

James W. Hatch, North Girard.
George G. Foley, Pocono Manor.

VERMONT

Ernest A. Naylor, Alburg.
Cecelia S. Joslyn, South Hero.
James G. Boutelle, Townshend.
Ruth A. Randall, Wells River.
Timothy J. Murphy, Windsor.

WASHINGTON

George D. Magee, Aberdeen.
Vaughan Brown, Bellingham.
Jeane R. French, Skamokawa.

SENATE

MONDAY, MAY 14, 1934

(Legislative day of Thursday, May 10, 1934)

The Senate met at 11 o'clock a.m., on the expiration of the recess.

THE JOURNAL

On motion of Mr. ROBINSON of Arkansas, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Saturday, May 12, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. ROBINSON of Arkansas. 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	Hayden	Overton
Ashurst	Costigan	Hebert	Patterson
Austin	Couzens	Johnson	Pope
Bachman	Cutting	Kean	Reynolds
Bailey	Davis	Keyes	Robinson, Ark.
Bankhead	Dickinson	King	Schall
Barbour	Dill	La Follette	Shipstead
Barkley	Duffy	Lewis	Steiwer
Black	Erickson	Logan	Stephens
Bone	Fess	Loneragan	Thomas, Okla.
Borah	Fletcher	McCarran	Thomas, Utah
Bulkeley	Frazier	McGill	Thompson
Bulow	George	McKellar	Townsend
Byrd	Gibson	McNary	Tydings
Byrnes	Glass	Metcalf	Vandenberg
Capper	Goldsborough	Murphy	Van Nuys
Carey	Hale	Norbeck	Walcott
Clark	Harrison	Norris	Walsh
Connally	Hatch	Nye	Wheeler
Coolidge	Hatfield	O'Mahoney	White

Mr. LEWIS. Mr. President, I rise to announce the absence of the Senator from New Hampshire [Mr. BROWN], the Senator from Arkansas [Mrs. CARAWAY], the Senator from New York [Mr. WAGNER], the junior Senator from Illinois [Mr. DIETERICH], the Senator from Oklahoma [Mr. GORE], the Senator from Louisiana [Mr. LONG], the Senator from West Virginia [Mr. NEELY], the Senator from Nevada [Mr. PITTMAN], the Senator from Georgia [Mr. RUSSELL], the Senator from Texas [Mr. SHEPPARD], the Senator from Florida [Mr. TRAMMELL], and the Senator from South Carolina [Mr. SMITH], who are necessarily detained on official business, while the Senator from California [Mr. McADOO] continues ill. I ask that this announcement may stand for the day.

Mr. HEBERT. I wish to announce that the Senator from Pennsylvania [Mr. REED] is necessarily detained from the Senate.

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

PETITIONS AND MEMORIALS

Mr. TYDINGS presented a petition of sundry citizens of Baltimore, Md., praying for the passage of the bill (S. 3171) to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by motor carriers operating in interstate or foreign commerce, and for other purposes, which was referred to the Committee on Interstate Commerce.

Mr. COPELAND presented a resolution adopted by the board of trustees of the village of Manorhaven, Nassau County, N.Y., favoring the granting by the Public Works Administration of a loan in the sum of \$750,000 for harbor improvement at Manorhaven, N.Y., which was referred to the Committee on Finance.

Mr. WALCOTT presented petitions and papers in the nature of petitions from the Children of Mary Society, the Holy Name Society, the Rosary Society, and sundry members of the parish of St. John the Baptist, of New Haven; Orinoco Council, No. 39, of Greenwich, Ojeda Council, No. 33, of Naugatuck, and St. Augustine Council, No. 41, of Stamford, all of the Knights of Columbus; Court Seville, No. 24, Catholic Daughters of America, and the Children of Mary Sodality of the Church of the Assumption, both of Ansonia, and the Hungarian-American Democratic Club of Norwalk, all in the State of Connecticut, praying the amendment of proposed radio legislation so as to provide adequate broadcasting facilities for religious, educational, and agricultural subjects, which were referred to the Committee on Interstate Commerce.

He also presented the memorial of Martha Washington Council, No. 16, Sons and Daughters of Liberty, of New London, Conn., remonstrating against the enactment of legislation loosening immigration restrictions, which was referred to the Committee on Immigration.

He also presented a resolution adopted by the Women's Home Missionary Society of the First Methodist Episcopal Church, of Hartford, Conn., favoring the prompt passage of House bill 6097, providing higher moral standards for films entering interstate and foreign commerce, which was referred to the Committee on Interstate Commerce.

REPORTS OF COMMITTEES

Mr. BARBOUR, from the Committee on Military Affairs, to which was referred the bill (S. 1146) for the relief of John W. Beck, reported it with an amendment and submitted a report (No. 1001) thereon.

Mr. COOLIDGE, from the Committee on Military Affairs, to which was referred the bill (S. 1177) for the relief of Edward T. Costello, reported it without amendment and submitted a report (No. 1002) thereon.

He also, from the same committee, to which was referred the bill (S. 418) for the relief of William H. Connors, reported it with amendments and submitted a report (No. 1003) thereon.

Mr. CAREY, from the Committee on Military Affairs, to which was referred the bill (S. 2454) for the relief of Arthur W. Adams, reported it with an amendment and submitted a report (No. 1009) thereon.

Mr. KING, from the Committee on the Judiciary, to which was referred the bill (S. 3319) to amend section 233 of the Criminal Code, as amended, reported it without amendment and submitted a report (No. 1004) thereon.

He also, from the same committee, to which was referred the bill (S. 588) to amend the Judicial Code by adding a new section to be numbered 274D, reported it with amendments and submitted a report (No. 1005) thereon.

Mr. LOGAN, from the Committee on the Judiciary, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 339. An act for the refundment of certain countervailing customs duties collected upon logs imported from British Columbia (Rept. No. 1006); and

H.R. 7353. An act granting the consent of Congress to any two or more States to enter into agreements or compacts for cooperative effort and mutual assistance in the prevention of crime, and for other purposes (Rept. No. 1007).

Mr. LOGAN also, from the Committee on the Judiciary, to which was referred the bill (H.R. 9370) to authorize an appropriation of money to facilitate the apprehension of certain persons charged with crime, reported it with amendments and submitted a report (No. 1008) thereon.

Mr. STEIWER, from the Committee on Indian Affairs, to which was referred the bill (S. 3291) providing for a

reimbursable loan to the Klamath and Modoc Tribe of Indians and the Yahooskin Band of Snake Indians, State of Oregon, reported it without amendment and submitted a report (No. 1010) thereon.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on the 12th instant that committee presented to the President of the United States the following enrolled bills:

S. 752. An act to amend section 24 of the Judicial Code, as amended, with respect to the jurisdiction of the district courts of the United States over suits relating to orders of State administrative boards; and

S. 2671. An act repealing certain sections of the Revised Code of Laws of the United States relating to the Indians.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmaster, which were ordered to be placed on the Executive Calendar.

BILLS AND JOINT RESOLUTIONS INTRODUCED

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

(Mr. FLETCHER introduced Senate bill no. 3603, which appears under a separate heading.)

By Mr. BONE:

A bill (S. 3604) to authorize the Bainbridge Island Chamber of Commerce, a corporation, its successors and assigns, to construct, maintain, and operate a bridge across Agate Pass connecting Bainbridge Island with the mainland in Kitsap County, State of Washington; to the Committee on Commerce.

By Mr. TYDINGS:

A bill (S. 3605) to authorize the Commissioners of the District of Columbia to sell the old Tenley School to the duly authorized representative of St. Ann's Church of the District of Columbia; to the Committee on the District of Columbia.

A bill (S. 3606) to amend section 3 of the act entitled "An act to protect trade and commerce against unlawful restraints and monopolies", approved July 2, 1890;

A bill (S. 3607) to authorize the incorporated town of Seward, Alaska, to issue bonds in any sum not exceeding \$60,000 for the purpose of constructing and installing a municipal light and power plant in the town of Seward, Alaska;

A bill (S. 3608) to authorize the incorporated town of Fairbanks, Alaska, to undertake certain municipal public works, including construction, reconstruction, and extension of sidewalks; construction, reconstruction, and extension of sewers, and construction of a combined city hall and fire-department building, and for such purposes to issue bonds in any sum not exceeding \$50,000; and

A bill (S. 3609) to authorize the incorporated town of Douglas, Alaska, to undertake certain municipal public works, including construction, reconstruction, enlargement, extension, and improvements of its water-supply system; and construction, reconstruction, enlargement, extension, and improvements to sewers, and for such purposes to issue bonds in any sum not exceeding \$40,000; to the Committee on Territories and Insular Affairs.

By Mr. COPELAND:

A bill (S. 3610) to provide for the creation of a commission to examine into and report the clear height above the water of the bridge authorized to be constructed over the Hudson River from Fifty-seventh Street, New York, to New Jersey; to the Committee on Commerce.

By Mr. AUSTIN:

A bill (S. 3611) authorizing payment of full compensation to the Chief Justice of the Court of Claims for life in the event of his resignation due to ill health; to the Committee on the Judiciary.

By Mr. FLETCHER:

A bill (S. 3612) to amend the Reconstruction Finance Corporation Act so as to extend the provisions thereof to private corporations to aid in constructing and maintaining facilities for the marketing, storing, warehousing, and/or processing of forest products; to the Committee on Banking and Currency.

By Mr. KING:

A bill (S. 3613) amending subsection (a), section 23, of the District of Columbia Alcoholic Beverage Control Act; to the Committee on the District of Columbia.

By Mr. TYDINGS:

A joint resolution (S.J.Res. 118) to harmonize the treaties and statutes of the United States with reference to American Samoa; and

A joint resolution (S.J.Res. 119) authorizing a preliminary examination or survey of a ship canal across Prince of Wales Island, Alaska; to the Committee on Territories and Insular Affairs.

CHANGE OF REFERENCE

On motion of Mr. LOGAN, the Committee on Military Affairs was discharged from the further consideration of the bill (S. 3583) for the relief of Roy Alvey Jones, and it was referred to the Committee on Naval Affairs.

REGULATION OF COMMUNICATIONS BY WIRE AND RADIO—AMENDMENT

Mr. KING submitted an amendment intended to be proposed by him to the bill (S. 3285) to provide for the regulation of interstate and foreign communications by wire or radio, and for other purposes, which was ordered to lie on the table and to be printed.

INTER-AMERICAN HIGHWAY

Mr. McNARY. I ask unanimous consent for the immediate consideration of the proposed unanimous-consent order, which I send to the desk.

The VICE PRESIDENT. The request for unanimous consent submitted by the Senator from Oregon will be read.

The legislative clerk read as follows:

Ordered, by unanimous consent, That the Committee on Post Offices and Post Roads be discharged from the further consideration of the message from the President of the United States transmitted to Congress on March 6 last, enclosing report concerning a survey of an inter-American highway, and that it, with the accompanying report, be referred to the Committee on Printing with a view to their being printed as a Senate document.

The VICE PRESIDENT. Is there objection?

Mr. ROBINSON of Arkansas. Mr. President, I understand that the object of the Senator from Oregon is to have the document printed?

Mr. McNARY. The object of the Senator from Oregon is to procure an estimate from the committee so that the committee may determine whether it is justified in spending the amount of money required for printing the document. The unanimous consent is asked in order to obtain an estimate of the cost of printing.

Mr. McKELLAR. Mr. President, will the Senator repeat his request? I happened to be out of the Chamber for just a moment.

Mr. McNARY. On the 6th of March of the present year the President of the United States submitted to the Congress, and there was referred to the Committee on Post Offices and Post Roads, a reconnaissance survey of a proposed road or highway from the United States through Central America to Panama. The report is embodied in six volumes. I think it would be well to publish it as a public document in order to excite interest in the completion of the highway.

To enable that to be done it is necessary first to have the Committee on Post Offices and Post Roads discharged from the further consideration of the message and report in order that they may be referred to the Committee on Printing for an estimate of cost. After the estimate of cost shall have been made, then the Congress will determine whether it is of sufficient importance to justify the expenditure. I am proceeding in that way.

Mr. FLETCHER. Mr. President, I think it is a matter that properly should be referred to the Committee on Printing, and they should consider the cost.

Mr. McNARY. That is what I am asking.

Mr. McKELLAR. We have been so busy in the Committee on Post Offices and Post Roads that we have not as yet taken up the matter, but I shall be glad to look into it.

Mr. McNARY. I am not proposing finally to discharge the committee. I am only asking that the Committee on Printing make an estimate of the cost so the Committee on Post Offices and Post Roads may determine whether it should be printed.

Mr. ROBINSON of Arkansas. I do not see any objection to the request. It is being made for the purpose of having an estimate secured.

Mr. McNARY. The request was prepared by Mr. Ives, the printing clerk, and is in accordance with the rules of the Senate.

The VICE PRESIDENT. Is there objection to the request of the Senator from Oregon? The Chair hears none, and it is so ordered.

REVISION OF IMMIGRATION AND DEPORTATION LAWS

Mr. VANDENBERG. Mr. President, the need for humane revision of our immigration and deportation laws has been obvious for some time—not in the interests of any relaxation of our present well-founded and justified philosophy of sharply restricting general immigration into the United States, but in the interests of fair play and decent human considerations in behalf of the families of our foreign-born citizens and in behalf of perfectly sound and useful foreign-born citizens who run foul of some crucifying technicality in the law.

I have personally known many of the cases where the existing laws are not only insufferably cruel but also where they run counter to elementary common sense. The gravest of all existing difficulties seems to be that the existing laws allow no discretion to immigration authorities when technicalities call for deportation and ordinary justice points to permission for a family or alien to remain here. The same lack of discretion also frequently forbids the entry to citizenship of perfectly good and useful aliens who have long been residents in the United States, but who fail to meet all the involved requirements which trail through our multiplicity of laws upon the subject.

The whole subject matter has been recently surveyed by an estimable committee. I heartily subscribe to its findings. The committee wants to remedy accumulated abuses. So do I. The committee, incidentally, wants to make deportations more effective for alien criminals, racketeers, and gangsters. So do I. In other words, the objective is to make the laws more stringent respecting undesirables and more humane in respect to worthy foreign-born residents in the United States. Congress should act in these directions.

There was a particularly illuminating article on this subject in the Washington Post of last Sunday from the pen of Robert T. DeVore. I wish that all Members of Congress would study these demonstrated proofs of the need for reforms. I ask that the article be printed in the RECORD.

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

[From the Washington Post, Sunday, May 13, 1934]

CONGRESS ASKED TO REVISE ABUSIVE DEPORTATION LAWS—CRIMINALS SHIELDED, HONEST LIVES SHATTERED, SAY EXPERTS—UPSTANDING IMMIGRANTS OFTEN THROWN OUT ON TECHNICALITIES

By Robert T. DeVore

The heavy hand of the law sometimes bears a striking resemblance to a mallet, a fist that smashes blindly.

Such a fist, according to many critics, has been a little group of statutes circumscribing the alien—and frequently the citizen—within these shores. Mailed, blind, and indifferent, it has struck often and hard, they say. Families have been shattered, lives broken, and the possibilities of producing worth-while citizens have been routed, all without reason.

The statutes referred to are the deportation laws of the existing immigration and naturalization code. Sprouting in indifference, for years they have been inflicting senseless toll on the innocent while sheltering the criminal.

The faults that permitted the scattering of decent, upstanding families of immigrants after years of residence here have not

been unknown to the socially minded. As with many such matters, there has been plenty of speechmaking and little action.

INVESTIGATORS REPORT GRAVE ABUSES

Accumulative abuses, however, have finally brought results. Under the chairmanship of Carlton Palmer, of New York, a committee of citizens, aided by technicians of the Immigration and Naturalization Bureau, undertook a study of the Nation's immigration and deportation situation.

What they discovered was not pleasant. Deportation laws allowed the alien criminal with a string of convictions to remain in this country and rooted out his worthy brother on technicalities. The fruit of the investigation was five bills, now pending in Congress, revising the procedure of deportation on the basis of justice and common sense.

Present laws have worked to good effect in producing selective, restrictive immigration, the committee found, but have failed to be effective in ridding the country of the worst types of alien habitual criminals, racketeers, and gangsters. Their rigidity in forcing deportation on technical charges, the committee declared, works against the very end they set out to achieve.

To overcome such faults, the five bills have been introduced. They are aimed against the criminal, the alien smuggler, and the illegal entrant. They place in nonquota classes fathers and mothers over 60 years of age where their children are citizens of this country. They permit registration of aliens here who would suffer religious or political persecution if deported.

Chiefly they are aimed at remedying that inconsistency which forbids discretion to immigration authorities when technicalities call for deportation and ordinary justice points to permission for a family or alien to remain here.

That the inconsistency is sharp no one could question. Already some 465 cases where deportation would result in separation of families and breaking up American homes have accumulated, awaiting the outcome of the bills in Congress. Immigration officials want to be reasonable, and they postponed action on these cases until July 1, in the hope that new powers of discretion would be granted them by that time.

These case histories have been segregated. Each is a human document testifying to the ineptitude of justice as applied to deportation laws. Each bears the imprint of the mallet fist, where the guiding hand of justice is cried for. Of these cases, typical is the affair of George Grenier, one-time French aviator.

As a French lad of 16, Grenier learned to fly an airplane. A year later the war broke and Grenier volunteered, was assigned to an aviation unit, and fought for 2 years. Then his torn nerves broke.

He set out one day on a scouting expedition and did not put down his plane until he was in a remote section of Italy. Grenier made his way to the sea, bought the papers of a Greek seaman and took up a fear-haunted existence. Finally, in 1921, he slipped ashore in an American port.

Life began anew. He made his way to Chicago, married, and settled down to a useful place in society. Then in 1926, with friends, he visited Niagara Falls. Someone suggested they view the falls from the Canadian side. Grenier drove his car across the International Bridge and unwittingly opened the way to his deportation.

For 5 years later, his first wife, divorced, informed immigration authorities of her former husband's illegal status in the United States. Then, because he had lived in this country before passage of the Immigration Act of 1924, it developed he was not deportable for any other cause than his sightseeing trip to the Canadian side of Niagara Falls. That trip had broken his continuous residence and subjected him to deportation. His case is among those awaiting the outcome of the deportation bills.

Casimir Dratch presents a similar case. Dratch, a native of Galicia, entered the country illegally from Canada in 1922, but was not deportable because of his continuous residence. He reared a family, bought a home. He took an active part in the local Ukrainian National Benefit Association at Muskegon, Mich., where he lived.

TOOK A TRAIN VIA CANADA

Dratch served seven terms as secretary of the Ukrainian group, and that led to his undoing. Dratch attended a convention of his association at Rochester, N.Y., and unwittingly took a Michigan Central train to get from Detroit to Rochester.

The Michigan Central Railroad runs east from Detroit through southern Canada to Niagara Falls. Dratch rode this route, and the fact that he was a passenger on a train which passed through Canada broke the continuity of his residence and made him deportable. His family—he has four children—lack the funds to support themselves while he might await a chance to return under a quota.

In the hands of 435 Members of the House and 96 Senators lies the destiny of Natalia Branjinikoff Odlin, who is as pretty as her first name sounds and 22 years old.

If the 531 men pass one of the five liberalizing amendments to the immigration laws now before them, Natalia may continue to live in happiness with her American husband, Clifford Odlin, and their son on a ranch in El Dorado County, Calif.

If the Congress does nothing at all about immigration this session, deportation to Manchuria—virtual exile from her husband, child, and home—await her.

Natalia's story begins with the first awakening in her of an ambition to study medicine. She was living in Harbin, China, with her parents, white Russian refugees. There she met an American woman, Mrs. Henry G—, who agreed to guarantee her

education in the United States. Natalia came to this country under a nonquota status relating to students.

For 2 years Natalia studied. Then for some unexplained reason Mrs. G— withdrew her financial support. Ambition undampened, Natalia worked during the third year, and 3 months during one summer, sending Mrs. G— her earnings.

In 1931 Natalia met Odlin, then 25. They were married. The early estrangement of Natalia and her American benefactress became a definite break. Through marriage Natalia had relinquished her student status, and Mrs. G— reported her to the immigration authorities. She was arrested in May 1933.

Under the law, Natalia, married and no longer studying medicine, lives in this country illegally. She must leave, enter legally, and reside here a year before becoming eligible for permanent residence. There is no other recourse. The law makes no exceptions.

The Odlin's are poor, else Natalia might avail herself of her privilege of leaving the country voluntarily and reentering from Canada or Mexico. The law will compel the Immigration Bureau to deport her to Manchuria, unless Congress changes the law.

Upon no class of immigrant, perhaps, has the mailed fist fallen harder than it has upon the white Russian. Take, for instance, the case of Nicolas Ivanoff, one-time lieutenant in the Russian Imperial Navy, whom an unyielding, indiscriminating law is about to snatch from his family and their pleasant little home in Bridgeport, Conn.

Ivanoff has no country. Russia, the new Russia, above all is not his. There a death warrant awaits his return.

It was in 1919 that Ivanoff committed the offense for which a warrant for his arrest and execution was issued. He took a transport ship of 7,000 tons capacity, of which he was the first officer, to evacuate 4,500 white Russians from Odessa.

Had Ivanoff remained ashore after entering the United States in 1924, the shadow of the mailed fist would not lie across the pleasant little house in Bridgeport. But Ivanoff returned to sea in 1925, making several trips from Miami to Cuba and return. And in 1926 he married Wilhelmine Rohmfeld, a naturalized American citizen.

Ivanoff claims that there was no landing in Cuba in 1925 and that his action cannot therefore be construed as a departure from the country. The Immigration Bureau thinks otherwise. The law says deportation.

Abdullah Cheour, born 30 years ago in north Africa, a son of the prophet, sent former Secretary of the Treasury Ogden Mills \$5 to help balance the Budget.

And when Democrats replaced Republicans in Washington Abdullah Cheour, a son of the prophet, sent \$2 to President Roosevelt for his White House swimming pool.

But Abdullah Cheour failed to reckon with a guileless law. Abdullah Cheour has been a good husband, a patriotic citizen, and apparently he has understood politics. But he has not been an American. He must be deported.

"To Mexico I will not go", said the wife of Miguel Bueno. And to Mexico she did not go, thereby making things very difficult for Miguel and the immigration authorities.

Miguel's case is just another of the thousands of examples to be found in the files of the Bureau of Immigration, where human ambitions and hopes and loves clash with the law and where the law invariably wins.

Miguel unavailingly sought work in Silver City, N.Mex. He went to his native Old Mexico and found it. Then came Mrs. Bueno's ultimatum and Miguel's return to the United States.

The law says the continuity of Miguel's stay in this country has been broken. Deportation must exile him from wife and family.

And George Arctic has discovered that implicit obedience to the law's command is no insurance of security from the mailed fist.

George was told he must leave the country. He did. But he forgot to notify immigration authorities of his leaving. His subsequent return was held illegal, and deportation has been ordered.

Once more the mailed fist struck out, this time against one whose will it had already bent, against the sentiments, the very instincts of those who wield it.

George Arctic is young, 20 years old. In Bridgeport, Conn., a business career with his uncle awaits him, life, richest happiness call him. In Syria there is nothing.

"FORWARD, MARCH, SCHOOLS OF AMERICA"—ADDRESS BY JOSEPH MILLER, JR.

Mr. COPELAND. Mr. President, I ask unanimous consent to have printed in the RECORD an address by Joseph Miller, Jr., president of the National Association of Public School Business Officials, entitled "Forward, March, Schools of America."

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

FORWARD, MARCH, SCHOOLS OF AMERICA

"Forward, March, Schools of America" will be the keynote of the Twenty-third Annual Convention of the National Association Public School Business Officials to be held August 15-24, in Commerce Hall, Port Authority Building, New York City. In addition to the convention itself, the association is arranging the first national schoolmart exposition.

During the forced economies of the World War our schools did not suffer nearly as much as they have during these years of economic depression. You can patiently wait for national

recovery to restore normal activity in almost every other field, but you dare not permit millions of school children to grow up either mentally or physically starved. Childhood cannot wait. Nothing offered in later years can possibly fill the void caused by malnutrition of mind or body during the tender formative years of the growing child. Amidst the hue and cry for balanced budgets and lower taxes some of our leading citizens have forgotten entirely the very vital factor of life—that both the number and the problems of children are constantly increasing.

School boards, officials, superintendents, administrative staffs, and teachers have patiently floated with the economic tide; they have assumed a far greater share of the burden of economic depression than they should have ever been called upon to accept.

For the best interests of humanity the backward march of education must be halted. Our Nation can survive only so long as we are true to the basic ideals of universal education. We cannot be loyal to our Nation if we suffer our schools to be destroyed any further.

We must be alive to the problems of the school of tomorrow. If the nursery school is to take its place next to the kindergarten, if the high schools are to be called upon to assume the full burdens of training both for vocations and for leisure, and if adult education is to become a vital social necessity, then our schools must be ready to assume these functions for the benefit of society and for the preservation of our Nation.

The exposition will tell the story to the millions of mothers and fathers of America's school children. It will be the story of education concretely presented in a manner that will inspire them with a courageous determination to save the American school system. "Forward, march, schools of America" will be the keynote. Thousands and thousands of school executives, administrators, teachers, students, and leaders in the educational world will visit the exposition to view the displays.

More than 60,000 persons interested in education attend the summer sessions of the universities in the metropolitan area of the Empire City. To afford these students a full opportunity to visit the exposition and to attend the sessions of the convention, the executive committee of the National Association Public School Business Officials has advanced the dates usually set for the convention. The exposition will open on Wednesday, August 15, and will continue for 10 days, ending with the sessions of the convention, which will be held this year on August 21, 22, 23, and 24.

The morning sessions of the convention will be devoted to public meetings, at which important addresses will be delivered by men and women of national prominence in the educational and public life of the Nation.

These public meetings will be followed by round-table conferences extending through the luncheon periods each day during the convention. Vital problems of school administration will be discussed. I might mention the following subjects now under consideration for these round-table conferences as evidence of the plan and scope of this important work:

Sources and protection of school funds.
Our schools in relation to the N.R.A. and other national programs.
Selection, purchase, storage, and distribution of public-school supplies.
Economic and efficient maintenance of the school plant.
Modern problems in the construction of school buildings.
The sound system for handling students' funds in the high schools.

Financing the school building in the future.
Economic equipment for visual education.
Modern inventions, new materials, and industrial improvements that will add efficiency and economy for the school of tomorrow.
Causes and prevention of accidents in the schools.
The need for a national testing laboratory for school materials, equipment, and supplies.

Efficiency and safety in the transportation of school children.
Modern business methods in economic school administration.
Each round-table conference will be under the leadership of a chairman, assisted by a secretary, both of whom will be recognized authorities in the subject of the conference.

During the afternoons there will be official visits to the Metropolitan Museum of Art, the American Museum of Natural History, and other points of educational interest in the city of New York. And, on the evening of Thursday, August 23, the entire convention will assemble at the annual banquet of the association, to be held in the grand ballroom of the Hotel Astor.

The association has appointed Theodore Fred Kuper, executive manager of the Board of Education of the city of New York, as the national director of the exposition and convention, at which the new deal in education will be on parade for the benefit of the American public.

Frederick D. Chambers, auditor of the Board of Education of the city of New York, has consented to act as treasurer. Both of these officials and all chairmen and members of the various committees have undertaken these duties without any compensation whatsoever.

Furthermore, we have the assurance of the cooperation of Teachers' College, Columbia University; the School of Education, New York University; Manhattan College; and other leading universities, colleges, and school authorities.

The association has persuaded Thomas J. Watson to lend his aid to this important undertaking. He is president of the International Business Machines Corporation, a former president of the Merchants' Association of New York City, and he is one of

the leading forces in the most important work of the United States Chamber of Commerce. We are grateful to Mr. Watson, who has undertaken to form a national advisory committee of leading citizens throughout the country, and he has consented to act as chairman of the committee. Under such leadership there can be no question of the ultimate success of this united effort for the best interests of the school children of America.

LOANS BY FEDERAL RESERVE BANKS TO INDUSTRIES

The Senate resumed the consideration of the bill (S. 3487) relating to direct loans for industrial purposes by Federal Reserve banks, and for other purposes.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from California [Mr. JOHNSON].

Mr. JOHNSON. Mr. President, when we recessed on Saturday there were but few Senators present, and I feel it essential very briefly to recapitulate what then was said in respect to the amendment I have offered to the pending bill. In order that those who were not present during the Saturday afternoon session may understand, I want to state what transpired in relation to the pending measure on Saturday.

The bill which was introduced by the Senator from Virginia [Mr. GLASS] was taken up for consideration. After being heard for a brief period it was amended by the adoption of the second bill relating to loans by the Reconstruction Finance Corporation. The bill of the Senator from Virginia [Mr. GLASS] relates to loans by the Federal Reserve System to business and to industry. The bill which was pending upon the calendar, introduced and reported by the distinguished Chairman of the Committee on Banking and Currency [Mr. FLETCHER], related to loans to be made to industry by the Reconstruction Finance Corporation. The latter was offered as an amendment to the former and was adopted on Saturday last.

Thereafter there was presented the amendment which is now before the Senate, which relates to a particular class or a particular sort of loans which may be authorized by the Reconstruction Finance Corporation. In order that the amendment may be understood—for all I want to do is to get an expression of the Senate in respect to it—I desire to call again the attention of the Senate to it.

First, it is permissive. There is no mandatory provision respecting it, but it authorizes the Reconstruction Finance Corporation, under certain circumstances, to make certain loans. It does it in this language:

The Reconstruction Finance Corporation is authorized to make loans, for periods not exceeding 20 years, to finance the acquisition of any system, plant, or works for the production, transmission, or distribution of electrical energy by such public corporations, bodies, or instrumentalities as are referred to in section 201 (a) (1) of the Emergency Relief and Construction Act of 1932, which enter into contracts with the United States or any department, agency, or instrumentality thereof for the purchase of electrical energy.

Mr. MCKELLAR. Mr. President, from what is the Senator reading?

Mr. JOHNSON. I am reading from a bill which was introduced by me, and which has been offered as an amendment to the bill which is now pending before the Senate. The bill which I have offered as an amendment was originally S. 3246 and has been before the Finance Committee for a considerable period of time.

I recited on Saturday a complete instance which renders the particular amendment not only right but generally appropriate. I recite it again in order that the Senate may understand it.

In the city of Los Angeles there is a municipal lighting and water plant which is under the jurisdiction of what is known as the "Bureau of Water and Power", the city, of course, having the control, supervision, and the like. The city of Los Angeles has become the greatest contracting factor for power from the Boulder Dam construction. Today it has contracts for power with the United States Government of a very considerable extent involving a tremendously large sum of money. Boulder Dam, by the way—and I say this to correct some misrepresentations and some misapprehensions which have been indulged in respecting it—is a self-liquidating project, after all, for we provided in the measure itself that there should not be a shovelful of earth turned until the Government of the

United States had firm contracts which would enable it to repay every penny that might be appropriated by the Government for that monumental construction.

The contracts which were made related in the main to power, although some related to water, but those I eliminate from this particular statement. They related principally to power, and the contract for the largest value of power from the Boulder Dam is with the city of Los Angeles. Of course, the city of Los Angeles will carry out, and must carry out, that contract, and it desires to do so, of course, with meticulous care. There can be no question ultimately in respect to it.

It happens now, however, that in a certain part of the city of Los Angeles there is a privately owned utility furnishing to the people of that particular part power and light. The city furnishes to the particular part as well light and power, and it is in direct competition with the privately owned plant.

It is an uneconomical situation which presents itself. It is one which inures neither to the benefit and the welfare of the people nor of the utilities which are thus operated. Sixty percent of the power is furnished by the municipally owned plant, and 40 percent, as related to me, is furnished by the privately owned plant. Necessarily there have been constant bickerings and many controversies. The opportunity is presented at last to reach a conclusion respecting the controversies and the difficulties.

It is the desire of the city to purchase the privately owned plant and thus not only eliminate the controversies of the past but serve economically and at much smaller cost the inhabitants of that particular part of the city of Los Angeles. From the standpoint of the welfare of the people, there could be no objection to the acquisition by the city of that particular plant. From the standpoint of eliminating difficulties and controversies, of course, it is an appropriate thing to do. The only objection that is made to a loan being made by the United States Government through the Reconstruction Finance Corporation is that the Reconstruction Finance Corporation was not originally designed for any such purpose. The Reconstruction Finance Corporation, however, is now entering upon a field entirely new and different from that which was ever contemplated when we created that particular organization by edict of the Congress of the United States.

Today the Reconstruction Finance Corporation, by the amendment that has been attached to the bill of the Senator from Virginia [Mr. GLASS], is going into the lending of money to industry and the lending of money, wherever it shall be appropriate to lend it by virtue of the provisions of the particular amendment, to those who may require it and who are today engaged in business in different parts of the country. If that be so, it could not render a greater service merely to people than to authorize a loan and receive the adequate security from a publicly owned utility that is situated as this publicly owned utility is in the city of Los Angeles.

It was said to me on Saturday last that this measure had never been considered by the Banking and Currency Committee. I said in response, and I now repeat, that it has been pending before the Banking and Currency Committee since last March. It has had a hearing before a subcommittee of the Banking and Currency Committee during that period; and in that hearing the facts were presented to the subcommittee, which, I assume, because of the limitations of time, has not had the opportunity, perhaps, to report to the full committee; but there is a perfectly good precedent established for favorable action by the Senate upon the bill that is presented here as an amendment. First, as I say, it has been pending since March. Secondly, it has been before the Banking and Currency Committee during that period. Thirdly, it has been submitted to a subcommittee that heard arguments with respect to it some 2 weeks ago, and presumably many of the members, at least of the Banking and Currency Committee, are fairly familiar with it. Only last Saturday, however, there were presented from the floor here by the Senator from Florida

[Mr. FLETCHER] amendments to the stock control bill, amendments which Senators on the other side of the Chamber tell me never were presented to the full Banking and Currency Committee at all, but they were presented here on the floor relating to another subject matter on Saturday last, and were adopted by the Senate.

