Mr. McNARY. Mr. President, when the Senate adjourned on Friday the Senator from Michigan [Mr. COUZENS] was in the middle of a speech in connection with this nomination. I should not want to proceed with it in his absence.

Mr. HARRISON. Mr. President, may I say to the Senator from Oregon that I have talked with the Senator from Michigan, and I told him I did not think this matter would come up this afternoon. He has left the Chamber; so let the nomination be passed over for the present, with the hope that tomorrow we can have an executive session and take up the matter and dispose of it.

Mr. ROBINSON of Arkansas. I ask that the nomination be passed over, and that the clerk proceed with the call of the calendar.

The VICE PRESIDENT. Without objection, that order will be made.

FOREIGN AND DIPLOMATIC SERVICE

The Chief Clerk read the nomination of Dave Hennen Morris, of New York, to be Ambassador Extraordinary and Plenipotentiary to Belgium, also Envoy Extraordinary and Minister Plenipotentiary to Luxembourg.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of George Bliss Lane to be secretary, Diplomatic Service.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

GOVERNOR OF PUERTO RICO

The Chief Clerk read the nomination of Robert Hayes Gore, of Florida, to be Governor of Puerto Rico.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

MARINE CORPS

The Chief Clerk read the nomination of Edgar G. Kirkpatrick to be captain in the Marine Corps.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Bernard H. Kirk to be first lieutenant in the Marine Corps.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

FEDERAL RESERVE BOARD

The Chief Clerk read the nomination of Eugene R. Black, of Georgia, to be a member of the Federal Reserve Board for the unexpired portion of the term of 10 years from August 10, 1928.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

THE ARMY

The Chief Clerk proceeded to read sundry nominations in the Army.

Mr. LA FOLLETTE. I ask unanimous consent that these routine Army nominations may be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations are confirmed en bloc.

There being no objection, the nominations were confirmed en bloc.

Mr. REED. There are two nominations of general officers that are not routine matters.

REAPPOINTMENT IN THE OFFICERS' RESERVE CORPS

The Chief Clerk read the nomination of John Ross Delafield to be brigadier general, Ordnance Department Reserve.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

APPOINTMENT IN THE OFFICERS' RESERVE CORPS

The Chief Clerk read the nomination of Edward Caswell Shannon to be major general, Reserves.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

GREAT LAKES-ST. LAWRENCE WATERWAY TREATY

Mr. LONG. Mr. President, while we are in executive session, I wonder if we cannot get the St. Lawrence Waterway Treaty taken off the calendar, so that we will not have to watch it every day. Nearly everybody in the Senate is against it, but there is danger of its going over some day because of all of us not being here. Would there be any objection to its being eliminated from the calendar for the time being, so that we will not have to worry around here and watch it all the time? I should like to move that it be eliminated from the calendar until it is restored by motion.

Mr. VANDENBERG. There would be rather violent objection, I fear.

Mr. President, while we are on the subject, and pursuant to a rather familiar Senate custom, I should like to announce that at the first legislative or executive session when there is time I shall ask to be recognized for the purpose of laying before the Senate the argument in behalf of the St. Lawrence Treaty; and I hope that may be done at an early day this week.

NOTIFICATION TO THE PRESIDENT

Mr. GEORGE. Mr. President, I ask unanimous consent that the President be notified of the confirmations this day made, especially of Mr. Eugene R. Black, of Georgia, as a member of the Federal Reserve Board.

Mr. McNARY. Mr. President——

Mr. GEORGE. May I explain to the Senator from Oregon that the reason why the request is made is that I am advised that there is not at present in office a necessary quorum of the Federal Reserve Board. For that reason it is highly desirable that the President be notified of Mr. Black's confirmation, so that there may be a quorum actually in office and ready to function.

Mr. McNARY. Mr. President, I always like to accommodate the able Senator from Georgia; but many Members of the Senate have requested that procedure of this kind not be had, and that we follow the usual rule. Therefore,

while I know this is a very important matter, I should like to have it go over until tomorrow.

The VICE PRESIDENT. Objection is made.

The Senate resumed legislative session.

EXTENSION OF GASOLINE TAX

The VICE PRESIDENT laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H.R. 5040) to extend the gasoline tax for 1 year, to modify postage rates on mail matter, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. HARRISON. I move that the Senate insist on its amendments, agree 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. HARRISON, Mr. KING, Mr. GEORGE, Mr. REED, and Mr. COUZENS conferees on the part of the Senate.

REGULATION OF BANKING

Mr. GLASS. Mr. President, I move that the Senate proceed to the consideration of Senate bill 1631.

Mr. LA FOLLETTE. Mr. President, what is the motion?

Mr. GLASS. That the Senate proceed to the consideration of the bank bill.

The VICE PRESIDENT. The clerk will state the title of the bill for the information of the Senate.

The CHIEF CLERK. A bill (S. 1631) to provide for the safer and more effective use of the assets of Federal Reserve banks and of national banking associations, to regulate interbank control, to prevent the undue diversion of funds into speculative operations, and for other purposes.

The VICE PRESIDENT. The question is on the motion of the Senator from Virginia.

Mr. McNARY. Mr. President, I assume that a motion to take up this bill will be made tomorrow. To be very frank, indeed, with the Senator from Virginia, I have called a conference of Republican Members for tomorrow to discuss the bill, and I should not want it made the unfinished business this afternoon. The Senator will have a perfect right, in due course tomorrow, to move to take it up. At this time I shall have to object.

Mr. GLASS. I am not disposed to press the motion, in view of the statement of the Senator from Oregon.

RECESS

Mr. ROBINSON of Arkansas. Mr. President, I move that the Senate take a recess until the conclusion of the sitting of the Court of Impeachment on tomorrow.

The VICE PRESIDENT. The question is on the motion of the Senator from Arkansas.

The motion was agreed to; and (at 5 o'clock and 38 minutes p.m.) the Senate took a recess until the conclusion of the proceedings of the Senate sitting as a Court of Impeachment on tomorrow, Tuesday, May 16, 1933, the hour of meeting of the Senate sitting as a Court of Impeachment being 11 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate May 15, 1933

COMMISSIONER OF THE GENERAL LAND OFFICE

Fred W. Johnson, of Wyoming, to be Commissioner of the General Land Office.

COMMISSIONER OF PATENTS

Conway P. Coe, of Maryland, to be Commissioner of Patents, vice Thomas E. Robertson.

UNITED STATES MARSHAL

Al W. Hosinski, of Indiana, to be United States marshal, northern district of Indiana, to succeed Emmett O. Hall, term expired.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 15, 1933

AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY AND ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY

Dave Hennen Morris to be Ambassador Extraordinary and Plenipotentiary to Belgium, also Envoy Extraordinary and Minister Plenipotentiary to Luxembourg.

SECRETARY IN THE DIPLOMATIC SERVICE

George Bliss Lane to be secretary in the Diplomatic Service.

MEMBER OF THE FEDERAL RESERVE BOARD

Eugene R. Black to be a member of the Federal Reserve Board.

GOVERNOR OF PUERTO RICO

Robert Hayes Gore to be Governor of Puerto Rico.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY

Capt. Desmond O'Keefe to Judge Advocate General's Department.

Second Lt. Christian Gotthard Nelson to Field Artillery.

First Lt. William Frank Steer to Infantry.

Capt. Thomas Jefferson Davis to Adjutant General's Department.

Capt. John Alexander Klein to Adjutant General's Department.

Second Lt. Daniel Fulbright Walker to Field Artillery.

Capt. John Sutherland Claussen to Quartermaster Corps.

Capt. James Brian Edmunds to Quartermaster Corps.

PROMOTIONS IN THE REGULAR ARMY

Orrin Leigh Grover to be first lieutenant, Air Corps.

Frederick Almyron Prince to be lieutenant colonel, Field Artillery.

Russell Gilbert Barkalow to be major, Field Artillery.

Arthur Lee Shreve to be captain, Field Artillery.

George Raymond Connor to be captain, Infantry.

Harry Forrest Townsend to be first lieutenant, Coast Artillery Corps.

Francis Scoon Gardner to be first lieutenant, Field Artillery.

William Arden Alfonte to be colonel, Infantry.

John Mather to be lieutenant colonel, Ordnance Department.

Gerald Howe Totten to be major, Quartermaster Corps.

Ralph William Mohri to be first lieutenant, Veterinary Corps.

Daniel Andrew Nolan to be colonel, Infantry.

George William Carlyle Whiting to be lieutenant colonel, Infantry.

William Fred Riter to be major, Quartermaster Corps.

Herbert Warren Hardman to be major, Quartermaster Corps.

John Dillard Goodrich to be major, Quartermaster Corps.

Laurence Daly Talbot to be captain, Quartermaster Corps.

Newman Raiford Laughinghouse to be captain, Air Corps.

John Paul Dean to be captain, Corps of Engineers.

Patrick Henry Timothy, Jr., to be captain, Corps of Engineers.

Hugh John Casey to be captain, Corps of Engineers.

Patrick Henry Tansey to be captain, Corps of Engineers.

Hans Kramer to be captain, Corps of Engineers.

Albert Gordon Matthews to be captain, Corps of Engineers.

Amos Blanchard Shattuck to be captain, Corps of Engineers.

Leland Hazelton Hewitt to be captain, Corps of Engineers.

Forester Hampton Sinclair to be first lieutenant, Field Artillery.

Walter Morris Johnson to be first lieutenant, Infantry.

Harold Stanley Isaacson to be first lieutenant, Field Artillery.

Willis Webb Whelchel to be first lieutenant, Field Artillery.

Albert Harvey Dickerson to be first lieutenant, Infantry.
Leander LaChance Doan to be first lieutenant, Cavalry.
Arthur Edwin Solem to be first lieutenant, Field Artillery.
Theodore Kalakuka to be first lieutenant, Cavalry.
Charlie Wesner to be first lieutenant, Field Artillery.
Henry Magruder Zeller, Jr., to be first lieutenant, Cavalry.
Orville Melvin Hewitt to be first lieutenant, Infantry.
Harry Rex MacKellar to be lieutenant colonel, Medical Corps.
William Richard Arnold to be chaplain with the rank of lieutenant colonel.

REAPPOINTMENT IN THE OFFICERS' RESERVE CORPS

John Ross Delafield to be brigadier general, Ordnance Department Reserve.

APPOINTMENT IN THE OFFICERS' RESERVE CORPS

Edward Caswell Shannon to be major general, Reserve.

PROMOTIONS IN THE NAVY

MARINE CORPS

Edgar G. Kirkpatrick to be captain.
Bernard H. Kirk to be first lieutenant.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 15, 1933

The House met at 12 o'clock noon.

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

We thank Thee, merciful Father, that with the birth of each day there comes the breath of freshness and life, full of wonder and growth to be revealed, and thus we know that all is well. By our fellowship in this Chamber may our ministeries be helpful and our characters made stronger and nobler and purer. With all this world about us with its ebbs and tides, may we learn to know Thee in the hidden places of our breasts. Give us the heart, O God, to lift all labor above drudgery into a blessed, patient service. Bless us all with rejoicing and with the assurance of this day. At evening time, when its veil has begun to thicken, may we be conscious that we have put no cloud upon it and that our shadow has been love, our speech music, and our step a benediction. Through Jesus our Savior. Amen.

The Journal of the proceedings of Friday, May 12, 1933, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 5040. An act to extend the gasoline tax for 1 year, to modify postage rates on mail matter, and for other purposes.

The message also announced that the Senate had ordered that Mr. TOWNSEND be appointed a member of the committee of conference on the part of the Senate on the disagreeing votes of the two Houses on the amendments of the Senate to the bill of the House (H.R. 5480) entitled "An act to provide full and fair disclosure of the character of securities sold in interstate and foreign commerce and through the mails, and to prevent frauds in the sale thereof, and for other purposes."

The message also announced that the Senate insists upon its amendment to the bill (H.R. 5390) entitled "An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1933, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1933, and June 30, 1934, and for other purposes", 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. BRATTON, Mr. GLASS, Mr. MCKELLAR, Mr. HALE, and Mr. KEYES to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S.J.Res. 50. Joint resolution designating May 22 as National Maritime Day.

MUSCLE SHOALS

Mr. McSWAIN. Mr. Speaker, by direction of a majority of the conferees on the part of the House, I present a conference report upon the bill (H.R. 5081) to provide for the common defense; to aid interstate commerce by navigation; to provide flood control; to promote the general welfare by creating the Tennessee Valley Authority; to operate the Muscle Shoals properties; and to encourage agricultural, industrial, and economic development, for printing under the rule.

SUSPENSIONS

The SPEAKER. This is suspension day.

CONFERRING DEGREE OF BACHELOR OF SCIENCE UPON GRADUATES OF NAVAL ACADEMY

Mr. VINSON of Georgia. Mr. Speaker, I move to suspend the rules and pass the bill (S. 753) to confer the degree of bachelor of science upon graduates of the Naval Academy, which I send to the desk and ask to have read.

The Clerk read as follows:

Be it enacted, etc., That the Superintendents of the United States Naval Academy, the United States Military Academy, and the United States Coast Guard Academy may, under such rules and regulations as the Secretary of the Navy, the Secretary of War, and the Secretary of the Treasury may prescribe, confer the degree of bachelor of science upon all graduates of their respective academies.

The SPEAKER. Is a second demanded?

Mr. BLANTON. Mr. Speaker, I demand a second.

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Georgia is entitled to 20 minutes and the gentleman from Texas to 20 minutes.

Mr. BLANTON. Mr. Speaker, this is a most important matter, while it looks trivial. I think the Membership of the House ought to be here during the discussion. I make the point of order that there is no quorum present.

The SPEAKER. The Chair will count. [After counting.] One hundred and twenty-six Members present, not a quorum.

Mr. BYRNS. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The doors were closed.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 41]

Almon	Darrow	Kennedy, N.Y.	Rudd
Andrew, Mass.	Ditter	Kenney	Seger
Andrews, N.Y.	Dondero	Kerr	Shannon
Auf der Heide	Driver	Lea, Calif.	Sirovich
Bakewell	Eaton	Lee, Mo.	Snell
Bierman	Edmonds	Lehlbach	Somers, N.Y.
Boehne	Evans	Lewis, Colo.	Stokes
Boland	Fitzgibbons	Lindsay	Stubbs
Boylan	Focht	McDuffie	Studley
Brand	Fulmer	McGugin	Sullivan
Brooks	Gavagan	McLean	Sumners, Tex.
Brunner	Gifford	McLeod	Sutphin
Buckbee	Goldsborough	Maloney, Conn.	Tinkham
Cannon, Wis.	Granfield	Marshall	Turpin
Celler	Hancock, N.Y.	Mead	Underwood
Claiborne	Harlan	Montague	Waldron
Clark, N.C.	Hart	Moynihan	Weideman
Connery	Hildebrandt	Muldowney	Wigglesworth
Cooper, Ohio	Hollister	Oliver, N.Y.	Williams
Corning	Hornor	Palmisano	Withrow
Cox	Johnson, Okla.	Parker, Ga.	Wolfenden
Culkin	Kee	Reed, N.Y.	Wood, Mo.
Cullen	Kennedy, Md.	Reid, Ill.	Young

The SPEAKER. Three hundred and thirty-nine Members have answered to their names, a quorum.

Mr. BYRNS. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

Mr. VINSON of Georgia. Mr. Speaker, for the benefit of the Members who came in after this motion to suspend the rules was made, I think it is important to call attention to the nature of the measure now before us for consideration. I have moved to suspend the rules and pass a bill which will confer upon the boys who graduate at West Point, at the Naval Academy, and at the Coast Guard Academy the degree of bachelor of science. This does not entail any cost whatever to the Government. When a boy graduates at either one of these academies today he receives nothing but a diploma. The purpose of this measure is to give to each one of them who passes his examination the degree of bachelor of science. That is all the bill does, nothing more and nothing less.

I yield 5 minutes to the gentleman from South Carolina [Mr. McSWAIN], the chairman of the Committee on Military Affairs.

Mr. McSWAIN. Mr. Speaker, the proposal here is to amend the bill reported by the Committee on Naval Affairs by substituting for it the language of a bill introduced by the gentleman from Minnesota [Mr. KNUTSON] and referred to the Committee on Military Affairs, seeking to confer the degree of bachelor of science upon the graduates of all three of the academies, the Military Academy, the Naval Academy, and the Coast Guard Academy. The advantage to the graduates of these academies, if that be done, is that those who will not be commissioned in the service for which they are being trained—and there will be many in that group because of the necessity for economy—will find, when they go into private life to seek perhaps to continue their professional studies, in universities and colleges, it will be an advantage to have actually a legally conferred degree of bachelor of science.

In my humble judgment the conferring of this degree upon these graduates is amply justified by the course of instruction given in these institutions. I happen to know from long contact something about the course of study required in private, denominational, and State institutions for the degree of bachelor of science. I know something, also, about the courses of study relating to scientific subjects prescribed by these three academies in question. I say with complete confidence, with the course of study, thoroughness of instruction, and the comprehension of scientific subjects involved, that the graduates of these academies are undoubtedly entitled to academic honors equal to the graduates of most of the private, denominational, and State institutions now conferring that degree. Therefore it is no entrenchment upon academic circles, it is no invasion of academic honors to give this. It will be of convenience to the graduates, and it will not involve one dollar of expenditure from the Treasury. I cannot see any just reason why this should not be done.

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

Mr. McSWAIN. Yes.

Mr. HASTINGS. How does the course of study at the Coast Guard Academy compare with the course of study at West Point and Annapolis?

Mr. McSWAIN. While it is true that perhaps the course of study at the Coast Guard Academy is not as far advanced in certain subjects, particularly what we might term the liberal arts, and perhaps not quite so thorough, yet even the course at the Coast Guard Academy and its thoroughness is, in my judgment, equal to the course of study prescribed in some of the institutions in the gentleman's State and in my State which do now confer the degree of bachelor of science.

Mr. HASTINGS. Is it a 4-year course at the Coast Guard Academy?

Mr. McSWAIN. Oh, yes.

Mr. HASTINGS. And do they require an examination to enter, like Annapolis and West Point?

Mr. McSWAIN. Exactly. They have certain minimum standards of education for entrance, and of course after they come in the course is very thorough.

Mr. KNUTSON. Will the gentleman yield?

Mr. McSWAIN. I yield.

Mr. KNUTSON. The question has been raised with reference to the Coast Guard course of study. The only difference between the curriculum in the Coast Guard and the Naval Academy is that the Naval Academy gives higher gunnery. It would seem that at this particular time, when perhaps half the graduates of these academies will go out into private life, it would assist them materially. For instance some of them would engage in teaching if they would give them a degree. It would not cost the Government a cent if this bill is passed.

Mr. BLANTON. Mr. Speaker, where did Professor KNUTSON get all that information?

Mr. McSWAIN. The gentleman from Minnesota has been in contact evidently with some other gentleman of great intelligence like himself.

I think this legislation is entirely justified. It costs nothing. It will be a great convenience to these graduates who do not go into the services, and I favor the legislation.

The SPEAKER. The time of the gentleman from South Carolina [Mr. McSWAIN] has expired.

Mr. VINSON of Georgia. Mr. Speaker, I ask the gentleman from Texas [Mr. BLANTON] to use some of his time.

Mr. BLANTON. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, probably I shall be the only Member here who will vote against this bill. Nevertheless, I shall vote against it, even if I stand up alone, because I am convinced that it is not a wise governmental policy. I am as good a friend of the midshipmen at Annapolis and of the cadets at West Point and of the Coast Guard, as is any other Member of this House. I have been just as active for them and just as sympathetic with their work and their problems as any other colleague. It so happens that one of my appointees at Annapolis came from one of the poorest families in the United States, and yet he was the first honor man in his graduation class at Annapolis.

I am not seeking to do an injustice to any of those men. I want to do them absolute justice, but at the same time I want to do justice to all the other thousands of thousands of young men all over the United States. And I want to do justice to all of the institutions of learning in the United States.

The trouble with this Nation today is due, more than anything else, to the fact that Congress has been voting "yes" to too many bills of this kind. Congress has been passing measures without giving them serious thought. Things are continually brought up here and passed by unanimous consent. Members cannot see "where they will do any harm" and they vote "yes", and the bill is passed, and the country suffers on account of it. I think at this time, more than at any other period in our history, we ought to hesitate before passing these pet schemes that are continually brought up here to favor particular classes.

The boys who get to go to the United States Naval Academy at Annapolis and to the Coast Guard Academy and to the United States Military Academy at West Point are favored over all of the other boys in the United States. They get their appointments and their examinations free. Other boys going to other colleges have to pay to be examined. Our cadets are paid their expenses up to these academies. It does not cost them one penny. Other boys have to pay their way to their schools. Our cadets are granted hospital service, free nurses, free doctors, and free medicine. All other boys going to other schools must pay for these services. Our cadets are given a full course of study at these Government academies, with splendid training, a course that other boys must work hard at night for and pay for themselves. In addition, our cadets are allowed at Annapolis $780 a year allowance and, in addition to that, 75 cents commuted ration allowance per day. At West Point they are given $800 a year allowance and also commuted ration allowance of 75 cents a day. In the Coast Guard they are given $780 a year allowance and also commuted ration allowance of 75 cents a day. And when they graduate they have usually about $1,000 to their credit, besides 4 full years of training and education. Other American boys have nothing left but to start life flat broke. When

our cadets graduate they get a diploma from Annapolis, they get a diploma from West Point, and they get a diploma from the Coast Guard. Is that not sufficient? Why should they want something else? It is because they will need it in the commercial world. It is not fair to the thousands of boys in every State who have to work their way through universities, who have to study hard at night, who often even have to wait on the table in a menial position in dining rooms to pay their way through college and get their degree.

It is not fair to them if you give our cadets this diploma from these institutions and then confer upon them the degree of bachelor of science. It is not treating the other boys fair. It gives our cadets an advantage over all of the other boys of this country. They can say, "I have a bachelor of science degree and I also have a diploma from the military establishment at West Point", or they can say, "I have a diploma from the Naval Academy at Annapolis and a degree of bachelor of science. You should prefer me over these other boys from Columbia, from Michigan University, from Chicago University, from Leland Stanford, from Princeton, Yale, and Harvard. You should prefer me, forsooth, because I have two degrees. I have a diploma from the academy and I have the degree of bachelor of science." Why should we do that for our cadets?

Mr. BRITTEN. Will the gentleman yield?

Mr. BLANTON. As my time is so very limited, I want my friend to get his time from the gentleman from Georgia [Mr. VINSON].

Mr. BRITTEN. I do not want time, but we cannot hear what the gentleman is saying. Will the gentleman yield for a question?

Mr. BLANTON. Certainly.

Mr. BRITTEN. I may say to the gentleman from Texas that because his face has been turned that way most of the time we on this side of the Chamber do not know whether he is for or against this resolution.

Mr. BLANTON. I did not think the few votes left on the Republican side mattered. So I was talking over here to our numerous Democrats. [Laughter.] I am going to come over to the gentleman's side of the Chamber and talk in a minute.

Mr. BRITTEN. Will the gentleman tell this side of the House whether he is for or against this resolution?

Mr. BLANTON. I will do that in a minute, and I will not take it out of the gentleman's time but will use my own. It is quite likely that I may be the only Member here who votes against this bill. But I am against it, and am going to vote against it. It is popular because all the cadets want it and their professors want it. But I am thinking of all of the rest of the American boys back home.

[Here the gavel fell.]

Mr. BLANTON. Mr. Speaker, I yield myself 2 more minutes.

Mr. Speaker, the great trouble with all these admirals, Admiral BRITTEN, Admiral VINSON, and the various generals, General MCSWAIN and General HILL, is that they have been associating with admirals and generals so long they now think and speak their language. The retired admirals and generals have taken over the great commercial positions of life. Of these retired admirals and generals, drawing for life their retired pay as admirals and generals, many are holding positions with big corporations paying as high as $50,000 a year in the commercial enterprises of the United States. It is because of their prestige, if you please, they have gotten free from the Government. It is not fair to the other men and the other boys of the United States who have not been so favored by the Government.

If you get an Army pay bill or a Navy pay bill and read it, you cannot tell what it means as to the emoluments they receive, but have to employ the services of an auditing expert to find out. Why, even CARL VINSON, our present great chairman of our great Naval Affairs Committee, a few minutes ago could not even tell me what allowances these boys got, did not even know they got a commuted ration allowance. These Army and Navy pay bills are written in technical language so no one outside the service can understand them. The great trouble is they do not want to let Congressmen know what these bills mean; they do not want the public to know what they draw.

I think we have done enough for these boys, and I do not think we ought to pass these bills.

[Here the gavel fell.]

Mr. BLANTON. Mr. Speaker, I reserve the balance of my time.

Mr. VINSON of Georgia. Mr. Speaker, I yield 3 minutes to the gentleman from Arkansas [Mr. GLOVER].

Mr. GLOVER. Mr. Speaker, not more than 2 weeks ago I had the privilege of serving on a committee appointed by the President of the United States, by the Vice President, and by the Speaker of the House to visit Annapolis and make an inspection of that institution.

I may say as one who has had some experience in teaching—I was a teacher myself for 10 years—that the Academy at Annapolis is one of the finest institutions of learning in the United States. It is thorough and is doing its work well.

To my surprise when I went there I found a sad expression on the faces of a number of the pupils. Having studied there 4 years, and expecting to graduate this year, not knowing that Congress would pass the statute we recently did, they are naturally disappointed for they expected to be commissioned. We are responsible for the fact that we must pass this legislation. We passed an act which provided that not more than half of those graduating could be commissioned. Half the class are now deprived of the opportunity of being commissioned and they will not receive a penny. More than that they will be turned out of the institution without any showing of the achievement they have made in the 4-year course of study.

They are very anxious that at least this little courtesy be shown them by Congress. They want at least to have something to show for what they have accomplished in point of education.

If my good friend the gentleman from Texas [Mr. BLANTON] should go over to Annapolis and associate with the 1,700 or more boys now there studying and marching to the tap of discipline, I do not think he would stand on this floor and oppose this measure of simple justice.

Mr. BLANTON. I was over there the other day. I saw everything there that my friend from Arkansas witnessed. I conferred with all of my appointees there, and also had a pleasant visit with several officers.

Mr. GLOVER. I do not believe the gentleman was there long enough to learn anything. [Laughter.]

I imagine the gentleman from Texas went over there in order to be prepared to criticize this bill, because it would have been the law now but for the gentleman from Texas. It passed the other body and came here last session of Congress. Unanimous consent was asked for its consideration, and the gentleman from Texas is the man who stopped its speedy passage.

Mr. BLANTON. I stopped it because I thought it was unwise. Mr. Speaker, will the gentleman yield for a question?

Mr. GLOVER. Yes.

Mr. BLANTON. When the gentleman went to Annapolis did he pay his way? I paid all of my own expenses, when I went to Annapolis, just as I pay my own expenses when I check up other Government institutions.

Mr. GLOVER. I may say to the gentleman that I paid my own hotel bills, $4 a day. [Applause.]

I may further say to the gentleman that if he thinks he can make any money out of a 3-day trip over there to try it, then come back and count his money. [Laughter.]

[Here the gavel fell.]

Mr. VINSON of Georgia. Mr. Speaker, I yield 2 additional minutes to the gentleman from Arkansas.

Mr. GLOVER. Mr. Speaker, I certainly hope no man in this House will follow the leadership of the gentleman from Texas and vote against this bill. I do not believe there ought to be a vote against it in this House. I do not believe any man who would go to Annapolis and study the situation,

and realize what an efficient institution it is, would vote against this bill.

This does not cost the Government 1 penny, not 1 penny. On the other hand it saves the Government money.

If these men were commissioned they would go out and draw their pay as ensigns, but in this way they do not draw such pay. They are just as capable and just as ready for service as if they had been given a commission and they can be called out at any time the Government wants them.

I say this is a fine solution of the question, because the time may come when we will need to call out every one of these boys, and the degree which they are to get, bachelor of science, is no greater degree than they are entitled to. It is not a higher degree than that given by some of our universities or some of our colleges that are issuing such degrees now. I say this because I know what I am talking about.

I do not know so much about the Coast Guard school, but I do know that the schools at Annapolis and West Point certainly reach the standard of bachelor of science in their teaching, and go much further than that. I certainly hope that this House will not slap these boys, who have stayed there and toiled and studied for 4 long years, in the face, when they thought they were to be given a commission. Let us at least say to these boys that they are entitled to the standard of efficiency and education that they have actually attained by hard study. [Applause.]

Mr. BLANTON. Mr. Speaker, I yield 5 minutes to the gentleman from Oklahoma [Mr. McCLINTIC], who is a former chairman or ranking member of the Naval Affairs Committee.

Mr. McCLINTIC. Mr. Speaker, I hope I may have the attention of the House for just a few minutes. I served long enough on the Naval Affairs Committee to learn that whenever they brought in a bill and said it did not cost the Government anything to immediately begin to hunt for the joker.

On occasions prior to this I have called attention to the enormous cost of maintaining the Annapolis Academy in comparison with West Point. I venture to assert that we use over there three times as many employees as any other educational institution in the United States that has the same number of pupils.

I do not say that I particularly object to this provision, but I want to tell you why it is being done. They know and you know that unless you can hold out some inducement to the boys who graduate that it will mean a decreased enrollment, and a decreased enrollment means a curtailment of expenditures. You may not know it, but I do, that the cost of the maintenance of this institution is practically as high as it was during the World War; and you know as well as I that we have so many Army and Navy officers in Washington that in order to keep them from wearing out their right arms saluting each other there is an order to keep them from wearing uniforms; and you know further that prior to the World War we housed all of these officers in the State, War, and Navy Building, but now it takes about 10 acres of room to take care of the set-up. We have another set-up now, and if I could have my way I would send these officers out to the posts where they belong rather than have them congregate here in Washington.

I believe in economy at a time when the country is in a bad condition. I have no particular objection to giving these boys this kind of a degree; but as sure as you do this it means we have got to maintain these expensive set-ups in the future. So I feel it is my duty to bring these facts to the attention of the House and then let you do as you please.

Mr. BLANTON. Mr. Speaker, I yield 2 minutes to the gentleman from Alabama [Mr. ALLGOOD].

Mr. ALLGOOD. Mr. Speaker, I think we are really doing the graduates of Annapolis and West Point an injustice by merely holding out to them the opportunity to get a little B.S. degree, when we promised them a commission, which means to them a job. That is what we promised them and this promise is wrong and we ought to correct it by reducing the scholarships.

This wrong should have been corrected in the bills as they came up this year. I had an amendment written out to be offered to the West Point provision of the bill when that appropriation bill was up for passage, but I was invited by President Roosevelt to go on the inspection trip to Muscle Shoals, Ala., and the bill was passed while I was away.

We are graduating more men from these institutions than can be commissioned. What we need to do is to cut down on the number of men who can go there and thereby reduce the expenditures for these institutions. It is, to a certain degree, political favoritism. If we Members of Congress had to pay for these scholarships at Annapolis and West Point we would not do it, and yet we take credit for it back home by saying that we sent so-and-so to Annapolis or to West Point.

I think that in view of the fact that Congress has cut down on Government wages and on soldiers pensions, we ought to come along and economize in every possible way.

I am bringing this point to your attention and to those who will be in charge of the bills for the Army and Navy at the next session of Congress, that if the number of cadets and midshipmen who are permitted to enter West Point and Annapolis are limited to the number that can be given commissions, it will cause a saving of approximately a million dollars a year at these institutions.

Mr. BLANTON. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Speaker, there seems to be some misapprehension on the part of the House as to the relative standings of these institutions. Several Members with whom I have spoken were under the impression that the Coast Guard Academy has a 3-year course. Let me say that it was changed to a 4-year course 2 years ago, and the curriculum at the Coast Guard Academy is on all fours with the Naval Academy at Annapolis, save in this one particular. At the Coast Guard Academy the students get more maritime and customs law than they do at the Naval Academy. They get more navigation and maritime law, while at the Naval Academy they get more instruction in higher gunnery. That is the only difference between the two. As far as the other qualifications are concerned they are practically identical to all intents and purposes.

The reason for this legislation is this. Two years ago a young man graduated from the Naval Academy. He was not commissioned because of physical disability incurred in athletics at that institution. He applied for position as instructor in mathematics at a high school in the Middle West.

The faculty wanted to employ him as he was in every way competent, but found that they could not do so because he did not have a degree.

Is there anyone here who will deny that a graduate of any of these academies is not fully qualified to teach mathematics in any form in any school? We are simply helping these boys who are not going to be commissioned. It is not going to help those who are commissioned, but it is going to help the boys who are not commissioned, because it will enable them to get positions in those institutions of learning where they cannot now be employed without a degree.

I fail to agree with the logic of the gentleman from Oklahoma. We are simply proposing to grant this degree to those boys who are not commissioned in order to help them make a living and be self-sustaining. [Applause.]

[Here the gavel fell.]

Mr. BLANTON. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut, Colonel Goss.

Mr. GOSS. Mr. Speaker, I am not going to vote for H.R. 2834 this morning because of the Coast Guard.

The gentleman from Minnesota said that 3 years ago they had a 3-year course. Within the last few years they have built a new Coast Guard station in my State. I do not think it is fair to give these boys a degree in the Coast Guard at the present time. I am for it for the Military Academy and the Naval Academy, but I am not for it for the Coast Guard.

Mr. VINSON of Georgia. Will the gentleman yield?

Mr. GOSS. Yes.

Mr. VINSON of Georgia. Does not my friend think that this is in the interest of economy and would be a wise thing to do, and not in the interest of the curriculum at all?

Mr. GOSS. What is the reason for doing that?

Mr. VINSON of Georgia. It is in the interest of economy.

Mr. GOSS. If this bill included the Military Academy at West Point and the Naval Academy at Annapolis, only, I think the situation would be far different from what it is right here today. Until the Coast Guard matter is taken out, I hope the bill will be defeated.

Mr. BLANTON. Mr. Speaker, I realize that this bill will pass. But if I am the only one to stand up, I shall vote against it. It is a most unwise measure. It is a bad governmental policy. It is unsound economically.

I have done my duty in trying to stop it. The responsibility is upon the shoulders of those who vote for it.

For my last appointment, last December, I had the Civil Service Commission hold a competitive examination in Texas in 12 cities in my district. Fifty-six high-school graduates were applicants for that appointment. That shows the great desire of the American youth to go to one of these free Government academies, where everything is furnished plus a handsome yearly allowance.

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

Mr. BLANTON. I regret that I cannot just now, as my time is limited. When I conclude I will gladly yield. I ask gentlemen who intend to vote for this popular bill whether they are treating the other boys of the United States fairly when they do so. You are not carrying on any free Government university of the first class for the other boys down at Graham, in Young County, or over in Benton County or in Wise County or in Throckmorton County, in my friend's district—and I believe he asked for time to speak for this bill. What are you going to say to those other boys down in Texas who cannot go to Annapolis or to West Point?

Mr. McFARLANE. I will tell the gentleman in a minute.

Mr. BLANTON. How is the gentleman going to explain to them that when they go to a university to get a bachelor of science degree they have to pay everything—their own way—they have to pay to be examined, and they have to buy their own food and clothing and their own instruction and books, and they have to pay for their own doctors and nurses and medicines and hospitals; and then, if they can worry through the 4 years, they may get a degree.

In this matter we are furnishing our cadets with their examinations free, with their traveling expenses to go to the academy from their homes, with their food and lodging, and clothing and instruction and hospital treatment, doctors' bills, nurses, medicines, and special training in social arts—everything free, and allowing them $780 a year for Annapolis and the Coast Guard and $800 for the Military Academy at West Point. When they graduate, all of them have about $1,000, more or less, to their credit. They are taught how to dance, just how they should put their arms around the girls, and are given a full course in social etiquette. But other American boys are denied all these privileges. Is that treating the other boys of the country fairly? I am not for giving them more than their diploma.

The Naval Academy was created for one purpose only, and that was to prepare and train naval officers for naval defense. The United States Military Academy at West Point was created to prepare Army officers for military defense, and the Coast Guard Academy is to prepare them for Coast Goard service. They are not academic institutions; they are military institutions, pure and simple. This whole idea of granting degrees was gotten up by a bunch of professors over here, not by the boys. These professors want to keep their personnel intact, and want to have their salaries raised; they want to have their teaching force increased; they want to retain the ones they already have there. As the gentleman from Oklahoma said, they are top heavy now in the teaching staff. They will say if you are going to confer bachelor of science degrees, you will have to give us the necessary equipment so that our bachelor of science degree may be recognized by the colleges and universities of the country.

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

Mr. BLANTON. Yes.

Mr. LOZIER. Mr. Speaker, the gentleman speaks about the great number of applicants for these positions. Is that not because of economic conditions, because these boys have not the money to go to ordinary colleges and universities?

Mr. BLANTON. No; not altogether. I had applications from them in war time, from boys 16 and 17 years old, who knew that they were going to be equipped for war purposes. I have had many applications every year. While I realize full well that there is no chance whatever to defeat this bill, I have done all within my power to stop it. I have done my full duty according to my judgment and conscience.

Mr. VINSON of Georgia. Mr. Speaker, I yield the remainder of my time to the gentleman from Texas [Mr. McFARLANE].