If I am in error in the statement—because I must rely upon that which has been told me by members of the committee—I regret it exceedingly; but they advised me that those amendments never came before the full Banking and Currency Committee. So of what avail is it to say to me, when I have had pending before the committee for 2 months this measure of mine, that there is something further that ought to be done in the presentation of this particular amendment to the Banking and Currency Committee?

Thus, these two arguments that were originally advanced on Saturday afternoon last become of no avail at all.

One argument that has been made here is that the whole system of giving money to cities or giving money to people in the fashion that we have is wrong. Perhaps it is. I do not know. I doubt very much this statement; but, at any rate, it is a policy which has been adopted and which we are pursuing; and I ought not to be, with this amendment of mine, subjected now to a determination against the amendment because somebody thinks that the policy originally adopted was entirely erroneous.

There is another aspect in relation to this amendment. It is an emergency measure. It does afford employment. I have here some of the statements which have been made by those in Los Angeles who are familiar with the subject, who insist that the taking over of the privately owned plant will of necessity require rehabilitation, reconstruction, employment, just as much as if they had started in the beginning with the construction of the particular works. So it is that from every standpoint an amendment of this sort ought to be permitted and ought to be put upon this bill.

I insist that it is appropriate, first, because it relates to a loan to be made only permissively by the Reconstruction Finance Corporation. I insist, secondly, that it is appropriate because it relates to the acquisition, in behalf of the people of a great territory, of a privately owned utility; and, thirdly, it will remove a controversy and avoid litigation that has been contemplated between the two plants and enable the people of the city, without the uneconomic situation thus presented, to have furnished to them light and power. But, above all that, there is another reason why it is appropriate, and that is, it is for the benefit of the people themselves; and for that reason, if there were no other presented here, it ought to be permitted to go on as an amendment to this bill.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from California [Mr. JOHNSON].

Mr. JOHNSON. I ask for the yeas and nays on the amendment.

Mr. GLASS. Mr. President, I shall occupy only a minute or two.

The Senator from California [Mr. JOHNSON] says that this bill was considered by a subcommittee of the Banking and Currency Committee and testimony taken. I was not a member of the subcommittee; but I have very definite information to the effect that had the subcommittee voted on the bill at the time the memorandum was furnished, if that may be called testimony, the bill would have been reported adversely by an overwhelming vote of the committee. It was suggested, however, that the distinguished colleague of the senior Senator from California was interested in the bill, and was ill, and therefore that consideration of the bill should go over until the junior Senator from California [Mr. McAbool] should have an opportunity to appear before the committee.

My objection to the bill, aside from a fundamental objection, is that it has not been considered by the Banking and Currency Committee; that it has not been considered by the departments of Government intimately affected by its provisions; and that nobody could possibly compute the amount

of money that might be expended out of the Federal Treasury if the amendment should be adopted. It would open up the question of loans by the Reconstruction Finance Corporation to every community in the United States for the purchase or construction of municipal plants.

On Saturday it was suggested by the Senator from Washington [Mr. BONE] that the Reconstruction Finance Corporation under existing law is authorized to make loans of this kind. It seemed so from the provision of law introduced into the RECORD by the Senator from Washington, and I asked the chairman of the Reconstruction Finance Corporation for an explanation. He told me that the authority for making all loans of this description had been transferred to the Public Works Authority, and that if this loan could be made at all under existing law it could be made by the Public Works Authority.

This morning, without any solicitation on my part, I have a letter from the Chairman of the Reconstruction Finance Corporation, which I shall read for the RECORD:

DEAR SENATOR GLASS: The amendment to your bill offered by Senator JOHNSON carries Government financing into a field that it seems highly undesirable that we start upon. Furthermore, there is a good market at this time for high-grade municipal securities; and if the people in Los Angeles will vote these securities, they can undoubtedly be sold in the market and at fair rates.

We have had demands from all over the country for loans to municipalities, not for the purpose of buying utilities but to pay firemen, policemen, and other employees of the cities where sufficient taxes are not being collected. We have not submitted these proposals to Congress for the reason that with recovery well under way, it should not be necessary for the United States Government to help municipalities in such ways. If, however, when Congress meets again in January, it seems desirable to give further consideration to these problems, I should not hesitate to advocate them.

JESSE H. JONES,

Chairman Reconstruction Finance Corporation.

I respectfully submit to the distinguished Senator from California that we should not adopt this proposition as an amendment to the pending bill. The pending bill is designed strictly to help going concerns in their capital set-up and is designed to keep people employed, and, in the matter of expansions, to result in the employment of other people.

The measure proposed by the distinguished Senator from California is not designed to do that, or, if so designed, it seems to me it will fail of its purpose, because it will not involve the employment of another person. It may involve the discharge of many persons, because there are now two competing plants in Los Angeles, and if the city plant should take over the private plant, the only purpose in taking it over, it seems to me, would be one of economy, and the only way economy could be effected would be by consolidating the working forces of the two plants, which inevitably, I should suppose, would involve the discharge of many persons. Moreover, as I understand, when this bill was first introduced, it related to Los Angeles alone, some objection was raised to that fact, and the bill was revised so that it might relate to the whole of the United States.

It is simply appalling to me to consider what might be the result if a policy of that sort were adopted. Every municipality in the United States might be coming to Washington to get the money of the taxpayers to apply to industries of this sort, and heaven only knows in what it would result. I do not know, I am sure. I think the Senator from California might be willing to let the matter go over, and let his measure be deliberately and maturely considered in the Committee on Banking and Currency. There has been no intention of delay whatsoever in the committee. The bill went over out of deference to the Senator's colleague.

Mr. President, I hope very much the Senator will withdraw his amendment. If not, I hope the Senate will vote it down.

Mr. JOHNSON. Mr. President, let us for a moment consider the objections urged against the amendment. If I were interfering in the slightest degree with the very beneficial purpose of the two bills which have been before us since Saturday afternoon, I would very willingly withdraw the amendment. If in any degree I were interfering with either one of the bills performing its functions as indicated by the phraseology, I should be very glad to stand aside. But I am doing neither the one thing nor the other.

The first objection made by the distinguished Senator from Virginia is that the amendment has not been considered by the committee. I think as the Senator proceeded he indicated that the committee had in some fashion considered it. I was not aware that there had ever been any determination even by a subcommittee. But we need not worry with that, anyway, because if that were a hard and fast rule, a rule of thumb for legislation here, there never could be any amendment presented to a bill from the floor of the Senate, and there never could be any legislation adopted except that which a committee had reported. So I think we can dismiss that as of little or no consequence.

Next, the Senator from Virginia says it has not been considered by the departments. It has been considered by the R.F.C., and has been considered by the Interior Department. The Senator reads a letter from the R.F.C. which would indicate that it is opposed to it. The Interior Department is in favor of it, and the communications from these two instrumentalities of the Government are on file in the Committee on Banking and Currency.

I listened as well as I was able, as the Senator read the letter of the R.F.C., and it was perfectly obvious that the gentleman who wrote the letter wrote without an adequate conception at all of the provisions of the amendment, and of its safeguarding provisions.

I may say that I have a letter from the T.V.A.—Tennessee Valley Authority—which not only endorses the bill but expresses the hope that it will be passed, because it may be of value to that particular organization of the administration in days to come.

It is useless to say that it applies to Los Angeles alone. It will apply as well to some projects in the Northwest. But it is not a fact that every municipality in the whole United States would come here demanding that loans should be made by the R.F.C. under this measure, for only those are affected which have contracts with the United States, or any department, agent, or instrumentality thereof, for the purchase of electrical energy, and for the use of property, and so forth. So that all the bugaboos which have been created to the disadvantage of this amendment fall when they are considered at all. There is nothing that is presented here, except a distaste either for an amendment to the particular bill pending or a desire not to have this kind of loan made, which has, in my opinion, one scintilla of logic or argument to justify it.

For these reasons I submit to the Senate that, surrounded with safeguards as the amendment is, first, making it permissive, and, second, requiring not only the governmental agencies with which the municipality has a contract to approve but compelling as well that it shall produce security that is adequate for any loan which may be made, the amendment should be adopted. There can be no question of the ample security accorded under the amendment; no question whatever about the good it can do the people of this land. I ask for the yeas and nays upon the amendment.

Mr. GLASS. Mr. President, if I may address a question to the Senator from California, have the people of Los Angeles ever voted on the question of purchasing the private plant?

Mr. JOHNSON. I am unable to answer.

Mr. GLASS. Frankly, I ask the question because I am informed that they declined to approve the proposition.

Mr. JOHNSON. I think the Senator is in error as to that.

Mr. GLASS. I am not in error about being so informed. My informant may be in error.

Mr. JOHNSON. The Senator's informant I think is in error, because up to last Saturday the engineer and representative of the Bureau of Water and Power, Mr. Scattergood, was here, endeavoring to present this matter as best he could to those with whom he came in contact. I think the Senator's informant is wholly in error.

Mr. FLETCHER. Mr. President, very briefly, since the Banking and Currency Committee has been referred to, and the subcommittee of that committee mentioned in the

discussion here, perhaps I should explain somewhat the history of these measures.

We are likely to be somewhat confused, perhaps, by the pending amendment practically placing before us three different bills. Senate bill 3487, which is the bill we are now considering, was reported by the Senator from Virginia under these circumstances. I introduced a bill, on the recommendation of the Federal Reserve Board, providing for loans for the benefit of industry under certain circumstances and conditions. The bill provided for the setting up of 12 regional banks. It was referred to the Committee on Banking and Currency, and by that committee referred to a subcommittee, of which the Senator from Virginia is chairman. A report was made, and an amendment was suggested providing that the loans should be made by the Federal Reserve banks, without setting up the machinery of regional banks.

After thorough consideration, and some hearings before the committee, not public hearings or reported hearings, but in executive sessions, the committee agreed to amend the bill, and the Senator from Virginia introduced a new bill containing the amendments, which is Senate bill 3487, which was the original bill amended as the committee determined.

At the instance of the R.F.C., I introduced the original bill from which Senate bill 3520 resulted. That bill was amended by the committee. I was then requested by the committee to introduce a new bill conforming to the amendment to the original bill, which I did, and that new bill is Senate bill 3520.

These bills have been very carefully considered by the committee. Federal Reserve Board and R.F.C. officials have been before the committee. The committee finally determined, after extensive hearings and study of the subject, to report the two bills, S. 3487 and S. 3520, for action by the Senate.

The Senator from California is entirely correct in his statement concerning the introduction of his bill and its reference to the Committee on Banking and Currency. The Committee on Banking and Currency, however, has not been to blame; at least, I think it has not been dilatory in dealing with the Senator's bill. First it was referred, naturally and properly, of course, to the R.F.C. The report of the R.F.C. was practically noncommittal; that is to say, it left it to Congress to determine whether, as a matter of policy, it would enter upon this class of loans. The report was neither favorable nor unfavorable.

The bill was then referred to the Interior Department. That reference took a little time. The Interior Department's first report was unfavorable to the bill; and after further consideration and after some amendments or modifications of the bill, the Interior Department reported in favor of the bill introduced by the Senator from California involving that which he now has offered as an amendment to the pending bill.

The subcommittee which dealt with the question did consider the bill, heard the senior Senator from California, considered his argument and memorandum on the subject, and having before it the reports from the R.F.C. and the Interior Department, considered the whole matter.

Subsequently I brought the matter to the attention of the full committee. The full committee was not satisfied concerning the terms of the bill; and after discussing the subject for some little time there seemed to be a very great difference of opinion. I am inclined to think that had the matter been pressed at that time the committee would have reported adversely on the Senator's bill; but it was suggested, as the Senator from Virginia has mentioned, that the junior Senator from California [Mr. McAdoo] was ill, and was very much interested in this measure, and that the committee had better have it go over until he could be heard.

That was the action which was taken. There was no formal action, no resolution adopted; but that was the final decision reached by the Committee on Banking and Currency. So the matter rested there.

Now, we have the bill of the Senator from California offered as an amendment to these measures which have

been combined, because Senate bill 3520 has been adopted as an amendment to Senate bill 3487.

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

Mr. FLETCHER. I yield.

Mr. DILL. Does the present law authorizing loans by the R.F.C. permit the loaning of money to a privately owned electric power company?

Mr. FLETCHER. I doubt it, unless it is for a public use.

Mr. DILL. Of course, such a company's operation is for a public use.

Mr. FLETCHER. I think every enterprise must be for the public use in order to come within those to which the R.F.C. is authorized to make loans. As was stated, however, in the letter of the chairman of the R.F.C., which has been read this morning, all the jurisdiction and power originally vested in the R.F.C. have been transferred to the P.W.A. The P.W.A. really is handling it.

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

Mr. FLETCHER. I yield.

Mr. BARKLEY. If a utility plant, or a sewer system, or any public department is self-liquidating, the P.W.A., under the present law, may make loans to it. That function has been transferred from the R.F.C. to the P.W.A.

Mr. DILL. I am not talking about loans to cities for such plants or purposes. I am talking about loans to private power plants.

Mr. BARKLEY. There has been no amendment to the law authorizing it.

Mr. DILL. Does not the law allow that anyway? Are not private power plants included in "industry"?

Mr. BARKLEY. The R.F.C. can make loans only as specified in the act; that is, to railroads, banks, insurance companies, and others named in the act. The effect of the amendment which was agreed to in the Senate on Saturday will be to authorize them to make loans directly to private industry.

Mr. DILL. Then private power plants would be included?

Mr. BARKLEY. If there were no distinction between private power plants and private industry, it would include them.

Mr. DILL. I know that now the law does permit loans to public corporations, public subdivisions of States, and so forth. The law permits the buying of securities which do not mature for more than 10 years; so there is nothing particularly new in the 20-year feature of the provision offered by the Senator from California.

Mr. FLETCHER. No.

Mr. DILL. My point is that if we are to allow private companies to borrow money from the R.F.C., I do not see why we should not allow a municipality to borrow money to be used to produce electric power.

Mr. BARKLEY. There is nothing in any law specifically authorizing the R.F.C. to make loans to private power companies. The amendment to the R.F.C. Act proposed by the Senator from Florida is for the purpose of permitting the R.F.C. to loan money to small industries which have applied to the Federal Reserve banks and have not been able to get credit.

Mr. FLETCHER. The bill provides for furnishing loans to industry in order to maintain and increase employment, and so forth. The main object in allowing loans to be made to private industry is to maintain employment.

I wish to say in conclusion that I desire to see these two measures, Senate bill 3520 and Senate bill 3487, passed by Congress and go into effect. There is almost unlimited demand—certainly very strong and insistent demand—for these two measures to aid industry. The cry all over the country is to have capital supplied in order that industries may be started, and that industries may be continued by virtue of this financial assistance. I desire to see that done because, as I said, there is great demand for it and great need for it.

While in sympathy with what the Senator from California desires, which he has so clearly explained, I feel that if we put the Senator's amendment in the bill it will unduly load it down, and burden it, and endanger the final passage of

the bill as amended. I am afraid of that; and for that reason I shall have to vote against his amendment.

I do not desire to detain the Senate further. Let us have a vote on the amendment.

Mr. DILL. Mr. President, I shall not take the time of the Senate to discuss the question at any length. It seems to me that the fears of the Senator from Virginia are not well founded when he says that all the cities in the country will be here applying for money. Of course this provision should not apply simply to Los Angeles. I should be opposed to allowing that right merely to some one city. Before any city of importance that I know anything about can come here and make such an application it must have some kind of authorization from the city government, and I suppose in practically all the cities there must be a vote of the people. The whole question will have to be threshed out in the community or in the city which desires to obtain the loan.

I cannot understand why we should authorize the loaning of money to private power industries and refuse to allow a municipality to borrow money to produce power. It seems to me that if one is permissible the other should be permissible. I cannot understand the reasoning of those who oppose that proposal.

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

Mr. DILL. I yield.

Mr. BARKLEY. Regardless of the merits of this particular amendment, it applies in a limited way only to three or four sections of the country, and in those sections to restricted territory. Does the Senator think it is fair to scores of other cities and towns in the country which do not happen to have a Government dam in their vicinity to adopt an amendment allowing communities to borrow money in order that they may take advantage of the facilities brought about by the construction of a Government dam in their neighborhood, and not enlarge it so as to give every town in the United States the same opportunity? This amendment would apply to Los Angeles, and conceivably it would apply to some communities in the Tennessee Valley, and in one or two other places.

Mr. DILL. It would apply to the entire Colorado River Valley, to the Columbia River Valley, to the Tennessee River Valley, and, if a dam should be built on the St. Lawrence River, it would apply there. To what other sections of the country would it apply?

Mr. BARKLEY. Why deny the privilege to communities which do not have a dam and never will have a dam unless they build it themselves, which they will not do? Why set up by the amendment a special class of towns near dams? Why give authority to cities which are near a dam built by the United States to borrow money to build a public plant, but deny that privilege to all the other towns of the United States? Why deny to other towns the opportunity to do the same thing?

Mr. DILL. This provision does not deny it to them. It specifically permits them to buy the plants in their communities.

Mr. BARKLEY. Not unless they have a contract with some Government agency, and that contract presupposes that a Government dam is being built in the vicinity.

Mr. DILL. Let us take the other side of this question. The Government is building these immense dams; it will have power to sell; it needs a market in these cities and communities, and thus this will in reality be an assistance to the Government in selling the power it is now producing.

Mr. BARKLEY. There is not any chance, of which I know, that it will have any better market by loaning this money to cities than it will have anyway. The cities have got to have light and power.

Mr. DILL. The difference will be that if the Government sells the power to a private company, such private company will proceed to charge such rates as it sees fit, which are always profiteering rates, while, if the Government sells to a municipal company, the power will be sold at prices simply sufficient to keep the plant in operation and take care of depreciation.

Mr. BARKLEY. I am in sympathy with all these public projects and have supported them; I have helped to vote millions and hundreds of millions of dollars out of the Treasury to build them. Now, we are asked to loan to people in the neighborhood the money in order that they may take advantage of the facilities which the Government is putting at their doors, and not allow any other town that does not have a dam near it such an opportunity. It does not seem to me to be fair.

Mr. COUZENS. Mr. President, I think this amendment, if put into proper legislative form, should carry a provision that a municipality or subdivision that applies for money shall pledge its full faith and credit for the loan. The committee almost unanimously oppose the principle involved in this form of loan, but they have not attempted, in any way, to put the amendment in better legislative form. Take my own city, for instance. It applied for some \$88,000,000 to build a subway; but, so far as I know, the P.W.A. has turned it down because the faith and credit of the city were not pledged. There is nothing in the proposal now before us which would require any municipality to pledge its full faith and credit for a loan outside of the liquidating pledge of the project itself. In other words, there is nothing in the proposal which requires the municipality to charge a rate that will even make the project self-liquidating. I am in full sympathy with the desires of the Senator from California, but I think the proposal ought to be amended so that the full faith and credit of the municipality will be behind such loans, outside the fees which may be charged for service.

Mr. DILL. Mr. President, I am not going to take more time of the Senate. I simply wanted to state my position regarding this matter.

The PRESIDING OFFICER (Mr. MCGILL in the chair). The question is on the amendment offered by the Senator from California [Mr. JOHNSON].

Mr. GLASS. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BONE (when Mr. NEELY's name was called). I desire to announce the necessary absence of the junior Senator from West Virginia [Mr. NEELY] and to state that were he present he would vote "yea" on this amendment.

Mr. ROBINSON of Arkansas (when his name was called). I transfer my general pair with the Senator from Pennsylvania [Mr. REED] to the Senator from Illinois [Mr. DIETERICH], and vote "nay."

Mr. VANDENBERG (when his name was called). On this vote I am paired with the senior Senator from Nevada [Mr. PITTMAN]. Not knowing how he would vote, I withhold my vote.

Mr. WALCOTT (when his name was called). I have a general pair with the junior Senator from California [Mr. McADOO]. I am informed that if present he would vote "yea" on this amendment. As he is detained from the Senate by sickness, and as I am unable to obtain a transfer of the pair, I withhold my vote. If permitted to vote, I should vote "nay."

The roll call was concluded.

Mr. PATTERSON (after having voted in the negative). I inquire if the junior Senator from New York [Mr. WAGNER] has voted?

The PRESIDING OFFICER. That Senator has not voted.

Mr. PATTERSON. I have a general pair with the junior Senator from New York. I am not informed as to how he would vote upon this question, and, therefore, I am compelled to withdraw my vote.

Mr. KEYES (after having voted in the negative). I have a pair with my colleague the junior Senator from New Hampshire [Mr. BROWN]. I understand if he were present he would vote as I have voted. So I will allow my vote to stand.

Mr. STEPHENS. On this vote I am paired with the senior Senator from Indiana [Mr. ROBINSON]. I transfer that pair to the junior Senator from Florida [Mr. TRAMMELL] and vote "nay."

Mr. LEWIS. I reannounce at this time the absence of certain Senators whose absence I announced on the previous roll call, and, as to my colleague [Mr. DIETERICH], who also is necessarily absent, I announce that I do not know how he would vote if present.

I desire further to announce that the Senator from South Carolina [Mr. BYRNES] and the Senator from Maryland [Mr. TYDINGS] are detained from the Senate in attendance upon committees.

I wish also to announce that the Senator from Texas [Mr. SHEPPARD] has a general pair with the Senator from Delaware [Mr. HASTINGS].

Mr. HEBERT. I wish to announce that the Senator from Idaho [Mr. BORAH] is detained in the Committee on Education and Labor, and that the Senator from Pennsylvania [Mr. REED], the Senator from Delaware [Mr. HASTINGS], and the Senator from Indiana [Mr. ROBINSON] are necessarily detained from the Senate.

The result was announced—yeas 37, nays 37, as follows:

YEAS—37

Ashurst	Duffy	Logan	Shipstead
Bachman	Erickson	McGill	Stelwer
Bankhead	Frazier	McKellar	Thomas, Okla.
Black	Hatch	McNary	Thomas, Utah
Bone	Hatfield	Murphy	Thompson
Capper	Hayden	Norbeck	Van Nuys
Copeland	Johnson	Norris	Wheeler
Costigan	King	Nye	
Cutting	La Follette	Pope	
Dill	Lewis	Reynolds	

NAYS—37

Adams	Connally	Goldsbrough	Overton
Austin	Coolidge	Hale	Robinson, Ark.
Bailey	Couzens	Harrison	Schall
Barbour	Davis	Hebert	Stephens
Barkley	Dickinson	Kean	Townsend
Bulkeley	Fess	Keyes	Walsh
Bulow	Fletcher	Lomorgan	White
Byrd	George	McCarran	
Carey	Gibson	Metcalf	
Clark	Glass	O'Mahoney	

NOT VOTING—22

Borah	Hastings	Reed	Tydings
Brown	Long	Robinson, Ind.	Vandenberg
Byrnes	McAdoo	Russell	Wagner
Caraway	Neely	Sheppard	Walcott
Dieterich	Patterson	Smith	
Gore	Pittman	Trammell	

So Mr. JOHNSON's amendment was rejected.

Mr. LEWIS. Mr. President, as I have previously stated, the sanitary district of my State, working with the city of Chicago, has a similar relation to the Government as the Senator from California has stated Los Angeles has to the Government. Therefore, I voted "yea."

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate, by Mr. Latta, one of his secretaries.

FINANCING OF HOME CONSTRUCTION AND REPAIR

The PRESIDING OFFICER laid before the Senate a message from the President of the United States, which was read and referred to the Committee on Banking and Currency, as follows:

To the Congress:

May I draw your attention to some important suggestions for legislation which should tend to improve conditions for those who live in houses, those who repair and construct houses, and those who invest in houses?

Many of our homes are in decadent condition and not fit for human habitation. They need repairing and modernizing to bring them up to the standard of the times. Many new homes now are needed to replace those not worth repairing.

The protection of the health and safety of the people demands that this renovizing and building be done speedily. The Federal Government should take the initiative immediately to cooperate with private capital and industry in this real-property conservation. We must lay the groundwork for this effort before Congress adjourns its present session.

The purpose of the program is twofold: First, to return many of the unemployed to useful and gainful occupation; second, to produce tangible, useful wealth in a form for which there is great social and economic need.

The program consists of four major, interrelated divisions:

1. Modernization, repair, and new construction;
2. Mortgage insurance;
3. Mortgage associations; and
4. Building-and-loan insurance.

The modernization phase of the program will furnish national guidance and support for locally managed renovating campaigns throughout the country and protection for home owners against unwarranted cost advances. For these purposes and to assure adequate financing at low cost and on moderate terms of repayment, a new governmental agency is required.

Modernization of commercial and industrial structures is envisioned, as well as residential, but the new features providing governmental assistance are confined largely to home improvements.

Loans to individuals will be made by private agencies, which will be insured by a governmental agency against loss up to a certain percentage of their advances. This insurance against loss on the rehabilitation loans will be met by the Government and will be confined to advances of credit that meet standards and conditions designed to protect both the home owners and the cooperating agencies.

To make funds available for new home construction and to improve the mortgage market, the second phase of the program is long-term mortgage financing. It provides mutual mortgage insurance under governmental direction to enable private agencies to make first-mortgage loans on newly constructed houses up to 80 percent of the appraised value of the property and to make new mortgages on existing homes up to 60 percent of the appraised value of the property. The loans will usually carry not more than 5 percent interest and will be amortized by periodic payments over 20 years. Similar insurance arrangements are provided to help finance low-cost residential projects of the slum-replacement type.

The third phase provides for the incorporation of mortgage associations under strict Federal supervision to increase the amount of mortgage funds available in regions where interest rates are unduly high because sufficient local funds are lacking. The activities of these associations will be limited almost entirely to insured residential mortgages.

Insurance for share and certificate holders in building-and-loan associations, similar to the insurance provided for bank depositors, is the fourth phase of the program. These institutions are custodians of the funds of small savers, and it is essential that they should be given every reasonable protection. Insurance of this type is necessary in order to arrest any further drain on these institutions and to put them in a position to resume their normal useful functions.

I believe that the initiation of this broad and sound program will do much to alleviate distress and to raise perceptibly the standards of good living for many of our families throughout the land.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, May 14, 1934.

Mr. FLETCHER. Mr. President, in pursuance of the President's message, I request unanimous consent to introduce a bill, and ask its reference to the Committee on Banking and Currency.

The PRESIDING OFFICER. Without objection, the bill will be received and referred, as requested by the Senator from Florida.

The bill (S. 3603) to improve Nation-wide housing standards, provide employment, and stimulate industry; to improve conditions with respect to home-mortgage financing, to prevent speculative excesses in new mortgage investment, and to eliminate the necessity for costly second-mortgage financing by creating a system of mutual mortgage insurance and by making provision for the organization of addi-

tional institutions to handle home financing; to promote thrift and protect savings; to amend the Federal Home Loan Bank Act; to amend the Federal Reserve Act; and for other purposes, was read twice by its title and referred to the Committee on Banking and Currency.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5950) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto.

The message also announced that the House had agreed severally to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the House to the following bills of the Senate:

S. 2080. An act to provide punishment for killing or assaulting Federal officers;

S. 2249. An act applying the powers of the Federal Government, under the commerce clause of the Constitution, to extortion by means of telephone, telegraph, radio, oral messages, or otherwise;

S. 2252. An act to amend the act forbidding the transportation of kidnaped persons in interstate commerce;

S. 2253. An act making it unlawful for any person to flee from one State to another for the purpose of avoiding prosecution in certain cases;

S. 2575. An act to define certain crimes against the United States in connection with the administration of Federal penal and correctional institutions and to fix the punishment therefor;

S. 2841. An act to provide punishment for certain offenses committed against banks organized or operating under laws of the United States or any member of the Federal Reserve System; and

S. 2845. An act to extend the provisions of the National Motor Vehicle Theft Act to other stolen property.

LOANS BY FEDERAL RESERVE BANKS TO INDUSTRIES

The Senate resumed the consideration of the bill, S. 3487, relating to direct loans for industrial purposes by Federal Reserve banks, and for other purposes.

Mr. VANDENBERG. Mr. President, Saturday, collaborating with the senior Senator from New York [Mr. COPELAND], I submitted an amendment to the pending bill which contemplated additional depositors' relief for the bank depositors of the country whose funds have been tied up in closed banks. In the form in which the amendment was submitted last Saturday it directed the Reconstruction Finance Corporation to loan 100 percent of the fair estimated liquidating value of the assets tendered as security for such loans and to reduce the interest rates upon the loans to 3 percent. The amendment was rejected.

I have modified the amendment, in consultation with my colleague and the Senator from New York, and with others, so as to limit the application of the new proposed authority to the receivers or the liquidating agents of banks and savings banks which have been closed since January 1, 1933. I have injected the element of discretion in respect to the use of this power by the Reconstruction Finance Corporation, and I have increased the rate of interest from 3 percent to 3½ percent.

In collaboration with the Senator from New York [Mr. COPELAND], and in his behalf as well as my own, I am now offering the altered amendment. I do not want to take time to argue it. That was amply done Saturday. However, I want the Senate to understand precisely what it is that is proposed. It is proposed that receivers or other liquidating agents of closed banks and closed savings banks shall be permitted, in the discretion of the Reconstruction Finance Corporation, to borrow 100 percent of the fair estimated liquidating value of the assets tendered to the Reconstruction Finance Corporation as collateral for the loans.

It is proposed that this privilege shall be permitted only to those banks which have closed since January 1, 1933, which means, of course, the vast field which closed in respect to the general bank holiday of 1 year ago. The net result of the operation of the amendment would be simply this:

At the present time the Reconstruction Finance Corporation has made its appraisal upon these assets of the various banks. It has made the appraisal on a thoroughly business-like, conservative basis. Against that appraisal, in turn, it has loans, let us say, of 60 or 75 percent of the appraised value of the assets. This amendment would increase the loans to 100 percent of the appraisals and reduce the interest rate to 3½ percent per annum. This amendment proceeds on the theory that the Government owes a final obligation to liquidate so far as possible the deposits that are still tied in these banks. It proceeds on the theory that if we want currency expansion and bank-credit currency expansion, the best possible way to get it is in a maximum rational distribution of the deposits that are still tied in the closed banks. It proceeds on the theory that the rate of interest charged by the Reconstruction Finance Corporation upon these loans should be only such a rate of interest as permits the Corporation to break even in respect to its operation; that there should be no profit in that aspect of the operation.

Therefore, in this amended form I submit this proposal on behalf of the Senator from New York [Mr. COPELAND] and myself, in the hope that in this fashion we can close, so far as this particular bill is concerned, this particular phase of the legislation.

I offer the amendment which I send to the desk. Perhaps I had better read it myself in order to be sure that it is read correctly, since it is written in hasty longhand.

I move to add a further section reading as follows:

That the Reconstruction Finance Corporation Act is hereby amended by adding, at the end of paragraph 1 of section 5, the following sentence:

Notwithstanding any other provisions of law with respect to loans as aforesaid to receivers or liquidating agents for banks and savings banks that closed since January 1, 1933, and are in process of liquidation, the Corporation shall loan, in its discretion, 100 percent of the fair estimated liquidating value of the assets tendered as security for such loans, and shall charge interest thereon at a rate not to exceed 3½ percent per annum.

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

Mr. VANDENBERG. I yield.

Mr. HAYDEN. I could not tell from hearing the amendment read whether it applies only to national banks or to banks which are members of the Federal Reserve System. Is the amendment broad enough to include State banks, not members of the Federal Reserve System?

Mr. VANDENBERG. It includes all banks and savings banks that are covered by the original bill, which, as the Senator knows, includes every bank that now has a loan with the Reconstruction Finance Corporation, and covers all such classifications of banks.

Mr. COPELAND. Mr. President, it does seem to me that this modified proposal which was offered by the Senator from Michigan [Mr. VANDENBERG] on his behalf and mine might well be accepted.

Before the Senate adjourned on Saturday night I left on the table a joint proposal of the Senator from Michigan and myself. That, however, is not before us. The pending proposal does this:

The Reconstruction Finance Corporation has already made these appraisals. In many instances a percentage has been loaned upon these assets. If this particular measure shall be adopted, it will permit 100-percent loans upon such assets.

It is understood, of course, that a conservative estimate is to be made. They are not the sort of assets that could be liquidated tomorrow or the next day, but they are assets which can be liquidated if sufficient time is given those in charge of the local banks to deal with them.

I spoke the other day about experience with a half dozen banks in my State gained from personal contact with those banks. Of course, six banks or seven banks is a very small

number, and yet the conditions which obtained in that number of banks must obtain throughout the country.

I have in mind one bank located in Orange County, in my State, which is in the midst of the biggest onion patch in the world. There are seven or eight thousand acres in that immediate neighborhood which are tilled by subsistence farmers. They are small farms, but nevertheless in normal times they produce enough income to make possible decent living for every farm family.

A good many of these farmers had notes or mortgages at the local bank in Florida, Orange County, N.Y. About the time it was necessary to liquidate its assets in order to have funds to continue the operation of the bank, there was a flood in the Walkkill River, which flows through this onion country. A million dollars' worth of onions were destroyed in 2 or 3 days, making it impossible for those farmers to meet their obligations to the bank.

I know many of the farmers personally. I know the conservator of the bank. We went over the assets of the bank; and it was perfectly clear, both to the conservator—who had been the cashier for a long time—and to me, knowing the farmers involved, that there could be no question that the assets in question had a 100-percent face value; that it needed only a little time to work out the problem of liquidation.

Mr. President, what happened in Florida, N.Y., no doubt happened in every county in this country. If a way could be found to release many of these deposits, it would mean much to the return of prosperity.