Mr. McFARLANE. Mr. Speaker, I was amused at the statement of my colleague from Texas [Mr. BLANTON], who seems to be so worried about the great cost involved in this measure and the degree that we are going to give to these boys who spend 4 years there making the fight of their life to finish at these wonderful schools. I know and you know that these schools are second to none in the world, and when a man has finished his work and completed his course at any one of these schools, he is on a parity, so far as education is concerned, with that received at any school in the world, especially from a scientific standpoint. My friend and colleague from Texas would have you believe that we should not grant them this degree. Let us examine that thought for a minute. A boy goes to the trade school. Do they turn him out without a degree? Certainly not. They give him a degree. The trade schools are all Nation-wide, mostly supported by taxpayers of the country. The same is true of our State colleges and universities. Do they turn boys out without a degree? Certainly, they do not. Why should we be unfair to the boys who fight the battle and attend our academies of the Army and the Navy schools?

The gentleman would have you believe that we are doing too much for these boys in granting them the degree of bachelor of science, which they richly deserve. These schools are members of the American Association of Universities and Colleges. They are on a parity with any school in the country. They do the work. There is no question about that. Then why should they not receive their proper recognition? This Congress is very largely responsible for this condition existing at this time.

Mr. ZIONCHECK. Will the gentleman yield?

Mr. McFARLANE. In just a moment. My time is very limited. If I have time after I finish, I will be glad to yield.

This situation is due to a measure put through in the last Congress, and I understand my colleague was in a large way responsible for the 50-percent cut, and I understand 50 percent or thereabouts of these boys will go out into the world without receiving a commission. What do we find the situation to be?

If the business world knew what this Congress knows and what those familiar with the work of the academies know, this bill would not be necessary, but when one of the graduates of those schools goes out into the business world to apply for a position they ask him, "What degree do you hold?" Or if he applies for a teaching position, they ask him, "What degree do you hold?" He is forced to tell them, "I do not have a degree. I have a diploma that shows I am a graduate of this school." In all fairness to the graduates of these schools I believe you will agree with me that we should support this bill. We ought to vote for it unanimously, to keep faith with these boys. These boys are working their way through school, working every minute of the day from dawn until dark, just as the boys are working their way through other schools. They work for every thing they get. Let us not break faith with those boys. In time of trouble we look to these boys to defend our country; certainly they are entitled to this little degree of consideration. Let

us vote for this bill and give them the degree they so richly deserve.

Mr. HILL of Alabama. Will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. HILL of Alabama. The truth is this bill has passed the Senate, and it has been favorably reported by the House Committee on Military Affairs, and the Naval Committee as well.

Mr. McFARLANE. Unanimously.

Mr. HILL of Alabama. If this Congress would vote down this bill today, it would be a reflection on the fine work of those young men in the academies.

Mr. McFARLANE. That is exactly right. The gentleman is correct.

Mr. COCHRAN of Missouri. Will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. COCHRAN of Missouri. I agree with the purpose of the bill, but I think the gentleman has misstated a fact. The gentleman said these boys work their way through. They work to get through school, but the gentleman knows the United States Government, once he enters the school, takes care of that boy until he is discharged, and it does not cost him a 5-cent piece.

Mr. McFARLANE. Perhaps the gentleman did not understand my view of the situation. I say they worked every minute of the day during the curriculum, better qualifying themselves to carry on the work of the United States when they become officers and enter into the kind and character of work they are called upon to do.

Mr. BRITTEN. Will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. BRITTEN. There is being scattered about the House a copy of the bill, S. 753, and most of the Members are of the opinion that that is the bill to be voted upon. The fact of the matter is that it has been very materially amended, so as to include the Military Academy at West Point and the Coast Guard Academy. If most of us had an opportunity to do so, we would vote against including the Coast Guard Academy, because the Coast Guard Academy is no school, never has been a school, comparable to the Military Academy or the Naval Academy. It is a 3-year course.

Mr. McFARLANE. I only yielded for a short question.

Mr. BRITTEN. I wanted the gentleman to make clear to the House that this bill, S. 753, is not being voted upon at all, but a substitute, where everything was stricken out but the enacting clause.

Mr. McFARLANE. In answer to the gentleman, I think it is understood that the chairman of the committee, Mr. VINSON, has offered an amended bill, which provides that the graduates of these three schools, each of which has 4-year courses to do the work, are to receive this degree. They are doing the scientific work involved which qualifies them for the bachelor of science degree which they will receive, and they would receive that same degree if they did the same kind and character of work in any school of the United States. The requirements of these academies, I believe, meet the requirements of any school in the United States granting this degree.

This bill if enacted into law will not cost the Government a penny. It merits your unanimous support. [Applause.]

Under the amendment offered by Mr. VINSON, Chairman of the Naval Affairs Committee, all graduates of the United States Naval Academy, the United States Military Academy, and the Coast Guard Academy are to be entitled to receive the degree of bachelor of science. Under the present law graduates of these schools receive nothing but a diploma other than those fortunate graduates who are selected to the rank of ensign in the Navy or second lieutenant in the Army or ensign in the Coast Guard, which in 1933 and for several years in the future will likely not be more than 50 percent of the graduating class of each school.

The curriculums of the schools are on a parity with those of the leading engineering and technological schools of the country and are amply high and sufficient to warrant the granting of the bachelor of science degree to its graduates.

The act of May 6, 1932 (Public, No. 122, 72d Cong.) authorizes the President to commission at least 50 percent of the graduates of these schools. It is anticipated that in June 1933, one half of the graduating class will receive commissions and the other one half will have to go into civilian life. It is estimated that in future years about the same ratio of the graduating class will be unable to get a commission. In addition to these there are each year several graduates who are required to resign on graduation by reason of physical defects or injuries received while in school, such as defective vision, broken teeth, etc.

The degree of bachelor of science will be of great benefit to these graduates in civil life. Considering the entrance requirements and the curriculums in the different schools, these institutions as technical schools are comparable with our leading engineering schools which confer such degrees upon their graduates. Their courses are equal to 4-year college courses and are so considered by the universities and colleges to which their postgraduate students are sent.

The diploma alone from these academies is assurance of ability and worth along lines of mental, physical, and character development to those acquainted with the activities of the academies; but those graduates who leave the service will come in contact with many people unacquainted with these institutions and who will not place the value upon the diploma that it justly deserves. A degree of bachelor of science will materially assist such graduates in seeking employment as well as their admission into schools of higher education. Such a degree will give graduates something to strive for when a commission is unlikely, and will without question raise the efficiency of these schools.

The enactment of this legislation will result in no cost to the Government.

Similar legislation was proposed by the Navy Department in the Seventy-second Congress.

The following letters addressed to the Speaker of the House and the chairman of the committee from the Secretary of the Navy set forth the Navy Department's views and favorable recommendation of this bill:

NAVY DEPARTMENT,
Washington, November 26, 1932.

The CHAIRMAN COMMITTEE ON NAVAL AFFAIRS,
House of Representatives, Washington, D.C.

MY DEAR MR. CHAIRMAN: There is enclosed herewith a copy of a letter, together with a copy of a proposed bill to confer the degree of bachelor of science upon graduates of the Naval Academy, this day forwarded to the Speaker of the House of Representatives.

Sincerely yours,

C. F. ADAMS,
Secretary of the Navy.

NAVY DEPARTMENT,
Washington, November 26, 1932.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES,
Washington, D.C.

MY DEAR MR. SPEAKER: I have the honor to transmit herewith a draft of bill to confer the degree of bachelor of science upon graduates of the Naval Academy.

The act of May 6, 1932 (Public, No. 122, 72d Cong.), authorizes the President to commission as ensigns at least 50 percent of all future graduates of the Naval Academy. It is anticipated that in June 1933 one half of the graduating class only will receive their commissions, the remainder will have to go into civilian life. In future years it is probable that a number of each graduating class will be unable to get commissions as ensigns. In addition to these there are each year several graduates who are required to resign on graduation by reason of physical defects, such as defective vision.

The degree of bachelor of science will be a great aid to these graduates in civil life.

Considering the entrance requirements and the curriculum at the Naval Academy, that institution as a technical school is comparable with our leading engineering schools which confer such degrees upon their graduates. Its course is equal to a 4-year college course and is so considered by the universities and colleges to which its postgraduate students are sent.

The Naval Academy diploma alone is assurance of ability and worth along lines of mental, physical, and character development to those acquainted with the activities of the academy, but those graduates who leave the service will come in contact with many people unacquainted with that institution and who will not place the value upon the diploma that it justly deserves. A degree of bachelor of science will materially assist such graduates in seeking employment as well as their admission into schools of higher education. Such a degree will give these graduates something to

strive for when a commission is unlikely and will without question raise the efficiency of the Naval Academy.

The enactment of this legislation will result in no cost to the Government.

For the reasons stated, it is recommended that the proposed legislation be enacted.

Sincerely yours,

C. F. ADAMS, *Secretary of the Navy.*

The SPEAKER. The time of the gentleman from Texas [Mr. MCFARLANE] has expired.

All time has expired.

The question is on the motion of the gentleman from Georgia [Mr. VINSON] to suspend the rules and pass the bill, as amended.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—yeas 211, noes 4.

So, two thirds having voted in favor thereof, the rules were suspended and the bill, as amended, was passed.

CHAMBER OF COMMERCE, COLUMBUS, OHIO

Mr. LAMNECK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a set of resolutions passed by the Columbus (Ohio) Chamber of Commerce with reference to the work of Congress.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. LAMNECK].

There was no objection.

Mr. LAMNECK. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following resolutions adopted by the Columbus (Ohio) Chamber of Commerce expressing confidence in President Roosevelt and pledging itself to help business and industry:

COLUMBUS, OHIO, *May 12, 1933.*

The Columbus Chamber of Commerce, by action of its board of directors, expresses complete confidence in President Roosevelt, appreciates fully the conditions which exist at this time in this country, appreciates the tremendous efforts on the part of the Government in this emergency, and reaffirms its desire to cooperate.

The Columbus Chamber of Commerce fully recognizes the seriousness of unemployment in industry generally, and realizes also that industry should cure itself of the evils of unfair competition.

The Columbus Chamber of Commerce heartily approves of President Roosevelt's plan of correcting these evils through industry itself, and by trade associations, without projecting Government into business further than it is necessary.

The Columbus Chamber of Commerce, representing the business interests of this community, pledges itself to help industry and business in this area, to organize its trade associations for the purpose of correcting these evils and instituting these reforms, and for that purpose we stand ready and willing to assist the President in every possible way in his program to restore industry and relieve unemployment.

Respectfully submitted.

THE COLUMBUS CHAMBER OF COMMERCE,
CHARLES E. NIXON, *President.*
FRED D. CONNOLLEY, *Executive Director.*

AMENDMENT OF BANK CONSERVATION ACT

Mr. STEAGALL. Mr. Speaker, I call up Senate bill 1410, to amend section 207 of the Bank Conservation Act with respect to bank reorganizations, and ask for its immediate consideration.

The Clerk read the title of the bill.

Mr. STEAGALL. Mr. Speaker, I have submitted this unanimous-consent request purely in the interest of time, and the comfort and convenience of the House.

I am going to explain what the bill does.

In the emergency bank bill passed on the 9th day of March, I believe it was, provision was made setting up methods for the reorganization of closed banks. In that legislation the phrase "National Banking Association" was used. It is found that some of the banks in the District of Columbia that were chartered under State laws do not come within the provisions of that legislation as embodied in section 207, in which the phrase "National Banking Association" was used. The bill before us changes this language so as to substitute the word "banks" for the phrase "National Banking Associations."

It will facilitate the reorganization of banks in Washington that embrace banks that were chartered under State laws.

Mr. BRITTEN. Mr. Speaker, will the gentleman yield for a question?

Mr. STEAGALL. I yield.

Mr. BRITTEN. Of course, the bill, S. 1410, has not been printed. Therefore it is impossible to get a copy of the matter the gentleman desires to take up.

Does it involve simply the change in language the gentleman has indicated?

Mr. STEAGALL. That is all.

Mr. BRITTEN. So as to take care of certain banks in the District of Columbia.

Mr. STEAGALL. That is the only thing there is in it, and that is the purpose of it. It was unanimously reported by the Senate Committee on Banking and Currency. It has been passed by the Senate. It was reported unanimously by the House Committee on Banking and Currency, and I am asking for consent to its consideration at the present time in the interest of saving time.

Mr. MARTIN of Massachusetts. Have hearings been held on it by the Committee on Banking and Currency?

Mr. STEAGALL. No hearings were thought necessary.

Mr. MARTIN of Massachusetts. Has that committee acted upon it?

Mr. STEAGALL. Yes. It was unanimously reported by the committee. It had passed the Senate.

Mr. JENKINS. Mr. Speaker, will the gentleman yield for a question?

Mr. STEAGALL. I yield.

Mr. JENKINS. Inasmuch as the gentleman has another bill to come up under suspension of the rules from the same committee, would it inconvenience him if he deferred consideration of this bill until the gentleman from Massachusetts [Mr. LUCE], the ranking minority member of the committee, can be present?

Mr. MARTIN of Massachusetts. Mr. Speaker, I feel constrained to object at this time because the minority representative is not here. I do not want to take upon my shoulders to permit the bill to go through without his seeing the bill at least.

Mr. STEAGALL. I can assure the gentleman that the gentleman from Massachusetts [Mr. LUCE] will not object to the passage of this bill.

Mr. MARTIN of Massachusetts. Why not delay it a little? Why not call up the other bill and come back to this one later?

Mr. STEAGALL. The bill was unanimously reported from the committee. Of course, we can take it up later.

Mr. MARTIN of Massachusetts. Why not take up the bill H.R. 1415 and then come back to this one? By that time we will have had an opportunity to communicate with the gentleman from Massachusetts [Mr. LUCE].

Mr. Speaker, I object.

Mr. STEAGALL. Mr. Speaker, I move to suspend the rules and pass the bill, S. 1410, to amend section 207 of the Bank Conservation Act with respect to bank reorganization.

The SPEAKER. Will the gentleman withhold his motion a moment?

Mr. STEAGALL. Mr. Speaker, I withhold it.

EXTENSION OF GASOLINE TAX AND MODIFICATION OF POSTAGE RATES

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 5040) to extend the gasoline tax 1 year, modify postage rates on mail matter, and for other purposes, disagree to the Senate amendments, and ask for a conference.

Mr. COLLINS. Mr. Speaker, reserving the right to object, the so-called "Whittington amendment", requiring power companies to pay the Federal tax on power used by consumers, was changed and rewritten in the Senate. Before the House conferees yield from the position of the House on that amendment will the gentleman from North Carolina agree to bring this amendment back to the House for a separate vote?

Mr. DOUGHTON. As far as I am concerned personally, I am always pleased to have the House express itself upon any matter in which it is interested. I am perfectly willing to do this if it is agreeable to the other members of the

conference committee. As far as I am concerned, I have no objection.

Mr. COLLINS. Will the gentleman assure the House of a vote on the Whittington amendment before the House conferees recede from the position of the House on that amendment?

Mr. DOUGHTON. I do not know that I can go that far. A majority of the conference committee might not agree with me, but I will favor it, I may say to the gentleman from Mississippi.

Mr. COLLINS. With the assurance that the gentleman will insist upon the House amendment, I withdraw my reservation of objection.

Mr. MAPES. Mr. Speaker, reserving the right to object, it is utterly impossible for anyone 10 feet away from the gentleman from North Carolina to hear what he is saying. I think we ought to know a little about what is going on before we give unanimous consent to proceed.

The SPEAKER. The gentleman from North Carolina asks unanimous consent to take from the Speaker's table the bill (H.R. 5040) to extend the gasoline tax for 1 year, to modify postage rates on mail matter, and for other purposes, disagree to the Senate amendments, and ask for a conference.

Is there objection? [After a pause.] The Chair hears none and appoints the following conferees:

Messrs. DOUGHTON, RAGON, SAMUEL B. HILL, TREADWAY, and BACHARACH.

Mr. MARTIN of Massachusetts. Mr. Speaker, I find that the minority membership of the Banking and Currency Committee is in favor of the bill S. 1410 and I therefore withdraw my objection.

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 1410) to amend section 207 of the Bank Conservation Act with respect to bank reorganizations.

Mr. BRITTEN. Mr. Speaker, I reserve the right to object for the purpose of asking a question. The Chairman of the Banking and Currency Committee a few moments ago was understood, at least by me, to say that this slight change in the banking act is being presented in the interest of the banks of the District of Columbia.

Mr. STEAGALL. Yes.

Mr. BRITTEN. I have been told by a member of the gentleman's committee that it applies to the banks throughout the United States.

Mr. STEAGALL. Yes, it does; but it uses the word "bank" as a substitute for "National Banking Association" in section 207 of the Emergency Act, which will make possible the reorganization of banks in the District of Columbia, where they are ready to act today if this legislation is passed. I have no such information at the moment, but probably there will be other instances where such situations may develop; but in any event the word "bank" will embrace every purpose of the original legislation and will make possible the action that is so much desired in the District of Columbia now.

Mr. BRITTEN. I am told that this legislation is also desired for the Cleveland, Ohio, banks.

Mr. STEAGALL. That is probably true.

Mr. BRITTEN. And will changing the words "national banking association" to "bank" take in State banks?

Mr. STEAGALL. Yes; that is the purpose of it—banks and trust companies everywhere and of all kinds.

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

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 207 of the Bank Conservation Act is amended by striking out "national banking association" wherever it appears therein and inserting in lieu thereof the word "bank."

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

On motion of Mr. STEAGALL, a motion to reconsider the vote by which the bill was passed was laid on the table.

REMOVAL OF CERTAIN LIMITATIONS ON NATIONAL BANKS

Mr. STEAGALL. Mr. Speaker, in the interest of time, I am going to submit another unanimous-consent request.

Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 1415) to amend sections 5200 and 5202 of the Revised Statutes, as amended, to remove the limitations on national banks in certain cases.

The Clerk read the title of the bill.

Mr. GOSS. Mr. Speaker, may we have the bill read?

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 5200 of the Revised Statutes, as amended, is amended by adding at the end thereof the following new paragraph:

"(9) Obligations representing loans to any national banking association or to any banking institution organized under the laws of any State, or to any receiver, conservator, or superintendent of banks, or to any other agent, in charge of the business and property of such association or banking institution, when such loans are approved by the Comptroller of the Currency, shall not be subject under this section to any limitation based upon such capital and surplus."

SEC. 2. Section 5202 of the Revised Statutes, as amended, is amended by adding at the end thereof the following new paragraph:

"Ninth. Liabilities incurred on account of loans made with the express approval of the Comptroller of the Currency under paragraph (9) of section 5200 of the Revised Statutes, as amended."

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

Mr. JENKINS. Mr. Speaker, I reserve the right to object, so I may ask the chairman of the committee or the ranking member on the Republican side to explain this bill.

Mr. STEAGALL. Mr. Speaker, let me say that this bill removes the limitation of the national banking law which restricts loans in certain cases to 10 percent of the amount of capital and 10 percent surplus of the lending bank. The limitation is removed as to—

loans to any national banking association or to any banking institution organized under the laws of any State, or to any receiver, conservator, or superintendent of banks, or to any other agent in charge of the business and property of any such association or banking institution—

With the approval of the Comptroller of the Currency.

The purpose of the legislation is to liberalize the lending facilities of banks, based upon assets of closed banks. It is designed to make practicable the unfreezing of assets in banks that are closed or in the hands of conservators or liquidating agents by new banks that are being organized.

That is the purpose of the legislation. I may say that the bill has passed the Senate, is unanimously reported by the Banking and Currency Committee, and it is thought that helpful work could be accomplished by liberalizing the national banking law so as to remove the limitation in the manner to which I have referred.

Mr. WATSON. Will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. WATSON. Then would it be possible for a borrower to obtain 15 or even 20 percent of the surplus and capital of a bank, if it were agreed to by the Comptroller?

Mr. STEAGALL. It would be.

Mr. WATSON. I thought we were endeavoring to limit loans.

Mr. STEAGALL. It is the desire to limit them in a general way, but it is very desirable in the work of reorganizing closed banks that a new bank may be able to use a part of its assets and its new capital in undertaking to unfreeze a portion of the assets of banks that have been closed.

Mr. WATSON. I thought one of the troubles has been with the banks' lending too much money, and for thie reason we had a financial break-down.

Mr. STEAGALL. There is quite a number of exceptions to the limitations in section 5200, which limits loans to 10 percent of the capital and 10 percent of the surplus if a lending bank. I may say to my friend that the business of the country would be seriously hampered if the 10-percent limitation were universally applied.

Mr. LOZIER. Will the gentleman yield?

Mr. STEAGALL. Yes.

Mr. LOZIER. Did I understand the gentleman to say that this law will amend the present law which prohibits loans to one individual or corporation in excess of 10 percent of the capital and surplus of any going concern?

Mr. STEAGALL. Yes.

Mr. LOZIER. Does the gentleman think it is a wise provision to repeal the present limitation and make it easy for a comparatively few favored customers of a bank to monopolize the credit and obtain practically all the money the bank has to lend?

Mr. STEAGALL. This is an unusual situation that we are undertaking to meet. Many banks are closed, and efforts are under way to reopen them. Exceptions to the general limitations are necessary in supporting commerce and to aid in moving the agricultural crops of the country. It is important that the general limitation be liberalized, and it has been done in numerous cases. In this measure we are liberalizing it for loans to conservators and liquidating agents for closed banks in the hope of being able to unfreeze some of the assets of these institutions. It also affords an opportunity for the employment of some portion of the new capital of newly organized banks, a thing helpful to a bank in its initial stages. So it serves a dual purpose.

Mr. LOZIER. May I suggest that you are not confining this liberalization to reorganized banks or banks that take over the assets of failed banks. But under the cover of affording relief to banks that are in liquidation, or to banks helping banks that are being reorganized, you are increasing the amount of loans that a bank may make to one individual, firm, or corporation. No bank should be allowed to loan to one person in excess of 10 percent of the capital and surplus. I want to say to you that a violation of the 10-percent limitation and a manipulation of loans to favor a few customers are responsible for many of the bank failures and for the deplorable condition of the banks in the United States. I think the bill ought not to be enacted. It is bad legislation. The 10-percent limitation should be kept in the law.

Mr. WATSON. Will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. WATSON. The gentleman made the statement that it would be necessary to increase from 10 to 20 percent the borrowing power when a citizen applied to make a loan.

Mr. STEAGALL. I did not intend to so state.

Mr. WATSON. Within a very few years national banks have joined together for that purpose. They have increased their capital stock and surplus in order to make increased loans. In Philadelphia we had not enough money to meet the demand, and borrowers had to go to New York. Therefore, two banks joined so that they might have a greater capital and surplus in order to make these loans. I think it is a great error to pass this bill.

Mr. McFADDEN. Will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. McFADDEN. I think there is some confusion in the minds of Members on the floor as to the purpose of the bill. As I interpret it, it gives the banks the right to borrow from the Reconstruction Finance Corporation to facilitate reorganization and gives to the receivers and conservators the right to borrow. This does not affect the borrower from a bank in any sense, but it enlarges the right of the bank to borrow from the Reconstruction Finance Corporation to facilitate the reorganization and consolidation of other banks. Am I right or wrong?

Mr. STEAGALL. It amends section 5200.

Mr. McFADDEN. That limits to 10 percent the amount that it may borrow. This amends it and gives the bank, with the consent of the Comptroller, the right to borrow in order to consolidate with other banks.

Mr. STEAGALL. That is a different way of stating the same thing—that is what we are trying to do. It applies both to borrowing banks and loaning banks.

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

Mr. HOEPPEL. Under the statement of the chairman, I object.

Mr. STEAGALL. Mr. Speaker, I move to suspend the rules and pass the bill (S. 1415) to amend sections 5200 and 5202 of the Revised Statutes, as amended, to remove the limitations on national banks in certain cases.

The Clerk read the bill, as follows:

S. 1415 (Rept. No. 122)

An act to amend sections 5200 and 5202 of the Revised Statutes, as amended, to remove the limitations on national banks in certain cases

Be it enacted, etc., That section 5200 of the Revised Statutes, as amended, is amended by adding at the end thereof the following new paragraph:

"(9) Obligations representing loans to any national banking association or to any banking institution organized under the laws of any State, or to any receiver, conservator, or superintendent of banks, or to any other agent, in charge of the business and property of any such association or banking institution, when such loans are approved by the Comptroller of the Currency, shall not be subject under this section to any limitation based upon such capital and surplus."

SEC. 2. Section 5202 of the Revised Statutes, as amended, is amended by adding at the end thereof the following new paragraph:

"Ninth. Liabilities incurred on account of loans made with the express approval of the Comptroller of the Currency under paragraph (9) of section 5200 of the Revised Statutes, as amended."

The SPEAKER. Is a second demanded?

Mr. COCHRAN of Missouri. Mr. Speaker, I demand a second.

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Alabama is entitled to 20 minutes and the gentleman from Missouri to 20 minutes.

Mr. STEAGALL. Mr. Speaker, I have spoken in brief of the purpose of this legislation. For the moment I do not care to say any more. I reserve the remainder of my time.

Mr. COCHRAN of Missouri. Mr. Speaker, I yield 10 minutes to the gentleman from Massachusetts [Mr. LUCE].

Mr. LUCE. Mr. Speaker, I do not want one tenth of 10 minutes. The whole story can be told in half a dozen sentences. This is a measure to make it possible for the Comptroller of the Currency, when in his judgment he thinks it wise, to permit a relaxation of the law about loans in order to help out closed banks. That is the sole purpose of the bill. It is the desire of the Comptroller of the Currency, and opens the door to no serious danger. The matter does not demand long discussion. With that explanation I hope that my friend the gentleman from Missouri [Mr. COCHRAN] will understand the situation.

Mr. COCHRAN of Missouri. Mr. Speaker, I demanded a second in order to get some information. What benefit will this be to a bank in course of reorganization?

Mr. LUCE. It will permit it to get more money from the Reconstruction Finance Corporation.

Mr. COCHRAN of Missouri. That is exactly what I want the RECORD to show. That is the sole reason I demanded a second.

Let me cite section 304, title III, of the act of March 9, 1933:

SEC. 304. If in the opinion of the Secretary of the Treasury any national banking association or any State bank or trust company is in need of funds for capital purposes either in connection with the organization or reorganization of such association, State bank or trust company or otherwise, he may, with the approval of the President, request the Reconstruction Finance Corporation to subscribe for preferred stock in such association, State bank or trust company, or to make loans secured by such stock as collateral, and the Reconstruction Finance Corporation may comply with such request. The Reconstruction Finance Corporation may, with the approval of the Secretary of the Treasury, and under such rules and regulations as he may prescribe, sell in the open market or otherwise the whole or any part of the preferred stock of any national banking association, State bank or trust company acquired by the Corporation pursuant to this section. The amount of notes, bonds, debentures, and other such obligations which the Reconstruction Finance Corporation is authorized and empowered to issue and to have outstanding at any one time under existing law is hereby increased by an amount sufficient to carry out the provisions of this section.

This section was enacted, I am sure, for one purpose, and that is to assist banks in course of reorganization. It is not so easy to get the Reconstruction Finance Corporation to purchase preferred stock under this section. I have interviewed members of the Committee on Banking and Currency and they tell me that it was their understanding that the enactment of this section was demanded to meet the emergency and to help closed banking institutions to reorganize. They further tell me that such was the intent of the Congress in agreeing to the section. We all know that this section was including in the law passed to provide relief in the national emergency in banking that confronted President Roosevelt when he took office. I have heard of several cases where the Reconstruction Finance Corporation has not acted in accord with the intent of Congress, if I understand the intent of Congress correctly.

The Reconstruction Finance Corporation has been liberal in dealing with corporations. I do not blame them as the law was passed for that purpose. It should be remembered, however, that in dealing with banks the corporation is not only dealing with the officials but when it grants relief it is extending relief to thousands of depositors. Frankly, it seems to me that preferred stock in a solvent banking institution is equal to any collateral that the Corporation has received for loans. A liberal interpretation of this section will help many banks now closed. I would not ask that any assistance be rendered a bank until the new set-up had been passed upon by the Comptroller or his representatives, but when the national-bank examiners are willing to place their O.K. on the new set-up, that surely should justify the Corporation to extend aid. Nothing is delaying a return to normal more than the failure of hundreds of banks to resume operations. Many banks will be able to resume business, in my opinion, if as I stated before a liberal interpretation will be placed upon section 304 of the act of March 9.

In conclusion, I want to repeat I am pleased to receive the assurance of the chairman of the committee, the gentleman from Alabama [Mr. STEAGALL], and the ranking member of the committee, the gentleman from Massachusetts [Mr. LUCE], that this legislation is designed to help the situation that I refer to.

If the Reconstruction Finance Corporation will accept the verdict of the Comptroller of the Currency, I think the corporation will be able to come to the rescue of many banks anxious to open, and in so doing will be coming to the rescue of hundreds of thousands of our citizens, business men, whose funds are still tied up in these banks. A bank that is insolvent has no business resuming business, but a bank that presents a new set-up approved by the national-bank examiners should receive assistance. [Applause.]

That is all I have to say, Mr. Speaker. I propose to support the bill in view of the assurance I have received that the legislation will be beneficial to such banking institutions as I have referred to. I yield back the balance of my time and suggest to the chairman of the committee that he move the previous question. [Applause.]

Mr. STEAGALL. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. As I understand this bill, it will remove in some instances the limitations on bankers with respect to loans they can make to large corporations.

Just now I secured a Washington paper showing that the report of the Federal Trade Commission, as ordered by this House, on the so-called "chain stores" has been made. The paper gives the chain stores a boost by showing that they are selling at a lower figure than independent stores. The advantages that those chain stores have over independents naturally make it possible for them to sell a little cheaper, but the paper does not say to what extent the chain stores are responsible for lowering the prices of all commodities, whether they are manufactured or agricultural commodities.

I have maintained for years that the tremendous purchasing power of the chain stores makes it possible for them to control and dictate prices of commodities which they are purchasing, and consequently they can at times undersell the small man, whom they are gradually putting out of business and ruining in every section of the country. I do not think we should make possible still greater credits to those large institutions at the expense of the small dealers, the small manufacturers, and the general public of America. I think the large institutions have received in years gone by altogether too much from our Government. Instead of granting them additional aid the Government ought to curtail their activities. As it is, chain stores are financed and controlled, as is practically everything else, by the Wall Street manipulators who brought about the destruction of our Nation. [Applause.] I, for one, feel that we should not extend further and greater credit to those destructive forces than that which we have already granted them heretofore.

I am just bringing this to the attention of the House because from this time on people will try to show that the chain stores are underselling the independents. This may apply to a few leading commodities but not to all. Personally I do not believe that they undersell the independents, because the things they sell are inferior to those handled by the independents. I think it would be well for the women of this country, the consumers, to patronize their neighborhood stores, and thereby aid and give protection to their own sections of the country.

The SPEAKER. The time of the gentleman from Illinois [Mr. SABATH] has expired.

Mr. PIERCE. Will the gentleman yield?

Mr. SABATH. My time has expired.

The SPEAKER. The question is on the motion of the gentleman from Alabama [Mr. STEAGALL].

Mr. PIERCE. Mr. Speaker, I think we are entitled to know just what this bill does provide. We had one statement by the gentleman from Pennsylvania——

The regular order was demanded.

Mr. STEAGALL. I will say to the gentleman that this bill is designed, and all that can be accomplished by its provisions, is to aid in the reorganization of banks and communities that are left without banking facilities and help the depositors to realize on assets that are now tied up in closed banks. That is all there is to this bill.

Mr. PIERCE. Does it raise the loaning limit?

Mr. STEAGALL. Yes; it removes the limit as to loans that may be made and applies to both a borrowing and a loaning bank.

Mr. Speaker, I ask for a vote on the bill.

The SPEAKER. The question is on the motion of the gentleman from Alabama to suspend the rules and pass the bill.

The question was taken; and two thirds having voted in favor thereof, the rules were suspended and the bill was passed.

Mr. HOEPPEL. Mr. Speaker, I make a point of no quorum.

The SPEAKER. The Chair will count.

Mr. HOEPPEL. Mr. Speaker, I withdraw the point of order.

PAYMENT OF CLAIMS TO INDIAN PUEBLOS

Mr. HOWARD. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H.R. 4014) to authorize appropriations to pay in part the liability of the United States to the Indian pueblos herein named, under the terms of the act of June 7, 1924, and the liability of the United States to non-Indian claimants on Indian pueblo grants whose claims, extinguished under the act of June 7, 1924, have been found by the Pueblo Lands Board to have been claims in good faith; to authorize the expenditure by the Secretary of the Interior of the sums herein authorized and of sums heretofore appropriated, in conformity with the act of June 7, 1924, for the purchase of needed lands and water rights and the creation of other permanent economic improvements as contemplated by said act; to provide for the protection of the watershed within the Carson National Forest for the Pueblo de Taos Indians of New Mexico and others interested, and to authorize the Secretary of Agriculture to contract relating thereto, and to amend the act approved June 7, 1924, in certain respects.

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

Mr. JENKINS. Reserving the right to object, I think I shall object, Mr. Speaker, because this is a very important bill. This bill calls for the expenditure of a million dollars and I should much prefer to have the distinguished gentleman from Nebraska [Mr. HOWARD] bring this bill up under suspension so that we may have time to discuss it. I do not know that there is very much opposition on this side, but I know there is considerable opposition to taking up a bill of this magnitude under unanimous consent, and if I am pressed I shall object.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska [Mr. HOWARD]?

Mr. JENKINS. I object.

Mr. HOWARD. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4014) to authorize appropriations to pay in part the liability of the United States to the Indian pueblos herein named, under the terms of the act of June 7, 1924, and the liability of the United States to non-Indian claimants on Indian pueblo grants whose claims, extinguished under the act of June 7, 1924, have been found by the Pueblo Lands Board to have been claims in good faith; to authorize the expenditure by the Secretary of the Interior of the sums herein authorized and of sums heretofore appropriated, in conformity with the act of June 7, 1924, for the purchase of needed lands and water rights and the creation of other permanent economic improvements as contemplated by said act; to provide for the protection of the watershed within the Carson National Forest for the Pueblo de Taos Indians of New Mexico and others interested, and to authorize the Secretary of Agriculture to contract relating thereto and to amend the act approved June 7, 1924, in certain respects.

The Clerk read the bill, as follows:

Be it enacted, etc., That in fulfillment of the act of June 7, 1924 (43 Stat. 636), there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sums hereinafter set forth, in compensation to the several Indian pueblos hereinafter named, in payment of the liability of the United States to the said pueblos as declared by the act of June 7, 1924, which appropriations shall be made in equal annual installments as hereinafter specified, and shall be deposited in the Treasury of the United States and shall be expended by the Secretary of the Interior, subject to approval of the governing authorities of each pueblo in question, at such times and in such amounts as he may deem wise and proper; for the purchase of lands and water rights to replace those which have been divested from said pueblo under the act of June 7, 1924, or for the purchase or construction of reservoirs, irrigation works, or other permanent improvements upon or for the benefit of the lands of said pueblos.

SEC. 2. In addition to the awards made by the Pueblo Lands Board, the following sums, to be used as directed in section 1 of this act, and in conformity with the act of June 7, 1924, be, and hereby are, authorized to be appropriated:

Pueblo of Jemez, $1,885; pueblo of Nambe, $47,439.50; pueblo of Taos, $84,707.09; pueblo of Santa Ana, $2,908.38; pueblo of Santo Domingo, $4,256.56; pueblo of Sandia, $12,980.62; pueblo of San Felipe, $14,954.53; pueblo of Isleta, $47,751.31; pueblo of Picuris, $66,574.40; pueblo of San Ildefonso, $37,058.28; pueblo of San Juan, $153,863.04; pueblo of Santa Clara, $181,114.19; pueblo of Cochiti, $37,826.37; pueblo of Pojoaque, $68,562.61; in all, $761,954.88: *Provided, however*, That the Secretary of the Interior shall report back to Congress any errors or omissions in the foregoing authorizations measured by the present fair market value of the lands involved, as heretofore determined by the appraisals of said tracts by the appraisers appointed by the Pueblo Lands Board, with evidence supporting his report and recommendations.

SEC. 3. Pursuant to the aforesaid act of June 7, 1924, there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, a sum to compensate white settlers or non-Indian claimants who have been found by the Pueblo Lands Board, created under said act of June 7, 1924, to have occupied and claimed land in good faith but whose claim has not been sustained and whose occupation has been terminated under said act of June 7, 1924, for the fair market value of lands, improvements appurtenant thereto, and water rights. The non-Indian claimants, or their successors, as found and reported by said Pueblo Lands Board, to be compensated out of said appropriations to be disbursed under the direction of the Secretary of the Interior in the amounts due them as appraised by the appraisers appointed by said Pueblo Lands Board, as follows:

Within the pueblo of Tesuque, $1,094.64; within the pueblo of Nambe, $19,393.59; within the pueblo of Taos, $14,064.57; within the Tenorio Tract, Taos Pueblo, $43,165.26; within the pueblo of Santa Ana (El Ranchito grant), $846.26; within the pueblo of Santo Domingo, $66; within the pueblo of Sandia, $5,354.46; within the pueblo of San Felipe, $16,424.68; within the pueblo of Isleta, $6,624.45; within the pueblo of Picuris, $11,464.73; within the pueblo of San Ildefonso, $16,209.13; within the pueblo of San Juan, $19,938.22; within the pueblo of Santa Clara, $35,350.88; within the pueblo of Cochiti, $9,653.81; within the pueblo of Pojoaque, $1,767.26; within the pueblo of Laguna, $30,668.87; in all, $232,086.80: *Provided, however*, That the Secretary of the Interior shall report back to Congress any errors in the amount of award measured by the present fair market value of the lands involved and any errors in the omissions of legitimate claimants for award, with evidence supporting his report and recommendations.