We cannot deny the fact that there is much discontent in America. In certain sections of America discontent is seething. Many of the persons to whom we refer as the "white-collar class", who have been diligent and active, cannot understand why we are willing while ignoring their plight, to give millions to others through the C.W.A., where much of the work was "made" work. I am not complaining about that, because I think it was very necessary that we should do it. I am simply speaking of the fact that these persons of the white-collar class, who have all the possessions they have tied up, cannot understand why, through the C.W.A., there should be these gifts of millions of dollars and no relief given to these faithful citizens who have striven through the years to accumulate something for old age. They cannot understand, either, why millions have been loaned to railroads, while no particular effort is made to take care of the distress of the depositors in local banks.

Mr. President, in the interest of better feeling in our country, in the interest of justice to these citizens who cannot help themselves, I believe that we ought to go at least this far.

There is no need of my prolonging my remarks. Every Senator here knows exactly what the problem is. Every Senator must have been called upon, as I have been many times during the past year, to give advice regarding these local difficulties. So I hope the committee may see fit to accept the modified proposal made by the Senator from Michigan [Mr. VANDENBERG] and myself, accept this amendment to the measure, and let it go to conference, in the hope that some relief may be given to the distressed depositors in banks throughout our country.

Mr. GLASS. Mr. President, if Senators do not want us, through the usual banking channels, and now directly through the Federal Reserve banks of the country, and in the last analysis through the Reconstruction Finance Corporation, to go to the assistance of thousands of struggling industries with inadequate capital to carry on and with inadequate capital to expand their industries—if Senators do not want us to do that, they will continue to seek to load down this bill with propositions which I happen to know cannot become law.

If this particular amendment should be adopted, it would open up in another branch of Congress the entire question of so-called "relief" to depositors in failed banks. It would almost certainly insure an opportunity in another branch of Congress to vote on propositions that would literally bank-

rupt the Federal Treasury. For that reason, if for no other, I could wish that my distinguished colleagues would refrain from embarrassing this bill, which is intended to help going industries that are in trouble in a way that will insure the retention of their present force of employees, and also enable them to expand their business, and contribute thereby to lessening unemployment in this country.

Under existing law, to wit, the Bank Act of 1933, the Federal Deposit Insurance Corporation is authorized, and not only authorized, but it is made its duty, to purchase, hold, and liquidate, as hereinafter provided, the assets of national banks which have been closed by action of the Comptroller of the Currency, or by vote of their directors, and the assets of State member banks which have been closed by State authority.

Mr. President, that was confined to member banks of the Federal Reserve System for two reasons; first, for the very good reason that we appropriated \$140,000,000 from the reserves of the Federal Reserve banks which are owned by the member banks of the System for this purpose, and authorized assessments against member banks for this purpose. Neither the committee nor the Congress could see the justice in taking the funds of the Federal Reserve Banking System and appropriating them to the use of non-member banks, which endure none of the restrictions and none of the exactions which member banks in the Federal Reserve System must endure.

There was a second reason, not of less importance than the one I have mentioned; that is, that we had set aside, first, \$200,000,000 for the assistance of nonmember banks in the appropriation and authorization to the Reconstruction Finance Corporation. We afterward withdrew the restriction of \$200,000,000 and authorized the Reconstruction Finance Corporation to go to the assistance of these banks without restriction.

Now it is proposed in this bill, which relates to an entirely different matter, to open up the whole question of taking money from the Federal Treasury exacted from the taxpayers of the country to reimburse depositors in failed banks.

Mr. President, I pause to ask whether the amendment proposed on Saturday by the Senator from New York and the Senator from Michigan has been withdrawn, and whether the pending amendment is substituted in its place.

Mr. VANDENBERG. For the time being, Mr. President, if I may respond, we are now undertaking to get assent to this proposition, in the hope that we may conclude this phase of the legislation with this amendment.

Mr. GLASS. Which means, of course, that if the amendment shall not prevail we will go back to the amendment offered day before yesterday.

Mr. VANDENBERG. The Senator is correct, I assume.

Mr. GLASS. I want the Senate to understand that that might easily, and would inevitably, wipe out every dollar in the fund provided for the insurance of bank deposits in the act of 1933.

Just think of it; talking about loans to railroads and to other institutions, the Reconstruction Finance Corporation has made commitments to banks amounting to \$783,000,000. Nearly a billion dollars have been expended by the Reconstruction Finance Corporation in aid of banks. Now we are asked to authorize that Corporation to take an unrestricted and an unlimited amount of the taxpayers' money to pay out for this purpose.

I wish to stress the first objection urged to this proposition. It opens up the whole question, and would probably, if not inevitably, mean that in another branch of the Congress there would be attached to the bill a proposal which the Treasury and the President say literally would bankrupt the Government of the United States.

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

Mr. GLASS. I yield.

Mr. TYDINGS. I am advised that one of the agencies of the Government made a survey of the frozen deposits in the closed banks, and while I have not the figures exactly accurate, I have figures which are substantially accurate. It is stated that if the Federal Government should attempt to

pay off all of the depositors, and could realize 100 cents on the dollar on the collateral against these deposits, it would lose in the neighborhood of \$1,400,000,000 on the transaction.

Mr. GLASS. Mr. President, as I have said, I wish to stress this view of the question, that it opens up the whole problem, and there might be attached to the bill provisions which would inevitably result in an Executive veto, and then we would have denied to thousands of deserving and going but struggling industries in this country any aid whatsoever.

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

Mr. GLASS. I yield.

Mr. LEWIS. I inform the Senator from Virginia that I have not been without a great many demands on me to take steps similar to the proposition of placing the Treasury behind these deposits all over the country, to return to those who had lost their deposits in the State banks as well as national banks.

I ask the Senator, under what law, by what authority now existing, could the Government take possession of the assets of State banks, or the securities behind these lost loans? In what manner could the Federal Government assume to take charge of these State institutions and force the stockholders to respond to the liability, or to collect from the assets such as the able Senator from Maryland alludes to, if there be such behind the loans? Where is there any law, may I ask the able Senator, acquainted with the subject from his long association with banking, under which the Federal Government could go into the States and take charge of banks which have failed?

Mr. GLASS. There is no law which would enable the Federal Government to take charge of nonmember banks, which largely outnumber member banks. If there were a law which would enable it to do so, it would be found on utter injustice. Why should the taxpayers of this country be required to go down into their pockets and pay losses of 7,000 banks over which the Federal Government has no control whatsoever? It has not even the poor privilege of sending one of its examiners into their establishment to find out whether they are doing an illicit, an irregular, or an honest business. Why should that be done? There is no consideration of justice that would warrant any such procedure.

Mr. President, I was not apprised of this proposed substitute for the amendment offered on Saturday; therefore, I cannot say literally what would be the attitude of the Comptroller of the Currency as to it, but I have in my hand a letter from him which utterly opposes the proposition presented by the Senator from New York on Saturday, and I ask to have it inserted in the Record immediately following my remarks.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit 1.)

Mr. GLASS. I beg the Senate to understand that if Senators desire to do anything approaching that which is intended by this proposal, it should be done in a separate, independent bill, and not in the form of an amendment to the pending bill, thereby jeopardizing loans amounting to half a billion dollars through regular banking processes to the struggling industries of this country.

EXHIBIT 1

TREASURY DEPARTMENT,
Washington, May 14, 1934.

DEAR SENATOR GLASS: You have asked for my reaction to amendment offered by Senator COPELAND, of New York, to amend section 12B of the Federal Reserve Act, and particularly that part of the amendment which will add a new subsection "z."

The funds available to the Federal Deposit Insurance Corporation consist of \$150,000,000 appropriated from the Treasury for the capital stock, plus \$139,299,556 received from Federal Reserve bank assessment payments and \$39,373,449 received from bank assessments for the temporary fund. Paragraph (y) of the Banking Act provides that the Corporation shall refund to the member banks of the temporary fund all their assessments, less expenses of operation and liabilities incurred, which therefore makes unavailable the amount paid in for temporary insurance. The provisions of paragraph (o) of the act permit the Federal Deposit Insurance Corporation to issue notes, debentures, bonds, or other obligations up to three times the amount of its capital. You will note that these securities would not be direct obligations of the United States Government and would not be guaranteed by the Government, and in my opinion they could only be floated at a

great sacrifice. You will recall that under the Home Loan Act securities were issued, but the Government guaranteed the interest, and last summer these sold in a thin market at between 60 and 70 cents on the dollar. If securities were issued under the provisions of the bank act which had neither the principal nor the interest guaranteed by the Government, it is mere conjecture what they could be sold for. In other words, under the present wording of the law no one would urge that securities be issued.

Therefore, the rather small amount contributed by the Government to the banks, as compared with a commitment of \$783,000,000 already made by the Reconstruction Finance Corporation on the assets of closed banks, both State and National in the United States, would give but small relief. Moreover, of those national banks which have gone into receivership since March 1, 1933, all have received loans where it is possible to make a loan except 155, and 144 of these will receive loans within 60 to 90 days.

Again, if the funds of this Corporation under direction of the Congress are to be used to purchase the assets of closed banks or to loan on closed banks, the depositors of the Nation would hardly be justified in having confidence in an insurance corporation which had no funds with which to pay the depositors of a closed bank in the event of a failure.

This bill contemplates purchase of or loans against the assets of these banks to be made on the basis of an appraisal of their values as considered under normal conditions, thus embodying the common erroneous conclusion that these assets have an undisclosed recovery value which will greatly increase their worth when conditions are improved. This conclusion overlooks the fact that in most cases the best of these assets have been liquidated and that much of that which remains consists of real estate and mortgages, the carrying of which involves a depreciation element that may more than offset recovery appreciation. They also consist in large part of ill-advised loans and investments, and what may be gained through economic recovery in one case may be lost in another by bankruptcy or death of the debtor.

I feel that nothing should be done to undermine or destroy, or even cast reflection on, the Federal Deposit Insurance Corporation, and that to carry out the provisions of the amendment referred to would certainly do so, for it would practically be advising the depositors of banks now insured that the insurance, due to lack of funds, was carried in what might be termed a "busted" corporation.

Very truly yours,

J. F. T. O'CONNOR, *Comptroller.*

HON. CARTER GLASS,
United States Senate, Washington, D.C.

Mr. VANDENBERG. Mr. President, I desire to apply a few correcting sentences to the statement of the Senator from Virginia.

The Senator has made a powerful argument against proposals which are not pending in this motion at all; in fact, practically his entire argument is addressed to propositions which are not pending in connection with this proposal. He has argued against a pay-off bill which is pending in the House of Representatives, and which is unrelated in terms or otherwise, in any degree or fact, to the pending amendment. He has argued forcefully against another amendment which was submitted by the Senator from New York on Saturday, which is not now before the Senate, and which is not involved in the amendment now pending before the Senate.

There is no possibility of bankruptcy or anything related to bankruptcy of the Government in the pending amendment. There is nothing in the pending amendment which asks the Reconstruction Finance Corporation to acknowledge anything except fair liquidating value in the banks of the United States which have been closed. There is nothing in the pending amendment which does not leave the determination of that value to the judgment of the Reconstruction Finance Corporation. There is nothing directly or indirectly which justifiably invites the use of the word "bankruptcy", or any paraphrase of it, in connection with the discussion of the pending amendment.

Mr. President, the Senator from Virginia suggests that this amendment may jeopardize the industrial loan bill. I should be the last man in the Chamber to jeopardize the industrial loan bill. The Senator from Virginia states that he is in position to assert that no legislation of a character similar to that which is now pending can finally become a law at the present time. I do not know whether or not he intends to apply that stricture literally to the pending amendment. I do not see how he could possibly know whether the pending amendment, which was only born an hour ago, falls within any such general category. I say to him, however, that if this amendment should go to confer-

ence, and the President of the United States should undertake to say that the industrial loan bill could not be signed with this amendment in the bill, I should consider the Senate conferees entirely justified in eliminating it.

I am not seeking to embarrass the industrial-loan bill, and I know that in this aspect I completely reflect the attitude of the Senator from New York. Neither are we contemplating one nickel's loss or burden to the Government of the United States in connection with the liquidation of these bank assets. We contemplate solely and only the maximum use of safe governmental credit for the purpose of giving the depositors of the country the maximum use of such portion of their deposits as can be liquidated at fair liquidating values.

Mr. BARKLEY. Mr. President, in order that we may understand what it is that the Senator from Michigan is attempting to amend, I desire to read the first paragraph of section 5 of the Reconstruction Finance Corporation Act, as follows:

To aid in financing agriculture, commerce, and industry, including facilitating the exportation of agricultural and other products, the Corporation is authorized and empowered to make loans, upon such terms and conditions not inconsistent with this act as it may determine, to any bank, savings bank, trust company, building-and-loan association, insurance company, mortgage-loan company, credit union, Federal land bank, joint-stock land bank, Federal intermediate credit bank, agricultural credit corporation, livestock credit corporation, organized under the laws of any State or of the United States, including loans secured by the assets of any bank, savings bank, or building-and-loan association that is closed, or in process of liquidation to aid in the reorganization or liquidation of such banks or building-and-loan associations, upon application of the receiver or liquidating agent of such bank or building-and-loan association, and any receiver of any national bank is hereby authorized to contract for such loans and to pledge any assets of the bank for securing the same.

As the Senator from Virginia has already pointed out, under that authority nearly \$800,000,000 have been loaned by the Reconstruction Finance Corporation to the institutions named under the authority just read. It is now proposed to add another sentence in the following language:

Notwithstanding any other provisions of law with respect to loans as aforesaid to receivers or liquidating agents for banks and savings banks that closed since January 1, 1933, and are in process of liquidation, the Corporation shall loan, in its discretion, 100 percent of the fair estimated liquidating value of the assets tendered as security for such loans, and shall charge interest thereon at a rate not to exceed 3½ percent per annum.

The words "in its discretion" have been interpolated, written in. As originally drawn, the amendment gave the Corporation no discretion either as to whether it should make the loan or as to the amount of the loan it should make.

Mr. President, we might as well look at this matter in a practical way. For a long time industries which are on the edge, which could not comply with the rigid banking requirements and meet the inspection and examination of bank examiners and the N.R.A. requirements also, as the Senator from Virginia suggests, have been asking Congress to liberalize the authority of the Reconstruction Finance Corporation in order that the Corporation may make loans directly where the circumstances justify it, by reason of the hope that the concerns may continue to operate and keep men in employment.

We realize that one of the original objects of the Reconstruction Finance Corporation was to enable concerns to continue to employ men. The Reconstruction Finance Corporation has done a great piece of work. Considering the amount of loans involved, and the condition of industry and of banks and of all those to whom loans were made under the authority of the act, I believe that there will be a smaller net loss ultimately to the Government than could have been brought about by any other similar organization, public or private, in the United States of America.

There is, and there has been, an insistent demand that industries not covered by the law at this time to be permitted to borrow money from the Reconstruction Finance Corporation, because they cannot borrow it from banks. I shall not criticize the banks for not loaning money to industries. Banks must confine their loans to what they believe to be sound loans. They must accept security which will pass the

most scrutinous eye of a bank inspector or examiner. The Reconstruction Finance Corporation has tried to meet the situation under this act, because it mentioned "mortgage-loan companies." All over the country efforts have been made by industries and concerns which needed money and could not go directly to the R.F.C. to go to it indirectly. By the process or the device of organizing a mortgage-loan company an effort has been made to borrow when otherwise it could not have been done.

Mr. President, in order to go as far as the Reconstruction Finance Corporation could possibly go in attempting to aid industry, it issued a circular, which I believe is known as "Circular No. 11", setting out the method by which such mortgage-loan companies might be organized, to be made up of the applicants for the loans themselves. There was a requirement that if there were as many as five persons forming the loan company they should each take 20 percent of the stock of the mortgage-loan company in order to qualify them to be members of the loan company, and to participate in the lending of money. There was a provision for a minimum of three. That made it necessary for each of the five concerns joining in the organization of a mortgage-loan company, for example, to qualify with respect to its individual condition to form the mortgage-loan company and get the money, paying in its 20 percent, which really meant a reduction of the actual net amount that each could borrow after having put in 20 percent as the stock of the mortgage-loan company before it could borrow a dollar. In other words, not less than three had to yoke themselves up together and all of them qualify by taking stock in the organization of the mortgage-loan company in order that any one of them might get money from the Reconstruction Finance Corporation.

I have within my knowledge concerns in my State—and my attention has been brought to concerns in other States since this matter has been agitated—which are perfectly solvent, which are going concerns, which are employing labor, but which need additional money in order that they may buy raw materials, in order that they may even carry out contracts already in existence, in order that they may continue their men and take on more men, but because they are unable to find two other concerns in the same situation in order to form a mortgage loan company, they have been unable to borrow money from the Reconstruction Finance Corporation.

The pending bill as it has now been perfected by the amendment which was agreed to last Saturday allows every concern in this country to go as a single concern to the Reconstruction Finance Corporation and lay its condition on the table before the Board of Directors, and, if entitled to it, to obtain a loan in its own name, without having to be yoked up to two or three other organizations in the community.

Mr. CONNALLY. Mr. President—

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Texas?

Mr. BARKLEY. I yield.

Mr. CONNALLY. This bill, in neither of the provisions referred to, proposes any new agency; no new bank is set up?

Mr. BARKLEY. Not at all.

Mr. CONNALLY. It merely utilizes the agencies already in existence?

Mr. BARKLEY. Just the agencies that are now in existence.

Mr. CONNALLY. Some time back it was mentioned that we were going to have a new system of what were called, I believe, "intercredit banks." This measure, as I understand, supplies the want which was supposed to make desirable the creation of intercredit banks.

Mr. BARKLEY. It was suggested originally that 12 regional banks should be set up in addition to the 12 Federal Reserve banks. It was at that time felt by some that probably that was a better scheme than to authorize direct loans by the Federal Reserve banks themselves, already in existence; but, after mature consideration the Senator from Virginia [Mr. GLASS], the Governor of the Federal Reserve Board, the chairman of the board of directors of the Recon-

struction Finance Corporation, the Banking and Currency Committee, and others, decided that there was no need to organize 12 more banks; that it would be simpler to authorize the Federal Reserve banks now in existence to make such direct loans for a period of 5 years, provided, of course, an individual concern could qualify by putting up security that would be sound and pass muster of the Federal Reserve banks. It is presumed that in all likelihood there will be greater liberality in making these loans than there has been heretofore; but under the law as it now exists the Federal Reserve banks and the member banks cannot make these long-term loans for as much as 5 years.

I have within my knowledge at least a score of industries in my own State which cannot borrow money from banks. Some of them already owe banks, and they cannot increase their borrowings; but they are solvent, and, if given a year or two or three, they may work out their industrial, economic, and financial system, keep their plants going, and keep their men employed. But they cannot do it on the short-term loan now authorized by law through banks, and they cannot obtain loans from the Reconstruction Finance Corporation directly.

Mr. GLASS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Virginia?

Mr. BARKLEY. I yield to the Senator.

Mr. GLASS. May I remind my colleague also that under existing law member banks may not rediscount such loans at the Federal Reserve banks, but under this bill, for the first time, every one of the nearly 7,000 member banks is authorized to rediscount loans of this nature at the Federal Reserve banks.

Mr. BARKLEY. I happen to know of some concerns in my State—and I mention my State because, of course, I know more about it, but I am sure every Senator here has had the same experience—the presidents of which have come here to borrow money but, on account of the rigid requirements of the law and on account of the fear that has naturally been engendered in the minds of bank officers and bank directors—they have been compelled to be more cautious since the opening of the banks after the bank holiday than they were previously—it has been an utter impossibility to provide loans for many deserving companies, that ought to be preserved, that ought to be allowed to work out their condition, that ought to be allowed to continue the employment of hundreds of thousands of men, rather than to throw them out on the streets and make them objects of charity, and have Congress forced to increase appropriations in order to feed and clothe them as a matter of charity. Therefore we have before us what is ordinarily known as the "Glass bill" which authorizes member banks and Federal Reserve banks to make these loans, requiring only that they must be sound loans.

Then we have considered the possibility that, under the strict rules of banking, realizing banking psychology, the psychology of the man behind the counter in a bank, who may expect a bank examiner to come along tomorrow to inspect the kind of collateral he has exacted as security for a loan, many of these concerns might not even be able to qualify to obtain loans from banks. Under those circumstances the amendment which was agreed to last Saturday authorizes the Reconstruction Finance Corporation, after a company needing money has exhausted all its power and opportunity to borrow money from banks, to make such loans. If the Reconstruction Finance Corporation believes, under all the circumstances, that aid ought to be rendered to that concern in order to keep it going, in order to keep its men employed, in order to give it additional capital, in order to buy raw material and turn out finished products, that Corporation has the power under the amendment to make the loan. That is only supplemental to the authority conferred by the original bill on the Federal Reserve banks and the member banks.

These two provisions supplement each other. They are utterly necessary. I have for a long time felt and contended that it would be better even for the Government to take a chance on losing some of the money which it might loan

these concerns rather than to have them closed and thousands of men be thrown upon the streets to become objects of charity, and then, under the Civil Works program or some other relief program, appropriate money out of the same Treasury, which money would be given and not loaned, and from which we would obtain no return except the consciousness that we had not allowed men, women, and children to suffer from hunger or cold or for lack of shelter.

I want to say perfectly frankly that we all understand that in the other body of the Congress there has been for weeks pending a measure to pay the depositors in closed banks. It has been estimated by the Treasury, I believe, that, taking into consideration present values of the securities which might be put up and realized on by the Government, if the Government were to do this, it would involve a net loss of more than \$1,000,000,000 out of the Treasury of the United States.

In other words, after taking all the assets of the closed banks, liquidating those assets and realizing upon them, that bill would involve an expenditure, a gift, out of the Treasury of the United States of more than \$1,000,000,000.

Mr. DILL. Mr. President—

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Washington?

Mr. BARKLEY. I will yield in just a moment. It has been impossible—and I am not saying that in any criticism; I am simply stating a fact—it has been impossible to obtain a vote on that measure in the other body. It is well known that the President is opposed to it; that the Secretary of the Treasury is opposed to it; and that if it were passed independently or incorporated in this bill it would result in a veto. Now I yield to the Senator from Washington.

Mr. DILL. I read in the newspaper a statement to the effect that Mr. Jones testified before the House committee some weeks ago that the minimum loss would be \$2,500,000,000.

Mr. BARKLEY. I am trying to be as conservative as possible.

Mr. DILL. I have seen the other statement, but I thought that applied to a more recent situation.

Mr. BARKLEY. There has been a discrepancy as to the estimates of different agencies as to how much the actual loss would be.

Mr. GLASS. Mr. President, I may interject there that Mr. Jones, perhaps, made the statement referred to by the Senator from Washington for the reason that Mr. Jones does not speak of these assets as "frozen" assets but as "lost" assets.

Mr. BARKLEY. Yes; that is the difference. However, what I am trying to do is to show that, even if the reasonable value could be realized upon these assets as they are now, we would lose anywhere from a billion to a billion and a half dollars by this transaction.

Mr. LOGAN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Kentucky yield to his colleague?

Mr. BARKLEY. I yield to my colleague.

Mr. LOGAN. Mr. President, I am trying my very best to find out how I should vote on this amendment. I have listened to my colleague, and also to the Senator from Virginia, and I am wondering is this amendment substantially the same as the McLeod bill, which is pending in the House. As I understand, this amendment simply says to the Reconstruction Finance Corporation that if a receiver has been appointed for a bank and the assets of that bank certainly are reasonably worth half the face value of the assets, then the Reconstruction Finance Corporation may loan to that bank sufficient money to pay the depositors so far as it will, and then that the receiver shall collect and pay back the money to the Reconstruction Finance Corporation. If that be the provision of this amendment, it would not compel the payment of billions of dollars; and it seems to me it would not compel the loss of a cent, unless there was bad judgment on the part of the Reconstruction Finance Corporation.

Mr. BARKLEY. I have made no contention that the amendment as now drawn is the same as the McLeod bill.

The contention I am making is that if we put the amendment or any similar amendment on the bill and it goes to the House of Representatives it will open up the whole situation and the McLeod bill may be offered as a substitute and a vote taken upon it. If such a substitute should be adopted then it would not be in conference. The conferees could not strike it out. The hands of our conferees would be tied. They would have to accept this amendment or the McLeod bill or something between the two, but they could not eliminate both propositions from the bill. That is the parliamentary danger. I think we might as well have it in mind when we vote on the pending amendment.

Then, infinitely more important it is that we should get some measure through that will become a law, that will bring immediate aid to hundreds of thousands of perfectly solvent business institutions in the country to enable them to keep producing goods, to keep men employed, and to fulfill their contracts than it is for us to try to adopt some provision which cannot become a law but which will probably jeopardize any assistance whatever that we might be able to afford by reason of the other provisions of the bill.

The making of loans is not a discretionary matter under the amendment. An amendment may always be changed or modified. The amendment provides that "The Reconstruction Finance Corporation, notwithstanding any other provision of law, shall in its discretion", and so forth. I do not exactly understand how the word "shall" in connection with the words "in its discretion" will be interpreted. I doubt whether the Reconstruction Finance Corporation has discretion to make loans or to figure the amount, because the amendment provides that they shall make the loans to the extent of 100 percent of the appraised value of the assets held by the bank.

Mr. BLACK. Mr. President—

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Alabama?

Mr. BARKLEY. I yield.

Mr. BLACK. I want to see if my understanding is correct. Under the law as it now is, the Reconstruction Finance Corporation could lend on a 100-percent appraisal if they so desired, but the amendment would make it mandatory that they lend a full 100 percent on any appraisal that is made. Is not that the difference?

Mr. BARKLEY. That is true. Even if we admit that they have the discretion to make the loan, they would have no discretion as to the amount. They would be compelled under the terms of the amendment to lend 100 percent. That may or may not be enough to pay off the depositors.

Mr. LEWIS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Illinois?

Mr. BARKLEY. I yield.

Mr. LEWIS. I dare say; and I assume that the Senator from Kentucky [Mr. BARKLEY] and the Senator from Virginia [Mr. GLASS] both recall the joint measure of the Senator from Florida [Mr. FLETCHER] and myself which assumed to offer a remedy to general business by business loans from the Government, and thus that I am not unacquainted with what must have been the studied efforts in connection with the measure now under consideration, as this bill embodies the Fletcher-Lewis measure and its spirit. I ask the Senator from Kentucky, is not the meaning of the suggestion of the Senator and that of the Senator from Virginia that if the bill, which now affords a remedy to business institutions, to give them an opportunity directly to borrow that they may continue building themselves up or initiating their new operations, should have attached to it the amendment now pending, such would so complicate the measure, and invite other amendments with it, as to jeopardize the principal measure allowing business loans and of itself failing of enactment before the session should end?

Mr. BARKLEY. The Senator has stated the situation exactly. The Committee on Banking and Currency has not given any consideration to the matter of the amendment. There has been much publicity with reference to a bill on

the subject pending in another body, but the committee has not given any consideration to it. It has not had the opportunity to do it. It has not had the time to do it. Certainly we cannot or should not vote blindly here to place upon the Treasury of the United States the possibility of being compelled to lose a billion dollars.

I have no way to predict what may happen in conference to the amendment or what changes may be made if it shall be adopted. What I am saying about the particular amendment now pending applies to any other amendment of a similar character that may be offered. When we have adopted it we may have opened up a Pandora's box. No one knows the form the legislation might take before it reaches the White House for signature or disapproval if the amendment is attached to the bill, which, as everybody admits, is meritorious and is needed.

Industry all over the country is watching the vote here today to know whether tomorrow or next week it may make application for loans which it has been trying for months to get. If we load down the bill with something in the form of an amendment that may defeat any relief whatever, we will have rendered no service either to industry or to labor or to agriculture or to the people of the United States. On the contrary, we may have a larger bill for relief than we have ever had heretofore.

Mr. President, that is all I care to say about the amendment. I hope we may not lose sight of the possibilities involved in the proposed legislation and in its defeat either here or elsewhere. I hope, therefore, the amendment will be defeated.

Mr. COPELAND. Mr. President, I assume from what the Senator from Kentucky [Mr. BARKLEY] said in closing that he is opposed to the amendment. Much of what he said had nothing to do with the amendment. We have heard about what is happening in the House of Representatives, but we are not talking about events there.

This is a simple amendment which may properly be considered by the Senate. Unless it is considered here it will not be considered anywhere. The Senator from Kentucky said the Finance Committee has no time to give to extraneous matters and consequently cannot consider this. Therefore, the only place in the world we have to get any relief, and limited relief at that, for the depositors in the closed banks is through an amendment to the pending measure such as is now pending and under consideration.

It has been intimated that those of us who wish to amend the bill are somehow or other opposed to it. I am not opposed to the pending bill. On the contrary, I am heartily in favor of it. If we cannot get the banks to function as banks instead of pawnshops, it is necessary for the Government to go into the business of lending money for the sake of industrial restoration. I am heartily in favor of the bill. I believe it is a bill which together with the liberalization of the Securities Act we passed the other day will do much to restore prosperity.

It is my judgment that if the amendment proposed by the Senator from Michigan [Mr. VANDENBERG] and myself were to be adopted it would relieve the Government from the necessity of lending much of the money that it will have to lend under the operation of the bill if the amendment is not adopted. In short, our amendment will help the measure, not hurt it.

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

Mr. COPELAND. Certainly.

Mr. BARKLEY. In other words, the money would be furnished by the Government anyway, but it would come out of a different spigot.

Mr. COPELAND. It does not make any difference out of which spigot it comes, it comes out of the Government Treasury anyhow. Money is just as likely to be lost under the pending bill as under the amendment which we have proposed. Could the Senator from Kentucky rise in his place and guarantee that the money raised under the bill would ever be returned 100 percent to the Government?

Mr. BARKLEY. Of course, not; any more than I can guarantee that I will be able to pay the notes that I owe or

the notes that anybody else owes. No one can guarantee such a thing. However, I believe there will be a minimum of loss with respect to the loans under both sections of the bill we are now considering, a much smaller loss than under any other loans that have been made by the Government of the United States during the last 2 or 3 years.

Mr. COPELAND. Without any disrespect to the Senator from Kentucky I confess that I have greater confidence in the ability of the Government of the United States to pay its obligations than I have in the ability of any Senator to meet his obligations.

Mr. BARKLEY. I am perfectly willing to accept the observation; but it is not a question of passing on the responsibility of any Member or Members of this body or anyone outside of this body. The point is that under the bill which we are now considering we are providing a safeguard, so far as safeguards may be provided, for loans to industry. The proposal of the Senator covers an entirely different field. It has no connection with the proposal contained in the bill, except the possibility that under his amendment some industry might be able to get money out of a bank that is now tied up, and therefore might not have to borrow money; but in order to get it out of the bank even under his amendment, the Government of the United States has to put up the money.

Mr. COPELAND. Mr. President, the Senator talks about "safeguards"; exactly the same safeguards are attaching to the pending amendment as to the bill itself.

Under the pending amendment, the assets of a bank could be appraised and dealt with, not as assets to be liquidated tomorrow or next week but assets which may be liquidated next year, or the year after. It is not proposed that the Government shall give money to these banks. It is not proposed that the Government shall reimburse depositors in these banks, except so far as reimbursement shall come from the orderly liquidation of the assets in the possession of the banks.

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

Mr. COPELAND. I yield.

Mr. BARKLEY. It is proposed, however, to advance money to banks over which the Government of the United States has never had any supervision, and has none now; with reference to deposits in which the United States Government never has held out any inducement to the public; to whom the Government of the United States owes no legal or moral obligation. They may be assets of an entirely different nature from those that are in banks supervised by the United States.

In view of the fact that the Government of the United States has never exercised any control over State banks, and that national-bank examiners have never gone into them, does the Senator think that the Government is under any obligation to include them in a general omnibus provision that all banks, trust companies, and savings banks shall be allowed to put up their assets, come to the Treasury, and get money? Does the Senator believe that that is as important as it is now to save industries which are right on the ragged edge, and which, if given credit, can save themselves?

Mr. COPELAND. Mr. President, the Senator from Kentucky would make exactly the same argument if we were to limit the amendment to the national banks; and he is proposing to lend to industry, to establishments in which we have no interest, direct or indirect, except so far as giving employment may be concerned. The Senator splits hairs.

Mr. BARKLEY. That is the main object—

Mr. COPELAND. I am not going to yield to the Senator simply to bandy words. I am here for a serious purpose, just as serious as that of the Senator from Kentucky, to try to relieve distress and to try to put money into circulation, and thereby to restore prosperity so far as it can be done in that way. I have just as sincere a purpose in my heart as that in the heart of the Senator from Kentucky.

Mr. President, it is not at all a question of whether there is an obligation upon the Federal Treasury to deal with the assets of these State banks. There is not any obligation

upon the Federal Treasury to give work to those who are out of employment. There is no obligation upon the Federal Treasury to put destitute artists at work. There is no direct obligation to do hundreds of things that we have been doing. There is no obligation upon the Federal Treasury to make loans to agriculture. There is no obligation upon the Federal Treasury to make many other loans that we have made. But if we can lend money under proper safeguards upon the assets of closed banks—assets which are capable of slow liquidation, but 100 percent liquidation—we shall put that much money into circulation at once, and have money to do many of the things which will be done by the Federal Government under the terms of the pending bill.

I realize, Mr. President, that we are up against a stone wall. An effort is made to becloud the issue by trying to make it appear that we are proposing here the same thing which the McLeod bill proposes in the House. We have pointed at us the gun of a possible veto. Is that the way to legislate, Senators? Is it not our constitutional duty to use our very best efforts as legislators to do those things which we believe make for the prosperity of our country and for the common welfare? Are we to be turned aside simply because somebody dreams that if we do thus and so there will be an executive veto?

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

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Washington?

Mr. COPELAND. I do.

Mr. DILL. I am not concerned about whether or not the President will veto a bill. I am concerned about the wisdom, about the justice, about the fairness of imposing on the Treasury a burden of large amounts, that must be met by taxing all the citizens, because of the incompetency in some cases, the downright fraud and criminality in other cases, of those who had charge of banks.

Mr. COPELAND. Did the Senator question the propriety of lending money to the railroads, or lending money to great, big banks?

Mr. DILL. I should be opposed to lending it without any chance of getting it back except by taxing the taxpayers.

Mr. COPELAND. Does the Senator believe that that is what the Senator from Michigan and I are trying to do?

Mr. DILL. I do not see how this bill can be carried out without a certain loss to the Treasury; and that loss must be made up by taxing all the people to make up for the bad deposits of certain people.

Mr. COPELAND. I am not discussing the bill. I am discussing an amendment; and the amendment proposes that the assets shall be appraised, by whom? By the lending agency.

Mr. FESS. Mr. President—

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Ohio?

Mr. COPELAND. I do.

Mr. FESS. The proposition to release funds that are in closed banks has a great appeal; first, because without doubt it would be more widely applicable to conditions from which many people are suffering than most of the amendments that have been suggested, if it is a proper function for the Government to participate in this sort of thing. I have been afraid of that, and I have so stated to those interested who consulted me about it. Furthermore, if this is a proper function of the Government, will not the Senator agree that it would have to apply to loan associations just the same as to closed banks?

Mr. COPELAND. Let me say to my friend from Ohio that we will suppose there is a bank at Akron that has a million dollars' worth of good assets. It is proposed to take the assets which are conservatively appraised as being possible of liquidation over a period of a year or 2 or 3 years—not worthless assets, not things that are "cats and dogs", not things that should be thrown out of the window—but instead of taking them and appraising them at their current value to appraise them at a liquidating value when that liquidation extends over a longer period of time than is customary in ordinary bank practice.

The reason there is so much confusion here—because so many Senators believe, as the Senator from Ohio believes, that we are trying to present here the McLeod bill. That is not the case.

Mr. FESS. No; I understand that. There is, however, inevitable loss to the Government in this proposal, is there not?

Mr. COPELAND. I do not think so.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. ROBINSON of Arkansas. The amendment now pending, of which there are no printed copies, is as follows:

The Corporation shall loan, in its discretion, 100 percent of the fair estimated liquidating value of the assets tendered as security for such loans, and shall charge interest thereon at a rate not to exceed 3½ percent per annum.

Mr. President, who ever heard of loaning 100 percent of the estimated value of any security? Manifestly, it is not intended as an ordinary loan. It is intended to secure funds only a part of which can be realized from the assets. I never knew of a case in which 100 percent was loaned on the estimated value of the security, especially security of this character, in which all of it was collected.

Mr. BARKLEY. Mr. President, will the Senator yield there?

Mr. ROBINSON of Arkansas. I have not the floor. The Senator from New York was good enough to yield to me.

Mr. BARKLEY. It is impossible for anyone to go down to a bank now and take securities that are liquid and that might be sold tomorrow and borrow 100 percent on them.

Mr. ROBINSON of Arkansas. There is no discretion as to the amount that must be loaned. After the estimated value is ascertained, 100 percent of it must be loaned.

Mr. DILL. The liquidating value?

Mr. ROBINSON of Arkansas. Yes; the Senator from Washington calls my attention to the fact that it is the liquidating value, whatever that may be.

Mr. BARKLEY. Which would not be as great as the normal value.

Mr. ROBINSON of Arkansas. Oh, no; certainly not.

Mr. GLASS. Mr. President, not only that, if I may interrupt—

Mr. COPELAND. Go ahead. The floor means nothing to me.

Mr. GLASS. The Government has not been able to borrow money at 3½ percent itself; and if we keep on at the rate of our expenditures, the Government may not be able to borrow money at 4½ percent; and therefore the Government would lose money on every transaction.

Mr. ROBINSON of Arkansas. Yes; and evidently that is the purpose of the amendment—to give the closed banks the benefit of a liability on the part of the Government upon which the Government itself could not realize.

Mr. BORAH. Mr. President, I am inclined to agree with the proposition that there would be loss under this amendment, but I am equally certain that if those are assisted who need assistance, there will be loss under the bill.

Mr. COPELAND. Mr. President, if the Government body or agency or official were to go into a bank and say, "This group of securities we regard as good enough to justify us in lending you 75 percent of their value", if they had not been appraised with some degree of accuracy and reliability and dependability, it would be bad business to lend anything whatever upon them. If the loan is "rotten", as has been said, at 100 percent, then it is 75-percent rotten at 75 percent; it is not good business to lend upon securities appraised by the experts at materially less than the proposed loan rate, it makes no difference whether the loan is 50 percent of the appraised value or 100 percent. So I think we are splitting hairs when we talk about that.

On the other hand, in this day we are spending millions, even billions, of the people's money, with no regard whatever to the return of that money. Certainly when we put money into the C.W.A. we never expected to get any of it back; very much of the money we have loaned through the Public Works Administration we will never get back; much

of the money we will lend under the pending bill we will never see again. There is no hope or expectation that there will be 100-percent return upon any of these investments of the Government.

What is there that makes the depositor in the bank anathema? Why do we consider that his equity, and the security which is back of it, shall be disregarded when we give millions and billions for other purposes?

Mr. President, I do not delude myself one bit. I know that the fear of the substitution at the other end of the Capitol of a more radical measure will influence some, and the prospects of a veto will influence others; but, I say in all respect, those fears mean nothing to me. I can see no impropriety, I can see nothing that can be regarded as bad business, I can see nothing that is unstatesmanlike, in making available to the depositors in the hundreds of closed banks of the United States some measure of return of the life savings which they have placed there.

The amendment presented by the Senator from Michigan and myself has safeguarded the Government as far as may be. We have asked that the assets be appraised, and when they have been appraised and found deserving of a loan, that the loan shall be 100 percent instead of 50, or 60, or 75, or 80 percent. Then, if a loss comes, if the appraisement has been 80 percent, there will be a loss of 80 percent; if the appraisement is 100 percent, there will be a loss of 100 percent.

Mr. President, I shall not go further into the matter. I would not do one thing to embarrass the pending bill. We need to have these long-term loans to industry. The heavy industries cannot hope to operate without working capital, which they cannot get from the banks. Therefore, I am willing to hazard some more of the money of Uncle Sam and shall vote for the measure. We have not hesitated to hazard a lot of his money, we have not hesitated to put a lot of it where it is extremely probable it will never come back, but I do think that we ought to give this much consideration to the depositors in the closed banks of this country. Therefore I hope the amendment which the Senator from Michigan and I have proposed may be agreed to.

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

The PRESIDING OFFICER. The clerk will call the roll.

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

Adams	Coolidge	Hatfield	Patterson
Ashurst	Copeland	Hayden	Robinson, Ark.
Austin	Costigan	Hebert	Robinson, Ind.
Bachman	Couzens	Johnson	Schall
Bailey	Davis	Kean	Shipstead
Barbour	Dickinson	King	Stelwer
Barkley	Dill	Lewis	Stephens
Black	Erickson	Logan	Thomas, Okla.
Bone	Fess	Loneragan	Thomas, Utah
Borah	Fletcher	McCarran	Thompson
Bulkley	Frazier	McGill	Townsend
Bulow	George	McKellar	Tydings
Byrd	Gibson	McNary	Vandenberg
Byrnes	Glass	Metcalf	Van Nuys
Capper	Goldsborough	Murphy	Walsh
Carey	Hale	Norris	Wheeler
Clark	Harrison	O'Mahoney	White
Connally	Hatch	Overton	

Mr. LEWIS. Mr. President, I desire to reannounce on this roll call the absence of the Senators whose absence has heretofore been announced by me.

The PRESIDING OFFICER. Seventy-one Senators having answered to their names, there is a quorum present.

Mr. COUZENS. Mr. President, I wish to say a few words in behalf of the amendment proposed by the Senator from New York [Mr. COPELAND] and my colleague [Mr. VANDENBERG]. I do so because I have been a consistent and vigorous defender of the Treasury Department. Every measure which has come before the Committee on Banking and Currency which, in my judgment, would be injurious to the Government credit, or would entail losses to the Government, I have vigorously opposed. I think the distinguished chairman of the committee, the Senator from Florida [Mr. FLETCHER] will recall that over a period of years I have opposed industrial loans from the Government unless pro-

vision were made for limited loans on what we believed to be adequate security.

The distinguished Senator from Virginia [Mr. GLASS] and the distinguished Senator from Kentucky [Mr. BARKLEY] have argued that the amendment is inconsistent with the bill which is now pending as it has been amended. It is true that the committee as such has not dealt with this problem, but the committee does know emphatically the needs of industry, and even the conservative distinguished Senator from Virginia and myself joined in reporting the measure added to the pending bill, which would authorize the R.F.C. to make industrial loans.

Mr. President, I happen to have a list of 1,100 depositors in one large closed bank. The release of some of that money, with the Government adequately secured, would obviate the necessity of some of the industrial loans provided under the Glass bill and the amendment offered by the Senator from Florida. These two amendments belong to the same piece of legislation. In other words, I would rather that the depositor, the industrialist, get his own money out of a closed bank and use it himself for the development of his industry than to have him go to the R.F.C. and borrow money on what seems in many cases to be inadequate, at least doubtful, security.

Mr. FLETCHER. Mr. President, will the Senator yield? Mr. COUZENS. I yield.

Mr. FLETCHER. I should like to ask the Senator whether in the case of the particular closed bank to which he refers, R.F.C. loans have not been made to it.

Mr. COUZENS. That is true. I do not deny that; but I state that there has been an undue hesitancy upon the part of some of the receivers or liquidators or conservators of these banks, on the theory that it costs too much in interest. The Senator from Florida knows that I have, under his jurisdiction, made some inquiries into the loans made by the R.F.C. during the closing months of the last year. The Senate also will remember that I was chairman of a committee which was authorized to make an investigation of the R.F.C. loans, and in the early part of 1933 the committee made a report in which we said we could not find any illegal or improper loans.

When it comes to a question of judgment as to whether the loans are adequately secured, one person's judgment is as good as that of another during these periods of distress.

There is nothing mandatory about this provision, and there is no danger of the credit of the Government being broken, as suggested by some of the Senators, because there is nothing in the amendment which increases the loaning power of the R.F.C. The law already provides the limit which the R.F.C. may lend. The only difference between existing law and the amendment is that the amendment expresses to the Board of Directors of the R.F.C. the opinion of Congress that they ought to be more liberal in their loans. I can verify the fact that they have not been any too liberal up to date.

I am not finding fault. I know that they are lending the Government's credit at least, if not its money; and I have insisted that, so far as humanly possible, the Government be adequately protected. This amendment, I believe, does provide adequate security for any loan the Reconstruction Finance Corporation may make to any bank after this time.

Mr. WALSH. Mr. President, will the Senator from Michigan read that feature of the amendment?

Mr. COUZENS. It reads as follows:

Notwithstanding any other provisions of law with respect to loans as aforesaid to receivers or liquidating agents for banks and savings banks that closed since January 1, 1933, and are in process of liquidation, the Corporation shall loan, in its discretion, 100 percent of the fair estimated liquidating value—

I submit that when we broaden the language the sole discretion is with them, not only as to whether they shall make the loans at all but as to fixing the fair estimated liquidating value; and if I were a director of the Reconstruction Finance Corporation, I should certainly see that the Government was protected, either by refusing the loan

at all or by seeing that the fair estimated liquidating value did not unduly hazard the Government's credit.

Mr. BORAH. Mr. President, do I understand that if the Reconstruction Finance Corporation should estimate the value of these securities, it would still have discretion as to whether or not it would make the loan?

Mr. COUZENS. Absolutely.

Mr. BORAH. I should want to have the provision more mandatory than that.

Mr. COUZENS. It cannot be made any more mandatory, because, if it were made more mandatory, its purpose would be defeated. Whenever the board of directors of the Reconstruction Finance Corporation are told, "You must make a loan", and it is left discretionary with them to fix the value, and they are determined in advance not to make the loan, they will fix the value so low that no relief at all can be given.

Mr. BORAH. That is very likely true; but on the other hand, they will not make any of these loans, in my judgment, under the pending amendment.

Mr. COUZENS. It absolutely is discretionary, no matter how the amendment is worded, because so long as it is left to the judicial judgment of the board of directors of the R.F.C. they can do as they choose in the matter.

Mr. BORAH. It seems to me, Mr. President, that the defect of the bill and of the amendment is that those who really need help, the small industries of the country, will not get it.

Mr. COUZENS. I do not know whether the Senator is familiar with this subject or not, but I know that the Senator apparently injects himself into a subject which he has not thoroughly analyzed. I happen to have studied this subject for a period of years. I see the Senator's name blazoned in the headlines of the newspapers as endorsing the infamous McLeod bill. I do not know how accurate the newspapers are in making that statement; but anyone who is so lacking in judgment as to endorse the so-called "McLeod bill" is not entitled, in my judgment, to vote on the floor of the Senate.

Mr. BORAH. Mr. President, I asked the Senator a civil question.

Mr. COUZENS. Yes; and I am answering the civil question; but the Senator attacks my premises, and I have a right to argue with him.

Mr. BORAH. Certainly the Senator has; but what I am saying is that under the terms of this bill, the question of making the loan being left entirely discretionary with the R.F.C., it does not seem to me that the small businesses of the country, those which really need help, are likely to get help. If the Senator thinks otherwise, I shall be delighted to have his views.

Mr. COUZENS. As I said before the Senator interrupted me, under the bill introduced by the Senator from Virginia [Mr. GLASS], and under the amendment proposed by the Senator from Florida [Mr. FLETCHER], it is discretionary with the R.F.C. as to whether or not it will loan these concerns any money at all. It is wholly discretionary with the Corporation as to whether the credit is adequate. I said that I preferred to have a depositor get his money out of a closed bank with reasonable security to the Government, rather than to loan the money direct on his plant or other security. In other words, as I stated, I looked over 1,100 deposits, many of the owners of which could have continued their industries and could have augmented their employment if they had been able to obtain a reasonable amount of their so-called "frozen deposits." This is just a sort of yardstick, a measurement, conveyed by the Congress to the board of directors of the R.F.C. as to what we hope they will do. That is all we have ever done in connection with any similar legislation enacted by Congress.

Mr. BORAH. Without this amendment they could make these loans just the same.

Mr. COUZENS. Oh, yes; but the provisions of law so far have used the language "adequately secured", without fixing any yardstick as to how the securities shall be

evaluated. This is the first time any provision of law has been suggested which sets a yardstick to guide the R.F.C. in fixing values, and that is the only reason why I am for it. I agree with the Senator from Idaho that under all the provisions of the law up to date substantially this could have been done. However, in this amendment we propose to set up a yardstick to measure the judgment of the R.F.C.

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

Mr. COUZENS. I yield.

Mr. WALSH. May I ask the Senator how he understands this amendment would operate? Would a receiver of a closed bank bring his assets to the R.F.C. and have them make an appraisal of those assets; and when they find the total value of the assets are they authorized to make a loan of that amount, or are they authorized to pay over to the receiver that amount and take over the assets themselves?

Mr. COUZENS. That is exactly what it provides.

Mr. WALSH. So that there is discretion in the R.F.C. in determining what is the total value of all the assets of a closed bank?

Mr. COUZENS. It does not necessarily say the entire assets of a closed bank. It says that it may loan 100 percent of the "fair estimated liquidating value."

Mr. WALSH. The complaint which is made now is that they have only been lending 50 or 60 percent, more or less, of the fair value.

Mr. COUZENS. In other words—and I have supported them generally in their attitude—they have been taking every measure to protect the Government's credit and the Government's or the taxpayer's money.

Mr. WALSH. I should like to ask the Senator a further question. Under this amendment, are the assets actually transferred to the Reconstruction Finance Corporation, or are they held as a lien?

Mr. COUZENS. They are actually deposited in one of the Federal Reserve banks, as a rule, as agent for the R.F.C. In other words, the R.F.C. retains the collateral as security for the loan.

Mr. WALSH. Would the R.F.C. perform the duty of liquidating by selling these assets from time to time?

Mr. COUZENS. That is not usually the case if a bank is still in liquidation. If a bank winds up its affairs and its debts are discharged, as in the case of one or two banks of which I know, the R.F.C. does the liquidating; but this proposal does not set up any means by which the liquidation of the assets shall be made, whether by the R.F.C. or by the conservator or by the receiver or by the liquidator of a closed bank. It would depend on the circumstances.

Mr. WALSH. The important feature of the amendment is that the R.F.C. will loan to the amount of 100 percent of the assets as they may determine and according to the liquidating value they may fix.

Mr. COUZENS. Yes; and the only difference I want to point out to the Senator from Massachusetts is that in no previous legislation have we set up any yardstick to fix the value. In this particular amendment—and that is one of the reasons I am supporting it—we say, "After you have fixed the 'fair estimated liquidating value', you are then permitted to loan up to 100 percent."

Mr. WALSH. Does not the Senator think that the words "liquidating value" give a great deal of latitude in fixing the loan to the board?

Mr. COUZENS. Yes; and I want them to have latitude.

Mr. WALSH. I know the Senator does. I thank him for permitting me to interrupt him.

Mr. COUZENS. So that there are many things which, under this provision, the R.F.C. could do which I do not think they are now inclined to do, because the Congress has never heretofore directed them as to how they should measure or value such assets.

When it comes to the McLeod bill, so called, I want to say that I have written thousands of letters and made thousands of statements in opposition to any such absurd proposal as

paying out 100 percent to all the depositors, regardless of the value of the assets of the banks.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

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

Mr. COUZENS. I yield.

Mr. O'MAHONEY. May I ask whether the amendment proposed fixes any date as of which the liquidating value may be determined?

Mr. COUZENS. Oh, I assume that it would be as of the time of the application. It may not be for a year or it may be at the time the application would be made, at which time the board of directors of the R.F.C. would fix the liquidating value.

Mr. O'MAHONEY. Of course there would necessarily be some date fixed as of which the estimated liquidating value should be determined, for the liquidating value might be considerably less at the time of the application than 6 months or a year thereafter.

Mr. COUZENS. The amendment does not provide any time within which the value shall be fixed. I assume that the fair liquidating value cannot be fixed at any other time than the time when the loan is being considered.

Mr. O'MAHONEY. And under the amendment it is within the scope of the authority of the Reconstruction Finance Corporation to determine whether or not a loan shall be made and what estimate shall be placed upon the value of the assets?

Mr. COUZENS. That is quite true. I may say further that the appraisers or the board of directors of the R.F.C. in making a loan may estimate the value of the assets 2 or 3 years hence, dependent upon the maturity of the loan. I think that is probably what the Senator was getting at, and which I did not quite comprehend at the time.

Mr. O'MAHONEY. That is exactly it; but there is nothing in the amendment to direct the Reconstruction Finance Corporation that it may do so; that is to say, estimate the value as of some future date.

Mr. COUZENS. I think the amendment speaks for itself, because it says "the fair liquidating value." So I assume that an intelligent interpretation would mean that the time when the loan came due could be taken into consideration in estimating the fair liquidating value.

Mr. O'MAHONEY. I assume that the whole purpose is to enable the receiver to pay off the depositors?

Mr. COUZENS. Yes; so far as possible and without any risk to the Government.

Mr. O'MAHONEY. So that under the amendment, as it is drawn, it could be effective or ineffective, just as the board might decide in fixing the values.

Mr. COUZENS. There is another qualification as to that, because the receivers of a national bank are unable to make applications for a loan without the consent of the Comptroller of the Currency; so that if the Comptroller of the Currency decided that he did not want any loans made under this amendment he could prohibit the receiver from making application.

Mr. GLASS. Mr. President, what becomes of a yardstick that may be reduced one half in, say, a period of 3 years?

Mr. COUZENS. The same thing may happen when one buys a piece of real estate or a bond which may be reduced by 50 percent in time if the situation so develops.

Mr. GLASS. I understand that; but that is not the way banking business is conducted.

Mr. COUZENS. It is the way it has been conducted.

Mr. GLASS. Nobody makes a loan of 100 percent on the value of real estate, a loan which may run for 3 or 5 years. Nobody, certainly, makes a 100-percent loan at the low rate of interest of 3 percent when the Government of the United States finds itself unable to borrow money at 3 percent.

Mr. COUZENS. The Senator overlooks the fact that we have raised the rate in the amendment to 3½ percent.

Mr. GLASS. Very well; 3½ percent.

Mr. COUZENS. I would be just as satisfied with 4 percent. As I said at the beginning of my statement, I do not want the Government to lose a nickel, and I do not

propose to endorse any legislation by which the Government will lose a nickel, either in the matter of interest or the matter of security.

Mr. GLASS. I call the Senator's attention to the fact that he says he has written thousands of letters against the McLeod bill.

Mr. COUZENS. Yes.

Mr. GLASS. And he pronounced an extremely harsh judgment upon any Senator who would favor the McLeod bill.

Mr. COUZENS. Yes.

Mr. GLASS. He went so far as to say that a Senator was unworthy of a seat in this Chamber if he favored the McLeod bill. Yet the Senator from Michigan is supporting an amendment to this bill which not only conceivably but, in my judgment, will inevitably disturb the parliamentary situation in another branch of the Congress and enable them to attach the McLeod bill to this bill.

Mr. COUZENS. Let me say to the Senator that no conference report can be adopted until the Senate agrees to it.

Mr. GLASS. And that would mean that the thousands of small industries in this country, for which in this bill we are providing a capital fund of more than a half billion dollars, would be denied this form of assistance; and the banks of the country, for which we are providing a great liberalization in connection with the eligibility of rediscountable paper, would be unable for a moment to afford any assistance to small struggling industries.

Mr. COUZENS. Oh, the Senator overlooks the fact that he has defended over and over again here his own act by which the Federal Reserve banks have been equipped and enabled to lend money to industries direct for over a period of years; and yet the Federal Reserve banks have made no loans under that provision of the law; and I doubt whether they will make any loans under the so-called "new Glass bill."

Mr. WALSH. Mr. President—

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

Mr. COUZENS. I yield.

Mr. WALSH. I should like to inquire of the Senator if the language "liquidating value" does not permit the Reconstruction Finance Corporation to take into consideration all the elements of uncertainty which the able Senator from Virginia has mentioned?

Mr. COUZENS. I am quite convinced of that, or I should not be supporting this amendment. I am not up for election; I am not supporting this bill in order to get votes, because otherwise I would be supporting the so-called "McLeod bill"; but this is a provision which not only helps the bill proposed by the Senator from Virginia and the proposal of the Senator from Florida, but it assists them, because it augments and releases money for industries which the Senators referred to want to help.

Mr. GLASS. It does not only not assist them—

The PRESIDING OFFICER (Mr. CLARK in the chair). Does the Senator from Michigan yield to the Senator from Virginia?

Mr. COUZENS. I yield.

Mr. GLASS. It does not only not assist them, but it actually jeopardizes the bill itself and threatens all struggling industries with an actual inability to make any loans under the bill which we propose.

Mr. COUZENS. Of course, I disagree with the Senator from Virginia in that respect, because—

Mr. GLASS. That is what I am standing up for; to disagree with the Senator from Michigan.

Mr. COUZENS. I recognize that. I want to point out—

Mr. GLASS. Not only that, but let me point this out to the Senator—

Mr. COUZENS. Let me do my pointing out first.

Mr. GLASS. Certainly.

Mr. COUZENS. My colleague, when he proposed this amendment in cooperation with the Senator from New York [Mr. COPELAND], stated that if the President should notify the conferees that this proposal was out of harmony

with his financial program or that he resisted this amendment, so far as he was concerned, he would be glad to have the conferees yield on the amendment.

Mr. GLASS. Oh, yes.

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

Mr. COUZENS. Yes.

Mr. GLASS. Assuming, which I do not assume, that the President would approve this amendment, there might be attached to the bill in the other House an amendment which the President would inevitably veto. Then we would have no bill at all; we would have no relief for struggling small industries in this country at all; we would have no liberalization in the case of the member banks of eligible paper which might be rediscounted at the Federal Reserve banks. We have criticized—and nobody more bitterly than I—the failure of the member banks to finance and to make loans; yet I realize that they also have their viewpoint. But they are not authorized to make the character of loans provided under the pending bill; and this bill would make them more willing, if not more anxious, to make loans, because they could rediscount at the Federal Reserve banks. The Federal Reserve banks now are doing nothing in the world but financing the Government of the United States. They are not financing business; they are buying United States bonds. They have scarcely got \$300,000,000 of eligible commercial paper in their portfolios. Now we are trying to liberalize the definition of eligible paper so that member banks may make these loans with the assurance that they can go to the Federal Reserve banks and rediscount them for a period of 3 years, and yet the effort is being made to load it up with something that might, that will, inevitably endanger the whole measure.

Mr. COUZENS. The Senator, of course, is entitled to his own opinion, and so am I; but if I recognize the situation in the other body which the Senator fears so much, the Banking and Currency Committee in the House has blocked consideration of the so-called "McLeod bill", and, in that event, they would not, of course, consent to a modification or change in the provision.

Mr. GLASS. But it would come on the floor of the House. The Banking and Currency Committee would not have anything to do with it if it should come on the floor of the House as an amendment.

Mr. COUZENS. They do not always, under the rules of the House, if I understand them, give a chance for the offering of such amendments on the floor.

Mr. GLASS. The Senator is assuming a great deal with respect to the House.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. VANDENBERG] on behalf of himself and the Senator from New York [Mr. COPELAND].

Mr. VANDENBERG. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. PATTERSON (when his name was called). I have a general pair with the junior Senator from New York [Mr. WAGNER], who is necessarily absent. Therefore I withhold my vote.

The roll call was concluded.

Mr. ROBINSON of Arkansas. I transfer my general pair with the senior Senator from Pennsylvania [Mr. REED] to the junior Senator from Illinois [Mr. DIETERICH] and vote "nay."

Mr. LEWIS. I reannounce the absences of the several Senators whose absences I have heretofore announced, and the reasons therefor.

I announce the necessary absence of my colleague the junior Senator from Illinois [Mr. DIETERICH], whose pair with the Senator from Arkansas [Mr. ROBINSON] has just been announced.

Mr. BONE. I beg to announce the necessary absence of the Senator from West Virginia [Mr. NEELY] on official business and to advise that, were he present, he would vote "yea."

Mr. BULOW (after having voted in the negative). On this vote I have a pair with the senior Senator from Wisconsin [Mr. LA FOLLETTE]. I transfer that pair to the senior Senator from Nevada [Mr. PITTMAN] and let my vote stand.

Mr. LEWIS. I desire to announce the following general pairs:

The Senator from Georgia [Mr. RUSSELL] with the Senator from New Mexico [Mr. CUTTING];

The Senator from Texas [Mr. SHEPPARD] with the Senator from Delaware [Mr. HASTINGS];

The Senator from California [Mr. McADOO] with the Senator from Connecticut [Mr. WALCOTT]; and

The junior Senator from New Hampshire [Mr. BROWN] with the senior Senator from New Hampshire [Mr. KEYES].

I also desire to announce the special pair of the Senator from Oklahoma [Mr. GORE] with the Senator from North Dakota [Mr. NYE]. If present the Senator from Oklahoma [Mr. GORE] would vote "nay" and the Senator from North Dakota [Mr. NYE] would vote "yea."

I also wish to announce that the Senator from Wisconsin [Mr. DUFFY], the Senator from Alabama [Mr. BANKHEAD], the Senator from Arkansas [Mrs. CARAWAY], the Senator from Idaho [Mr. POPE], and the Senator from North Carolina [Mr. REYNOLDS] are necessarily absent on official business.

Mr. HEBERT. I desire to announce that the following-named Senators are necessarily detained from the Senate: The Senator from New Mexico [Mr. CUTTING], the Senator from Delaware [Mr. HASTINGS], the Senator from New Hampshire [Mr. KEYES], the Senator from Wisconsin [Mr. LA FOLLETTE], the Senator from South Dakota [Mr. NORBECK], the Senator from North Dakota [Mr. NYE], the Senator from Pennsylvania [Mr. REED], and the Senator from Connecticut [Mr. WALCOTT].

The result was announced—yeas 34, nays 36, as follows:

YEAS—34

Ashurst	Erickson	Kean	Stephens
Austin	Frazier	McCarran	Thomas, Okla.
Barbour	Gibson	McNary	Thomas, Utah
Bone	Goldsborough	Murphy	Vandenberg
Carey	Hale	Norris	Walsh
Copeland	Hatfield	Robinson, Ind.	Wheeler
Costigan	Hayden	Schall	White
Couzens	Hebert	Shipstead	
Davis	Johnson	Steiwer	

NAYS—36

Adams	Byrnes	George	McKellar
Bachman	Capper	Glass	Metcalf
Bailey	Clark	Harrison	O'Mahoney
Barkley	Connally	Hatch	Overton
Black	Coolidge	King	Robinson, Ark.
Borah	Dickinson	Lewis	Thompson
Bulkley	Dill	Logan	Townsend
Bulow	Fess	Loneragan	Tydings
Byrd	Fletcher	McGill	Van Nuys

NOT VOTING—26

Bankhead	Hastings	Nye	Sheppard
Brown	Keyes	Patterson	Smith
Caraway	La Follette	Pittman	Trammell
Cutting	Long	Pope	Wagner
Dieterich	McAdoo	Reed	Walcott
Duffy	Neely	Reynolds	
Gore	Norbeck	Russell	

So Mr. VANDENBERG's amendment was rejected.

Mr. THOMAS of Utah. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. It is proposed, on page 9, after line 6, to insert the following new section:

SEC. —. Section 12 (B) of the Federal Reserve Act is hereby amended by inserting in the first sentence of the second paragraph of subsection (y), immediately after the words "District of Columbia", the following: "And the Territory of Hawaii."

Mr. THOMAS of Utah. Mr. President, the purpose of the amendment is merely to give to the Territory of Hawaii the benefits of the temporary legislation.

Mr. GLASS. Mr. President, I see no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah.

The amendment was agreed to.

Mr. BLACK. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. It is proposed to insert in the bill, at the proper place, the following:

Provided, That it shall be unlawful for any Federal, State, county, or municipal official, any member of any National, State, or county committee of any political party, or any other person except a bona fide and regularly employed officer, agent, or employee of the person or corporation seeking a loan under the provisions of this section, to seek to influence in any way any agent, officer, or employee of the Reconstruction Finance Corporation in connection with a loan or any application therefor, under the provisions of this section, and if such unlawful influence is used, the person or corporation seeking such loan shall be disqualified.

Mr. BARKLEY. Mr. President, it was impossible to get the full import of the amendment from hearing it read. Is this the amendment which would make it impossible for any Member of the House or the Senate to call up any member of any of these boards and make an appointment for a constituent to go down and talk to him about a loan?

Mr. BLACK. I shall be very glad to explain the amendment. It would make it illegal for anyone, whether he be a Senator or a Representative or anyone else, to seek to exercise political influence to secure a loan from the United States Government. That is the object and purpose of the amendment.

We are proposing here a new departure. We have advanced now to the stage which many of us predicted we would reach when the Reconstruction Finance Corporation bill first came up, where it is proposed to loan to private industry out of the taxpayers' money. Of course we are providing only about \$250,000,000 out of the Reconstruction Finance Corporation fund. My own prediction is that we shall have applications for about \$40,000,000,000.

Someone must decide who shall get these loans. I believe that if the Government, through the Reconstruction Finance Corporation, is to go into the business of lending money to private industry, it should do so wholly free from any influence except a careful study on the part of the Reconstruction Finance Corporation of the merits of the applicant.

Speaking in reply to my friend from Kentucky, I do not believe that it is, or should be, the business of any Senator or any Representative or any national committeeman or any public official to seek to exercise any political influence in an effort to have a loan granted to an applicant.

That is the purpose of the amendment. If it is our desire to have Government loans made by the Reconstruction Finance Corporation on the basis of political influence rather than on the basis of merit, of course the amendment should not be adopted. If, on the contrary, in lending the money of the American taxpayers to the industrial activities of the Nation, we propose to have it loaned on the merit of the applicant rather than on the request of a Senator or a Representative or a national committeeman or any other influential man in politics or business, the amendment should be adopted.

That is the entire object of the amendment. Does that answer the question of the Senator from Kentucky?

Mr. BARKLEY. I will take the floor after the Senator from Alabama shall have concluded his remarks.

Mr. BLACK. I shall not make any further remarks at this time. If there shall be any objection to the amendment, I shall desire the privilege of the floor again. I did not anticipate that there would be any objection to it.

Mr. BARKLEY. Mr. President, I realize the good faith of the Senator from Alabama [Mr. BLACK] in proposing this amendment. Of course, what the amendment really does, in effect—and that is probably its purpose—is to furnish Members of Congress an alibi to explain to their constituents why they cannot take up matters before a department that has to do with a loan or accommodation under the terms of this measure.

If this amendment shall be adopted, it will make it necessary for everybody who makes an application for a loan to

employ a lawyer. If this amendment shall be adopted, it will be unlawful for me to call up any member of the Reconstruction Finance Corporation and make an appointment for a constituent of mine to go down there and talk about a loan for fear I shall be accused of using political influence. This amendment would be a fine thing for the lawyers in Washington; but there are many industries and many institutions in the country that are on the ragged edge and have not the money to come here and employ high-priced lawyers to recommend them before the Reconstruction Finance Corporation, or before a Federal Reserve bank. The amendment includes all the Federal Reserve banks, and all the member banks, and all the agencies of the Reconstruction Finance Corporation, and the Reconstruction Finance Corporation itself.