SEC. 4. That for the purpose of safeguarding the interests and welfare of the tribe of Indians known as the Pueblo de Taos of New Mexico in the certain lands hereinafter described, upon which lands said Indians depend for water supply, forage for their domestic livestock, wood and timber for their personal use and as the scene of certain of their religious ceremonials, the Secretary of Agriculture may and he hereby is authorized and directed to designate and segregate said lands, which shall not thereafter be subject to entry under the land laws of the United States, and to thereafter grant to said Pueblo de Taos, upon application of the governor and council thereof, a permit to occupy said lands and use the resources thereof for the personal use and benefit of said tribe of Indians for a period of 50 years, with provision for subsequent renewals if the use and occupancy by said tribe of Indians shall continue, the provisions of the permit are met, and the continued protection of the watershed is required by public interest. Such permit shall specifically provide for and safeguard all rights and equities hitherto established and enjoyed by said tribe of Indians under any contracts or agreements hitherto existing, shall authorize the free use of wood, forage, and lands for the personal or tribal needs of said Indians, shall define the conditions under which natural resources under the control of the Department of Agriculture not needed by said Indians shall be made available for commercial use by the Indians or others, and shall establish necessary and proper safeguards for the efficient supervision and operation of the area for national-forest purposes and all other purposes herein stated, the area referred to being described as follows:

Beginning at the northeast corner of the Pueblo de Taos grant, thence northeasterly along the divide between Rio Pueblo de Taos and Rio Lucero and along the divide between Rio Pueblo de Taos and Red River to a point a half mile east of Rio Pueblo de Taos; thence southwesterly on a line half a mile east of Rio Pueblo de Taos and parallel thereto to the northwest corner of township 25 north, range 15 east; thence south on the west boundary of township 25 north, range 15 east, to the divide between Rio Pueblo de Taos and Rio Fernandez de Taos; thence westerly along the divide to the east boundary of the Pueblo de Taos grant; thence north to the point of beginning, containing approximately 30,000 acres, more or less.

SEC. 5. Except as otherwise provided herein, the Secretary of the Interior shall disburse and expend the amounts of money herein authorized to be appropriated, in accordance with and under the terms and conditions of the act approved June 7, 1924: *Provided, however*, That the Secretary be authorized to cause necessary surveys and investigations to be made promptly to ascertain the lands and water rights that can be purchased out of the foregoing appropriations and earlier appropriations made for the same purpose, with full authority to disburse said funds in the purchase of said lands and water rights without being limited to the appraised values thereof as fixed by the appraisers appointed by the Pueblo Lands Board appointed under said act of June 7, 1924, and all prior acts limiting the Secretary of the Interior in the disbursement of said funds to the appraised value of said lands as fixed by said appraisers of said Pueblo Lands Board be, and the same are, expressly repealed: *Provided further*, That the Secretary of the Interior be, and he is hereby, authorized to disburse a portion of said funds for the purpose of securing options upon said lands and water rights and necessary abstracts of title thereof for the necessary period required to investigate titles and which may be required before disbursement can be authorized: *Provided further*, That the Secretary of the Interior be, and he is hereby, authorized, out of the appropriations of the foregoing amounts and out of the funds heretofore appropriated for the same purpose, to purchase any available lands within the several pueblos which in his discretion it is desirable to purchase, without waiting for the issuance of final patents directed to be issued under the provisions of the act of June 7, 1924, where the right of said pueblos to bring independent suits, under the provisions of the act of June 7, 1924, has expired: *Provided further*, That the Secretary of the Interior shall not make any expenditures out of the pueblo funds resulting from the appropriations set forth herein, or prior appropriations for the same purpose, without first obtaining the approval of the governing authorities of the pueblo affected: *And provided further*, That the governing authorities of any pueblo may initiate matters pertaining to the purchase of lands in behalf of their respective pueblos, which matters, or contracts relative thereto, will not be binding or concluded until approved by the Secretary of the Interior.

SEC. 6. Nothing in this act shall be construed to prevent any pueblo from prosecuting independent suits as authorized under section 4 of the act of June 7, 1924. The Secretary of the Interior is authorized to enter into contract with the several Pueblo Indian tribes, affected by the terms of this act, in consideration

of the authorization of appropriations contained in section 2 hereof, providing for the dismissal of pending and the abandonment of contemplated original proceedings, in law or equity, by, or in behalf of said Pueblo Indian tribes, under the provisions of section 4 of the act of June 7, 1924 (43 Stat. L. 636), and the pueblo concerned may elect to accept the appropriations herein authorized, in the sums herein set forth, in full discharge of all claims to compensation under the terms of said act, notifying the Secretary of the Interior in writing of its election so to do: *Provided*, That if said election by said pueblo be not made, said pueblo shall have 1 year from the date of the approval of this act within which to file any independent suit authorized under section 4 of the act of June 7, 1924, at the expiration of which period the right to file such suit shall expire by limitation: *And provided further*, That no ejectment suits shall be filed against non-Indians entitled to compensation under this act, in less than 6 months after the sums herein authorized are appropriated.

SEC. 7. Section 16 of the act approved June 7, 1924, is hereby amended to read as follows:

"SEC. 16. That if the Secretary of the Interior deems it to be for the best interest of the Indians that any land adjudged by the court or said Lands Board against any claimant be sold, he may, with the consent of the governing authorities of the pueblo, order the sale thereof, under such regulations as he may make, to the highest bidder for cash; and if the buyer thereof be other than the losing claimant, the purchase price shall be used in paying to such losing claimant the adjudicated value of the improvements aforesaid, if found under the provisions of section 15 hereof, and the balance thereof, if any, shall be paid over to the proper officer or officers, of the Indian community, but if the buyer be the losing claimant, and the value of his improvements has been adjudicated as aforesaid, such buyer shall be entitled to have credit upon his bid for the value of such improvements so adjudicated."

SEC. 8. The attorney or attorneys for such Indian tribe or tribes shall be paid such fee as may be agreed upon by such attorney or attorneys and such Indian tribe or tribes, but in no case shall the fee be more than 10 percent of the sum herein authorized to be appropriated for the benefit of such tribe or tribes, and such attorney's fees shall be disbursed by the Secretary of the Interior in accordance herewith out of any funds appropriated for said Indian tribe or tribes under the provisions of the act of June 7, 1924 (43 Stat.L. 636), or this act: *Provided, however*, That 25 percent of the amount agreed upon as attorneys' fees shall be retained by the Secretary of the Interior to be disbursed by him under the terms of the contract, subject to approval of the Secretary of the Interior, between said attorneys and said Indian tribes, providing for further services and expenses of said attorneys in furtherance of the objects set forth in section 19 of the act of June 7, 1924.

SEC. 9. Nothing herein contained shall in any manner be construed to deprive any of the Pueblo Indians of a prior right to the use of water from streams running through or bordering on their respective pueblos for domestic, stock-water, and irrigation purposes for the lands remaining in Indian ownership, and such water rights shall not be subject to loss by nonuse or abandonment thereof as long as title to said lands shall remain in the Indians.

SEC. 10. The sums authorized to be appropriated under the terms and provisions of section 2 of this act shall be appropriated in three annual installments, beginning with the fiscal year 1937.

ORDER OF BUSINESS

Mr. BYRNS. Mr. Speaker, I ask unanimous consent that it may be in order on tomorrow to call the Consent Calendar.

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

Mr. MARTIN of Massachusetts. Reserving the right to object, is there any other business scheduled for tomorrow?

Mr. BYRNS. I am hoping it may be possible, if this consent is granted, to also get up the Muscle Shoals conference report, but I am not altogether certain.

Mr. MARTIN of Massachusetts. There is no other business aside from that?

Mr. BYRNS. None that I know of now, unless some conference report is brought in.

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

Mr. BRITTEN. Mr. Speaker, reserving the right to object, can the gentleman tell the House for its benefit just what the next order of business is likely to be as reported from the fraternity brothers at the other end of Pennsylvania Avenue?

Mr. BYRNS. I suppose the gentleman is serious.

Mr. BRITTEN. Yes, I am serious. I am wondering whether it will be the public-works program. I know the fraternity is very busy.

Mr. BYRNS. I do not know to whom the gentleman refers when he speaks of a fraternity.

Mr. BRITTEN. I mean the collegians who have been preparing all this legislation for us.

Mr. BYRNS. Of course the gentleman is facetious.

Mr. BRITTEN. No, I am not.

Mr. BLANTON. Is not our President the gentleman's President also? It is the President of the United States who has been sending us his emergency bills. And I know that our distinguished, able colleague from Illinois is always patriotic.

Mr. BRITTEN. I have said nothing about the President. I merely wanted to know from the distinguished leader for whom I have the very highest regard, if he knows what the next order of business is likely to be that is to come from the fraternity brothers at the other end of Pennsylvania Avenue?

Mr. BYRNS. I do not know what the gentleman means by the fraternity brothers, but I may say the President will probably send down a message on the public works bill tomorrow or next day.

Mr. BRITTEN. The gentleman means the President will if he gets it from the fraternity.

Mr. BYRNS. The President of the United States makes up his own mind with reference to the legislation he recommends, and the people of the country have confidence in that ability.

Mr. BLANTON. And when his stenographers get through writing up what he dictates the President will send it down to us.

Mr. BRITTEN. Oh, well, of course, the gentleman from Texas does not realize that all this legislation is prepared by the fraternity brothers in advance and is then sent to the President to check over.

Mr. BLANTON. Oh, no. The gentleman is wrong. The entire program that comes to us comes from the President and nobody else. This is one administration whose President has his own ideas, his own program, his own policies, and he knows how to put them into effect by having us pass his bills he prepares and sends us.

Mr. ALLGOOD. Did not the gentleman from Illinois graduate from some institution himself?

Mr. BRITTEN. I am only sorry to say I did not.

Mr. ALLGOOD. At least he graduated from a high school?

Mr. BRITTEN. No; I am sorry to say I did not even do that.

Mr. BLANTON. Our distinguished friend from Illinois [Mr. BRITTEN] is a graduate of one of the greatest schools in the world—the school of experience. He is one of the most effective debaters in this House. All of us have enjoyed his brilliant thrusts and his inimitable repartee. But withal, he is a partisan Republican, and naturally he does not relish the great fraternity brothers of democracy who are now running this Government.

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

There was no objection.

PAYMENT OF CLAIMS TO INDIAN PUEBLOS

Mr. JENKINS. Mr. Speaker, I demand a second.

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that a second may be considered as ordered.

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

There was no objection.

Mr. HOWARD. Mr. Speaker, this bill which I have called up is the final adjustment of a controversial subject which has pended in Congress long years.

The pending measure has been agreed upon by every contending interest; that is, interests heretofore contending. It is agreed upon by the representatives of the Indians themselves, by the Interior Department, and by every interest of which I know.

It simply is a proposition to carry out the plain provisions of an act of this Congress passed 7 years ago.

Mr. Speaker, I now ask my colleague the gentleman from New Mexico [Mr. CHAVEZ], who has had more to do with this legislation than anybody else, and who, when it shall

have been passed, will be entitled to more credit than any other, may be pleased to explain the details of the bill to any inquiring Member. [Applause.]

Mr. Speaker, I yield to the gentleman from New Mexico [Mr. CHAVEZ] such time as he may desire.

Mr. CHAVEZ. Mr. Speaker——

Mr. BLANCHARD. Mr. Speaker, will the gentleman yield for a question before he starts his remarks?

Mr. CHAVEZ. I yield.

Mr. BLANCHARD. Has the Secretary of the Interior approved this measure?

Mr. CHAVEZ. The Secretary of the Interior has approved it and asks that Congress take action.

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

Mr. CHAVEZ. I yield.

Mr. CULKIN. Can the gentleman tell the House how much irrigation and reclamation is involved in this?

Mr. CHAVEZ. About 98,000 acres of Indian lands altogether.

Mr. CULKIN. What is the status of that work now? How far has it progressed?

Mr. CHAVEZ. It has been progressing for the last 300 years. It has been irrigated and in use for the last 300 years.

Now, Mr. Speaker, I am glad the gentleman from Ohio requested that the bill be considered under suspension of the rules rather than under the unanimous-consent request. The purpose of the gentleman from Nebraska in asking unanimous consent to consider the bill was in the interest of saving time, but I am glad it is being considered this way, because I feel sure I can explain to the entire satisfaction of the gentleman from Ohio that it is a meritorious measure and that we should take some action here this afternoon.

The purpose of the measure is to end once and forever a controversy which has existed between 15 Pueblo Indian tribes and some 5,545 white claimants who, together with their families, make around 20,000 white people affected.

The title to the Indian lands was derived from the Crown of Spain, Charles V, granting to the Pueblo Indians in New Mexico a grant of land in 1551. During the time Spain had possession of that section of what is now the United States the Indians had absolute title to this land.

In 1848, under the treaty between the United States and Mexico, the United States recognized the title of the Indians in the particular lands we are talking about.

In 1859 the Congress of the United States confirmed that title.

In 1864 President Lincoln called the tribal heads of the 17 pueblos from New Mexico to Washington and delivered to those tribal heads patents to the original grant of land from the King of Spain, together with a silver-headed cane that has been used up to this time and is now being used as the insignia of office by each successive governor of the Pueblo Indians in New Mexico.

After 1848, due to the fact that the definite boundary lines of the different grants were not definitely known, many white men commenced to encroach, in good faith, on the lands of the Indian pueblos, and on many occasions the land that he is now claiming was purchased at a valuable price. This continued. The Government of the United States did not protect the Indians from the encroachments, whether they were in good faith or otherwise, and this continued until 1913, when a case came to the United States Supreme Court, known as the *Sandoval case*, reported in 231 United States, page 27, by which the Supreme Court of the United States decided that the Pueblo Indians of New Mexico were wards of the Government and could not dispose of their property without the consent of the Government. Of course this threw all the settlers who had been in adverse possession, actually living on the land within the pueblo land grants, in a turmoil. They found out, after being in possession for 60 or 75 years and after paying taxes for this number of years that they did not have any title to their land. They appealed to the Congress. The Congress of the United States, after 3 or 4 years of study, in 1924 passed what is known as the Pueblo lands bill—Forty-third Statutes at Large, page 636. It was approved on March 7, 1924.

The pueblo lands bill created what is known as the "Pueblo Lands Board", composed of 3 men, 1 to represent the President of the United States, 1 to represent the Department of Justice, and another to represent the Department of the Interior.

The bill authorized the Pueblo Lands Board to go into New Mexico and examine each and every claim where there was any controversy. It was also authorized to report its findings back to Congress and to make awards either to the whites or to the Indians, as the case may be, based upon the fair market value of the property.

Where the Indian lost the land to a white man, who had title under the provisions of the act of 1924, it was intended by Congress, and so stated in the act of 1924, that the Indian should be compensated for what he had lost. On the other hand, where the white man, in good faith, had been in adverse possession and had paid taxes, but did not have the legal title, the act of Congress said they had to compensate him for his improvements.

In some cases men who had been there for 100 years or 50 or 60 years, and on down the line, were involved.

The Pueblo Lands Board went into New Mexico and commenced its work in 1924 and finished on July 1, 1932. The Board was there for 7 years and examined 5,545 claims. In some instances the decision went to the Indians and in some instances to the whites. The Board spent several hundred thousand dollars under authority of Congress and has reported back to the Congress, in effect, this is our work and this is what should be done.

All this bill does is this. It provides for payment to the whites of some $232,000 that the Pueblo Lands Board decided was the amount of improvements on the lands assigned to the Indians.

Mr. JENKINS. Will the gentleman yield?

Mr. CHAVEZ. I yield.

Mr. JENKINS. The gentleman has made a statement to the effect that Abraham Lincoln gave these Indians their title or their charter rights.

Mr. CHAVEZ. Delivered a United States patent.

Mr. JENKINS. If that is true, by what process, if these Indians had this charter and if they were wards of the Government, could anyone go in there and claim any right or have any right or get any right that any court would have to recognize, such right now having grown to the proportions of $232,000.

Mr. CHAVEZ. For this reason: The Congress of the United States realized that there were some moral and equitable rights involved on the part of people who in good faith had adverse possession against the Indians, or thought they had bought from the Indians property that the Indian could not sell; who had paid taxes on the land; who had built their homes on the land; and had helped create communities within the land.

Mr. JENKINS. To whom would they pay taxes if it were Indian lands?

Mr. CHAVEZ. They thought it was their land. They did not know it was Indian land until after the decision of the Supreme Court in 1913 in the *Sandoval case*.

Mr. GILCHRIST. Will the gentleman yield?

Mr. CHAVEZ. Yes.

Mr. GILCHRIST. At that time the lines had not been established.

Mr. CHAVEZ. The lines were not defined until 1917.

Mr. GILCHRIST. So the white settler could go there thinking he had the right to go on the land.

Mr. CHAVEZ. And he paid taxes and made improvements for a long period of years.

Mr. TABER. Will the gentleman yield?

Mr. CHAVEZ. Yes.

Mr. TABER. The situation is somewhat like this, is it not? Everywhere, throughout the United States, folks have bought property or they think they have bought property where they thought they were getting title, but did not get it, and this is just like such cases. These folks went on the

land there and thought they were buying a title, but did not take the proper steps to protect themselves, so the Government is making it good. Therefore we should go ahead and do this everywhere in the United States where anybody has bought property thinking he was getting title to it and did not.

Mr. CHAVEZ. No; I think the gentleman is mistaken. There is a difference between the proposition he has in mind and the actual conditions that exist in New Mexico.

Mr. JENKINS. Does the gentleman know whether or not any consideration was given to the fact that these whites have occupied this land and have had the use of it all these years?

Mr. CHAVEZ. Yes, certainly; and all they are getting is the value of the improvements based upon an appraisement made under oath.

Mr. JENKINS. The gentleman from Nebraska [Mr. HOWARD] made a statement that everybody involved in this matter was satisfied. Is it not a fact that if there is any satisfaction urged here it is the satisfaction that Uncle Sam is going to pay $1,000,000 to satisfy the Indians who have neglected their rights and to a group of citizens who had no rights?

Mr. CHAVEZ. This bill was passed by Congress in 1924. If Congress had not thought then that it was a meritorious proposition and should be straightened out they would not have passed that act.

Mr. PEAVEY. Will the gentleman yield.

Mr. CHAVEZ. I yield.

Mr. PEAVEY. Is it not a fact that this whole question comes before Congress upon moral and equitable grounds imposed on the United States because the Indians were under the guardianship of the United States?

Mr. CHAVEZ. Yes; both moral and equitable grounds.

Mr. JENKINS. Is not it a fact that we have had numerous Indian cases here ever since the Government took the Indians as wards? Is not this a case gotten up at the instigation of a lot of lawyers who expect to get large compensation out of it?

Mr. CHAVEZ. I assure the gentleman that that is not the fact. This is the fact, that 5,545 white claimants in New Mexico honestly believed that they were the owners of property and are being dispossessed. There are numerous suits pending before the United States courts seeking to evict these people who have been there from sixty to a hundred years.

Mr. ALLGOOD. Will the gentleman yield?

Mr. CHAVEZ. I yield.