I am not so afraid of any influence that I have over anybody in Washington that I am unwilling to call up over the telephone, or even take a constituent of mine down there and introduce him, if he has a public matter that he desires to confer about before one of these boards. I am not so suspicious of myself or of my constituents that I am afraid somebody will say that I am going to get a fee if I take a constituent down here and introduce him or bring him in contact with somebody in the Reconstruction Finance Corporation or in some board before which he has pending an application for a loan. Any Senator who does not want to do that has a perfect right to refuse to do it; but I have been called on, as I have no doubt every other Senator here has been called on, by constituents who do not know anybody in Washington, who have no acquaintance here, who are unable to employ lawyers, who do not know anybody except us, and they do not think there is any impropriety in asking us to present them, and if necessary even to file with one of these boards a statement they might send us and ask that it be given proper consideration. If this amendment is agreed to, we cannot even do that without making ourselves liable to the suspicion that we are trying to exercise some political influence in order to get a loan for somebody out of the Treasury of the United States.

I do not see any need for this amendment. It seems to me that within its terms it casts a suspicion on everybody in Congress who might be willing to aid a constituent or a friend or an applicant to get his matter considered before one of these boards. We have done that in connection with all these activities. We have made arrangements for our constituents, for mayors of cities, and even for Governors of States, to talk to the Secretary of the Interior, Mr. Ickes, about public projects in their towns and in their States. We have sometimes accompanied honest men—men who have been elected by the people, Governors or mayors or county officials—to see the men who have charge of the Public Works program in order that they might present their claims to these public officials, not to exercise political influence but merely to give them an opening so that they may make their own presentation on the merits of the case. If this amendment should be adopted, we could not even do that. All we could do would be to say to our constituents, "We have been so afraid of ourselves, we are under such suspicion, that we cannot even call up and make an appointment for you to go down and talk over an application for a loan."

I am not willing, as I said, to put myself in any such situation or to aid in bringing about any such condition.

Mr. BORAH. Mr. President—

Mr. BARKLEY. I yield to the Senator from Idaho.

Mr. BORAH. I desire to ask a question of the Senator offering the amendment. The amendment provides—

That it shall be unlawful for any Federal, State, county, or municipal official—

To seek to exert any influence in connection with one of these loans. The words "State, county, or municipal official", it seems to me, would prohibit action on the part of those who must necessarily be the connecting link between the parties who are asking for the loan and the agency of the Federal Government.

Mr. BLACK. I shall be very glad to explain, when the Senator from Kentucky concludes, that the amendment does not at all do what he suggests.

Mr. BARKLEY. Not only does the amendment say that but it also says "or any other person." It makes it unlawful for anybody except a duly employed agent of the applicant to go to one of these boards and talk to anybody about loans. Of course I know that the Senator from Alabama does not intend to have this amendment make it necessary for every applicant to employ a lawyer, but that will be the result, because there is not anybody else who could come here and represent a man or a company; and if somebody has to be employed, of course, it will be a lawyer.

I do not see any necessity for this amendment, and I do not know of any reason for it except that we want to find some way by which we can be relieved from aiding our constituents in presenting their claims to the departments at Washington.

Mr. BLACK. Mr. President, in the first place, the amendment does not affect public loans. The amendment does not affect any loan to be made to any public enterprise. It relates wholly and exclusively to the provision which would authorize a private loan to a private industry by the Reconstruction Finance Corporation. It would not prohibit the Senator from Kentucky, or the Governor of Kentucky, or the mayor of Louisville, or any public official anywhere, from seeking to obtain a loan from the P.W.A. It has no reference to that.

Mr. BARKLEY. If the Senator will yield, I realize that, but it might as well have reference to that. If we are going to say that we cannot even communicate with the Reconstruction Finance Corporation with reference to a private loan for which an application has been made by some industry that may not want to pay out money for lawyers' fees, we ought to go all down the line and say that nobody except a hired lawyer shall appear before or present any communication to Mr. Ickes, or to the Public Works Administration, or to Mr. Hopkins, or to anybody else who has anything to do with the distribution of public funds.

Mr. BLACK. I shall be very glad to go into that matter. I desire to say to the Senator from Idaho, who asked me a question—

Mr. BORAH. Since the Senator has made the explanation, I see the effect of his amendment differently.

Mr. BLACK. In other words, the amendment relates wholly and exclusively to this new governmental proposal to lend money to private industry out of the taxpayers' funds. If money is to be loaned by the Reconstruction Finance Corporation to private industry, I take the position that it should occupy exactly the same relationship as does a bank.

Is it necessary for the Senator from Kentucky to appear at the First National Bank of Louisville in order to secure a loan for one of his constituents?

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

Mr. BLACK. I yield.

Mr. BARKLEY. If I had a constituent who did not know anybody in that bank and wanted me to take him in and introduce him, I do not think I ought to be subject to a penalty for doing so.

Mr. BLACK. The Senator would not be, nor would he be under this amendment.

Mr. BARKLEY. It would be unlawful for me to do it.

Mr. BLACK. It would be unlawful, and would disqualify the man from getting a loan, if he came to the Senator from Kentucky to aid him in getting a loan.

Mr. BARKLEY. In other words, if a constituent came to my office, and I went to Jesse Jones and said, "I would like to have you see Bill Smith, who has an application for a loan; he needs \$100,000", the mere fact that I called on him might be construed into an effort to use political influence, and would prevent the man from getting a loan.

Mr. BLACK. It may be that someone is afraid that a law may be passed which will take Senators and Representatives out of the class of glorified messenger boys because

he wants to get votes back in his home State. I take the position that with reference to any governmental contract, where the Government's money is to be loaned, it is not right, and it not only is not right, but it is improper for such loans to be made upon the basis of political influence.

I have run into this matter in the investigation of ocean- and air-mail contracts. It is not merely a question of a man introducing his constituents to an official of a department. It is the question of continued, repeated, insistent pressure by Senators and Representatives, who do not know the facts, but who have caused this Government to spend millions and hundreds of millions of dollars of the taxpayers' money on contracts brought about by the exercise of political influence which should never have been put into effect.

Mr. GLASS. Mr. President, will the Senator yield to me?

Mr. BLACK. I yield.

Mr. GLASS. I misconstrued the exact meaning of the proposed amendment when the Senator from Alabama presented it to me. It seems to me entirely too broad in its implication.

Mr. President, never in my life have I asked a man to vote for me, and I have never in the 34 years I have been in Congress asked any department of the Government to give anybody or any concern a contract, and I never expect to do so. But if a concern or an individual from Virginia should come here to Washington and ask me to attest its or his character to any department of this Government which had no acquaintance whatsoever with the person or concern, am I to be charged with using political influence if I so attest the character of the concern or the individual, or ask that the concern or individual may have an interview with any department of the Government? It seems to me that under the broad terms of this amendment that might be regarded as exercising political influence.

Mr. BLACK. Mr. President, proceeding further, I will state that, in my judgment, there is no reason in the world why anyone should reach the conclusion that under the provisions of the amendment it would be using political influence to introduce somebody else.

We know what using political influence is. It is the method about which Mr. Howes, the First Assistant Postmaster General, testified when he said, speaking about those with political influence who sought, as soon as he became Second Assistant Postmaster General, to obtain from him contracts that they swarmed in on him just like grasshoppers, and were just as big a pest.

They wanted certain contracts, and were asking for them, not on the basis of merit, but their correspondence has been introduced into the record by reams and reams and reams, in which they called attention to the fact and boasted about the influence of the Representatives and of the Senators and of the national committeemen and of the managers of Senators' campaigns all over the United States.

There is no use being too sensitive about this matter of influence. We know influence is exercised, and it is absolutely useless for any man to claim he is so blind as not to know there have been political influences wielded in connection with contracts of every kind and character, in order to obtain contracts, not through merit, but by reason of the political pressure that was put behind them.

I desire to make a prediction. I may be entirely wrong, but I believe absolutely that under the simple amendment proposed to be made to the Reconstruction Finance Corporation Act, providing for loans to private industry, greater dangers are involved than under any other measure which has as yet been proposed by the administration. There is nothing new in this viewpoint on my part. I had a similar viewpoint when the R.F.C. bill was first passed, and I voted against such a proposal in connection with that bill. I predicted then that the time would come when the pressure would be so great from the business enterprises all over this Nation that we would find Senators and Representatives running all over themselves in order to get loans granted to private industry which the banks would not grant them, and that has come to pass.

It is proposed that we authorize the lending of about \$250,000,000. I received a letter the other day from a chamber of commerce in one little town which said that private industry in that town intended to ask for \$750,000. If the money is asked for at that rate from all over the United States, \$10,000,000,000 worth of applications will be a very small amount to pour in within a few weeks. What will that mean? Decisions will have to be made by the officials of the States, which later will have to be acted upon in Washington. Somebody will get that \$250,000,000, but there will be many others who will be deprived of their part of the loans, even though they are just as worthy.

As one who believe whole-heartedly in this administration and in its desire and its willingness and its intention to bring about great improvement in the business activities of this Nation, I desire now to state that this is the most dangerous proposal that has yet been made, and will work great harm unless some safeguard such as this amendment shall be thrown around it.

Mr. President, the amendment may be too broad; I do not claim that it is perfect. What I am seeking to do is to establish a principle, and that principle is this: If the Government of the United States is to engage in any kind of private business, let it operate under exactly the same rules as those under which private business operates. If the Government is to enter the banking business, in part, why should it be necessary for an applicant for a loan to have the assistance of a Senator or a Representative in order to secure the loan? Does the applicant for a loan now have to go and hire a lawyer in order to get the loan? If it were true that every applicant for a loan from a bank today had to employ a lawyer, then there would be some basis for the argument that if the Senators and Representatives did not secure the loans desired, lawyers would have to be secured. But is that the way private business operates?

Mr. BARKLEY. Mr. President, will the Senator yield to me?

Mr. BLACK. I yield.

Mr. BARKLEY. Does not the Senator recognize any difference between a bank located in any community where it may know the applicants, who are personally acquainted with the officers, and who go in and ask for a loan, and a stranger coming to Washington, who does not know anybody?

Mr. BLACK. I recognize that these applications will be made just as they are today, in the States where the applicants live. They will not be made in Washington.

Mr. BARKLEY. They will be passed on in Washington.

Mr. BLACK. They will first be passed on in the States where the applicants live, and they will be passed on there without any Senator and without any Representative saying anything about them.

Mr. BARKLEY. Mr. President, there has been an agency of the R.F.C. in my State, located in the city of Louisville, ever since the Reconstruction Finance Corporation was organized. I have never requested of that agency, remotely, directly, indirectly, or in any other way, even the consideration of an application for a loan; but under the pending amendment even the mayor of the city of Louisville could not go to the agency in Louisville with a citizen, the president or officer of a corporation, and ask that the agency give consideration to a loan, or even introduce him, without his act being unlawful under the amendment.

Mr. BLACK. I may say that I am not sure that that should not be the law. If that had been the law down in Louisiana, where so much has happened, as we have heard, through local political influence, there would have been an entirely different story with reference to the home-loan bank in the city of New Orleans.

I admit that I think this principle ought to go further. I think it ought to apply to every business enterprise in which the Government is engaged. I do not believe that there should be any political influence exercised or wielded by any man in political life in order to secure contracts from the Government of the United States, either for the loan of money or for the sale of commodities.

Mr. BARKLEY. Under the language of the amendment, a friend or neighbor of an applicant could not go into the agency in any State, or come to Washington, with the applicant, unless he were hired, even though he might come along as a friend, simply as a matter of accommodation. He could not do it unless the applicant hired him to come, because under the terms of the amendment—

it shall be unlawful for any Federal, State, county, or municipal official, any member of any National, State, or county committee of any political party, or any other person except a bona fide and regularly employed officer, agent, or employee of the person or corporation seeking a loan—

And so forth. A man could not bring his friend along and let him pay his own expenses and go before one of these agencies to borrow some money.

Mr. BLACK. Mr. President, I do not think anybody is worried about these "friends." That is not the worry. They are not worried about somebody's not bringing his friends.

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

Mr. BLACK. I yield.

Mr. BYRNES. With reference to the words indicated by the Senator from Kentucky [Mr. BARKLEY], "or any other person except a bona fide and regularly employed officer, agent, or employee of the person or corporation seeking a loan under the provisions of this section"—does the Senator object to eliminating those words from the amendment?

Mr. BLACK. As I have heretofore said, I have no pride of authorship in this amendment. It could be greatly improved, perhaps, by many minds. What I am after is the principle. But I will state to the Senator why I suggested that language. One of the reasons was to avoid exactly what the Senator from Kentucky said would happen with reference to Washington lawyers. Under this provision those seeking loans would not come here and hire one of the Washington lawyers. It would be impossible for them to do that.

Mr. BARKLEY. They could not even bring a lawyer with them.

Mr. BLACK. Not if he were not a regularly employed lawyer.

Mr. BARKLEY. If he were an attorney employed by the year, they might bring him along; but they could not employ any attorney in Washington in view of the fact that no one here in Washington is allowed to say anything in furtherance of a loan. They could not employ an extra good lawyer to represent them before the Department. They would have to bring someone who was regularly on their pay roll.

Mr. BLACK. In my judgment, that is the way people usually get loans. If a man wants to borrow money from the Louisville National Bank, I do not think he gets a lawyer to represent him in borrowing the money. Such borrowing of money is a usual business transaction. He does it as a business man should. When we are proposing to lend the money of the taxpayers, with the theory of getting it back, why should we leave the transaction open to the use of influence by various people in order to get the loan?

Mr. BARKLEY. In that connection anyone who wants to go to a bank to make a loan, of course, goes to a bank which he knows. He goes usually to a bank with whose officers he is acquainted. He goes usually to the bank in his own town. Some people in the country, however, probably have a notion that some of us in Washington are bigger than we are, and they do not even know how to approach Members of Congress, let alone officials of boards, in order to be able to present their matters to them. I do not think such people should be required to bring along a whole coterie of lawyers on yearly pay in order that they may not make a mistake in presenting their matters to the board.

Mr. BLACK. If we do not put in the bill such a provision as the one I have suggested, I am afraid that Washington will be visited by a swarm of lawyers. My own theory is that if they are going to get money from the Reconstruction Finance Corporation, they should go in just as they do their banks and seek their loans. I see no reason why we should

get all worked up and anxious about someone's coming to Washington to get a loan. There is no reason for coming to Washington to get the loan. The place to apply for it is in the home town of the man who makes the application.

There is one other point to which I desire to call attention. It may be altogether improper. It may not fit. I have an idea that the time has almost arrived when Senators and Representatives should engage to some extent in the business to which they are elected, to wit, lawmaking. That is an old-fashioned theory, I admit. There is no question about its being an old-fashioned theory. My own judgment is that one of the purposes for which men are elected to the Senate and the House is to legislate. I am perfectly free to confess that one of the easiest ways to stay in the House or the Senate is for the Senator or Representative to spend all his time in trying to get special favors for his constituents.

I admit that it is old fashioned to have an idea that, perhaps, Senators and Representatives ought to spend at least a reasonable part of their time in connection with the enactment of legislation; but, somehow, I believe that, perhaps, Senators and Representatives might have a little better standing in the country if they spent more of their time at the work of lawmaking rather than spending most of their time, as many have done, by force of circumstances, in trying to do things which it never was contemplated they should do.

The Government is more and more taking part in various business activities. I am familiar with the history of the State bank in my State. I know what happened with reference to the idea of having friends who could induce loans to be made. I know that when that bank finally toppled and fell, it brought on a wave of disgrace all over the State; and I know that the same thing happened in every other State of the Union that had a State bank.

I have not yet forgotten that there was a bank in Philadelphia to which old fighting Andrew Jackson was opposed. I have not yet forgotten the slimy trail of political corruption which was exposed in connection with that bank. Why were there such corrupt conditions connected with the bank? Because of political influence. When, finally, its affairs were exposed to the public, in calling the list of those who owed the bank one could call the roster of the political celebrities wherever that bank had done business and find very few names missing. Then when those who had recommended others for loans were exposed, the same condition was found—political influence. In that case the use of political influence was not because people were called upon to take care of their friends and constituents in a lawful and legitimate enterprise but the money of the taxpayers of the United States in that bank had been turned over to the political favorites and the favorites of the political favorites.

My amendment is based on a very simple principle. If it is wrong, it ought to be defeated. If the principle is right, and the amendment goes too far, or does not go far enough, the amendment should be rewritten and the principle should be carried out.

I will state the principle on which the amendment is based. I have arrived at the conclusion that this principle ought to prevail largely as the result of what I have seen in the past year. I believed before then that so far as possible, political influence should not govern in connection with governmental affairs. All the evidence in connection with the air-mail investigation has not come out—I saw no reason to bring it out—but the people of this country would be absolutely amazed if they knew how many contracts for millions and millions and millions of dollars had been made, not because of the fact that the contract itself justified it, but because of pressure, pressure, pressure.

I desire to have it understood that pressure never has been, and never will be, limited to any one party. If a limited amount of money is available, and 100 people want to borrow that money to every one person who can get it, we know from our knowledge of human nature that the person who will get it will be, in the main, the one who had influence behind him, because that has been true throughout all human history in connection with the lending of money by governments and governmental agencies.

The principle is that if the Government is to engage in any kind of business, either directly or through agencies or bureaus, those agencies and bureaus should act wholly free from any kind of political influence, and solely and exclusively by reason of a paramount sense of public duty, and they should be free from the pressure of political agents; and I include in that the principle that they should be free from the pressure of Senators and Representatives. That may be a wrong principle, but it is one in which I believe.

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

Mr. BLACK. I yield.

Mr. BARKLEY. I recall a little incident in my own experience within the past year. In my home city there is a chamber of commerce, one of whose duties and functions is to bring new factories into the town. It has been the practice there for many years, as it has been in other communities, to induce factories to come there by relieving them from taxation for a period of 5 years.

An opportunity came to the community to bring a factory there which would employ from 1,000 to 1,500 people, which would absorb the entire unemployed list in the city. Under the charter of the city it had a right to buy a building and turn it over to the coming factory for a period of 5 years, and charge rent upon it until the cost of the building had been amortized. The town council passed an ordinance authorizing the city to borrow enough money to buy the building, or to build one and to turn it over to the new factory which was to employ from 1,000 to 1,500 people, which has since been built, and the company is now employing 1,000 people.

The mayor of the city came to Washington. The city attorney came to Washington. I went to the Reconstruction Finance Corporation with them and introduced them. I undertook to tell the members of the board of directors what it would mean to the community in the way of employment of unemployed men and women if the loan were granted and the factory brought there. They were unable to get the loan. They finally got it from private sources, and erected the building, and the factory is in operation, and is now employing 1,000 people.

If the amendment proposed by the Senator from Alabama had been in force, however, I would have been a criminal for going to the Reconstruction Finance Corporation with the mayor of my home city and asking them to give their consideration to an application for a loan of that sort.

Mr. BLACK. Mr. President, in the first place, there is no reason why it should be necessary for a Senator to go to a department and ask that its officials give fair consideration to a proposal which has been submitted.

Mr. BARKLEY. I will say that it may be that it would have been entirely the proper and statesmanlike thing for me to have said to my friends, "I cannot go with you; I am a statesman; I am above the petty things that affect the community in which I live; you must employ a lawyer; bring your lawyer with you." It might have been wise for me to say that; it might have been a statesmanlike thing for me to say it; but I did not say it. I went with them; I am glad I went; I have no apology for going; and I would go again under the same circumstances. I am not ashamed to try to render a little service to the people of my State, and I am not ashamed nor afraid that somebody is going to call me a crook if I do accommodate them now and then by presenting them and their causes to the department in Washington.

Mr. BLACK. I am very glad to know the Senator has no fear that anybody will accuse him of anything wrong. I do not consider, however, that that has very much bearing on the question at issue before us. My idea is that we are talking here about a principle and not any individual's feelings with reference to what he has done or what somebody might or might not think about him. I raise no question about what the Senator has done, but what I am saying is that we are now proposing to let the Government go into the business of lending money—

Mr. GLASS. Now proposing it!

Mr. BLACK. Well, we are going further than we have heretofore gone.

Mr. GLASS. What has the Government been doing for the last 3 or 4 years?

Mr. BLACK. The Government is now proposing to extend loans to private business. The Senator, as I understand, has an amendment which will extend loans to private industry to the extent of \$250,000,000. My own judgment is that if the Government is going to lend money to private industry, it ought to make the amount sufficient really to fill the bill. If we are going to take the place of banks, I think we ought really to take the place of the banks, and do the work, whether it involves \$250,000,000 or \$10,000,000,000. I believe that when the Government goes into the banking business for private industry, the Government should operate exactly as banks do. Why leave ourselves open to exactly the same situation and a repetition of exactly the same events that have always happened when the Government lends public money? When a Government agency lends money to private individuals, it will be found that the energy of those individuals is spent not to prove that they can pay the money back, not to establish in a legitimate business way that they are entitled to a loan from a business standpoint, but their energy will be expended in having letters and telegrams sent to the Members of Congress urging them to use their influence; and the Members of Congress will not have the ability nor the time to determine whether that loan should or should not be made. I would not say that the Members of Congress would not have the ability, because I think that most of them would have the ability if they had the time to give to the subject and consider it on its merits and the arguments for and against. I am willing to assume that they would then have the ability to pass upon the matter, but I do deny that there is a single Member of this body or a single Member of the other House who, with the various duties he has to perform in connection with the functions of his office, has time to pass upon the merits of the individual applications for loans which will be made.

Mr. ASHURST. Mr. President, does the Senator from Alabama believe if a Senator should examine the request for a loan which is urged and asked in his State and should find that the loan should not be made, that there are more than two Senators here who would say, "We do not want that loan to be made to and in our State"?

Mr. BLACK. Of course, they would not say that they would not want the money loaned. I should like to have the roll called on that question. I am wondering how many there are here who have ever told their constituents that they did not want a loan made in their behalf.

Mr. GLASS. Mr. President, I suggest, then, that the Senate ought to be abolished.

Mr. COUZENS. I second the motion.

Mr. GLASS. If we have not more than two Members of this body who are honest enough to advise against what they know to be bad loans, we are just a disgrace to the Nation; that is all there is about it.

I never have told a department of this Government to let a contract to anybody in my State. What I object to about this amendment is its broad terms. I want to know what may be regarded as "political influence."

Supplementing the incident given by the Senator from Kentucky, there was a concern in my State, in my town, employing 436 people, men and women, which needed a loan. It first went to Richmond and applied to the branch of the R.F.C. in my State and had its application for a loan fully approved. It came here to Washington and asked me to go to the Reconstruction Finance Corporation and request prompt consideration. I did not go, because I rarely ever or never go on missions of that kind, but I unhesitatingly wrote to the Reconstruction Finance Corporation saying that I had no knowledge whatsoever as to the merits of the application, but asking that it be given prompt attention, because the loan, if it were to be made available at all, should be promptly available. Under this amendment I would be a criminal for making that suggestion to the Reconstruction Finance Corporation.

As a matter of fact, the Reconstruction Finance Corporation was so dilatory in the consideration of the application that the concern went to a private financial institution and got there the loan which it desired to get here. But, for one, I do not need to have any statutory limitations put upon my sense of propriety.

Mr. BLACK. Mr. President, I desire to state to the Senator from Virginia that, in my judgment, the amendment would not cover the circumstance which he mentions.

Mr. GLASS. Oh, yes. Who would not regard that as "political influence", attesting the character of men I had known all my life?

Mr. BLACK. I would not.

Mr. GLASS. Perhaps the Senator would not, but perhaps somebody else would. I agree with the Senator that the Government ought to be conducted on business principles, but, of all the departments that ought to be conducted on business principles, the Post Office Department is, perhaps, first.

I assume, of course, the Senator from Alabama has never recommended the appointment of a postmaster in Alabama; or if he has ever recommended the appointment of a postmaster, I assume, of course, he has not taken the pains to find out whether the appointee was a Democrat or whether he was a Republican. [Laughter.] If we are going to enter upon the work of constituting a strictly business institution of every department of the Government, we might apply the principle to the Post Office Department.

Mr. BLACK. I should be very glad to answer two of the statements the Senator has made. In the first place, the Senator says he wants it understood that he has to have no law passed in order to tell him what to do. I admit that. There are many people all over the United States who do not need laws to tell them what to do; but my able friend from Virginia has been here for many years, loyally and zealously serving as a Member of this body, engaged in enacting laws for some who needed laws in connection with their conduct.

Now, with reference to the appointment of postmasters, although, in my judgment, that has nothing to do with this case, I voted for the amendment of the Senator from Nebraska [Mr. NORRIS], and I am perfectly willing to vote for a bill which will give us a real, honest, genuine civil service, taking every postmaster away from the political patronage of Senators and Representatives in Congress. If that does not answer the Senator's suggestion, I have tried to answer it.

Mr. President, there is not any use in trying to evade the issue before us by suggesting that the amendment does not fit it. I assume that probably it will be defeated, just as many other movements in this direction have been defeated, but if a Senator is in favor of the principle of having Government loans made according to business principles, and this amendment does not do it, let him offer an amendment to this amendment, so that we can make it fit the principle of which he is in favor if he wants to let the business of the Government be operated upon business principles.

Mr. President, perhaps I have taken more time than I should have taken. I think an amendment such as this should be attached to every bill that has anything to do with the expenditure of Government money according to contract. I think the time has come when, if we do not let Government contracts be made on business principles, so far has the Government gone into the field of private business today, that we are destined to wake up to find some very sorrowful people. I frankly believe, with reference to these particular loans, that this administration has taken no more dangerous step than will be taken if we provide for loans to private industries, providing only for \$250,000,000, when it is known that there will be more than \$10,000,000,000 of applications, unless we put some kind of safeguard so as to provide that our public servants shall make the loans free from political influence.

This is no new doctrine on my part. I have read in this body in recent months opinions of the Supreme Court of the United States announcing these principles. A contract made between the very lawyer whom my friend from Kentucky mentioned and an applicant for a loan is a case

in point. The principle has been held to be contrary to law and contrary to public policy by the Supreme Court of the United States. The very principle of having Representatives and Senators seek to obtain loans has been held to be contrary to public policy by the highest court of the Nation. That is exactly what the amendment attempts to prevent. If it is too broad it should be modified.

If a Senator is opposed to the principle then the thing to do is to vote against the entire amendment, but if Senators favor the principle of having loans made of the taxpayers' money—and it is the taxpayers' money—according to the standards of merit and justice and fairness rather than because of political influence, then the amendment should be adopted. If the amendment is not correct I hope some Senator may offer a substitute.

Mr. GLASS. Mr. President, I may remark briefly that it is by no means certain that the Reconstruction Finance Corporation under the terms of the bill will ever be called upon to loan a dollar. As a matter of fact, the most important provision of the bill is its liberalization of the eligibility of paper that may be rediscounted at Federal Reserve banks by member banks.

If the Senator from Michigan [Mr. COUZENS] will just listen to me a moment, I shall try to convince him, but he turns away in such disdain as to discourage further remarks on my part. [Laughter.]

The \$280,000,000 fund provided in the bill that may be loaned directly by Federal Reserve banks is not a circumstance to the amount of loans that may be made under the provisions of the bill. The nearly 8,000, if not quite 8,000, members of the Federal Reserve System, both National and State banks, may with confidence make hundreds of millions of loans under the provisions of the bill, because they will realize that they may go to the Federal Reserve banks and have the obligations rediscounted for a period of 5 years, something that has never been permitted under any statute we have ever previously enacted. The dangers of the bill are simply frightfully magnified by the Senator from Alabama [Mr. BLACK].

Moreover, if the Reconstruction Finance Corporation were to loan every dollar that it contingently may loan under the provisions of the bill, it could not loan more than \$250,000,000, and that is all.

Mr. BARKLEY. Mr. President—

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). Does the Senator from Virginia yield to the Senator from Kentucky?

Mr. GLASS. Certainly.

Mr. BARKLEY. The authority to loan even that much expires next January.

Mr. GLASS. Yes. It prevails for 7 months only. Not only that but the borrowers will not be able to get a dollar of that \$250,000,000 until they first shall have exhausted every possible effort to get credit at the member banks or nonmember banks at the current bank rates and, having failed at their local banks, have failed to get credit at the Federal Reserve banks. So where is this frightful danger that we ought to avoid?

The \$250,000,000 of possible loans of the taxpayers' money is nothing. We have been pouring out money like water running through a sewer, with no prospect of ever getting a dollar of it back. Yet the bill is characterized as a measure of "frightful danger" to the pockets of the taxpayers. There is not one particle of danger in it. I doubt if ever a dollar will have to be loaned by the Reconstruction Finance Corporation under the terms of the bill. But I hope and I confidently expect that hundreds of millions of dollars will be loaned under the terms of the bill by the member banks which are chockful of money and know not what to do with it except to buy United States bonds. I am tired of seeing the Federal Reserve banks and member banks of the Federal Reserve System concentrating their whole activities upon financing the United States Government instead of financing business and giving employment to people who are unemployed.

Mr. NORRIS. Mr. President, I want to commend to the best of my ability the Senator from Alabama [Mr. BLACK]

for proposing his amendment. It has been ridiculed. Fun has been poked at it. It has been said that it will not accomplish any good. Nevertheless the principle involved in the amendment proposed by the Senator from Alabama is a principle which, in my humble judgment, will go a long way, if it is enforced, toward saving the Government from ruin and incidentally toward saving also the Democratic Party which is now in power.

In all probability I have said all that I ought to say on the subject. I have not anything new to say. If there is anything wrong in the principle involved, it seems to me that under the present depression I can see the end. If we are going to take the taxpayers' money by the hundreds of millions and loan it out on political influence, then we ought not to stand as a nation. Naturally, we would go down. Such a proposal is unscientific, unbusinesslike, unfair. I think it is a dishonest use of the taxpayers' money.

That does not mean, if we shall not adopt the amendment, that something dishonest will happen in the loaning of the funds. I do not mean that. The amendment ought to reach every department of the Government. When the Senator from Virginia [Mr. GLASS] made the suggestion about recommending postmasters, that did not bother me at all. The same principle ought to pervade the Post Office Department, from the Postmaster General himself to the janitors who scrub out the post offices in the various cities and towns of the United States.

I have had people poke fun at me for proposing various things. The proposal of this amendment seems to bring out the same line of thought. But the principle here involved is a little more vital. I believe that some day there will go into the White House a man who will say, referring to the Post Office Department, that from top to bottom that Department is going to be operated as a business institution; a man who will say, "We are going to run it as a business proposition. We are trustees of the people's money which we appropriate to run it, and we ought to be more careful about the way those funds are expended than if it were our own money."

We passed a bill the other day to endeavor to reduce gambling. I have no objection to a man gambling if he wants to do it and if he uses his own money. If he gets any enjoyment out of gambling, I have no objection to it. He must handle his own funds, however. I do not want him to gamble with my money, and I do not want him to gamble with the money of anybody for whom I am a trustee here.

I recognize the questions that were asked the Senator from Alabama. Similar questions have been propounded to me for 10 or 15 or 25 or 35 years. I have been laughed at, because it has been said, "Why, this proposal does not apply to me. Why are you seeking to make it apply to me? I have conducted my office above any such happenings as this proposal penalizes."

That may be true. I do not deny it, at least. I am not making an accusation against a Senator or a Member of the House of Representatives; and I am not apologizing either because he says, "This proposal has no application to me. Why should the law cover me?"

Of course we cannot make exceptions to a law. Sometimes a law discommodates somebody who has no intention of doing anything wrong. That is true of every law we pass which we have to make general. Honest citizens have often been discommodated and interfered with in their business because laws are necessary on account of a lot of other men who are not so honest or so scrupulous.

I had a letter less than 10 days ago from a man whom I do not know. I never saw him or heard of him before, and it may be that it will be found on investigation that the story he told me is untrue; but this is what he said:

He is an abstractor in the county seat of a certain county in the United States. It is a town of ten or fifteen thousand people. There are several other abstractors in the town; but he said that in carrying out the new home-loan law passed by Congress, where abstracts are to be had in this county—and it applies to every town in the county—one man makes all the abstracts. It may be—I am not acquainted with the ground—that all the other abstractors are not competent

men. I do not know; but this man said in his letter that an abstract made by any other abstractor is sent to this particular abstractor, and he must certify to it, he must extend the abstract or no loan will be made. It happens that the abstractor who gets all the abstract business in that town is the chairman of the Democratic county committee. I suppose that is just an accident.

When I told that story to some Members of this body in a casual conversation I had a week or so ago, I was laughed at. They said, "That only shows that the Democratic Party are sure that they are doing business right. They are giving it to Democrats." Senators may laugh at that if they wish. They may make fun of it; but I want to warn them that that kind of an arrangement will bring discredit upon the people who put it into operation, and the Democratic Party will be no exception. It would be just the same if the Republican Party were in power and did the same or a similar thing. If a business operation is to be performed, it ought to be performed along business lines.

In my judgment, the organization or the political party which insists on performing a business operation along political lines, and for the benefit of members of a political party, will run on the rocks; and such a course will cause even the man in the White House to suffer, perhaps at a time when suffering will mean much in a political way.

Mr. President, I do not think this amendment prohibits a Member of the Senate from introducing a man whom he knows, or who comes from his State, or from some other State, to an official whom the man does not know; but we have not been able so far to close our eyes to the fact that it is just a little beyond that that the evils of the situation creep in.

What action did the President take a few weeks ago to stop a condition that had become nauseous in the eyes of the American people, where Democratic politicians, chairmen of Democratic State committees, and others under them, were charged—and there seems to have been some ground for it, because the President took action in the matter—with using their political positions to get favors for their clients?

It is not necessary to tell the ordinary official that a man is a Senator or the Vice President or a Member of the House of Representatives. He knows it; and, in addition to that, the men whose time is thus taken up have other duties to perform for which they have been elected. No Member of the House, no Member of the Senate ought to devote all his time to looking after those who want to get office or those who want to get contracts from the Government; and I think such a law as is here proposed would be a relief, rather than an impediment.

I had a conversation with a Senator the other day—in fact, I saw the letter—in a case where an individual had a claim pending against the Government of the United States on appeal from one of the various boards. The letter insisted that the Senator to whom it was addressed should go down before the board in person—that is the way the writer put it, in black and white—and appear for the writer of the letter, a constituent. The Senator declined to do it. He felt that it would be wrong and unethical for him to do so, and he wrote the constituent to that effect; and I saw the reply. His constituent took that letter and sent it to a Government official in Washington—I think it was a Government official—and asked him whether Senators could not appear before the board and argue their constituents' claims; and the answer was that they could and that they did, many of them.

In what position did that leave the Senator who took that attitude, which I think was high and professional and ethical, but whose constituent wrote to him and told him to his face that other Senators were doing this, and asked why he should not do so? Why did the constituent want the Senator to appear in person before the board? Was it because the Senator was John Smith or Jim Jones, or because he knew something about the claim? As a matter of fact, the Senator did not know anything about the claim. The constituent had a representative who did, who was not a

Member of Congress. Why did the constituent want his Senator to go there and appear in person? Because of political influence.

Senators, let us not kid ourselves about this matter. This man did not say, "I want your influence as a Senator"—oh, no. I suppose the Senator could have gone down there and never have used the word "influence"; but would the officials of the board know who he was? Would they wonder why he appeared there to represent this man in a case of which he would disclose his ignorance if he had tried to argue it for a minute?

There was nothing in the world that the constituent wanted except political influence. It seems to me he was not entitled to it. It seems to me there ought to be a law to prohibit it, to protect Senators and Representatives who do not want to be dragged into unprofessional and unethical conduct by some of their constituents.

Mr. ADAMS. Mr. President, I am somewhat new here. I came here with high hopes that I was coming into a body of honest men. So far as my observation goes, I have found that to be true; and I resent the repeated charges under these forms that Members of the United States Senate are not to be trusted, that they are corrupt, that they are using their standing and their position in order to secure things for themselves or their constituents by improper methods.

Perhaps I come from the wrong neighborhood, Mr. President. In my part of the country men are sent to high office because they are trusted, not because they are dishonest. To say that a man whom the people trust, a man whom they permit to appropriate their money and to levy their taxes is not to be trusted with the very business with which the people have trusted him is something that I cannot understand.

No man is so greatly interested in having efficiency in business, in having business honestly conducted as a Senator of the United States; and yet not only today but previously we are in substance told to our faces, "If you, a Senator of the United States, go to any public official and present your views as to what is good for your constituency, either individually or as a group, you are doing an unlawful and a dishonest act."

Mr. President, this particular amendment is not limited—and I call this to the attention of the Senator from Virginia—to political influence. It forbids the exercise of any influence in any way. I, like the Senator from Virginia, happen to be one of those who have declined to go to the departments to secure favors of any kind. I have never recommended loans. I have never recommended the making of a contract. But apparently within the past week I have offended against the underlying principle of this amendment, because I called up the Reconstruction Finance Corporation and said that a friend and a neighbor of mine was coming to see them and that his word was good. I knew that; no other man in Washington knew it as I did, and I took occasion to say to them, "What this man tells you you can rely upon." That would be prohibited by the amendment.

If the board of county commissioners of my county, interested in the establishment of a factory or an industry in my county, should come here and should go to the Reconstruction Finance Corporation to present the views of my community on behalf of a loan to a local industry, they would violate the principles of the amendment in performing their duty to their community. If a man who happens to be a precinct committeeman—and who probably does not know it—should come here in the interest of some enterprise in my community, he would violate the amendment.

Mr. President, I am as much opposed to the use of improper influence as is any man who sits in this body, but I am unwilling to charge that every time a word is spoken in behalf of a loan or an enterprise that is inevitably a corrupt and a corrupting thing. I am among those who still trust the integrity of public officials, and particularly of the Members of the United States Senate.

Mr. BYRNES. Mr. President, I intend to vote for the amendment offered by the Senator from Alabama [Mr. BLACK], and I desire to give my reasons for so doing.

I do not believe that anything contained in the amendment, or anything said by the Senator from Alabama justifies the impression that it is intended to reflect in any way upon the integrity of any Member of the House or of the Senate. As a matter of fact, it would be well to consider just what the amendment provides.

It would not apply to loans sought by public bodies. It would apply only to the acts of the officials of the Reconstruction Finance Corporation in making loans to any industrial or commercial business established prior to January 1, 1935. Therefore it would not apply to county commissioners, or to municipalities, or to States, but would apply only to those who are engaged in business throughout the States of this Union.

We may as well understand exactly what would take place when an application for a loan was filed. When an application for a loan was filed it would be investigated by the officials and employees of the Reconstruction Finance Corporation out in the field. They would look into the character and the reputation of the applicant in the community in which he lived, and they would learn about him. When they passed upon the loan, if they determined that the security offered was not adequate, the application would be rejected.

It is then that the applicant would appeal to the precinct official, to the official of the county committee or the State committee, or to the Senator or the Representative. He would appeal for the purpose of securing a reversal of the decision of the official in the field who had passed upon the adequacy of the security, and who had an opportunity to ascertain the character of the applicant.

When the applicant came to Washington, if he were accompanied by the State chairman, or the national committeeman, no one can have any doubt as to why the State chairman would be requested to come, or why the national committeeman from a State would be requested to come. If he were not accompanied by the State chairman or the national committeeman, but came to a Senator or a Member of the House of Representatives he would not have the Member of Congress accompany him in order to have his cause presented upon its merits by the Senator or Representative. It would be solely because he believed that they would bring to bear political influence, in order to induce someone in Washington to reverse the action of the official in the field who had rejected the application for the loan.

When we reflect that the amendment applies to the representatives of National, State, or county committees, or Federal officials, we must bear in mind that the employees of the Reconstruction Finance Corporation are appointed by the board in charge of that organization, but those of us who have been in public life know that many of the attorneys and employees who pass upon loans are men who have been appointed upon the recommendation and endorsement of members of national committees, of State committees, of Members of the United States Senate and of the House of Representatives; and when a member of the Senate or the House goes to the Reconstruction Finance Corporation to advocate granting a loan, it is possible, and not only possible, but probable, that in some instances he will appear before a man who has been appointed upon his own recommendation. I do not believe it is good for the taxpayers of the United States that the money of the taxpayers should be loaned under such circumstances.

It is said the amendment would affect loans where a municipality or some public organization was interested. There is not so much incentive to use political influence when a municipality is asking for a loan; but in the case of private individuals, with political influence in the States of the Union, when they ask for loans which are denied upon the merits of the cases by the officials of the R.F.C. out in the field, and then come to Washington, there is an incentive to use political influence, and it is an exceedingly difficult thing for a Member of the House or of the Senate to decline

to present to the officials of the Reconstruction Finance Corporation a constituent whose application has been rejected.

Mr. President, I do not think any harm would result from the amendment. There may be some one case where it would work hardship, such as that cited by the Senator from Kentucky, in which he believes justice was done because he was able to introduce some individuals to the officials of the Reconstruction Finance Corporation; but for every case of that kind there will be 10 cases where applicants whose loans have been rejected upon investigation will be coming to Washington to seek political influence in order to secure the loans.

Two hundred million or two hundred and fifty million dollars may be a small sum considering the amounts which have been spent by the Government in recent months, but even if the amount which might be loaned under the amendment were only \$250,000 instead of \$250,000,000, I should be happy to know that it was to be loaned solely upon the adequacy of the security and not upon the political influence of the individuals who present the applicant at the office of the R.F.C. in Washington.

Mr. MCGILL. Mr. President, will the Senator yield to me?

Mr. BYRNES. I yield.

Mr. MCGILL. Assuming that the principles embodied in this amendment are good, does not the Senator think that the penalty, or what might properly be described as the "penalty", is to be assessed against the wrong party? I note that the amendment provides that no member of any National, State, or county committee of any political party, or any other person, unless regularly employed by the concern seeking a loan, shall appear or attempt to exercise any influence, and that if that is done the corporation seeking the loan shall be disqualified.

Suppose a corporation seeking a loan does not ask for the aid or the assistance of any official of any county or State or National committee, or of any other organization, but that influence is attempted to be exerted; it would seem to me that, admitting the correctness of the theory embodied in the amendment, the penalty should be against the one violating the law, and not against the applicant.

Mr. BYRNES. I do not believe there is any practical danger that any National, State, or county committeeman is going to seek to use political influence except at the request of the individual.

Mr. MCGILL. The point I am getting at is this: Assume there is a committeeman who would like to see a corporation denied a loan; he could very easily disqualify the corporation.

Mr. BYRNES. I think the Senator might well offer an amendment to provide that where such unlawful influence is used at the request of the applicant, and so forth. That is what the Senator has in mind. In other words, the applicant would not be disqualified unless he had really requested the influence.

Mr. MCGILL. What I had in mind, if the Senator will pardon me, is that, if anyone should be punished for an act of this kind, it ought to be the party who commits the act, rather than the one seeking the loan.

Mr. BYRNES. I do not care to detain the Senate. I do not believe there would be any serious results from the adoption of the amendment of the Senator from Alabama. It might accomplish what the Senator from Alabama has stated it would accomplish, and that is a factor which must be considered. It might give to Senators and Members of the House more time to attend to the business of their respective bodies. It is a fact that, if all the applicants whose loans are rejected should come to the committeemen and to the Members of the House and Senate to follow through these loans, certainly the Members of the Senate would be unable to attend to their business and would become brokers as well as traveling salesmen and glorified secretaries of chambers of commerce and superintendents of employment agencies. The amendment might limit their activities to a few of those activities and not permit them to be extended to the field of brokerage.

If it be true, as has been said, that the individual citizen does not know that he can approach Government officials today, such legislation would have a wholesome effect. I fear that the average citizen has come to believe that he cannot approach any official of the Government except through a Senator or a Member of the House. If he could be taught that this is his Government, and that he has a right to approach any official of any department without communicating through a Senator or a Member of the House, it would be most wholesome, and be in the interest of good citizenship.

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

Mr. BYRNES. I yield.

Mr. ADAMS. I desire to call the attention of the Senator from South Carolina to the amendment, and point out that under its terms if one hires a national committeeman and pays him to act as his representative it is not contrary to the amendment. If one hires a mayor as his representative, and pays him, it is not contrary to the amendment. If one hires the district committeeman, in the same capacity, and pays him, it is not contrary to the amendment.

Mr. BYRNES. No, Mr. President; I disagree entirely with the Senator from Colorado, because the amendment says "any regularly employed officer or agent." I can see the purpose of the Senator from Alabama. As he said, whenever industries seeking a loan apply to any bank, they apply through the regularly employed officials of the institution. It is only when they get into the field of government that they believe they can no longer rely upon the regularly employed officers, but that they must go to the regularly elected committeemen and Senators and Representatives.

Mr. ASHURST. Mr. President, in Oliver Goldsmith's immortal classic, *The Vicar of Wakefield*, it is said:

That virtue which requires a sentinel is not worth the sentinel's pay.

This amendment is not so much for the protection of Senators and Representatives as for the protection of the general public. Surely there cannot be a Senator here who is oblivious to the fact that now, and for many months, the air of this city is fetid with the breath of place hunters, schemers, grafters, crooks, and that many oleaginous lobbyists are here. Like obscene harpies, lobbyists are hovering not so much over the Senate and the House as they are over every department and every agency of the Government here.

It has been suggested that some Government officials—I do not refer to the Senate or the House—are now likened to hunted animals, pursued by beasts of prey. These officers are not pursued as a rule by men seeking honest things, but by men who are seeking some favor, gift, grant, or bounty from the Federal Treasury.

To adopt this amendment is not a reflection upon the Senate. I think the Senate is honest and capable of transacting public business, and needs no protection against lobbyists, because I know more than 10 Senators who within the last week have told lobbyists where they should go.

I again say that the Capital is infested with lobbyists who clutter the public buildings. These lobbyists are not here to give strength to the Government. They are not here to add permanency and durability to the Government. They are here in large numbers to line their pockets with the avails of contracts which will not stand scrutiny.

Only this morning the Judiciary Committee was required to report a bill adding more severe penalties against those who palm off fictitious bonds on the Government of the United States for the fulfilling of contracts, and who forge the names of notaries public on contracts with respect to bonds offered to the United States for the fulfillment of contracts.

I shall vote for this amendment, not that our virtue needs a sentinel but that the public needs to be assured that we are alive to what has been going on in this Capital and that we intend to protect the Government.

Mr. GLASS. It has been clearly indicated that we do not have any virtues to watch.

Mr. SHIPSTEAD. Mr. President, I am in perfect accord with the aim of the Senator from Alabama. The custom to which he refers is a custom which has grown up in recent years of a Senator or Representative neglecting his legislative duties and spending a large share of his time in going around to the executive departments to see that they operate, or to try to help his constituents get some attention so that their business may be transacted. They are entitled to courteous attention without the aid of a Representative or Senator, and should have it.

The former Senator from Minnesota, Mr. Clapp, quit the Senate in 1916. A few years ago, before he died, I asked him how many letters from his constituents he would average during the last few years he served in the Senate, and he said about half a dozen. I do not know what the experience of other Senators is, but it is a very slow day when we do not have 300 letters, and up as high as 500 or 600 letters, most of them not having to do with legislation, but having to do with the executive branch of the Government.

We have soldiers' claims for compensation. We have established by law an organization to see that that kind of business is transacted. Under the custom which has grown up, Senators and Representatives transact that business for constituents before the Veterans' Bureau and help these men prepare their cases, when under the law we have furnished attorneys for the Veterans' Bureau to help these people prepare their cases. If we go on in this direction, the ultimate result will be that the average citizen must have a Senator or Representative with him when he goes to the post office to buy a postage stamp, because we have drifted into a situation where it is very hard for the average citizen to transact business with the Federal Government without having the aid of a Senator or a Representative.

So far as I am concerned, I am glad to be of any assistance to my constituents that I can. I do not blame any political party for the custom which has grown up here. It has been in existence since long before I came here. It exists under any administration.

As the Senator from Alabama said, we were not elected to run the executive branch of the Government. When a man comes here and takes the oath of office, he swears that he will confine his activities within the sphere allotted to him by the Constitution, the legislative body. Instead of that, we find that a great part of our time is taken up outside that sphere.

I think that anything which can be done to separate the business of the legislative department from that of the executive department ought to be done, and so far as this amendment is concerned I am in hearty sympathy with its aims.

Mr. MCGILL. Mr. President, I move to amend the amendment of the Senator from Alabama [Mr. BLACK] as follows: In line 11, after the word "if", I move to insert "upon the request of the person or corporation seeking a loan", so as to make it read:

And if upon the request of the person or corporation seeking a loan such unlawful influence is used, the person or corporation seeking such loan shall be disqualified.

Mr. BLACK. I have no objection to that amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas to the amendment of the Senator from Alabama.

The amendment to the amendment was agreed to.

Mr. FESS. Mr. President, I am in entire sympathy with the suggestion that contracts should not be secured by undue political influence. Every Senator, I am sure, will be glad to be relieved of the necessity of taking up the subject of a contract in person or by correspondence with a department for the person who wants the contract.

On the other hand, I am wondering how far we ought to go with this proposed legislation. I should be somewhat embarrassed if someone from Ohio should say to me that he would like to be recommended or introduced to a department which is about to let a contract and I could not do so. I should feel in honor bound to introduce him.

Does this amendment go to the point where such an action would be a violation of the law? Would it be a violation of the terms of the amendment if a Senator presented someone who wanted a contract to the department letting the contract, and asked that consideration be given him?

Mr. BLACK. Mr. President, as I said a few moments ago, it is my judgment that such an act could not be construed as using influence. I have no doubt that the line can be so clearly drawn that it would be very easily understood, and I do not believe anyone would construe the introduction of a man to an official as using influence.

Mr. FESS. I would say to the Senator from Alabama that to relieve Senators from the onus of having to appear interested in their constituents getting contracts would be a great relief to us all. I agree that we ought not to regard that as being a part of our duty; it is rather something that most of us resent; but at the same time every citizen ought to have the support, it would appear, of his representative to see that he gets an introduction to the official charged with the duty of awarding contracts. I would not hesitate to do that, and it certainly could not be construed as the use of influence on the part of the Senator merely to go that far. However, I am wondering whether that would be a violation of this amendment. If it would be, I should not support it.

Mr. BLACK. I will say to the Senator that I would not so construe it. If the Senator will think of numerous incidents with reference, perhaps, to matters connected with his own State, involving some of its citizens who have lost contracts when they should not have done so, he will understand what is meant by "influence" in the purview of the amendment. I will give the Senator an example. There has been, perhaps, more controversy over the kind of stone that shall be used in Government buildings than over any other one subject during the past few years. It is my judgment that an investigation would disclose that political influence and pressure from day to day and week to week and month to month and year to year has brought about the use of stone from a certain State in this Union to an extent that would not have been possible if natural and legitimate business competition had been allowed to prevail. It is things like that to which I object. It is not fair to the public.

Mr. FESS. I share in the suggestion which the Senator makes.

Mr. BLACK. I do not object at all, I will say to the Senator; I do not think anyone would object to such an act as that to which he refers, and the amendment was never intended to cover a situation such as the Senator from Ohio has mentioned, or as was mentioned by the Senator from Kentucky [Mr. BARKLEY].

Mr. FESS. Let me ask the Senator another question. Suppose that a contract is being let, and after bids are opened there is complaint on the part of a company, we will say, a company from Ohio, to the effect that it has been discriminated against and desires that the bids shall be re-opened and that further consideration be given, would the amendment of the Senator from Alabama go to the extent that a Senator would be forbidden to ask the Department to reopen the bids?

Mr. BLACK. I will say that I do not think any influence should be used by a Senator to bring about a reopening of bids. I think if there has been an injustice done, if there has been a law violated, any Senator would have a right to call attention to it at the Department or on the Senate floor, and that he should do so.

Mr. FESS. The Senator will recall that there have been numerous cases where such a charge has been made?

Mr. BLACK. I understand that to be so.

Mr. FESS. The Senator will recall that there are frequently cases where the charge is made that the specifications have been changed so that a particular party in interest was discriminated against?

Mr. BLACK. I will state to the Senator that, so far as this amendment is concerned, it relates to nothing but loans from this fund of \$250,000,000. It does not go to the extent of relating to bids.

Mr. FESS. That answers the question I have in mind.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Alabama [Mr. BLACK].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is before the Senate and is still open to amendment.

Mr. JOHNSON. 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	Copeland	Hebert	Patterson
Ashurst	Costigan	Johnson	Pope
Austin	Couzens	Kean	Robinson, Ark.
Bachman	Davis	Keyes	Robinson, Ind.
Bailey	Dickinson	King	Schall
Bankhead	Dill	La Follette	Shipstead
Barbour	Duffy	Lewis	Steiwer
Barkley	Erickson	Logan	Stephens
Black	Fess	Loneragan	Thomas, Okla.
Bone	Fletcher	McCarran	Thomas, Utah
Borah	Frazier	McGill	Thompson
Bulkley	George	McKellar	Townsend
Bulow	Gibson	McNary	Tydings
Byrd	Glass	Metcalf	Vandenberg
Byrnes	Goldsborough	Murphy	Van Nuys
Capper	Hale	Norbeck	Walsh
Carey	Harrison	Norris	Wheeler
Clark	Hatch	Nye	
Connally	Hatfield	O'Mahoney	
Coolidge	Hayden	Overton	

The PRESIDING OFFICER. Seventy-seven Senators have answered to their names. A quorum is present.

Mr. ROBINSON of Indiana. Mr. President, I was unavoidably detained from the Senate at the time the vote was taken on the so-called "Johnson amendment." I therefore move to reconsider the vote by which that amendment was rejected.

Mr. JOHNSON. On that I ask for the yeas and nays.

Mr. BARKLEY. I move to lay the motion of the Senator from Indiana on the table.

Mr. LA FOLLETTE and Mr. JOHNSON demanded the yeas and nays.

The yeas and nays were ordered.

Mr. JOHNSON. Mr. President, the question now is, as I understand, upon the motion of the Senator from Kentucky to lay on the table the motion of the Senator from Indiana.

The PRESIDING OFFICER. The question is on the motion of the Senator from Kentucky [Mr. BARKLEY] to lay on the table the motion of the Senator from Indiana [Mr. ROBINSON]. The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MCGILL (when his name was called). On this question I am paired with the Senator from Maine [Mr. WHITE] who is unavoidably absent. If the Senator from Maine [Mr. WHITE] were present, he would vote "yea." Were I at liberty to vote, I should vote "nay."

Mr. BONE (when Mr. NEELY's name was called). The Senator from West Virginia [Mr. NEELY] is unavoidably absent from the Senate. I am advised that if he were present, he would vote "nay."

Mr. ROBINSON of Arkansas (when his name was called). I transfer my pair with the senior Senator from Pennsylvania [Mr. REED] to the junior Senator from Illinois [Mr. DIETERICH] and will vote. I vote "yea."

Mr. VANDENBERG (when his name was called). On this vote I am paired with the senior Senator from Nevada [Mr. PITTMAN]. Not knowing how he would vote, I withhold my vote. If at liberty to vote, I should vote "nay."

The roll call was concluded.

Mr. LEWIS. I beg to reannounce the absence of the Senators and to restate the reasons heretofore given on the previous roll call, and to announce the absence of my colleague [Mr. DIETERICH]. Being unable to say how my colleague would vote if present, I make no announcement in that regard.

Mr. MCGILL. I have heretofore announced my pair with the Senator from Maine [Mr. WHITE]. I find I can transfer that pair to the Senator from West Virginia [Mr. NEELY], which I do, and vote "nay."

Mr. COSTIGAN. The junior Senator from Arkansas [Mrs. CARAWAY] is unavoidably absent.

Mr. ROBINSON of Indiana (after having voted in the negative). I have been advised that the junior Senator from Mississippi [Mr. STEPHENS], with whom I have a general pair, has not voted.

The VICE PRESIDENT. That Senator has not voted.

Mr. ROBINSON of Indiana. I transfer my pair with that Senator to the senior Senator from South Dakota [Mr. NORBECK], and will allow my vote to stand.

Mr. LEWIS. I desire to announce the following special pairs on this question:

The Senator from Georgia [Mr. RUSSELL] with the Senator from Vermont [Mr. AUSTIN];

The junior Senator from New Hampshire [Mr. BROWN] with the senior Senator from New Hampshire [Mr. KEYES];

The Senator from South Carolina [Mr. SMITH] with the Senator from New Mexico [Mr. CUTTING];

The Senator from Arkansas [Mrs. CARAWAY] with the Senator from Vermont [Mr. GIBSON];

The Senator from Oklahoma [Mr. GORE] with the Senator from North Dakota [Mr. NYE];

The Senator from Texas [Mr. SHEPPARD] with the Senator from Delaware [Mr. HASTINGS];

The Senator from New York [Mr. WAGNER] with the Senator from Missouri [Mr. PATTERSON]; and

The Senator from California [Mr. McADOO] with the Senator from Connecticut [Mr. WALCOTT].

I desire further to announce that the Senator from Montana [Mr. ERICKSON], the Senator from Georgia [Mr. GEORGE], the Senator from Utah [Mr. KING], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from Mississippi [Mr. STEPHENS] are necessarily detained from the Senate on official business.

Mr. HEBERT. I desire to announce that the Senator from Idaho [Mr. BORAH], the Senator from New Hampshire [Mr. KEYES], the Senator from New Mexico [Mr. CUTTING], the Senator from Vermont [Mr. GIBSON], the Senator from North Dakota [Mr. NYE], the Senator from Delaware [Mr. HASTINGS], the Senator from West Virginia [Mr. HATFIELD], the Senator from Missouri [Mr. PATTERSON], the Senator from Pennsylvania [Mr. REED], the Senator from Connecticut [Mr. WALCOTT], the Senator from Maine [Mr. WHITE], the Senator from Vermont [Mr. AUSTIN], and the Senator from South Dakota [Mr. NORBECK] are necessarily detained from the Senate.

The result was announced—yeas 30, nays 34, as follows:

YEAS—30

Adams	Carey	Goldsborough	Overton
Bailey	Clark	Hale	Robinson, Ark.
Barbour	Connally	Harrison	Schall
Barkley	Coolidge	Hebert	Townsend
Bulkley	Dickinson	Kean	Tydings
Bulow	Fess	Loneragan	Walsh
Byrd	Fletcher	Metcalf	
Byrnes	Glass	O'Mahoney	

NAYS—34

Ashurst	Davis	Logan	Shipstead
Bachman	Dill	McCarran	Steiwer
Bankhead	Duffy	McGill	Thomas, Okla.
Black	Frazier	McKellar	Thomas, Utah
Bone	Hatch	McNary	Thompson
Capper	Hayden	Murphy	Van Nuys
Copeland	Johnson	Norris	Wheeler
Costigan	La Follette	Pope	
Couzens	Lewis	Robinson, Ind.	

NOT VOTING—32

Austin	Gibson	Neely	Sheppard
Borah	Gore	Norbeck	Smith
Brown	Hastings	Nye	Stephens
Caraway	Hatfield	Patterson	Trammell
Cutting	Keyes	Pittman	Vandenberg
Dieterich	King	Reed	Wagner
Erickson	Long	Reynolds	Walcott
George	McAdoo	Russell	White

So the Senate refused to lay on the table the motion of Mr. ROBINSON of Indiana.

The VICE PRESIDENT. The question is on the motion of the Senator from Indiana [Mr. ROBINSON] to reconsider the vote by which the amendment of the Senator from California [Mr. JOHNSON] was rejected.

The motion to reconsider was agreed to.

The VICE PRESIDENT. The question is on the amendment of the Senator from California [Mr. JOHNSON].

Mr. HARRISON. Let us have the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. MCGILL (when his name was called). Of this question I am paired with the Senator from Maine [Mr. WHITE]. If he were present, he would vote "nay." I am informed that the junior Senator from West Virginia [Mr. NEELY], if present, would vote as I intend to vote. Therefore I transfer my pair to the junior Senator from West Virginia [Mr. NEELY] and vote "yea."

Mr. BONE (when Mr. NEELY's name was called). I announce the unavoidable absence of the junior Senator from West Virginia [Mr. NEELY], and make the further announcement that were he present he would vote "yea."

Mr. FRAZIER (when Mr. NYE's name was called). My colleague the senior Senator from North Dakota [Mr. NYE] is unavoidably absent. He is paired on this question with the junior Senator from Oklahoma [Mr. GORE]. If the Senator from North Dakota [Mr. NYE] were present, he would vote "yea", and the junior Senator from Oklahoma [Mr. GORE] would vote "nay."

Mr. ROBINSON of Arkansas (when his name was called). Announcing the same pair and transfer as on the last vote, I vote "nay."

Mr. VANDENBERG (when his name was called). Making the same announcement as before, I withhold my vote. The roll call was concluded.

Mr. ROBINSON of Indiana. Making the same announcement as before, I vote "yea."

Mr. COSTIGAN. I wish to make the same announcement as before respecting the junior Senator from Arkansas [Mrs. CARAWAY], who is unavoidably absent.

Mr. LEWIS. I desire to announce the following special pairs on this question:

The Senator from Georgia [Mr. RUSSELL] with the Senator from Vermont [Mr. AUSTIN];

The junior Senator from New Hampshire [Mr. BROWN] with the senior Senator from New Hampshire [Mr. KEYES];

The Senator from South Carolina [Mr. SMITH] with the Senator from New Mexico [Mr. CUTTING];

The Senator from Arkansas [Mrs. CARAWAY] with the Senator from Vermont [Mr. GIBSON];

The Senator from Texas [Mr. SHEPPARD] with the Senator from Delaware [Mr. HASTINGS];

The Senator from New York [Mr. WAGNER] with the Senator from Missouri [Mr. PATTERSON]; and

The Senator from California [Mr. McADOO] with the Senator from Connecticut [Mr. WALCOTT].

I desire further to announce that the Senator from Montana [Mr. ERICKSON], the Senator from Georgia [Mr. GEORGE], the Senator from Utah [Mr. KING], the Senator from North Carolina [Mr. REYNOLDS], the Senator from Mississippi [Mr. STEPHENS], the Senator from New Mexico [Mr. HATCH], and the Senator from Nebraska [Mr. THOMPSON] are necessarily detained from the Senate on official business.

Mr. HEBERT. I desire to announce that the Senator from Idaho [Mr. BORAH], the Senator from New Hampshire [Mr. KEYES], the Senator from New Mexico [Mr. CUTTING], the Senator from Vermont [Mr. GIBSON], the Senator from North Dakota [Mr. NYE], the Senator from Delaware [Mr. HASTINGS], the Senator from West Virginia [Mr. HATFIELD], the Senator from Missouri [Mr. PATTERSON], the Senator from Pennsylvania [Mr. REED], the Senator from Connecticut [Mr. WALCOTT], the Senator from Maine [Mr. WHITE], the Senator from Vermont [Mr. AUSTIN], and the Senator from South Dakota [Mr. NORBECK] are necessarily detained from the Senate.

The result was announced—yeas 30, nays 32, as follows:

YEAS—30

Ashurst	Dill	McCarran	Shipstead
Bachman	Duffy	McGill	Steiwer
Bankhead	Frazier	McKellar	Thomas, Okla.
Black	Hayden	McNary	Thomas, Utah
Bone	Johnson	Murphy	Van Nuys
Capper	La Follette	Norris	Wheeler
Copeland	Lewis	Pope	
Costigan	Logan	Robinson, Ind.	

NAYS—32

Adams	Carey	Fletcher	Metcalf
Bailey	Clark	Glass	O'Mahoney
Barbour	Connally	Goldsborough	Overton
Barkley	Coolidge	Hale	Robinson, Ark.
Bulkeley	Couzens	Harrison	Schall
Bulow	Davis	Hebert	Townsend
Byrd	Dickinson	Kean	Tydings
Byrnes	Fess	Lonerger	Walsh

NOT VOTING—34

Austin	Gore	Norbeck	Stephens
Borah	Hastings	Nye	Thompson
Brown	Hatch	Patterson	Trammell
Caraway	Hatfield	Pittman	Vandenberg
Cutting	Keyes	Reed	Wagner
Dieterich	King	Reynolds	Walcott
Erickson	Long	Russell	White
George	McAdoo	Sheppard	
Gibson	Neely	Smith	

So Mr. JOHNSON'S amendment was rejected.

Mr. CLARK. Mr. President, I move to reconsider the vote by which the so-called "Black amendment" was adopted; and on that I ask for the yeas and nays.

The yeas and nays were ordered.

The VICE PRESIDENT. The question is on the motion to reconsider the so-called "Black amendment." On that question the yeas and nays have been demanded and ordered. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. ROBINSON of Arkansas (when his name was called). I transfer my pair with the Senator from Pennsylvania [Mr. REED] to the Senator from Illinois [Mr. DIETERICH], and will vote. I vote "nay."

Mr. ROBINSON of Indiana (when his name was called). In the absence of the junior Senator from Mississippi [Mr. STEPHENS], with whom I have a general pair, I withhold my vote. If at liberty to vote, I should vote "nay."

The roll call was concluded.

Mr. COSTIGAN. I announce the unavoidable absence of the junior Senator from Arkansas [Mrs. CARAWAY].

Mr. MCGILL. On this question I am paired with the junior Senator from Maine [Mr. WHITE]. Not knowing how he would vote, I withhold my vote.

Mr. LEWIS. I reannounce the absences announced by me on the previous roll call, and at this time announce the absence of my colleague [Mr. DIETERICH]. I do not know how he would vote if present, and therefore make no announcement as to his vote.

Mr. NYE. Upon this question I have a pair with the Senator from Oklahoma [Mr. GORE], and therefore withhold my vote. If at liberty to vote, I should vote "nay"; and if the Senator from Oklahoma were present and voting, he would vote "yea."

Mr. LEWIS. I desire to announce the following special pairs on this question:

The junior Senator from New Hampshire [Mr. BROWN] with the senior Senator from New Hampshire [Mr. KEYES];

The Senator from South Carolina [Mr. SMITH] with the Senator from New Mexico [Mr. CUTTING];

The Senator from Arkansas [Mrs. CARAWAY] with the Senator from Vermont [Mr. GIBSON];

The Senator from Texas [Mr. SHEPPARD] with the Senator from Delaware [Mr. HASTINGS];

The Senator from New York [Mr. WAGNER] with the Senator from Missouri [Mr. PATTERSON]; and

The Senator from California [Mr. McADOO] with the Senator from Connecticut [Mr. WALCOTT].

I desire further to announce that the Senator from Montana [Mr. ERICKSON], the Senator from Georgia [Mr. GEORGE], the Senator from Utah [Mr. KING], the Senator from North Carolina [Mr. REYNOLDS], the Senator from Mississippi [Mr. STEPHENS], the Senator from New Mexico [Mr. HATCH], and the Senator from Nebraska [Mr. THOMPSON] are necessarily detained from the Senate on official business.

Mr. HEBERT. I desire to announce that the Senator from Idaho [Mr. BORAH], the Senator from New Hampshire [Mr. KEYES], the Senator from New Mexico [Mr. CUTTING], the Senator from Vermont [Mr. GIBSON], the Senator from Delaware [Mr. HASTINGS], the Senator from West Virginia

[Mr. HATFIELD], the Senator from Missouri [Mr. PATTERSON], the Senator from Pennsylvania [Mr. REED], the Senator from Connecticut [Mr. WALCOTT], the Senator from Maine [Mr. WHITE], and the Senator from South Dakota [Mr. NORBECK] are necessarily detained from the Senate.