Mr. ALLGOOD. Is there anything in the report to show that they are simply squatters on the land? I have not had time to read the report.

Mr. CHAVEZ. I can state this to the gentleman and to the House. Everyone knows that the Secretary of the Interior is a friend of the Indians. Everyone knows that the new Commissioner of Indian Affairs is a friend of the Indians. Everyone knows that the Solicitor for the Department is a friend of the Indians.

Now, the Secretary of the Interior has this to say in reference to the emergency down there. I want to read it because it covers the whole subject. Speaking of the emergency, he says:

> A number of suits in ejectment are now pending in the United States District Court of New Mexico, and others may be brought, on behalf of the Pueblo Indians, involving several thousand defendants who will be subjected to large expense through years of litigation unless an early adjustment can be had through this or similar legislation. In addition, in the absence of this legislation the Government will be compelled to bring suits in ejectment against several hundred non-Indians in possession of a portion of the lands involved. This bill will end the entire controversy and provide the needed lands for these Indians, and for these reasons and others is properly emergency legislation.
>
> The bill, if enacted, will effectuate the terms of the act of June 7, 1924, and will discharge an obligation to Indians and whites which was assumed by the Congress 8 years ago. It will bring to an end the most vexed and ancient of land controversies affecting Indian lands under the jurisdiction of the United States. It will conserve the effect of the work done from 1925 to 1932, at a cost of several hundred thousand dollars, by the Pueblo Lands Board and the Department of the Interior and the Department of Justice. It will procure and thereafter will insure the basis for economic self-support of the several Pueblo tribes. Failure to enact the bill at the present session of Congress would have results vexing and possibly disastrous to several thousands of Indians and to a greater number of their white neighbors. I recommend the prompt and favorable consideration of the bill.
>
> The Director of the Bureau of the Budget has advised that the legislation proposed by the bill would not be in conflict with the financial program of the President.
>
> Sincerely yours,
>
> HAROLD L. ICKES,
> *Secretary of the Interior.*

Mr. CULKIN. Will the gentleman yield?

Mr. CHAVEZ. I yield.

Mr. CULKIN. Is it not a fact that adverse possession does not run against the United States or the Government's wards?

Mr. CHAVEZ. That is true.

Mr. CULKIN. Why do not the squatters reimburse the Indians?

Mr. CHAVEZ. Because they have been there so long without being dispossessed and have paid the taxes and made improvements and homes that they feel that they have a moral and equitable right to the land.

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

Mr. CHAVEZ. I want to yield first to my colleague from Wisconsin [Mr. PEAVEY].

Mr. PEAVEY. I would prefer that the gentleman first answer the question of the gentleman from Kansas.

Mr. CHAVEZ. Very well.

Mr. HOPE. The gentleman has indicated that part of the titles of the whites are derived from purchases from Indians.

Mr. CHAVEZ. And some by encroachment.

Mr. HOPE. And some from some other source. What is that other source? Has the United States Government ever patented any of these lands on these Indian reservations to the whites?

Mr. CHAVEZ. Yes; the United States Government has on more than one occasion issued patents on homesteads and mining claims to lands that the Board found belonged to the Indians who are being compensated under this bill.

Mr. HOPE. In that case then this Board has found that the lands really belong to the Indians and that the Government had no right to issue those patents. Is that the case?

Mr. CHAVEZ. Yes; but the Board is carrying out the intent of Congress, pure and simple. The Board is the one recommending these payments to the whites and to the Indians with the exception that the awards made by the Board to these Indians have been increased under the provisions of this bill.

Mr. HOPE. Are any of the whites who are being compensated under the terms of this bill men who went in there and got squatters' rights, or did they all have some valid basis for claim of title?

Mr. CHAVEZ. They had a claim of title under the provisions of the act of June 7, 1924.

Mr. HOPE. I mean an original claim of title.

Mr. CHAVEZ. I do not know the original claim, but the act of 1924 authorized the Board under certain conditions to decide in favor of the Indians, or if the white claimants had had possession for a certain number of years either with color of title or without color of title, to decide in favor of the whites. In other words, in the act of 1924 Congress said under certain conditions the land should go to the Indians, and under other conditions it must go to the whites. It is in order to settle that controversy, affecting 25,000 whites and practically that many Indians, that this legislation is desired. You can go to the city of Taos, N.Mex. It is a town of about 3,000 people, and there is not a single town lot or a business lot where the legal title is in the white man, though he and his predecessors may have occupied the land for many years.

Mr. HOPE. Will this bill settle all those claims, for all time?

Mr. CHAVEZ. This is the final settlement and will carry out the provisions of the 1924 act.

The SPEAKER pro tempore. The time of the gentleman from New Mexico has expired.

Mr. JENKINS. Mr. Speaker, this bill in various forms has been before Congress for several years, and every time it presents itself there, has been found to be vulnerable, and good reasons have been shown why it should not have passed. In the Seventy-second Congress it was recommitted. I do not blame the gentleman from New Mexico [Mr. CHAVEZ] for his advocacy of this proposition. It will take $1,000,000 into his State. I do not know the present value of all the property involved, but I very much doubt that it is worth $1,000,000.

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

Mr. JENKINS. Yes.

Mr. CHAVEZ. The gentleman speaks of a million dollars. The bill does not provide an appropriation of $1,000,000. It provides an authorization of $700,000 for the Indians, to be paid in three installments, commencing in 1937.

Mr. JENKINS. It provides for an eventual appropriation of $232,000 to the white people and $761,000 to the Indians, which makes approximately $1,000,000.

Mr. CHAVEZ. The $232,000 will probably be paid anyway, because it will likely be in the next Budget, whether we authorize it here or not.

Mr. JENKINS. I have no personal interest in this matter at all, but I have been here for years, and have watched these Indian bills come and go, and the result is that millions of dollars are dragged out of the Federal Treasury upon some pretext or another. The United States Government has been humane with the Indians as everybody knows. The Indian is the ward of the Government, and the Government never fails to respond charitably and with all compassion toward those people. They come before us and make us believe that this is an emergency measure, that something must be done this year. If you will follow that argument out, you will notice that nobody says that if it is not done somebody will perish. The fact that the payments are deferred for years proves that there is no emergency. The distinguished gentleman from New Mexico told us about the town of Taos. There is a town, a municipality, and the white people claim to own that property. They, no doubt, pay the taxes and exercise all right of ownership. Are we going to pay the white people for that property and give it to the Indians? Why do we not make them pay for it themselves? Or why not compel them to adjust their rights in court? Practically all of this property is now in the courts. The report shows that many lawsuits are pending in the United States courts now. The Government is not guilty of any negligence or contributory negligence. The Government did not do anything that could be construed as responsibility. The United States Government has fully equipped the Department of Justice.

Why not permit these people to go into court and there present their claims and counterclaims, and let the judge and jury say who shall pay and who shall not pay, and who is responsible and who is not responsible. If someone owns a lot that belongs to the Pueblo Tribe, let him pay for it. Why should we drag out $1,000,000 from the United States Treasury?

Mr. CHAVEZ. It is a proposition that can and has been decided by the courts, along with the efforts of the Pueblo Lands Board.

Mr. JENKINS. If it cannot be decided by the courts then that is a sign that somebody has no right in court. This proposition is a legal one or a moral one. If a man has a right in court, the doors of the court are open and he has a right to step into that court. If it is a moral one, then I must be convinced.

But this is a lawyers' contest with each other and they find that if the Indian is defeated they cannot get any money from him, but if they can involve and inveigle the United States Government into this controversy, then it will be settled satisfactorily to everybody concerned, providing Uncle Sam pays out a million dollars.

Mr. CHAVEZ. Will the gentleman yield?

Mr. JENKINS. In just a moment.

Now, if you want to spend a million dollars of the Government's money and wish to indicate your inclination so to do by your vote, that is your privilege; but I am opposed to an economy that takes from the soldiers and pays to others who have no legitimate claim. That is the reason I objected to the matter being taken up under unanimous consent. I have for years maintained that any bill which calls for the expenditure of a large sum of money should not be taken up under unanimous consent.

A bill of this magnitude should not be taken up under 40 minutes' debate. You can easily see this carries with it implications that would ramify in various directions, and we should have 2 or 3 hours' discussion of a proposition like this. We should have ample opportunity for discussion after due notice. The membership of the House had no advance notice that this bill would come up today.

I am a friend of the Indian, but here is the Indian on one side and Uncle Sam on the other. I also feel that Uncle Sam needs a friend once in awhile. Of course, I notice the Secretary of the Interior has recommended the passage of this bill and the Director of the Budget has recommended the passage of the bill, but the Director of the Budget comes from Arizona. That may have something to do with it. The Director is seeking to make a great reputation as a money saver and I agree with him generally, but where is he justified in cutting the soldiers and at the same time recommending the payment of this enormous sum? I would like to ask you Democrats over there if this is in line with our economy program, to vote out a million dollars just on 20 minutes' discussion, with nobody making objection to it except a few of us Republicans, and we are unprepared.

I am not a member of the committee and I have had no opportunity to know the facts, but I can appreciate what a million dollars is and I am sure that the United States Treasury feels the shock when a million dollars moves out of the United States Treasury.

There are United States judges and United States attorneys who have been and are being paid to adjudicate such controversies and they should do so thereby relieving the Treasury of this terrible drain.

Mr. CHAVEZ. Will the gentleman yield?

Mr. JENKINS. Yes; I yield.

Mr. CHAVEZ. I assure the gentleman from Ohio that the United States Court for the District of New Mexico has passed on each of these 5,545 cases.

Mr. JENKINS. And what has been the decision?

Mr. CHAVEZ. The decisions have been in support of the Board in some instances and against it in others. Every one of these cases went before the United States District Court. That is probably why the Board was there for 7 years.

Mr. JENKINS. But the United States District Court did not find that Uncle Sam owed these people the money. They found that those two people owed each other, but Uncle Sam did not owe those people anything.

Mr. CHAVEZ. Then the gentleman has not read the act of 1924.

Mr. CARTER of Wyoming. Will the gentleman yield?

Mr. JENKINS. I yield.

Mr. CARTER of Wyoming. Did I understand the gentleman to say that, because the Director of the Budget comes from the State of Arizona, that might induce him to pass favorably upon this bill?

Mr. JENKINS. Yes; I said it and I think it would, and I know that the gentleman agrees with me that it would, and I thank him for his interruption.

Mr. CARTER of Wyoming. I just wanted to know if the gentleman said that.

Mr. JENKINS. Mr. Speaker, I yield to the gentleman from Wisconsin [Mr. PEAVEY], a member of the committee, although he is in opposition to my view on this proposition. I want to be fair and I yield to the gentleman 5 minutes.

Mr. PEAVEY. Mr. Speaker, I want to say to the gentleman from Ohio [Mr. JENKINS] who I know would not do any injustice to the Indians, that I am perfectly satisfied

if the gentleman had had an opportunity to sit on the Indian Affairs Committee with me for the last several months while we have been considering this proposition, he would be the last one today to oppose this bill.

The gentleman said that no one is to be injured directly and no one is to suffer directly if this bill is not enacted into law. I take issue with that statement because witnesses appeared before our committee that proved the contrary to be true. Thousands of dependent Indians who always have been loyal to the United States, who always have been peaceable, who have supported the United States during every Indian controversy on the border before the Civil War and since, are going to be dispossessed, not only of their homes but of an opportunity to raise crops and make a living, if this bill does not pass, thereby making it possible to revest these Indians with lands that have been taken up by the whites. That is the prime purpose of this bill, to revest these Pueblos with the irrigated lands taken from them by whites while under the guardianship of the United States.

Mr. JENKINS. Will the gentleman yield?

Mr. PEAVEY. I yield.

Mr. JENKINS. If the white man has taken Indian lands, is there not any opportunity for that Indian to go into court and defend his rights?

Mr. PEAVEY. I will answer the gentleman in this way: I am not a lawyer, and therefore I cannot answer the gentleman in legal phraseology, but as a practical proposition, he cannot from this standpoint: The white man is there. He is in possession of the land. He is able to hire lawyers to represent him in the courts. Those lawyers are in the courts today representing the white man. The Indian is destitute. Cases of the very nature which the gentleman spoke of are now before the United States Supreme Court. The Indians have not a dollar with which to defend themselves. What is the practical result of that situation? The gentleman knows as well as I do; the whites will get the land and the Indian will be dispossessed. I am not here fighting the whites nor fighting to raid the Treasury, but I am fighting to do justice to these Pueblo Indians, because the Government of the United States took over the guardianship of those Indians without their wish or consent, and have held it since 1848, and I maintain the Government owes the Indian that duty—to protect him in the ownership and possession of his land. That is simply a matter of justice.

The SPEAKER pro tempore. The time of the gentleman from Wisconsin [Mr. PEAVEY] has expired.

Mr. JENKINS. Mr. Speaker, I yield 2 minutes to the gentleman from Alabama [Mr. ALLGOOD].

Mr. ALLGOOD. Mr. Speaker, this legislation might have been good legislation back in 1924, but we are not now legislating in 1924. The conditions that confront the people of this Nation today are not the conditions that confronted us in 1924. We are running a tremendous deficit, and there are thousands of claims throughout this Nation, which claims are before the committees of this Congress, claims of individuals who have been done an injustice, and it has been proven, and yet we are not attempting to get these claims up and have them passed at this extra session of Congress.

I do not think at this time we should bring up and pass in 40 minutes a measure taking $1,000,000 out of the Treasury, because this is no more an emergency than the difficulties confronting hundreds of other people who have claims against the Government. This session of Congress was called to take care of the entire Nation, not individuals, or States.

I am going to vote against the measure because it is not on the President's program of relief.

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

Mr. ALLGOOD. I yield.

Mr. HOWARD. Does not the gentleman know that instead of taking $1,000,000 out of the Treasury at this time the bill provides that no payment shall be made under this act until the fiscal year 1937, and only one third of it then?

Mr. ALLGOOD. Then why not wait until 1937 to pass it? If the money is not to be spent until 1937, why not wait and bring it up at a regular session of Congress, when we can have a full discussion of the facts?

Mr. CHAVEZ. Is the gentleman more anxious than the Director of the Budget to save money for the country at the present time?

Mr. ALLGOOD. The Director of the Budget cut the soldiers deeper than we thought he would. If we are going to take money from the soldiers to balance the Budget, I am going to vote to take it from the other fellows, many of whom are not as much entitled to it as were some who lost a part or all of their pension.

Mr. CHAVEZ. The gentleman voted to cut the soldiers' benefits.

Mr. ALLGOOD. Yes; I voted for it.

Mr. CHAVEZ. I did not.

Mr. ALLGOOD. The fact that I did vote for the economy bill causes me today to stand here and oppose this measure. The soldiers and Government employees have been given reductions, and I intend to speak and vote against questionable appropriations of every nature. I dare say that 90 percent of the soldiers who were drawing pensions will uphold Congress in the Economy Act if this administration succeeds in bringing back prosperity, so that men and women will have jobs and so that farm products bring fair prices. The passage of measures of this kind, however, will keep the Budget unbalanced and will retard the return of prosperity.

Mr. JENKINS. Mr. Speaker, I yield the balance of my time to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, it appears that in 1924 we passed a law which I have not had time to read since this debate started. It is about eight pages long. That law contained a provision under which this committee is seeking this further authorization. I have not had time to read the provision.

It appears that in a great many cases white folks went onto Indian lands and settled on them without authority of law. Although they paid them some money, they did not get good title. Now, is it up to the Government of the United States to protect those white folks any more than folks in New York City who buy land without taking pains enough to see they are getting good title?

Is it up to the Government of the United States to pay Indians for land which white folks paid them for in the first place, perhaps illegally, but paid them?

What is the situation? I tried to bring out just exactly what the situation was.

If this bill were confined to an authorization to pay people who went on this land and received patents for it from the United States Government, I should not object to it, but it does not appear what part of it is that way and what part of it is any other way.

It also appears that none of this money is to be paid under any circumstances until 1937. So 4 years will intervene between now and then. Why not wait until we can go into this situation carefully and have all the facts presented to Congress before we attempt to consider a piece of legislation of such importance?

One million dollars today is as great as, if not greater than, $15,000,000 was in 1924.

We must not pass so important a bill as this with such brief consideration.

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

Mr. TABER. I yield.

Mr. DOCKWEILER. I see from the report on this bill that on page 5 one of the claimants is a man named A. Dockweiler, who is to be paid $11.12. Later on the name appears again as the recipient of $230.50.

I shall vote for this bill but I want to admonish the House that this is no relative of mine; I do not know him. In order to defend myself on this account and my seven brothers, I want to say that this man Dockweiler is no relation of ours. [Applause.]

Mr. HASTINGS. Mr. Speaker, will the gentleman yield for a question?

Mr. TABER. I yield.

Mr. HASTINGS. This is a controversy that has been pending in Congress for many years. It resulted finally in the act of June 7, 1924, I think it was, under which a board was created.

If the Membership of the House would take time to read the four pages of the report of the Secretary of the Interior and carefully consider it and the recommendation he makes, I do not believe there would be a single vote against this bill in the House.

It is an old controversy. It has extended over a period of years. Of course, on the floor of Congress, we cannot take up all the details of the controversy, but after the most mature consideration, after having a full report made by the Indian Bureau and the Secretary of the Interior, who is the one who administers the affairs of the Indians, this bill is presented. Further, may I say, it is approved by the Bureau of the Budget.

Mr. TABER. Mr. Speaker, I cannot yield further.

I call attention to page 17 of the report which speaks of the increase of compensation to the amount of $761,954.88 for the parcels of land in question as being the difference between the appraised unimproved, present market value of the lands and the amount previously awarded. May I call attention to the fact that, instead of going up in value at this time, land has gone down in value?

Mr. HASTINGS. Will the gentleman permit me to say further that the prior Secretary of the Interior under the last administration, after giving detailed consideration to all of the facts, recommended favorable action upon this bill?

So, the former Secretary of the Interior, the present Secretary of the Interior, the former Commissioner of Indian Affairs, and the present Commissioner of Indian Affairs recommend favorable action upon this bill.

[Here the gavel fell.]

The SPEAKER pro tempore. The question is on the suspension of the rules and the passage of the bill.

The question was taken; and on a division (demanded by Mr. JENKINS) there were—ayes 80, noes 26.

So (two thirds having voted in favor thereof), the rules were suspended and the bill was passed.

RESOLUTIONS OF THE FLORIDA STATE LEGISLATURE

Mr. GREEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. GREEN. Now, Mr. Speaker, I ask to revise and extend my remarks and to include therein resolutions from the Florida State Legislature.

There was no objection.

Mr. GREEN. Now, Mr. Speaker and my colleagues, Florida State Senate concurrent resolution no. 4 urges that Florida State road no. 82, from Lake City, Fla., to the Georgia State line, be included in Florida's allotment of roads entitled to Federal aid as a military road or otherwise. This is one of the most important highways in my State. It leads from the upper central portion of the State to northern points. It is important not only to Florida, but to other States.

Senate concurrent resolution no. 5 asks federalizing of State roads no. 2 and no. 23. It leads from Ocala, Fla., to Palmetto and Bradenton. While senate concurrent resolution no. 10 requests the same for Florida State road no. 50. It leads from near Jasper, Fla., to the Georgia State line. These last-named highways are also main highways in Florida and will add considerably to our national highways system.

The resolutions calling for these designations follow.

Senate concurrent resolution 4

A concurrent resolution requesting that State road no. 82 from Lake City and Columbia County, Fla., to the Georgia line, be included in the State of Florida's allotment of roads entitled to Federal aid as a military road or otherwise.

Whereas State road no. 82 running from Lake City in Columbia County, Fla., to the Georgia line is an existing highway, which has been substantially graded and improved as included in the designation of State highways in the State of Florida in its State highway system, and

Whereas the location and route of said road is such as to make the same extremely valuable for the use of a military road in time of war and for use as a commercial highway at other times: Therefore be it

Resolved by the Senate of Florida (the house of representatives concurring), That the Legislature of the State of Florida respectfully calls the attention of the Senators and Representatives of the State of Florida in the Congress of the United States to said road no. 82 running from Lake City in Columbia County, Fla., to the Georgia line, and request the Senators and Representatives in the Congress of the United States from this State to present to the proper Federal bureau or department and to the Congress of the United States the advisability of having said road included in the system of roads in the State of Florida entitled to Federal aid as a military road or otherwise; be it further

Resolved, That a copy of this resolution under the great seal of the State of Florida be forwarded to each of the Senators and Representatives of Florida in the Congress of the United States, to be filed with said Congress of the United States and with the proper Federal bureau or department having jurisdiction of matters hereinbefore referred to.

Approved by the Governor of Florida May 10, 1933.

STATE OF FLORIDA,
Office Secretary of State, ss:

I, R. A. Gray, secretary of state of the State of Florida, do hereby certify that the foregoing is a true and correct copy of senate concurrent resolution no. 4 as passed by the Legislature of Florida, session 1933, and filed in this office.

Given under my hand and the great seal of the State of Florida, at Tallahassee, the capital, this 12th day of May A.D. 1933.

[SEAL] R. A. GRAY, *Secretary of State.*

Senate concurrent resolution 5

Whereas State road no. 2 and State road no. 23 running from Ocala, Fla., to Palmetto and Bradenton, Fla., by the way of Belleview, Bushnell, Dade City, Plant City, and Oak Park, also from Coleman to Lakeland, via Bevilles Corner, Webster, is an existing highway which has been substantially graded and improved as included in the State highways in the State of Florida in its State highway system; and

Whereas, the location and route of said road is such as to make the same extremely valuable for use as a military road in time of war, and for use as a commercial highway at other times, and a valuable and useful highway for the transportation of vegetables throughout the section through which it traverses, enabling better marketing conditions for the growers of such fruits and vegetables; be it therefore

Resolved by the Florida State Senate (the house of representatives concurring), That the Legislature of the State of Florida respectfully calls to the attention of the Senators of the State of Florida and their Representatives in Congress of the United States to said State road no. 2 and State road no. 23, running from Ocala, Fla., to Palmetto and Bradenton, Fla., by way of Belleview, Bushnell, Dade City, Plant City, and Oak Park, also from Coleman to Lakeland, via Bevilles Corner and Webster, and request the Senators and Representatives in Congress of the United States from Florida to present to the proper Federal bureau or department and to the Congress of the United States the advisability of having said road included in the system of roads in the State of Florida entitled to Federal aid as a military road or otherwise; be it further

Resolved by the Florida State Senate (the house of representatives concurring), That the State Road Department of the State of Florida shall make request to all proper Federal boards, engineers, or commission to have placed upon and in the allotment State road no. 2 and State road no 23, entitling such highway to Federal aid as a military road or otherwise; be it further

Resolved, That a copy of this resolution under the great seal of the State of Florida be forwarded to each of the Senators and Representatives of Florida in the Congress of the United States to be filed with said Congress of the United States and with the proper Federal bureau or department having jurisdiction of matters hereinbefore referred to and that a copy be forwarded to the membership of the State Road Department of the State of Florida for their immediate action and consideration.

Approved by the Governor of Florida, May 10, 1933.

STATE OF FLORIDA,
Office Secretary of State, ss:

I, R. A. Gray, secretary of state of the State of Florida, do hereby certify that the foregoing is a true and correct copy of senate concurrent resolution no. 5 as passed by the Legislature of Florida, session 1933, and filed in this office.

Given under my hand and the great seal of the State of Florida, at Tallahassee, the capital, this the 12th day of May A.D. 1933.

[SEAL] R. A. GRAY, *Secretary of State.*

Senate concurrent resolution 10

Whereas State road, that part of the State road no. 50, being the certain road beginning at State road no. 2 just west of Jasper, Fla., and running in a northerly direction to the Georgia line in the most direct and practical route, same being a part of the Suwanee Scenic Highway, is an existing highway which has been substantially graded and improved as included in the State highways in the State of Florida in its State highway system; and

Whereas the location and route of said road is such as to make the same extremely valuable for use as a military road in time

of war, and for use as a commercial highway at other times, and a valuable and useful highway for the transportation of vegetables throughout the section through which it traverses, enabling better marketing conditions for the growers of such fruits and vegetables: Be it therefore

Resolved by the Florida State Senate (the house of representatives concurring), That the Legislature of the State of Florida respectfully calls to the attention of the Senators of the State of Florida and their Representatives in Congress of the United States to said State road no. 50, being the certain road beginning at State road no. 2, just west of Jasper, Fla., and running in a northerly direction to the Georgia line in the most direct and practical route. same being a part of the Suwanee Scenic Highway, and request the Senators and Representatives in Congress of the United States from Florida to present to the proper Federal bureau or department and to the Congress of the United States the advisability of having said road included in the system of roads in the State of Florida entitled to Federal aid as a military road or otherwise; be it

Further resolved by the Florida State Senate (the house of representatives concurring), The State Road Department of the State of Florida shall make request to all proper Federal boards, engineers, or commission to have placed upon and in the allotment State road no. 50, being the certain road beginning at State road no. 2 just west of Jasper, Fla., and running in a northerly direction to the Georgia line in the most direct and practical route, same being a part of the Suwanee Scenic Highway, entitling such highway to Federal aid as a military road or otherwise; be it

Further resolved, That a copy of this resolution under the great seal of the State of Florida be forwarded to each of the Senators and Representatives of Florida in the Congress of the United States to be filed with said Congress of the United States and with the proper Federal bureau or department having jurisdiction of matters hereinbefore referred to and that a copy be forwarded to the membership of the State Road Department of the State of Florida for their immediate action and consideration.

Approved by the Governor of Florida May 10, 1933.

STATE OF FLORIDA,

Office of Secretary of State, ss:

I, R. A. Gray, secretary of state of the State of Florida, do hereby certify that the foregoing is a true and correct copy of senate concurrent resolution no. 10 as passed by the Legislature of Florida, session 1933, and filed in this office.

Given under my hand and the great seal of the State of Florida, at Tallahassee, the capital, this the 12th day of May A.D. 1933.

[SEAL] R. A. GRAY, *Secretary of State.*

PER CAPITA PAYMENT TO THE MENOMINEE TRIBE OF INDIANS

Mr. HOWARD. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H.R. 4494) authorizing a per capita payment of $100 to the members of the Menominee tribe of Indians of Wisconsin from funds on deposit to their credit in the Treasury of the United States.

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 Secretary of the Interior be, and he is hereby, authorized to withdraw from the fund in the Treasury of the United States on deposit to the credit of the Menominee Indians in the State of Wisconsin a sufficient sum to make therefrom a per capita payment or distribution of $100, in two equal installments of $50 each, immediately upon passage of this act, and on or about October 15, 1933, to each of the living members on the tribal roll of the Menominee tribe of Indians of the State of Wisconsin, under such rules and regulations as the said Secretary may prescribe.

With the following committee amendments:

Page 1, line 8, strike out "two equal installments of $50 each" and insert "three installments, $50"; in line 9, strike out the word "and" and insert "$25"; and on page 2, line 1, after "1933", insert "and $25 on or about January 15, 1934."

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.

On motion of Mr. HOWARD, a motion to reconsider the vote by which the bill was passed was laid on the table.

CLAIM OF DISTRICT NO. 13, CHOCTAW COUNTY, OKLAHOMA

Mr. CARTWRIGHT. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 73) to authorize the Comptroller General to allow claim of district no. 13, Choctaw County, Okla., for payment of tuition for Indian pupils.

The Clerk read the Senate bill as follows:

Be it enacted, etc., That the Comptroller General is hereby authorized and directed to allow payment of claims of the public school district no. 13, Choctaw County, Okla., for tuition of Indian pupils during the fiscal year 1931, in the sum not to exceed $3,435.61, from the appropriation entitled "Indian schools, Five Civilized Tribes, Oklahoma, 1931."

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object. Will the gentleman explain what this is?

Mr. CARTWRIGHT. Yes. It authorizes the Comptroller General to allow a claim of district no. 13, Choctaw County, Okla., for payment of tuition of Indian pupils. In other words, the bill provides an authorization for the Comptroller to approve a contract for the payment of the tuition of 100 or more orphan Indian children who are now taken care of in a little orphan home in my district in Oklahoma. The money has already been appropriated, and this is simply an authorization.

Mr. HASTINGS. With the permission of my colleague from Oklahoma, let me say that this bill has passed the Senate. It passed the Senate at the last session of Congress. It was favorably recommended by the House Committee on Indian Affairs at the last session of Congress, and this identical Senate bill has been favorably reported by the House Committee on Indian Affairs and is H.R. 3853.

Mr. MARTIN of Massachusetts. What does the bill do?

Mr. HASTINGS. Let me say to the gentleman that it has a unanimous report from the House Committee on Indian Affairs, and the bill does this:

In Oklahoma and throughout the West where Indian pupils attend white schools there is an appropriation for a certain per capita allowance. This is true in all of the Western States. This is true in Oklahoma and was true in 1931, when this appropriation of $350,000 was made to supplement the taxes of white schools for the attendance of Indian pupils, and is made in lieu of taxes not collected from nontaxable Indian lands.

The gentleman may not be as familiar as the Members from the West in this matter, but this appropriation has been made for a number of years.

In this particular case a certain number of Indian children were living at the old Goodland Orphan School. The school had been discontinued, but they were boarding there. They were sent over and attended an Indian district day school, and this is permitting the payment out of this appropriation that was made for that year the same amount that was paid for other Indian pupils who attended the same school.

Mr. MARTIN of Massachusetts. This comes out of the general Indian fund?

Mr. HASTINGS. It comes out of that appropriation.

Mr. MARTIN of Massachusetts. How much does it amount to?

Mr. HASTINGS. Three thousand four hundred and thirty-five dollars and sixty-one cents.

Mr. MARTIN of Massachusetts. I have no objection.

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

There was no objection.

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

A motion to reconsider was laid on the table.

AMENDING SECTION 1025 OF THE REVISED STATUTES

Mr. KURTZ. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1582) to amend section 1025 of the Revised Statutes of the United States and consider the same.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

S. 1582

An act to amend section 1025 of the Revised Statutes of the United States

Be it enacted, etc., That section 1025 of the Revised Statutes of the United States be, and the same is hereby, amended so as to read as follows:

"SEC. 1025. No indictment found and presented by a grand jury in any district or other court of the United States shall be deemed insufficient, nor shall the trial, judgment, or other proceeding thereon be affected by reason of any defect or imperfection in matter of form only, which shall not tend to the prejudice of the defendant, or by reason of the attendance before the grand jury during the taking of testimony of one or more clerks or

stenographers employed in a clerical capacity to assist the district attorney or other counsel for the Government who shall, in that connection, be deemed to be persons acting for and on behalf of the United States in an official capacity and function."

The SPEAKER pro tempore. Is there objection?

Mr. JENKINS. Reserving the right to object, I should like to ask the gentleman whether or not this bill had the thorough consideration of the Judiciary Committee—whether or not the membership of the Judiciary Committee was full when it was considered.

Mr. KURTZ. This is a bill passed by the Senate. We considered a similar bill and there was not a single vote against it.

Mr. McFARLANE. Will the gentleman from Pennsylvania explain the provisions of the bill?

Mr. KURTZ. I shall be glad to. Under the common law a district attorney was not permitted to be before the grand jury when a vote was taken on any indictment. Frequently a district attorney, unskilled in the practice, would remain before the grand jury while the vote was being taken. In cases of that kind the defendant's attorney could move to quash the indictment. Sometimes the statute of limitations was about to run and frequently the defendant would escape.

So most of the jurisdictions within the United States have passed laws permitting the district attorney to be in the grand jury room when the vote is taken on a particular bill. Some jurisdictions have not passed any laws providing for permission of any clerk or stenographer to be before a grand jury.

Frequently, it is absolutely essential in this day, and so this bill provides that a clerk or a stenographer may be present when the vote is taken.

Mr. GLOVER. Does the gentleman say that this provides that a stenographer or clerk may be present when a vote of the grand jury is taken?

Mr. KURTZ. Yes. This permits the clerk or a stenographer to be present.

Mr. GLOVER. While the vote on the indictment is being taken?

Mr. KURTZ. Yes. How could that have any influence on the vote by the grand jury.

Mr. GLOVER. Because it is a sacred place where they are dealing with the rights of the individual. The law does not allow the prosecuting attorney to be present in the grand jury room when the vote is taken. I think it is a safe rule. I have been a prosecuting attorney for 4 years, and I do not believe that the prosecuting attorney ought to be allowed in the grand jury room when the vote is being taken.

Mr. KURTZ. The prosecuting attorney in most jurisdictions today is permitted to be in the grand jury room when the vote is taken.

Mr. GLOVER. As far as I know, that is not the fact.

Mr. KURTZ. It could not be done, of course, under the common law.

Mr. McKEOWN. Will the gentleman yield?

Mr. KURTZ. I yield.

Mr. McKEOWN. There is no purpose here by this bill to influence any vote but to prevent irregularities.

Mr. GLOVER. Whenever any irregularity comes up in a grand jury room an indictment can be quashed and returned again in 10 minutes.

Mr. McKEOWN. The main purpose of this bill is simply to give the prosecuting attorney an opportunity to have a clerk or stenographer to take the testimony before the grand jury.

Mr. GLOVER. Oh, for the taking of testimony, yes; but this the gentleman says is to provide for their presence when they they are voting on an indictment.

That is the gentleman's statement, and I am not going to vote for anything that will allow a stenographer or a prosecuting attorney or anybody else to be present when the grand jury is voting on the liberties of our people. What is the haste for taking this bill up at this time?

Mr. KURTZ. The chairman of the Committee on the Judiciary happens to be one of the managers on the part of the House and is in the Senate on the Louderback impeachment.

Mr. GLOVER. I thought that that impeachment was to proceed from 9 o'clock until 12 o'clock every day.

Mr. KURTZ. It began at 12:30 o'clock today.

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

Mr. KURTZ. Yes.

Mr. HOOPER. Has this bill been reported out during this session by the Committee on the Judiciary?

Mr. KURTZ. This is a bill that was passed by the Senate. We had a similar House bill, and it was reported out at this session.

Mr. HOOPER. When?

Mr. KURTZ. About 10 days ago.

Mr. HOOPER. I do not recall being present, and I think I have been present every meeting of the committee.

Mr. O'MALLEY. Mr. Speaker, as far as I can see, after reading this particular bill, there is nothing in it that could be construed to mean that a prosecuting attorney or clerk or stenographer could be present at the time the grand jury is voting on an indictment.

Mr. KURTZ. Not when they are voting, but when the testimony is being taken.

Mr. GLOVER. Mr. Speaker, I ask to see the bill. Since reading the bill I find that it does not correspond with what I understood the gentleman to state and what he did state to the House. The bill does not provide that they shall be there when the vote is being taken. Under the bill as I have read it, it only provides for taking testimony. I have no objection to it.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider laid on the table.

A similar House bill was ordered laid on the table.

The bills H.R. 2834 and 3853 were laid on the table, similar Senate bills having passed the House.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. CLAIBORNE, for 3 days, on account of illness.

To Mr. BERLIN, for Wednesday and Thursday, on account of important business.

To Mr. KEE, for 3 days, on account of business relative to the good of the State of West Virginia.

To Mr. PARKER of Georgia, indefinitely, on account of important business.

To Mr. BROOKS, for 3 days, on account of illness in his family.

TWENTIETH AMENDMENT TO THE CONSTITUTION OF THE UNITED STATES

The SPEAKER pro tempore laid before the House a communication from R. A. Gray, secretary of state of the State of Florida, transmitting a resolution of the Legislature of the State of Florida, confirming the twentieth amendment to the Constitution of the United States.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 7. Providing for the suspension of annual assessment work on mining claims held by location in the United States and Alaska.

ADJOURNMENT

Mr. HOWARD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 3 o'clock and 11 minutes p.m.) the House adjourned until tomorrow, Tuesday, May 16, 1933, at 12 o'clock noon.

COMMITTEE HEARING

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(Tuesday, May 16, 10 a.m.)

Continuation of the hearings on H.R. 5500—the Emergency Transportation Act, 1933.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

64. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated May 9, 1933, submitting a report, together with accompanying papers, on a preliminary examination of harbors at Glen Arbor and Glen Haven, Mich., authorized by the River and Harbor Act approved July 3, 1930; to the Committee on Rivers and Harbors.

65. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated May 9, 1933, submitting a report, together with accompanying papers, on a preliminary examination of Big Muddy River, Ill., authorized by the River and Harbor Act approved March 3, 1925; to the Committee on Rivers and Harbors.

66. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated May 9, 1933, submitting a report, together with accompanying papers, on a preliminary examination of Anahuac Channel, Tex., authorized by the River and Harbor Act approved July 3, 1930; to the Committee on Rivers and Harbors.

67. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated May 9, 1933, submitting a report, together with accompanying papers, on a preliminary examination of Anacortes Harbor and Cap Saute Waterway, Wash., authorized by the River and Harbor Act approved July 3, 1930; to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. DICKSTEIN: Committee on Immigration and Naturalization. H.R. 3673. A bill to amend the law relative to citizenship and naturalization, and for other purposes; without amendment (Rept. No. 131). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. COFFIN: Committee on Military Affairs. H.R. 3032. A bill for the relief of Paul Jelna; without amendment (Rept. No. 129). Referred to the Committee on the Whole House.

Mr. THOMPSON of Illinois: Committee on Military Affairs. H.R. 363. A bill for the relief of James Moffit; without amendment (Rept. No. 132). Referred to the Committee of the Whole House.

Mr. THOMPSON of Illinois: Committee on Military Affairs. H.R. 371. A bill for the relief of Peter Guilday; without amendment (Rept. No. 133). Referred to the Committee of the Whole House.