I wish further to announce that if present the Senator from Maine [Mr. WHITE] would vote "nay."

The result was announced—yeas 21, nays 38, as follows:

YEAS—21

Adams	Carey	Harrison	Townsend
Austin	Clark	Lonerger	Tydings
Barkley	Connally	McKellar	Van Nuys
Bulkeley	Dickinson	O'Mahoney	
Bulow	Glass	Overton	
Byrd	Goldsborough	Thomas, Utah	

NAYS—38

Bachman	Davis	Kean	Robinson, Ark.
Bankhead	Dill	La Follette	Schall
Barbour	Duffy	Lewis	Shipstead
Black	Fess	Logan	Steiwer
Brynes	Fletcher	McCarran	Thomas, Okla.
Capper	Frazier	McNary	Vandenberg
Coolidge	Hale	Metcalf	Walsh
Copeland	Hayden	Murphy	Wheeler
Costigan	Hebert	Norris	
Couzens	Johnson	Pope	

NOT VOTING—37

Ashurst	Gibson	Neely	Smith
Bailey	Gore	Norbeck	Stephens
Bone	Hastings	Nye	Thompson
Borah	Hatch	Patterson	Trammell
Brown	Hatfield	Pittman	Wagner
Caraway	Keyes	Reed	Walcott
Cutting	King	Reynolds	White
Dieterich	Long	Robinson, Ind.	
Erickson	McAdoo	Russell	
George	McGill	Sheppard	

So the motion to reconsider was rejected.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 9323) to provide for the regulation of securities exchanges and of over-the-counter markets operating in interstate and foreign commerce and through the mails, to prevent inequitable and unfair practices on such exchanges and markets, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. RAYBURN, Mr. HUDDLESTON, Mr. LEA of California, Mr. COOPER of Ohio, and Mr. MAPES were appointed managers on the part of the House at the conference.

The message also announced that the House had passed without amendment the following bills of the Senate:

S. 8. An act to add certain lands to the Boise National Forest;

S. 1541. An act for the relief of Mucia Alger;

S. 1807. An act to provide for the exchange of Indian and privately owned lands, Fort Mojave Indian Reservation, Ariz.;

S. 1982. An act to add certain lands to the Mount Hood National Forest in the State of Oregon;

S. 1997. An act to compensate Harriet C. Holaday;

S. 2379. An act to provide for the selection of certain lands in the State of Arizona for the use of the University of Arizona;

S. 2568. An act granting a leave of absence to settlers of homestead lands during the years 1932, 1933, and 1934; and

S. 3144. An act to legalize a bridge across the St. Louis River at or near Cloquet, Minn.

LOANS BY FEDERAL RESERVE BANKS TO INDUSTRIES

The Senate resumed the consideration of the bill (S. 3487) relating to direct loans for industrial purposes by Federal Reserve banks, and for other purposes.

Mr. WALSH. Mr. President, I send an amendment to the desk and ask for action on it.

The PRESIDING OFFICER (Mr. CLARK in the chair). The clerk will state the amendment.

The LEGISLATIVE CLERK. At the proper place in the bill it is proposed to insert the following:

That the Reconstruction Finance Corporation is authorized and empowered to make loans direct to municipalities and other governmental subdivisions organized pursuant to State law, said loans

to be made upon such security, in the form of tax-anticipation warrants, short-term notes, delinquent-tax certificates or other collateral as the Board may deem adequate to secure such loans; and the Reconstruction Finance Corporation is further authorized and empowered to purchase the tax-anticipation warrants, short-term notes, delinquent-tax certificates or other collateral of municipalities and governmental subdivisions organized pursuant to State law, for the purpose of aiding such municipalities and governmental subdivisions in maintaining the necessary and essential governmental expenditures and services.

Mr. WALSH. Mr. President, this amendment will put a test before the Senate as to whether or not it is in favor of discriminating against municipalities in favor of private enterprise.

We have adopted amendments to the bill extending loans to home owners, to farm owners, to railroads, to banks, to private enterprises of all kinds and descriptions, and there is not a word in the bill which would take care of distressed municipalities which are obliged to close their schools and hospitals because they cannot borrow the funds from private banks with which to carry on.

Mr. BARKLEY. Mr. President, will the Senator yield to me?

Mr. WALSH. In just a moment. This amendment is not offered by me as a personal matter, but on the petition of the mayors representing 110 cities of over 50,000 population. I will read the resolution passed by the mayors at a meeting held in Chicago in September 1933. It is as follows:

Be it resolved, That the United States Conference of Mayors petition the President and the Congress of the United States for the enactment of legislation authorizing properly safeguarded loans to cities on tax-anticipations warrants, delinquent-tax certificates, or other short-term collateral in order that the essential revenues of government may be maintained.

And be it further resolved, That, due to the break-down of the usual channels and facilities for extending legitimate credit to public bodies, it is urged that immediate consideration of this problem be given by the Federal Government.

I now yield to the Senator from Kentucky.

Mr. BARKLEY. Mr. President, I desired to inquire whether the amendment of the Senator would authorize the Reconstruction Finance Corporation, if it saw fit, to make loans to cities for all city governmental purposes, including the payment of the salaries of their officers, including the mayor, police department, fire department, and all of the city administration?

Mr. WALSH. It would not. The amendment provides for loans on short-term municipal securities, that is all.

Mr. BARKLEY. I understand, but the money may have been raised for any municipal purpose. It is not limited to any particular function of the city government?

Mr. WALSH. It is customary for most municipalities, at the beginning of the year, to borrow money in anticipation of the collection of taxes, for the purpose of carrying on the legitimate activities of the city government. The money borrowed can be used without designation just as all other loans of the R.F.C. are not earmarked.

Mr. BARKLEY. So that they would come to the Reconstruction Finance Corporation under the amendment?

Mr. WALSH. They would come there if they are unable to get the money from the banks, just as the banks and private industry goes to the R.F.C. for loans with satisfactory securities.

Mr. BARKLEY. They could deliberately refuse to levy sufficient taxes on the property of the city to meet their expenses, and could come here and borrow the money from the Government.

Mr. WALSH. They certainly could not do any such thing. That is an indictment of local officials that is not justified. They will meet their obligations as fully and honestly as private borrowers.

Mr. BARKLEY. Why not?

Mr. WALSH. They would have to and they would repay the Government when the securities became due. Cities and towns, I assert, are more financially responsible than these distressed private parties to whom we are extending loans.

Mr. BARKLEY. Unless a city took advantage of the municipal bankruptcy law, and went into bankruptcy before the date of maturity.

Mr. GLASS. I was just about to say they would not necessarily have to repay; they could go into bankruptcy, under the bankruptcy law.

Mr. McCARRAN. Mr. President, will the Senator yield to me?

Mr. WALSH. I yield. But let me add first that private industries and banks can and do go into bankruptcy easier and more freely than cities.

Mr. McCARRAN. Does the amendment offered by the Senator from Massachusetts contemplate loans to drainage, irrigation, and reclamation districts, they being taxing districts under the Federal and State authorities? I hope it does, because I should want to include those in it.

Mr. WALSH. It includes all subdivisions of State governments. I do not know that it goes so far as to include the subdivisions the Senator names. The purpose of the amendment is to permit cities, counties, and towns to sell short-term paper to the Reconstruction Finance Corporation. Now, and heretofore, they have had to raise money on them through the banks, and the banks have been unable to lend them during the depression what they need. Every Senator who has been familiar with local governments knows the great trouble they have had in borrowing money on their short-term securities. This would permit local governments to borrow through the Reconstruction Finance Corporation. The loans would be of short duration and not in the class of self-liquidating projects such as drainage canals. All this amendment would do would be to extent credit to municipalities over a short period of time. This is a request that the municipalities in distress be permitted to borrow from the Federal Government on their short-term securities for 6 months or 9 months. Who can refuse to support the

amendment, in view of the fact that we have been voting to permit private enterprises of all types to borrow money?

Mr. BARKLEY. Mr. President, in reply to the Senator from Nevada, I wish to say that the Reconstruction Finance Corporation already has power to make loans to drainage districts, and is already doing so. Recently we made a \$50,000,000 appropriation to enable them to go further in that direction, which makes \$100,000,000 we have made available for that very purpose. They are doing it now, and they are doing it efficiently. They have done a fine piece of work in that connection, and they have gotten more for their money in relieving land under drainage districts from the burdens overhanging it than in almost any other activity of the Reconstruction Finance Corporation.

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

Mr. WALSH. I yield.

Mr. McCARRAN. In reply to the suggestion of the learned Senator from Kentucky, while the law might be construed, and may have been construed, as applying to drainage districts, we have found great difficulty in having the authorities apply the same rule to irrigation and reclamation districts. That was the reason why I propounded the question as to whether there was any language in the proposed amendment which would include those districts. If so, I shall be glad to support it.

Mr. WALSH. Mr. President, the amendment does not require the Reconstruction Finance Corporation to make any loan; it authorizes it to do so. It permits it to do so. It does not compel it to make any loan. Are we going to refuse the municipalities of this country which are in distress the privilege which we have extended to private individuals in distress?

I want to read a paragraph from the statement of the mayors, and then I will yield the floor. I read:

We know, from a careful study of the problem, that municipal credit, similar to all other types of credit, has been in a state of collapse for the past year. The market for short-term municipal securities (tax-anticipation notes, warrants, and bonds) continues to be severely limited. The results of this are, of course, reflected not only in curtailed governmental services, such as schools, health and police and fire, reduced pay for most public employees and payless pay days for others, but in the forced use of scrip, and even in defaults. Since municipal government is the foundation stone of democratic government, this condition, too often lightly dismissed, is most serious and is a definite drag upon steps taken by the National Government leading toward economic recovery.

The causes of this are in part due to the inability (and in some cases unwillingness) of the citizen to pay his taxes. Banking institutions also offer as an excuse the existing uncertainty of the monetary and currency situation. Without appraising these elements, the fact remains public bodies today are face to face with the inability to finance the operation of essential governmental services. To bolster banks, railroads, building-and-loan associations, farm owners, home owners, and many other institutions and groups the Government has found it possible to extend credit of a legitimate character without impairment to the financial structure of the National Government. It would seem that city government itself, in times of stress, should be treated on a parity at least with private enterprises. We therefore urge extending credit to public bodies on sound collateral at reasonable interest rates in order that needed services of government may be maintained.

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

Mr. WALSH. I yield.

Mr. LEWIS. It is not pleasant for me to oppose such a measure as is presented by the able Senator from Massachusetts, but I presented a plea on behalf of the school teachers of the city of Chicago who have met with such a sad fate in having their salaries withheld month after month, but my proposal was voted down, on the theory that the warrants of the city of Chicago and the tax certificates were not themselves legal securities. I ask the Senator whether this amendment of his would comprehend lending money to the teachers, based upon the tax-anticipation warrants of the schools?

Mr. WALSH. It would permit the officials of the city of Chicago to sell, if the Reconstruction Finance Corporation is willing to buy them, their short-term tax-exempt securities, and they could spend the money as they saw fit, for school purposes, for hospitals, or for any other activity. The amendment simply provides for what has been extended to private industries, providing a method for cities to raise money to carry on their legitimate activities.

Mr. COUZENS. Mr. President, I want to say, in connection with the proposed amendment, that it is much more dangerous, so far as the welfare of the Treasury is concerned, than any amendment we have refused to accept today. In other words, the communities this amendment is aimed to relieve already have adequate taxing power. The trouble is that some of the city administrators do not collect the taxes due, and so long as the Federal Government will relieve the city officials everywhere from going out and collecting taxes they will not put forth the effort to make the collections.

Mr. President, the fourth largest city in the United States has been required to take care of its own needs, its own tax delinquencies, and its own tax-anticipation certificates by the issuance of scrip, which they have paid off when that scrip has become due. That is local self-government, which ought to be insisted upon and maintained.

I dislike to disagree with the Senator from Massachusetts, but we will never educate communities or make them rely upon themselves so long as the Government unnecessarily comes to their support.

Mr. WALSH. Mr. President, will the Senator yield to me?

Mr. COUZENS. I yield.

Mr. WALSH. What about educating the banks, railroads, and private industries, and the private activities to which we are lending money to rely upon themselves? Why should they not also anticipate depressions and not be caught, as they are, in such financial distress as the present?

Mr. COUZENS. They have no taxing power.

Mr. GLASS. On that point there is not a particle of discrimination in this bill against any community or the private citizens of any community desirous of starting enterprises. The communities of Massachusetts can borrow money under this bill if they want to inaugurate private enterprises or extend private enterprises just as much as communities in Virginia.

Moreover, I do not attach a particle of importance to the suggestion of the mayors. The mayor of the principal city in my State signed that abominable paper, and he knows perfectly well that the credit of his city stands almost as high as that of any city in the United States; yet he signed a document such as that.

Mr. ROBINSON of Arkansas. Mr. President, it seems to me that this amendment would impose an appalling and impossible obligation on the Federal Government. There is no limit proposed except the necessities or demands of the municipalities and other subdivisions organized pursuant to State law.

We had just as well understand now that the Federal Government cannot finance everything and everybody. It cannot finance the State governments, the municipalities, the county governments, and the districts. We have already provided loans in large amounts to municipalities and other political subdivisions for the purpose of constructing public works. We have appropriated hundreds of millions of dollars for indigent relief. We may find it necessary to appropriate additional funds.

This amendment authorizes—

Loans direct to municipalities and other governmental subdivisions organized pursuant to State law, * * * for the purpose of aiding such municipalities and governmental subdivisions in maintaining the necessary and essential governmental expenditures and services.

In other words, it calls upon the Federal Government to finance the governments of the cities and the political subdivisions of all the States, and I say it cannot safely do that. It would result in disaster.

Mr. WALSH. Mr. President, I desire to read the amendment again, to indicate that it is permissive, and to indicate that the Reconstruction Finance Corporation cannot make loans unless they are satisfied with the security.

That the Reconstruction Finance Corporation is authorized and empowered to make loans direct to municipalities and other governmental subdivisions organized pursuant to State law—

That means counties and school districts, and so forth—

said loans to be made upon such security, in the form of tax-anticipation warrants, short-term notes, delinquent tax certificates, or other collateral, as the board may deem adequate to secure such loans.

Is any stronger protective language used in any amendments which have been adopted to any provisions of this bill?

Mr. ROBINSON of Arkansas. May I ask the Senator what amount would be required to finance the operations under the amendment?

Mr. WALSH. I assume that no city which could obtain money in any bank of the country would come before the Reconstruction Finance Corporation to get a loan. I assume that the R.F.C. would say what it says now to private industry: "Go back and get a loan from your bank. If you cannot, or if they have no money to loan, we will try to help you." I assume that the R.F.C. would treat municipalities the same as private enterprises are treated and not differently.

Permit me to say that I am not asking this for the cities of my State. We have met this problem, and it has been solved in nearly all cases of municipal distress. It is desired, however, for many cities and towns throughout the country. I am presenting it for the mayors of the country.

All I want is a record vote. The mayors have a bill pending in the House and they have a bill pending in the Senate. No action has been taken upon those bills. This is their opportunity. I ask for a record vote.

The PRESIDING OFFICER (Mr. CLARK in the chair). The question is on the amendment offered by the Senator from Massachusetts [Mr. WALSH].

Mr. WALSH. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. MCGILL (when his name was called). On this question I am paired with the junior Senator from Maine [Mr. WHITE]. He is unavoidably absent. Not knowing how he would vote, I withhold my vote.

Mr. BONE (when Mr. NEELEY's name was called). I desire to announce the unavoidable absence of the Senator from West Virginia [Mr. NEELEY]. I am not advised as to how he would vote on this particular amendment.

Mr. NYE (when his name was called). I am paired with the junior Senator from Oklahoma [Mr. GORE] and with-

hold my vote. If I were at liberty to vote, I should vote "yea." If the Senator from Oklahoma were present and at liberty to vote, he would vote "nay."

Mr. ROBINSON of Arkansas (when his name was called). Announcing the same pair and transfer as on the last roll call, I vote "nay."

Mr. ROBINSON of Indiana (when his name was called). I again announce my general pair with the junior Senator from Mississippi [Mr. STEPHENS]. In his absence I withhold my vote.

The roll call was concluded.

Mr. LEWIS. Mr. President, I reannounce the absences previously announced by me. I reannounce the reasons given. I now announce the absence of my colleague [Mr. DIETERICH]. Were he present and voting, he would vote "yea."

Mr. COSTIGAN. The junior Senator from Arkansas [Mrs. CARAWAY] is unavoidably absent. If present, she would vote "yea."

Mr. McNARY (after having voted in the negative). Has the senior Senator from Mississippi [Mr. HARRISON] voted? The PRESIDING OFFICER. He has not.

Mr. McNARY. Then I withdraw my vote. If at liberty to vote, I should vote "nay."

Mr. LEWIS. I desire to announce the following special pairs on this question:

The Senator from Georgia [Mr. RUSSELL] with the Senator from Maryland [Mr. GOLDSBOROUGH];

The junior Senator from New Hampshire [Mr. BROWN] with the senior Senator from New Hampshire [Mr. KEYES];

The Senator from South Carolina [Mr. SMITH] with the Senator from New Mexico [Mr. CUTTING];

The Senator from Arkansas [Mrs. CARAWAY] with the Senator from Vermont [Mr. GIBSON];

The Senator from Texas [Mr. SHEPPARD] with the Senator from Delaware [Mr. HASTINGS];

The Senator from New York [Mr. WAGNER] with the Senator from Missouri [Mr. PATTERSON];

The Senator from California [Mr. McADOO] with the Senator from Connecticut [Mr. WALCOTT]; and

The Senator from Louisiana [Mr. LONG] with the Senator from New Jersey [Mr. KEAN].

I desire further to announce that the Senator from Montana [Mr. ERICKSON], the Senator from Georgia [Mr. GEORGE], the Senator from North Carolina [Mr. REYNOLDS], the Senator from Mississippi [Mr. HARRISON], the Senator from Idaho [Mr. POPE], and the junior Senator from Mississippi [Mr. STEPHENS] are necessarily detained from the Senate on official business.

Mr. HEBERT. I desire to announce that the Senator from Idaho [Mr. BORAH], the Senator from California [Mr. JOHNSON], the Senator from New Hampshire [Mr. KEYES], the Senator from New Mexico [Mr. CUTTING], the Senator from Vermont [Mr. GIBSON], the Senator from Delaware [Mr. HASTINGS], the Senator from New Jersey [Mr. KEAN], the Senator from West Virginia [Mr. HATFIELD], the Senator from Missouri [Mr. PATTERSON], the Senator from Pennsylvania [Mr. REED], the Senator from Connecticut [Mr. WALCOTT], the Senator from Maine [Mr. WHITE], the Senator from Maryland [Mr. GOLDSBOROUGH], and the Senator from South Dakota [Mr. NORBECK] are necessarily detained from the Senate.

I desire further to announce that if present the Senator from Maine [Mr. WHITE] would vote "nay."

Mr. FLETCHER. I transfer my general pair with the Senator from West Virginia [Mr. HATFIELD] to my colleague [Mr. TRAMMELL] and vote "nay."

The result was announced—yeas 16, nays 42, as follows:

YEAS—16

Ashurst	Bone	La Follette	Shipstead
Bachman	Coolidge	Lewis	Thomas, Okla.
Bankhead	Copeland	McCarran	Van Nuys
Black	Frazier	Norris	Walsh

NAYS—42

Adams	Barkley	Byrnes	Connally
Austin	Bulkeley	Capper	Costigan
Bailey	Bulow	Carey	Couzens
Barbour	Byrd	Clark	Davis

Dickinson	Hatch	Metcalf	Thomas, Utah
Dill	Hayden	Murphy	Thompson
Duffy	Hebert	O'Mahoney	Townsend
Fess	King	Overton	Tydings
Fletcher	Logan	Robinson, Ark.	Wheeler
Glass	Loneragan	Schall	
Hale	McKellar	Steiwer	

NOT VOTING—38

Borah	Harrison	Neely	Sheppard
Brown	Hastings	Norbeck	Smith
Caraway	Hatfield	Nye	Stephens
Cutting	Johnson	Patterson	Trammell
Dieterich	Kean	Pittman	Vandenberg
Erickson	Keyes	Pope	Wagner
George	Long	Reed	Walcott
Gibson	McAdoo	Reynolds	White
Goldsborough	McGill	Robinson, Ind.	
Gore	McNary	Russell	

So Mr. WALSH's amendment was rejected.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

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

RELIEF FOR DEPOSITORS OF CLOSED BANKS

Mr. COPELAND. Mr. President, on Saturday, on behalf of the Senator from Michigan [Mr. VANDENBERG] and myself, I offered an amendment to the bill which has just been passed. Having had a vote on the amendment and having listened to the discussion, it seems to me that it is useless for us to press the proposal further at this time.

Much was said in the debate about the importance of having some consideration of the subject in the Banking and Currency Committee. I assume that that was said in good faith. Therefore, in behalf of the Senator from Michigan and myself, I present the proposal in the form of a bill for reference to the Committee on Banking and Currency. I do so in the hope that it may really be considered by that committee.

The PRESIDING OFFICER. Without objection, the bill will be received and referred as requested.

The bill (S. 3614, introduced by Mr. COPELAND and Mr. VANDENBERG) to amend section 12B of the Federal Reserve Act to provide relief for depositors of closed banks, and for other purposes, was read twice by its title and referred to the Committee on Banking and Currency.

REGULATION OF SECURITIES EXCHANGES

The PRESIDING OFFICER (Mr. CLARK in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendment of the Senate to the bill (H.R. 9323) to provide for the regulation of securities exchanges and of over-the-counter markets operating in interstate and foreign commerce and through the mails, to prevent inequitable and unfair practices on such exchanges and markets, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. FLETCHER. I move that the Senate insist on its amendment, agree to the conference requested by the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. FLETCHER, Mr. BARKLEY, Mr. BYRNES, Mr. GOLDSBOROUGH, and Mr. COUZENS conferees on the part of the Senate.

PREVENTION OF CRIME

Mr. ASHURST submitted the following reports:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2080) to provide punishment for killing or assaulting Federal officers having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House numbered 2, and agree to the same.

Amendment numbered 1: That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree to the same with an amendment as follows: Page 1, line 3, of the Senate bill strike out the words "murder

or otherwise", and in lieu of the matter proposed to be inserted by the House amendment insert the following: "kill, as defined in sections 273 and 274 of the Criminal Code, any United States marshal or deputy United States marshal, special agent of the Division of Investigation of the Department of Justice, post-office inspector, Secret Service operative, any officer or enlisted man of the Coast Guard, any employee of any United States penal or correctional institution, any officer of the customs or of the internal revenue, any immigrant inspector or any immigration patrol inspector, while"; and the House agree to the same.

HENRY F. ASHURST,
WILLIAM H. KING,
WM. E. BORAH,

Managers on the part of the Senate.

HATTON W. SUMNERS,
A. J. MONTAGUE,
TOM D. McKEOWN,
RANDOLPH PERKINS,

Managers on the part of the House.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2249) applying the powers of the Federal Government, under the commerce clause of the Constitution, to extortion by means of telephone, telegraph, radio, oral message, or otherwise, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House numbered 1, 2, 3, and 4, and agree to the same.

HENRY F. ASHURST,
WILLIAM H. KING,
WM. E. BORAH,

Managers on the part of the Senate.

HATTON W. SUMNERS,
TOM D. McKEOWN,
A. J. MONTAGUE,
RANDOLPH PERKINS,

Managers on the part of the House.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2252) to amend the act forbidding the transportation of kidnaped persons in interstate commerce having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House numbered 1, 2, 3, 4, 5, 6, and agree to the same.

HENRY F. ASHURST,
WILLIAM H. KING,
WM. E. BORAH,

Managers on the part of the Senate.

HATTON W. SUMNERS,
A. J. MONTAGUE,
TOM D. McKEOWN,
RANDOLPH PERKINS,

Managers on the part of the House.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2253) making it unlawful for any person to flee from one State to another for the purpose of avoiding prosecution in certain cases 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 amendments numbered 2, 4, and amendment to the title.

That the Senate recede from its disagreement to the amendment of the House numbered 3; and agree to the same.

Amendment numbered 1: That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree to the same with an amendment as follows: In

lieu of the matter proposed to be inserted by the House amendment, strike out on page 1, line 3, of the Senate bill the word "flee" and insert in lieu thereof "move or travel in interstate or foreign commerce"; and the House agree to the same.

HENRY F. ASHURST,
WILLIAM H. KING,
WM. E. BORAH,

Managers on the part of the Senate.

HATTON W. SUMNERS,
A. J. MONTAGUE,
TOM D. McKEOWN,
RANDOLPH PERKINS,

Managers on the part of the House.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2575) to define certain crimes against the United States in connection with the administration of Federal penal and correctional institutions and to fix the punishment therefor having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House numbered 1 and 2, and agree to the same.

HENRY F. ASHURST,
WILLIAM H. KING,
WM. E. BORAH,

Managers on the part of the Senate.

HATTON W. SUMNERS,
A. J. MONTAGUE,
TOM D. McKEOWN,
RANDOLPH PERKINS,

Managers on the part of the House.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2841) to provide punishment for certain offenses committed against banks organized or operating under laws of the United States or any member of the Federal Reserve System having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House numbered 1, 2, 3, 4, 5, 6, and 7, and agree to the same.

HENRY F. ASHURST,
WILLIAM H. KING,
WM. E. BORAH,

Managers on the part of the Senate.

HATTON W. SUMNERS,
A. J. MONTAGUE,
TOM D. McKEOWN,
RANDOLPH PERKINS,

Managers on the part of the House.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2845) to extend the provisions of the National Motor Vehicle Theft Act to other stolen property having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House numbered 1, 3, 4, and 5, and agree to the same.

Amendment numbered 2: That the Senate recede from its disagreement to the amendment of the House numbered 2, and agree to the same with an amendment as follows: In the matter proposed to be inserted by the House amendment strike out, beginning in line 13, on page 1, down through line 9, page 2, of the House engrossed amendments and insert in lieu thereof the following:

"SEC. 4. Whoever shall receive, conceal, store, barter, sell, or dispose of any goods, wares, or merchandise, securities, or money, of the value of \$5,000 or more, or whoever shall

pledge or accept as security for a loan any goods, wares, or merchandise, or securities, of the value of \$500 or more which while moving in or constituting a part of interstate or foreign commerce, has been stolen or taken feloniously by fraud or with intent to steal or purloin, knowing the same to have been stolen or taken, shall be punished by a fine of not more than \$10,000 or by imprisonment of not more than 10 years, or both."

And on page 1, line 7, of the House engrossed amendments insert a comma after "money."

And the House agree to the same.

HENRY F. ASHURST,
WILLIAM H. KING,
WM. E. BORAH,

Managers on the part of the Senate.

HATTON W. SUMNERS,
A. J. MONTAGUE,
TOM D. McKEOWN,
RANDOLPH PERKINS,

Managers on the part of the House.

Mr. ASHURST. Mr. President, these are conference reports on the so-called "antigangster bills." The Senate conferees were the Senator from Utah, Mr. KING; the Senator from Idaho, Mr. BORAH; and I. Senators will remember that the Senator from Michigan, Mr. VANDENBERG, and the Senator from New York, Mr. COPELAND, charged the Senate conferees specifically not to recede with reference to the provisions relating to fleeing felons and to fleeing witnesses. I wish to say that the House receded and the Senate provisions in those respects were retained in their original form.

I move the adoption of the conference reports.

Mr. WHEELER. Mr. President, I ask that the Senator allow the conference reports to go over until tomorrow.

Mr. ASHURST. Very well. A full explanation of the reports will be found in the RECORD of May 11, beginning at page 8775.

The PRESIDING OFFICER. Without objection, the conference reports will lie on the table.

REGULATION OF COMMUNICATIONS BY WIRE AND RADIO

Mr. DILL. Mr. President, I move that the Senate proceed to the consideration of the bill (S. 3285) to provide for the regulation of interstate and foreign communications by wire or radio, and for other purposes.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 3285) to provide for the regulation of interstate and foreign communications by wire or radio, and for other purposes, which had been reported from the Committee on Interstate Commerce with amendments.

Mr. DILL. Mr. President, I desire to make a statement explanatory of the bill and to answer any questions that may be asked. However, I shall not attempt to take up any amendments at this time.

Mr. McNARY. Mr. President, I understood the Senator to desire to make a formal statement with reference to the bill this evening. I rather thought we were going to recess at this hour. Many Senators have left the Chamber. I am sure they would like to be here to hear the Senator's statement.

Mr. DILL. I am willing to yield to whatever the leaders of the Senate desire.

Mr. ROBINSON of Arkansas. Mr. President, I suggest to the Senator from Oregon that there are more Senators now present than are usually to be found on the floor of the Senate.

Mr. McNARY. That may be true, but we met at 11 o'clock this morning, and it is now after 5 o'clock.

RECESS

Mr. ROBINSON of Arkansas. Very well, if the Senator insists. I move that the Senate take a recess until 11 o'clock tomorrow morning.

The motion was agreed to; and (at 5 o'clock and 7 minutes p.m.) the Senate took a recess until tomorrow, Tuesday, May 15, 1934, at 11 o'clock a.m.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 14, 1934

The House met at 12 o'clock noon.

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

Remember, O Lord, Thy tender mercies and Thy loving-kindness, for they have been ever of old. Strong Son of God, immortal love, make us partakers of that strength and tenderness and of that glory which Thou dost have with the Father. May we seek ardently deeper truth, clearer wisdom, and purity of heart, mingled with might and meekness. In the spirit of diligence, honor, and helpfulness, may we fulfill our tasks, securing contentment and welfare for our fellow citizens. We praise Thee that all the paths of the Lord are mercy and truth unto such as keep His covenant and His testimonies. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of Friday, May 11, 1934, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J.Res. 317. Joint resolution requesting the President of the United States of America to proclaim May 20, 1934, General La Fayette Memorial Day for the observance and commemoration of the one hundredth anniversary of the death of General La Fayette.

The message also announced that the Senate had passed with an amendment, in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 9323. An act to provide for the regulation of securities exchanges and of over-the-counter markets operating in interstate and foreign commerce and through the mails, to prevent inequitable and unfair practices on such exchanges and markets, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 3443. An act to provide for the creation of the Pioneer National Monument in the State of Kentucky, and for other purposes.

CALENDAR WEDNESDAY

Mr. BYRNS. Mr. Speaker, I ask unanimous consent that business in order on Calendar Wednesday of this week be dispensed with.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PRIVILEGES OF THE HOUSE—MOTION TO RECOMMIT

Mr. WARREN. Mr. Speaker, I wish to submit a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WARREN. Mr. Speaker, the highest privileged motion that is accorded to a minority is a motion to recommit. It is the only way that a minority has of expressing itself. I think that rule should always remain sacred and inviolate in the House.

Mr. BLANTON. Will the gentleman yield?

Mr. WARREN. Certainly.

Mr. BLANTON. That is the one privilege that, under the rules of the House, cannot be taken away even by the Committee on Rules.

Mr. WARREN. Of course, that is correct.

On page 8651 of Friday's RECORD, when the road bill was under consideration—and I may state this is entirely impersonal—the gentleman from Michigan [Mr. Wolcott]

rose to make a motion to recommit. The Speaker ascertained if he was qualified, and he stated:

I am opposed to the bill in its present form.

He was thereupon recognized by the Speaker to make a motion to recommit. A roll call immediately followed. The gentleman from Michigan voted "aye" on the roll call; that is, on the motion to recommit. Now, without any business transpiring, there was immediately another roll call on the passage of the bill, and the gentleman from Michigan [Mr. WOLCOTT] voted "aye" on the passage of the bill.

I respectfully submit, Mr. Speaker, that the gentleman from Michigan did not qualify and therefore should not have been recognized, had the Speaker known it, under the rules of the House.

The SPEAKER. The gentleman from North Carolina [Mr. WARREN] correctly states the rule. The motion to recommit is a motion specially reserved for the protection of the minority under the rules, and the Speaker must give preference, in recognizing for such motions, to Members on the minority side, preferably a member of the committee having charge of the bill. The Speaker is required to ask the Member proposing a motion to recommit whether or not he is against the bill. If the Member answers that he is against the bill, that is as far as the Speaker can go in the matter. The fact that the Member says he is against the bill in its present form does not qualify his statement in the least. If he is against the bill, of course he is against the bill in its present form, and there could not be any change made in the bill between a motion to recommit and the vote on the passage of the bill. It is a matter for the conscience of the Member, and the Speaker must recognize a Member on the minority side if he qualifies, and the Member did qualify in this case.

There is nothing the Speaker could do except recognize him. That is a matter within the conscience of the gentleman making the motion.

Mr. SNELL. Mr. Speaker, I am much interested in the statement of the gentleman from North Carolina [Mr. WARREN]. During my entire attendance in this House I have been a stickler, so to speak, for the rules and precedents of the House. I think the rule with regard to a motion to recommit ought to be obeyed under all circumstances. I have always stood for that. I do not care how strong the Speaker puts the proposition to a Member rising to offer that motion. I have had a little argument heretofore during this session with regard to a motion to recommit, and I am very glad the gentleman from North Carolina [Mr. WARREN] has raised this question. I hope the strict intention of the rules of the House with regard to that rule will be followed at all times in the future.

The SPEAKER. There is no other way in which the Speaker can ascertain the mental attitude of the Member proposing the motion nor what his mental reservations may be.

Mr. BANKHEAD. Mr. Speaker, of course, the statement made by the Speaker is entirely correct, and is a correct interpretation of the rule as far as the Speaker is concerned, and as far as the Speaker can control the matter. In its last analysis—and I do not say this in any harshness, of course—it seems to me that a Member who, after having qualified himself as opposed to the bill, then goes ahead immediately after that motion is rejected and votes for the bill in its present form, simply presents a matter of good faith and good conscience.