Mr. THOMPSON of Illinois: Committee on Military Affairs. H.R. 541. A bill for the relief of John P. Leonard; with amendment (Rept. No. 134). Referred to the Committee of the Whole House.

Mr. THOMPSON of Illinois: Committee on Military Affairs. H.R. 1859. A bill for the relief of Albert D. Castleberry; without amendment (Rept. No. 135). Referred to the Committee of the Whole House.

Mr. THOMPSON of Illinois: Committee on Military Affairs. H.R. 2032. A bill for the relief of Richard A. Chavis; with amendment (Rept. No. 136). Referred to the Committee of the Whole House.

Mr. THOMPSON of Illinois: Committee on Military Affairs. H.R. 2670. A bill for the relief of James Wallace; without amendment (Rept. No. 137). Referred to the Committee of the Whole House.

Mr. THOMPSON of Illinois: Committee on Military Affairs. H.R. 2743. A bill for the relief of William M. Stoddard; with amendment (Rept. No. 138). Referred to the Committee of the Whole House.

Mr. THOMPSON of Illinois: Committee on Military Affairs. H.R. 3054. A bill for the relief of Christopher Cott; without amendment (Rept. No. 139). Referred to the Committee of the Whole House.

Mr. THOMPSON of Illinois: Committee on Military Affairs. H.R. 3553. A bill for the relief of Harvey O. Willis; without amendment (Rept. No. 140). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H.R. 4997) granting an increase of pension to Amanda E. Waldron, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HOEPPEL: A bill (H.R. 5626) to amend the act approved March 20, 1933 (Public, No. 2, 73d Cong.), to extend the benefits of domiciliary and hospital care to men discharged from the military service because of disease or injury incurred in line of duty; to the Committee on Military Affairs.

By Mr. JOHNSON of Texas: A bill (H.R. 5627) to amend the Tariff Act of 1922; to the Committee on Ways and Means.

By Mr. FLETCHER: A bill (H.R. 5628) to increase to $7,000 the maximum amount which may stand to the credit of any one person in a postal-savings account; to the Committee on the Post Office and Post Roads.

By Mr. DICKSTEIN: A bill (H.R. 5629) to provide correction of status of aliens lawfully admitted without requirement of departure to foreign country; to the Committee on Immigration and Naturalization.

Also, a bill (H.R. 5630) to provide for review of the action of consular officers in refusing immigration visas; to the Committee on Immigration and Naturalization.

By Mr. HASTINGS: A bill (H.R. 5631) to authorize the Secretary of the Interior to place with the Oklahoma Historical Society at Oklahoma City, Okla., as custodian for the United States, certain records of the Five Civilized Tribes, and of other Indian tribes in the State of Oklahoma, under rules and regulations to be prescribed by him; to the Committee on Indian Affairs.

By Mr. KLEBERG: A bill (H.R. 5632) to supplement and support the Migratory Bird Conservation Act by providing funds for the acquisition of areas for use as migratory-bird sanctuaries, refuges, and breeding grounds, for developing and administering such areas, for the protection of certain migratory birds, for the enforcement of the Migratory Bird Treaty Act and regulations thereunder, and for other purposes; to the Committee on Agriculture.

By Mr. HOWARD (by departmental request): A bill (H.R. 5633) to permit relinquishments and reconveyances of privately owned and State school lands for the benefit of the Indians of the Acoma pueblo, N. Mex.; to the Committee on Indian Affairs.

By Mr. JOHNSON of Texas: A bill (H.R. 5634) to provide for the use of net weights in interstate and foreign commerce transactions in cotton, to provide for the standardization of bale covering for cotton, for the purpose of requiring the use of a domestic product, and for other purposes; to the Committee on Agriculture.

By Mr. McSWAIN: A bill (H.R. 5645) to amend the National Defense Act of June 3, 1916, as amended; to the Committee on Military Affairs.

By Mr. PATMAN: Resolution (H.Res. 144) requesting the Attorney General to make an investigation of the production, distribution, or exhibition of motion and sound pictures; to the Committee on the Judiciary.

By Mr. McSWAIN: Joint resolution (H.J.Res. 181) to authorize and direct the reexamination of all personal and corporate income-tax returns for the years 1930, 1931, and 1932; to the Committee on Ways and Means.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing Congress to enact the Ludlow unemployment bill; to the Committee on the Judiciary.

Also, memorial of the Territory of Hawaii, memorializing Congress to place under the operation of the Hawaiian Homes Commission Act, certain parcels of land to be made available for allotment by the Hawaiian Homes Commission to native Hawaiians, and to enact and adopt a bill which will give effect to such purpose; to the Committee on the Territories.

Also, memorial of the Legislature of the State of Texas, memorializing Congress to so amend the Wagner bill that the Reconstruction Finance Corporation funds to be appropriated to the Texas Relief Commission may be used for the building of good roads in any section of the State which cannot use them more profitably in the work of reforestation, flood prevention, or soil erosion; to the Committee on Banking and Currency.

Also, memorial of the Legislature of the State of Wisconsin, relating to the allotment to the States of a part of the Federal excise tax on beer; to the Committee on Ways and Means.

Also, memorial of the Territory of Alaska, memorializing Congress in re regulations by the United States authorities to reduce the number of traps, and to prevent any person or company from having exclusive rights of fishery in False Pass and Ikatan Bay, and giving equal rights to all American purse seiners and gill netters while protecting the free flow of salmon through the False Pass stream; to the Committee on Merchant Marine, Radio, and Fisheries.

Also, memorial of the Legislature of the State of Wisconsin, relating to the bill of President Roosevelt for the refinancing home mortgages; to the Committee on Banking and Currency.

Also, memorial of the Legislature of the State of California, memorializing Congress to exempt from the provisions of legislation limiting hours of labor to 30 hours a week people engaged in the mining industry; to the Committee on Labor.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BACON: A bill (H.R. 5635) for the relief of Frank Kroegel, alias Francis Kroegel; to the Committee on Military Affairs.

By Mr. CHAVEZ: A bill (H.R. 5636) for the relief of Jose Ramon Cordova; to the Committee on Claims.

By Mr. KOPPLEMANN: A bill (H.R. 5637) for the relief of John J. Moran; to the Committee on the Post Office and Post Roads.

By Mr. McSWAIN: A bill (H.R. 5638) for the relief of James E. Daniel; to the Committee on Claims.

By Mr. SISSON: A bill (H.R. 5639) for the relief of Harriet V. Schlindler; to the Committee on Claims.

By Mr. SWEENEY: A bill (H.R. 5640) for the relief of Harry Morganstern; to the Committee on Military Affairs.

By Mr. THURSTON: A bill (H.R. 5641) granting an increase of pension to Emma L. Townsley; to the Committee on Invalid Pensions.

By Mr. UNDERWOOD: A bill (H.R. 5642) granting a pension to Mary Emma Bussard; to the Committee on Invalid Pensions.

By Mr. WALTER: A bill (H.R. 5643) to confer the Medal of Honor to Wilbert E. Bruder for service in the World War; to the Committee on Military Affairs.

By Mr. WILCOX: A bill (H.R. 5644) for the relief of William E. Fossett; to the Committee on Claims.

PETITIONS, ETC.

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

1035. By Mr. BEITER: Petition of the members of the Order Sons of Zion, Buffalo, N.Y., protesting against uncivilized and shameful treatment accorded Jews in Germany; to the Committee on Foreign Affairs.

1036. Also, petition of the Erie County Committee, the American Legion, Buffalo, N.Y., opposing legislation enacted by Congress and orders and regulations issued thereunder by the Executive, and demanding repeal or modification of them with a view of securing plain and pure justice for the deserving disabled veterans; to the Committee on World War Veterans' Legislation.

1037. Also, petition of the Mystic Art Chapter, No. 568, Order of the Eastern Star, Buffalo, N.Y., protesting against any further economic steps being taken for disarmament; to the Committee on Economy.

1038. Also, petition of the Lake Erie Lodge, No. 343, Independent Order Brith Sholom, Buffalo, N.Y., protesting against the alleged barbaric treatment of Jews and other minorities in Germany; to the Committee on Foreign Affairs.

1039. By Mr. FOSS: Petition of the Massachusetts Department, Veterans of Foreign Wars, Boston, Mass., urging repeal of the Public Law No. 2, Seventy-third Congress; to the Committee on Economy.

1040. By Mr. GOODWIN: Petition and telegrams from Jewish resident citizens and members of the Jeffersonville Synagogue of Jeffersonville, Sullivan County; Sisterhood of Temple Emanuel, board of trustees of Temple Emanuel, and Men's Club of Temple Emanuel, Kingston; and Hudson Valley Zionist Region (Rabbi Maurice J. Bloom, president) Newburgh, all of the State of New York, protesting against the barbarities visited by the Hitler regime upon the Jews in Germany; to the Committee on Foreign Affairs.

1041. By Mr. JOHNSON of Texas: Telegram signed by R. L. Wheelock, H. R. Stroube, J. L. Collins, W. C. Stroube, J. N. Wheelock, G. C. Hudson, Roy Love, C. C. Albritton, O. L. Albritton, Will Thompson, and Wilbur Thompson, of Corsicana, Tex., urging the appointment of a Federal dictator for the oil industry; to the Committee on Interstate and Foreign Commerce.

1042. Also, telegram of Hon. Frank A. Woods, of Franklin, Tex., opposing Senate bill 1094; to the Committee on Banking and Currency.

1043. By Mr. JOHNSON of Minnesota: Petition of Brotherhood of Railroad Trainmen, Local 569, Duluth, Minn., opposing coordination of railroads; to the Committee on Interstate and Foreign Commerce.

1044. Also, petition of the Joe Paul Post, No. 334, Redby-Red Lake, Minn., that the regional offices of the Veterans' Administration be maintained and no change be made in their present status; to the Committee on World War Veterans' Legislation.

1045. By Mr. LUNDEEN: Petition of Kaniewski-Loss Post, No. 1852, Veterans of Foreign Wars, Department of Minnesota, urging Congress to increase postage on second-class mail to such amount that there will be no deficit; to the Committee on the Post Office and Post Roads.

1046. Also, petition of the Washington County Farmer-Labor Campaign Committee, asking for Federal aid for the construction and improvement of State highways; to the Committee on Roads.

1047. By Mr. RUDD: Petition of Industrial Chemical Sales Co., Inc., New York City, opposing the passage of House bill 3759; to the Committee on the Judiciary.

1048. Also, petition of E. E. Cady, Brooklyn, N.Y., favoring the passage of the Wilcox municipal refinancing bill; to the Committee on Banking and Currency.

1049. By Mr. SADOWSKI: Petition of 150 citizens of Detroit, Mich., protesting against the Hitler regime in Germany; to the Committee on Foreign Affairs.

1050. By Mr. SUTPHIN: Petition of the committee of American-Jewish citizens of the county of Monmouth, N.J., protesting against unjust, unwarranted, and inhuman exclusion of Jews from the civic, political, and professional life of the country (Germany) in which they have lived over 1,600 years and to which they brought untold glory and dis-

tinction in every field of endeavor; to the Committee on Foreign Affairs.

1051. By Mr. SWEENEY: Petition of Mr. and Mrs. M. Lange, 9504 Adams Avenue, Cleveland, Ohio, protesting against the barbarities by the Hitler regime upon the Jews in Germany; to the Committee on Foreign Affairs.

1052. By the SPEAKER: Petition of the city of Chelsea, Mass., opposing the closing of the United States naval hospital located in Chelsea; to the Committee on Naval Affairs.

SENATE

TUESDAY, MAY 16, 1933

(Legislative day of Monday, May 15, 1933)

The Senate, sitting as a court for the trial of articles of impeachment against Harold Louderback, judge of the United States District Court for the Northern District of California, met at 11 o'clock a.m. on the expiration of the recess.

The managers on the part of the House of Representatives appeared in the seats provided for them.

The respondent, Harold Louderback, with his counsel, Walter H. Linforth, Esq., and James M. Hanley, Esq., appeared in the seats assigned to them.

CALL OF THE ROLL

Mr. ASHURST. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

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

Adams	Copeland	Kendrick	Robinson, Ark.
Ashurst	Costigan	Keyes	Robinson, Ind.
Austin	Couzens	King	Russell
Bachman	Cutting	La Follette	Schall
Bailey	Dale	Lewis	Sheppard
Bankhead	Dickinson	Logan	Shipstead
Barbour	Dill	Long	Smith
Barkley	Duffy	McAdoo	Steiwer
Black	Erickson	McCarran	Stephens
Bone	Fess	McGill	Thomas, Okla.
Bratton	Fletcher	McKellar	Thomas, Utah
Brown	Frazier	McNary	Townsend
Bulkley	George	Metcalf	Trammell
Bulow	Glass	Murphy	Tydings
Byrd	Goldsborough	Neely	Vandenberg
Byrnes	Gore	Norris	Van Nuys
Capper	Hale	Nye	Wagner
Caraway	Harrison	Patterson	Walcott
Carey	Hastings	Pittman	Walsh
Clark	Hatfield	Pope	Wheeler
Connally	Hayden	Reed	White
Coolidge	Hebert	Reynolds	

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present.

WITNESSES SUBPENAED—REPORT OF SERGEANT AT ARMS

The VICE PRESIDENT. The Chair lays before the Senate sitting as a Court of Impeachment a communication from the Sergeant at Arms, which the clerk will read.

The legislative clerk read as follows:

SENATE OF THE UNITED STATES,
OFFICE OF THE SERGEANT AT ARMS,
Washington, D.C., May 15, 1933.

Hon. JOHN N. GARNER,
Vice President and President of the Senate,
Washington, D.C.

MY DEAR MR. VICE PRESIDENT: There are attached hereto a list of witnesses for the Government submitted to me by the managers on the part of the House of Representatives, and a list of witnesses for the respondent submitted to me by his counsel, all of said witnesses to be subpenaed for the trial of Harold Louderback, United States district judge for the northern district of California.

There are also attached hereto original subpenas personally served by me on the witnesses desired by both parties, said subpenas being duly served and return made according to law.

Respectfully,

CHESLEY W. JURNEY,
Sergeant at Arms.

WITNESSES FOR THE GOVERNMENT IN THE IMPEACHMENT TRIAL OF HAROLD LOUDERBACK, UNITED STATES DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF CALIFORNIA

Roy Bronson, San Francisco, Calif.; Francis C. Brown, San Francisco, Calif.; W. C. Crook, San Francisco, Calif.; Lloyd Dinkelspiel, San Francisco, Calif.; Harold A. Dittmore, San Francisco, Calif.; Guy H. Gilbert, San Francisco, Calif.; F. L. Guerena, San Francisco, Calif.; C. M. Hawkins, San Francisco, Calif.; Sam Leake, San Francisco, Calif.; Miss Dorothea A. Lind, San Francisco, Calif.; Paul S. Marrin, San Francisco, Calif.; H. H. McPike, San Francisco, Calif.; Fred C. Peterson, San Francisco, Calif.; Erwin E. Richter, San Francisco, Calif.; Sidney Schwartz, San Francisco, Calif.; John Douglas Short, San Francisco, Calif.; T. W. Slaven, San Francisco, Calif.; DeLancy C. Smith, San Francisco, Calif.; Addison G. Strong, San Francisco, Calif.; Delger Trowbridge, San Francisco, Calif.; J. A. Wainwright, San Francisco, Calif.; Randolph V. Whiting, San Francisco, Calif.; Jerome B. White, San Francisco, Calif.; Marion D. Cohn, San Francisco, Calif.; and Sidney M. Ehrman, San Francisco, Calif.

WITNESSES FOR THE RESPONDENT, HAROLD LOUDERBACK, UNITED STATES DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF CALIFORNIA

Miss Grace C. Berger, San Francisco, Calif.; H. B. Hunter, San Francisco, Calif.; George N. Edwards, San Francisco, Calif.; Marshall B. Woodworth, San Francisco, Calif.; Samuel M. Shortridge, Jr., San Francisco, Calif.; John M. Dinkelspiel, San Francisco, Calif.; Herbert Erskine, San Francisco, Calif.; Morse Erskine, San Francisco, Calif.; Harry L. Fouts, deputy clerk United States court, San Francisco, Calif.; J. G. Reisner, San Francisco, Calif.; George D. Louderback, San Francisco, Calif.; Lloyd A. Lundstrom, San Francisco, Calif; William H. Metson, San Francisco, Calif.; J. H. Zolinsky, San Francisco, Calif.; David K. Byers, San Francisco, Calif.; Sam Leake, San Francisco, Calif.; W. L. Glasheen, San Francisco, Calif.; A. B. Kreft, San Francisco, Calif.; Gerald W. Murray, San Francisco, Calif.; Brice Kearsley, Jr., Los Angeles, Calif.; Francis C. Quittner, Los Angeles, Calif.

The VICE PRESIDENT. The letter will be printed and the attached documents will be noted in the Journal.

THE JOURNAL

The legislative clerk proceeded to read the Journal of the proceedings of May 15, when, on request of Mr. ASHURST and by unanimous consent, the further reading was dispensed with and the Journal was approved.

HOURS OF DAILY SESSION

Mr. ASHURST. Mr. President, I ask the attention of the senior Senator from Oregon to an order which I am going to propose for consideration.

The VICE PRESIDENT. The Senator from Arizona presents an order, which the clerk will read.

The legislative clerk read as follows:

Ordered, That the daily sessions of the Senate sitting for the trial of the impeachment of Harold Louderback, United States district judge for the northern district of California, shall, unless otherwise ordered, commence at 10 o'clock in the forenoon.

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

Mr. McNARY. Mr. President, there is no implication that there will be a separation of the legislative business and the impeachment trial by reason of this proposal?

Mr. ASHURST. There is no suggestion of that kind; but, Mr. President, I am of opinion that from time to time there will arise the necessity for legislative business being transacted. I believe that the Senate sitting as a Court of Impeachment should convene at 10 o'clock and proceed with the taking of the testimony for at least 3 hours a day, and then, as necessity may arise, the Senate may proceed to the consideration of legislative business. It is not intended to have the trial of the impeachment wholly interrupt and suspend legislative business.

Mr. McNARY. It is the purpose, I understand, of the Senator to have the impeachment proceedings commence at 10 o'clock a.m. each day?

Mr. ASHURST. Yes; and run as long as conditions will permit.

Mr. McNARY. And that applies only to the matter now before the Senate?

Mr. ASHURST. Yes, sir.

Mr. McNARY. I have no objection to that.

The VICE PRESIDENT. The Chair will suggest that, of course, the order could be changed at any time the Senate sitting as a court may desire.

Mr. HEBERT. Mr. President, may I suggest to the Senator from Arizona that, unless necessity otherwise requires and a motion to the contrary be made, this case proceed throughout the day from the convening of the Senate at 10 o'clock in the morning without interruption.

Mr. ASHURST. I believe that is a very sensible and practical suggestion and a helpful one. It is the intention, I am sure, of the Senate to proceed with the trial with all possible decent haste and to suspend proceedings of the impeach-