Mr. RANKIN. Will the gentleman yield?

Mr. BANKHEAD. I do not have the floor.

Mr. RANKIN. I do not think we ought to preclude a good Republican from seeing the light even on the spur of the moment, and possibly he had a change of heart.

Mr. SNELL. No. We do not change as quickly as that.

Mr. O'CONNOR. Mr. Speaker, so that the record may be more complete on this subject, I call the attention of the Speaker and the House to a practice that has grown up in the House during the last few years, which I have seen happen time and time again. It is this, a Member not

really opposed to the bill has often secured recognition to offer a motion to recommit containing a technical or unimportant amendment to the bill solely and unfairly for the purpose of forestalling another Member sincerely opposed to the bill from obtaining the right to move to recommit with a real substantial amendment. I have always thought that this was a most under-handed practice.

Mr. SNELL. I fully agree with the statements made by the gentleman from New York.

Mr. O'CONNOR. For my own part I should like to see this question put by the Speaker to the Member offering a motion to recommit: "Does the gentleman intend to vote against this bill?"

Mr. SNELL. We on the minority side will try to see that Members offering motions to recommit are opposed to the bill.

THE NATCHEZ TRACE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting an address I made before the Committee on Roads recently.

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

There was no objection.

Mr. RANKIN. Mr. Speaker, under the permission granted me on yesterday to extend my remarks in the RECORD, I submit the following address which I delivered before the Committee on Roads of the House of Representatives on Monday, March 5, 1934, in the interest of the proposed Natchez Trace Highway:

Mr. RANKIN. Mr. Chairman, I am interested in the rebuilding and marking of this Natchez Trace Highway, largely from a memorial standpoint. In order to show my reasons for supporting this measure, and the reasons for the original location of this road, I am going to give you a little of the historical background of it.

I live in the Chickasaw territory. The Chickasaws and Choctaws both occupied parts of the district which I have the honor to represent.

In 1539 Hernando De Soto, an illustrious young Spanish cavalier, who had just returned to Spain from an expedition under Pizarro in Peru, gathered the most impressive group of men that ever made an expedition into the wilds of the new world—men from the first families of Spain—and started on his dramatic but ill-fated expedition.

He landed in Florida with about 1,000 men and about 350 horses. He also had with him about 300 hogs, and the rest of his expedition was in proportion. He came first up into Georgia and then went back down into what is now Alabama, and then turned north into the Chickasaw territory.

He was told by the Indians in southern Alabama that far to the north he would find a rich country inhabited by a powerful tribe of Indians who had plenty of corn with which to feed his horses and his hogs and supply his expedition.

He crossed the Tombigbee River somewhere between Columbus and Fulton. I have two maps in my office, one showing that he crossed just above Columbus, near old Plymouth, and the other that he crossed about where the town of Fulton now stands. Just west of the river he found the Chickasaw Indians at the town of Chicasa. He spent the winter of 1540-41 there, and in the spring he had a misunderstanding with those Indians. They made a raid on him at night, demoralized his forces, and drove them out of their territory. From that day on the Chickasaw Indians could never tolerate a Latin-speaking European.

By the way, the cause of this falling out—I will give you some history now, and if our old friend and former colleague, Charlie Carter, were here he could verify it—that falling out was over those hogs. The Spaniards gave a banquet. The Indians were to furnish the hominy, and the Spaniards were to furnish the meat. Malone, in his history of the Chickasaws, says that is where hog and hominy first met. The Indians liked the meat. They stole some of those hogs, and the Spaniards, by way of punishment, cut their hands off.

The CHAIRMAN. I have heard that story before.

Mr. RANKIN. That angered the great chief, and he prepared for this attack, which resulted in the defeat of the Spaniards.

Two hundred years later Bienville, the French Governor of the Mississippi Territory, was instructed or ordered by the French Crown to consolidate their colonies in Louisiana with those in Indiana and Canada. They managed to pacify, or overcome, all of the Indian chiefs and Indian tribes between those two points except the Chickasaws. They even pacified the Choctaws, but the Chickasaws had never forgotten their misunderstanding with De Soto, which had been passed down from generation to generation, and they had never been friendly with any of the Latin-speaking inhabitants of the New World.

The object of that expedition was to solidify those forces and to take charge of all of the western half of this continent. On the outcome of the contest with the Chickasaws depended the

fate of more territory than ever depended on the outcome of any other battle fought on American soil, with the possible exception of the Battle of Gettysburg. They sent an army up the Tombigbee River from Mobile, under Bienville, who headed it himself. De Artaguette, the lieutenant governor, headed an expedition from Fort Vincennes. He was accompanied by Vincennes himself. They were to make their way overland to Ackia, the Indian capital, after descending the Mississippi River.

By the way, the Government has gone to a good deal of trouble and expense to erect a monument to Vincennes at Fort Vincennes out in Indiana, but the truth is he was captured and burned by the Indians at Pontotoc, Miss.

The Chickasaws were probably the most enlightened of all of the American tribes and the most powerful for their numbers. Charley Carter says that they had approximately 2,000 men as well trained as any that ever followed Julius Caesar. They had through their emissaries gained the information concerning these impending attacks. They met De Artaguette and Vincennes on the 20th of May 1736 near what is now the town of Pontotoc, and routed their forces, and captured both Vincennes and De Artaguette and burned them at the stake.

Six days later, May 26, 1736, they met Bienville at Ackia, defeated his forces, sent them back in wild rout of ignominious defeat, and saved their territory from French domination. Now, I am coming down to the question of how it became possible, and necessary, for this road to be established. They saved that territory from falling into the hands of the French and possibly saved the western half of this continent for the English-speaking race.

I am having this battlefield surveyed, and the War Department has already recommended the erection of a monument there. We are now preparing a bill for the erection of such a monument there in 1936, the two hundredth anniversary of this battle, as will be worthy of its importance in American history.

You may search the records of every battle that has ever been fought and you cannot escape the conclusion that it was one of the decisive battles of the world. It is said, and I believe the French commander, Bienville, makes the statement in his report of the battle, that they saw an English flag inside this fort. I do not doubt it, because the Indians are said to have used artillery, although Bienville does not state that specifically in his report.

When Georgia was settled by the English, the Chickasaws got in touch with them or they got in touch with the Chickasaws and made friends with them. It is said that Charles Wesley preached to some of the Chickasaws. From that day to this the Chickasaws have never in any war shed the blood of an English-speaking white man.

This battle of Ackia was the beginning of what we call the French and Indian War. If the French had won that battle the chances are that instead of that controversy being finally decided upon the Plains of Abraham it would have been fought along the Mississippi River.

One hundred years later these Indians were still friendly to the American people and we had begun to move in there. Some of my people were there at that time. When the war between Great Britain and the United States broke out in 1812 this old trail had already been laid out but you will see that the Chickasaw and Choctaw territory extended from up in Tennessee here almost to Natchez and if the Chickasaws and the Choctaws had been unfriendly to the United States, Andrew Jackson never could have gone to New Orleans.

At that time there arose a great controversy among the American Indians as to just what course they would take. Tecumseh, one of the greatest Indians who ever lived, was a Shawnee chief. He felt that his people had been badly treated by the Americans and sought to line up all the Indian tribes of the country on the side of the British.

Pushmataha was chief of the Choctaws. He is said to have been of Chickasaw descent. They called a great council of the Chickasaw and Choctaw Indians and Tecumseh addressed them. Pushmataha replied to him. That occurred also in the district which I have the honor to represent. There are not two men in the Senate today who can duplicate the speeches that were made by those two men. There are not two men in the House who could make such speeches on a great overshadowing issue as those two made by Tecumseh and his adversary Pushmataha. I should like to read those speeches showing how Pushmataha took sides with the Americans and Tecumseh with the English. During the arguments it became very bitter and the last word Pushmataha said to Tecumseh was this:

"The Americans have been our friends and we shall stand by them. We will furnish you safe conduct to the boundaries of this nation as properly befits the dignity of your office. Farewell, Tecumseh. You will see Pushmataha no more until we meet on the fateful warpath."

Pushmataha's speech was inserted in the CONGRESSIONAL RECORD of June 13, 1921, in an address made by Charley Carter, of Oklahoma, a Member of the House at that time, and who has since passed away. Charley Carter knew more of the history of the Chickasaws than any other man I have ever met, and I am going to ask to insert Mr. Carter's speech, which includes an analysis of Tecumseh's speech and also the reply of Pushmataha.

The CHAIRMAN. We will be glad to have that done.

ADDRESS OF HON. CHARLES D. CARTER, OF OKLAHOMA

"When the busy closing hours of the Sixty-first Congress were dragging along toward midnight, a page came to me on the floor and told me that Mr. Adam Byrd, from Mississippi, who was retiring from Congress, was about to leave for home and desired to see me for a few moments before departing. Mr. Byrd led me

to a secluded spot in the Democratic cloakroom and after a brief explanation enjoined on me two responsibilities, which he said he felt it my duty to undertake. The first has no connection with this meeting today, but after finishing that this fine old fellow said, in a most serious way: 'Charley, you are an Indian, and I want to talk to you about another Indian. Old Chief Pushmataha was by long odds the greatest Indian who ever lived. Our Southland had many brave, heroic pioneers—Dale, Claiborne, Andrew Jackson, and others—but this primitive, unlettered Indian did as much during the early part of the nineteenth century toward saving the white population and the things it stands for as any of these, not even excepting his bosom friend, Old Hickory himself. Our American people may not be ungrateful, but they are the most thoughtless, forgetful people in the world, for they have woefully neglected giving anything like adequate credit for the valuable services Pushmataha rendered the white people then living south of the Ohio River and their descendants. While he had much to do with making my own State possible, I doubt if there is 1 school teacher out of 50 in Mississippi who knows anything about his history. I doubt if there are 10 men in Congress who even know that his body rests out here in Congressional Cemetery, and before I came here they did not even do his memory the honor to put flowers on his grave on Decoration Day. I visit his grave on every Sunday when the weather will permit, and I see that it is properly decorated at the proper time. Now, I know you are not going to visit his grave every Sunday as I have, but I do want you to promise me that you will go out there occasionally and that you will see that the old chief's grave is given proper attention on Decoration Day.' I had barely time to agree when he took me by the hand, saying, 'Good-bye and God bless you', went out of the cloakroom, and I never saw him again, for he died shortly afterward.

"I have done my best to keep this pledge, and no Decoration Day has passed since that time without appropriate decorations being placed on Pushmataha's grave, but had Adam Byrd failed to make that farewell call on me that night we might not be here today doing just honor to the memory of this truly great man. Adam Byrd was right. Pushmataha was a great chief. He was one of the greatest Indians who ever lived. He was more than that. He was one of the greatest characters of his generation. The old chief was a skillful hunter, an intrepid warrior, a close student of nature, a powerful orator, and a persuasive debater in the councils of his tribe. He had an acute sense of justice not only between man and man but between nations as well. By patient and sagacious statesmanship, and wise, far-seeing counsel he successfully steered the Choctaw ship of state through the then turbulent complications without, to use his own proud boast, ever having found it necessary 'to raise the tomahawk against the Great White Father at Washington or his children.'

"The absorbing ambition of Pushmataha was that his people might become the equal of the whites in education and civilization and take their place beside the white man in a business way, in a professional way, and in the councils of the Nation. He was always an advocate of education and industry among his people and contributed much not only of his time but of his small income to that end. He was dearly beloved by both the Choctaws and Chickasaws, and after his death one of the executive and judicial districts of his nation in Indian Territory was named in his honor. When the forty-sixth star was added to the constellation of Old Glory the Oklahoma people gave evidence of their appreciation of the memory of this grand old man by naming one of the largest and most beautiful counties of the State for him.

"But I must not trespass too greatly upon your time. You are to have the privilege of hearing this great man's life and character discussed by those much better informed and equipped than myself. I will pause only long enough to tell you something of what I believe his own people, the Choctaws, consider one of the Pushmataha's greatest achievements. This has to do with the part he took in saving the white man's civilization west of the Alleghenies and specifically his reply to the wonderful address delivered before the Choctaw council by the great Shawnee orator, Tecumseh. The War of 1812 was impending and the British authorities were doing all in their power to stir up antagonism between the Indians and the Americans. The astute Shawnee chief, Tecumseh, was sent on a tour by British agents to organize all Indians west of the Alleghenies with the purpose to expel the white Americans beyond the mountains. One of the first tribes he visited was the Choctaw. After his mission had been explained to Pushmataha, the wise old chief advised Tecumseh that he was only one of the three chiefs of the Choctaw Nation; that the Choctaws could only take part in any war upon the decision of the general council of the tribe; and that before this was done they would probably desire to consult their kindred tribe and ally, the Chickasaws. Tecumseh then requested that both tribes be called together in order that he might lay his plan before the council. After a consultation with the other two Choctaw chiefs, Masholatubby and Apuckshinubby, and the principal chief of the Chickasaws, a general council of the two tribes was called.

"Tecumseh was classed by many of his contemporaries as the most powerful debater of his generation, and this was saying much, for it was during the day of Clay, Calhoun, and Webster. Realizing the full power of his oratory, Tecumseh surmised if he could get to speak to the Choctaw people in general council they would not be able to resist his magnetic logic and eloquence. The council was assembled, and Tecumseh, with his suite of 30 warriors bedecked in panoply of paint and feathers, filed in before the council fire to deliver his address. We must bear in mind that the Shawnees spoke an entirely different language from the

Choctaws and Chickasaws, the Shawnees belonging to the Algonquin stock and speaking their dialect, while the Choctaws and Chickasaws are of the Appalachian stock and spoke the Muskogean dialect. Therefore it was necessary for each speech to be translated by an interpreter so all might understand.

"The great Shawnee chief was thoroughly familiar with past relations between all Indian tribes and the whites, and he began by recounting all the wrongs perpetrated on the Indians by the palefaces since the landing of Columbus. He related how the white man had beguiled the Indians along the Atlantic coast to part with their lands for a few trifling beads and a little fire water, leaving them beggars, vagabonds, peons, and strangers in their own land, to be scorned and despised by their paleface neighbors. He told how the Shawnees and other northern tribes were being stripped of their patrimony. He laid down the principle that the Great Spirit had given the Western Hemisphere to all red people in common and that no particular tribe had anything more than the right of possession to any lands, and, therefore, asserted any relinquishment of title by one tribe to be null and void, because many of the owners had not joined in the transfer.

"These wrongs discussed he declared had been made possible by the ingenuity of the whites in attacking only one tribe at a time, but if all Indians would join and combine their forces in one attack at one time, the white man could be driven back over the mountains whence he came; that the golden opportunity was now at hand to join hands with the British and scourge from their revered hunting grounds eternally the hated paleface. He closed his eloquent address with a stirring appeal to the patriotism of the Choctaws and Chickasaws, asking if they would await complete submission or would they now join hands and fight beside the Shawnees and other tribes rather than submit?

"Evidently Tecumseh's purpose had been fully accomplished. His magnetic words seemed to arouse every vindictive sentiment within the souls of the Choctaws and Chickasaw warriors; their savage enthusiasm had been stirred to white heat when Pushmataha calmly strode before the council fire and began his wonderful reply to Tecumseh's speech. What a pity that no accurate account of this wonderful debate between these two giant primitive orators was at that time preserved! Lincecum, Pickett, Randall, and other historians have left us brief excerpts; Cushman undertakes to give Pushmataha's speech in full; but his recital does not even do faint justice to the original and in no measure conforms to the Choctaws' account of it. For many years it was handed down from generation to generation by tradition to the Choctaws and Chickasaws, but it can be easily understood how that method might fail to preserve all the virile force and eloquence of this wonderful address. I will undertake to give it to you in part as nearly as I remember hearing it told by some of the old Indians many years ago. Pushmataha begins his address as follows:

PUSHMATAHA'S REPLY TO TECUMSEH

"Omiske, tushkahoma ho chukma hashche yumma! Anumpa tilofasih ish huko.

"(Attention, my good red warriors! Hear ye my brief remarks.)

"The great Shawnee orator has portrayed in vivid picture the wrongs inflicted on his and other tribes by the ravages of the paleface. The candor and fervor of his eloquent appeal breathe the conviction of truth and sincerity, and, as kindred tribes, naturally we sympathize with the misfortunes of his people. I do not come before you in any disputation either for or against these charges. It is not my purpose to contradict any of these allegations against the white man, but neither am I here to indulge in any indiscreet denunciation of him which might bring down upon my people unnecessary difficulty and embarrassment.

"The distinguished Shawnee sums up his eloquent appeal to us with this direct question:

"Will you sit idly by, supinely awaiting complete and abject submission, or will you die fighting beside your brethren, the Shawnees, rather than submit to such ignominy?"

"These are plain words, and it is well they have been spoken, for they bring the issue squarely before us. Mistake not, this language means war. And war with whom, pray? War with some band of marauders who have committed these depredations against the Shawnees? War with some alien host seeking the destruction of the Choctaws and Chickasaws? Nay, my fellow tribesmen. None of these are the enemy we will be called on to meet. If we take up arms against the Americans, we must of necessity meet in deadly combat our daily neighbors and associates in this part of the country near our homes.

"If Tecumseh's words be true, and we doubt them not, then the Shawnees' experience with the whites has not been the same as that of the Choctaws. These white Americans buy our skins, our corn, our cotton, our surplus game, our baskets, and other wares, and they give us in fair exchange their cloth, their guns, their tools, implements, and other things which the Choctaws need but do not make. It is true we have befriended them, but who will deny that these acts of friendship have been abundantly reciprocated? They have given us cotton gins, which simplify the spinning and sale of our cotton; they have encouraged and helped us in the production of our crops; they have taken many of our wives into their homes to teach them useful things, and pay them for their work while learning; they are teaching our children to read and write from their books. You all remember well the dreadful epidemic visited upon us last winter. During its darkest hours these neighbors whom we are now urged to attack responded generously to our needs. They doctored our sick; they clothed our suffering; they fed our hungry; and where is the Choctaw or Chickasaw delegation who has ever gone to St. Stephens with a

worthy cause and been sent away empty handed? So in marked contrast with the experience of the Shawnees, it will be seen that the whites and Indians in this section are living on friendly and mutually beneficial terms.

"Forget not, O Choctaws and Chickasaws, that we are bound in peace to the Great White Father at Washington by a sacred treaty and the Great Spirit will punish those who break their word. The Great White Father has never violated that treaty and the Choctaws have never yet been driven to the necessity of taking up the tomahawk against him or his children. Therefore the question before us tonight is not the avenging of any wrongs perpetrated against us by the whites, for the Choctaws and Chickasaws have no such cause, either real or imaginary, but rather it is a question of carrying on that record of fidelity and justice for which our forefathers ever proudly stood, and doing that which is best calculated to promote the welfare of our own people. Yea, my fellow tribesmen, we are a just people. We do not take up the warpath without a just cause and honest purpose. Have we that just cause against our white neighbors, who have taken nothing from us except by fair bargain and exchange? Is this a just recompense for their assistance to us in our agricultural and other pursuits? Is this to be their gracious reward for teaching our children from their books? Shall this be considered the Choctaws' compensation for feeding our hungry, clothing our needy, and administering to our sick? Have we, O Choctaws and Chickasaws, descended to the low estate of ruthlessly breaking the faith of a sacred treaty? Shall our forefathers look back from the happy hunting grounds only to see their unbroken record for justice, gratitude, and fidelity thus rudely repudiated and abruptly abandoned by an unworthy offspring?

"We Choctaws and Chickasaws are a peaceful people, making our subsistence by honest toil; but mistake not, my Shawnee brethren, we are not afraid of war. Neither are we strangers to war, as those who have undertaken to encroach upon our rights in the past may abundantly testify. We are thoroughly familiar with war in all its details, and we know full well all its horrible consequences. It is unnecessary for me to remind you, O Choctaws and Chickasaws, veteran braves of many fierce conflicts in the past, that war is an awful thing. If we go into this war against the Americans, we must be prepared to accept its inevitable results. Not only will it foretoken deadly conflict with neighbors and death to warriors, but it will mean suffering for our women, hunger and starvation for our children, grief for our loved ones, and devastation of our beloved homes. Notwithstanding these difficulties, if the cause be just we should not hesitate to defend our rights to the last man, but before that fatal step is irrevocably taken, it is well that we fully understand and seriously consider the full portent and consequences of the act.

"Hear me, O Choctaws and Chickasaws, for I speak truly for your welfare. It is not the province of your chiefs to settle these important questions. As a people, it is your prerogative to have either peace or war, and as one of your chiefs it is mine simply to counsel and advise. Therefore, let me admonish you that this critical period is no time to cast aside your wits and let blind impulse sway; be not driven like dumb brutes by the frenzied harangue of this wonderful Shawnee orator; let your good judgment rule, and ponder seriously before breaking bonds that have served you well and ere you change conditions which have brought peace and happiness to your wives, your sisters, and your children. I would not undertake to dictate the course of one single Choctaw warrior. Permit me to speak for the moment, not as your chief but as a Choctaw warrior weighing this question beside you. As such I shall exercise my calm, deliberate judgment in behalf of those most dear to me and dependent on me, and I shall not suffer my reason to be swept away by this eloquent recital of alleged wrongs which I know naught of. I deplore this war; I earnestly hope it may be averted; but if it be forced upon us, I shall take my stand with those who have stood by my people in the past and will be found fighting beside our good friends of St. Stephens and surrounding country. I have finished. I call on all Choctaws and Chickasaws endorsing my sentiments to cast their tomahawks on this side of the council fire with me."

"The air resounded with the clash of tomahawks cast on the side of the Choctaw chief, and only a few warriors seemed still undecided. Tecumseh, seeing the purpose of his mission thwarted and thinking Pushmataha could not understand the Shawnee language, spoke to his warriors in his native tongue, saying: 'Pushmataha is a coward, and the Choctaw and Chickasaw braves are squaws'; but Pushmataha had traveled much and knew a smattering of many Indian dialects. He understood Tecumseh, and, turning upon the Shawnee with all the fire of his eloquence, he clinched the argument and settled the decision of the few wavering Choctaw braves by saying:

"Halt, Tecumseh! Listen to me. You have come here, as you have often gone elsewhere, with a purpose to involve peaceful people in unnecessary trouble with their neighbors. Our people have had no undue friction with the whites. Why? Because we have had no leaders stirring up strife to serve their selfish, personal ambitions. You heard me say that our people are a peaceful people. They make their way, not by ravages upon their neighbors but by honest toil. In that regard they have nothing in common with you. I know your history well. You are a disturber. You have ever been a trouble maker. When you have found yourself unable to pick a quarrel with the white man, you have stirred up strife between different tribes of your own race. Not only that, you are a monarch and unyielding tyrant within your own domain; every Shawnee man, woman, and child must bow in humble submission to your imperious will.

"The Choctaws and Chickasaws have no monarchs. Their chieftains do not undertake the mastery of their people, but rather are they the people's servants, elected to serve the will of the majority. The majority has spoken on this question, and it has spoken against your contention. Their decision has therefore become the law of the Choctaws and Chickasaws, and Pushmataha will see that the will of the majority, so recently expressed, is rigidly carried out to the letter. If, after this decision, any Choctaw should be so foolish as to follow your imprudent advice and enlist to fight against the Americans, thereby abandoning his own people and turning against the decision of his own council, Pushmataha will see that proper punishment is meted out to him, which is death. You have made your choice; you have elected to fight with the British. The Americans have been our friends, and we shall stand by them. We will furnish you safe conduct to the boundaries of this Nation as properly befits the dignity of your office. Farewell, Tecumseh. You will see Pushmataha no more until we meet on the fateful warpath."

Mr. RANKIN. Now, what was the result? Did it ever occur to you that we lost every battle in the North during the War of 1812 with one or two shining exceptions; did it ever occur to you that this Capital was invaded and burned, and that the only friends we had that amounted to anything that were willing to help us were the Choctaw and the Chickasaw Indians? This old Chief Pushmataha raised a regiment and probably a brigade in that war and rose to the rank of brigadier general and fought with General Jackson at New Orleans. Those Indians never at any time antagonized the United States, but supported us in all our trials.

I have often wondered if the people of these United States would ever fully recognize the debt of gratitude they owe to the Choctaw and Chickasaw Indians for their services in the War of 1812.

They not only refused to join our enemies, but they opened up their territories for the passage of our armies, gave abundantly of their supplies, and enlisted their brave and generous sons in defense of our cause.

In one of the darkest hours of American history, when we had been abandoned by all other allies; when Winchester had been defeated in the North, when a foreign foe had invaded and burned the Capitol of this Nation, as well as the White House, the home of the Chief Executive; when a mercenary influence had inspired the representatives of Northeastern States to meet in the Hartford convention and pass resolutions of secession; when all these clouds of despondency were lowering upon the horizon of American liberty, for which Jefferson had contended and Washington had fought, in that dark hour these loyal allies, the Chickasaws and Choctaws, enlisted in America's cause, marched with Andrew Jackson to the Battle of New Orleans, where they helped to defeat the last invading foe and "made the welkin of heaven ring with the shouts of victory."

Yet, when the time came that this Government demanded their territories, they peacefully submitted to those demands. They signed on the dotted line, as it were, in obedience to the mandate of the Government they had supported, folded their tents, extinguished their camp fires, turned their backs on the lands of their fathers, and moved away toward the glow of the setting sun—to live thereafter in the traditions of the white man.

This road should be built, regardless of whom it accommodates or does not accommodate, as a memorial to those Chickasaws and Choctaws, the best friends the white people of America ever had.

THE PRIVATE CALENDAR

Mr. BYRNS. Mr. Speaker, I want to renew a request I made on two occasions last week in connection with the Private Calendar. There is a great deal of interest in having the Private Calendar called, and also a great deal of pressure is being exerted to that end. It has been impossible to fix a day for this purpose, and, as the Members know, we get along faster and better in the consideration of this calendar at night sessions.

So, Mr. Speaker, I ask unanimous consent that it may be in order tomorrow to move that the House recess for the purpose of having a night session, and that at such session bills on the Private Calendar unobjected to may be considered, the call beginning at the star.

Mr. BLANTON. Mr. Speaker, I have indicated to the House that Tuesday night is one of the most inconvenient nights of the week for some of us who watch the Private Calendar to hold a night session, because of certain appointments already agreed upon. It would be much more convenient to hold night session for any of the other nights of the week. But, since it suits the majority leader better to have this night session Tuesday night, I shall not object, and I shall arrange to be here, by rearranging our appointments.

Our mail has been so unusually heavy during the past 2 or 3 weeks that it is necessary to work in the office every night until a late hour. I fully realize, however, that while there are a number of unsound, wasteful bills on the Private Calendar that ought not to pass, there are at the same time

some bills that are meritorious and should have consideration. I shall not object.

Mr. SUMNERS of Texas. Mr. Speaker, reserving the right to object, and I shall not object, I wish to advise the Speaker that the Committee on the Judiciary is desirous of calling up certain conference reports during the day.

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

There was no objection.

THE 30-HOUR WEEK BILL

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

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

There was no objection.

Mr. CONNERY. Mr. Speaker, I rise at this time to ask the Membership of the House to sign 145 names to the Zion-check petition to discharge the Rules Committee from further consideration of the Connery 30-hour week bill. This petition is now at the desk.

May I say to the Membership that I have tried every parliamentary maneuver to get this bill before the House for action during this session. I have been in conference after conference. I went to see President Roosevelt with President Green of the American Federation of Labor. We impressed upon the President the need of legislation at this session of Congress establishing a 30-hour week, the same wages to be paid for 30 hours of labor as now paid for longer hours under the code. The President suggested that we confer with the Secretary of Labor, Miss Perkins, and Mr. Richberg, counsel of the N.R.A., and we have been in conference with them since. On Friday I asked Miss Perkins to see the President and get his reaction as to whether or not he was in favor of a bill which had been drafted in these conferences by Mr. Richberg; amendments, as it were, to the 30-hour week bill suggested by Miss Perkins, Mr. Green, Mr. Richberg, and by me. Mr. Green, President of the American Federation of Labor, and I agreed to these amendments substantially in their entirety, subject to the approval of the President and the Committee on Labor. We felt they were amendments we could accept.

This morning I called Miss Perkins' office. She had not seen the President between Friday and today. I had told her Friday that to keep faith with the gentleman from Washington [Mr. ZIONCHECK], and to keep faith with labor throughout the entire country which has asked me to do everything possible to get this bill before Congress, that I would call the Committee on Labor in session Monday, today, and we would be obliged to take action. I talked with Miss Perkins' secretary this morning and she said that Miss Perkins had not yet taken up the matter with the President. My committee met this morning and I announced to the committee that I would take the floor today to ask for 145 signers to the petition. The committee decided that after these signers were secured we would take up in the committee, amendments, some of them suggested by Mr. Richberg and Miss Perkins. Some perhaps we would not agree to, but we could offer the ones to which we did agree as committee amendments to the 30-hour week bill when the bill comes to the floor of the House.

In conclusion let me say I believe that in order to be sure of a vote on this bill it is necessary to have this petition completed by Thursday of this week, so that we will have a vote on May 18. I therefore ask every Member of the House interested in securing a 30-hour week for industry to sign this petition. Every labor union in the United States is in favor of the Connery 30-hour week bill and have expressed themselves emphatically over and over again.

I am now going to sign the petition and I hope I shall have many Members who will sign with me immediately. [Applause.]

May I state at this time the position taken at the conferences by Secretary of Labor Perkins and Mr. Richberg. They wished it made clear that they did not commit themselves in favor of the bill or in favor of the draft which

Mr. Richberg drew up. Mr. Green, of course, is emphatically in favor of the 30-hour week bill.

Mr. ZIONCHECK. Will the gentleman yield?

Mr. CONNERY. I yield to the gentleman from Washington.

Mr. ZIONCHECK. Are there not still 11,000,000 people unemployed in the United States?

Mr. CONNERY. The American Federation of Labor says that there are at least 10,000,000 unemployed in the United States. I may say to the gentleman from Washington that the President of the United States on March 5 asked those representatives of industry at that big meeting in Constitution Hall to shorten hours and increase wages, and less than one twenty-fifth of 1 percent of the big industrialists have acceded to that request.

Mr. BLANTON. Will the gentleman yield?

Mr. CONNERY. I yield to the gentleman from Texas.

Mr. BLANTON. Does not the gentleman know that until we stop the horde of aliens from foreign countries from coming across our borders into the United States every year we will continue to have eleven, twelve, or fifteen million Americans unemployed? It is the aliens from foreign countries who are coming here and taking jobs away from Americans.

Mr. CONNERY. These Americans unemployed to whom I refer are not aliens. They are American citizens.

Mr. BLANTON. We never will get a bill out of the Committee on Immigration to stop immigration in this country until we sign the petition to take the matter away from the Committee on Immigration. It refuses every year to favorably report such a bill. And hordes of aliens continue to come here and take jobs away from American citizens. We must stop it.

Mr. CONNERY. I hope the gentleman from Texas is not trying to becloud this 30-hour issue. There are 10,000,000 Americans out of work in this country and this 30 hour bill, if passed, will put back millions to work.

Mr. BLANTON. We want to stop immigrants from coming into this country. Then we may hope to have jobs for Americans.

Mr. FITZPATRICK. Is it not a fact that more such people left the country last year than came in?

Mr. CONNERY. I do not know about that.

Mr. BLANTON. That contention is ridiculous, for all of us know that, in addition to the lawful quotas that come here annually, many thousands of aliens are smuggled across our Mexican and Canadian borders each year.

Mr. SCHULTE. Will the gentleman yield?

Mr. CONNERY. I yield to the gentleman from Indiana. [Here the gavel fell.]

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to proceed for 1 additional minute.

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

There was no objection.

Mr. SCHULTE. Does the gentleman know that in my particular district, one of the heavy industrial districts of the country, the chiselers today in the N.R.A. are the big business concerns to the extent that the refineries and the oil companies are not living up to any part of the code or making any attempt to live up to it, and that over 5,000 people in two industries that I know of are working from 50 to 55 hours a week?

Mr. CONNERY. Yes; I agree with my friend. I may say in conclusion that when the President of the United States, who is the greatest President, in my opinion, since Abraham Lincoln, asks industry to shorten hours and increase wages and they refuse to do it, then it is up to this legislative body to take some action and make them do it.

Many of the amendments suggested by Miss Perkins, Mr. Green, and Mr. Richberg were, in my opinion, constructive, and I believe that the Committee on Labor will so consider them and will offer them as committee amendments. Some of the amendments the committee may see fit to modify. I have had printed the draft which Mr. Richberg prepared and I am inserting it here for the information of the membership.

A bill to provide for a 30-hour work week to relieve unemployment, and for other purposes

Be it enacted, etc., That it is hereby declared that a national emergency, resulting from the unemployment of millions of willing workers, has imposed upon State and Federal Governments a burden of unemployment relief and has interfered with the free flow of interstate commerce to such an extent that action to spread employment uniformly so far as possible has become essential.

SEC. 2. During the period of this national emergency no employee shall be required or permitted by an employer subject to this act to work more than 30 hours in 1 week, 5 days in 1 week, or 6 hours in 1 day by any single employer, or through employment by more than one employer; except under the circumstances and in the manner hereinafter provided.

SEC. 3. Modification of the requirements of section 2 of this act may be granted to employers who have assented to and are complying fully with the requirements of a code of fair competition or agreement approved by the President under the provisions of the National Industrial Recovery Act, upon a petition for such an exemption duly filed with the President or any agent or agency designated by the President for that purpose: *Provided, however,* That such exemption shall be granted only upon a finding that conditions, such as an inadequate supply of labor or other conditions determined to be beyond the employer's control (in accordance with regulations prescribed by the President), exist in a specified industry or locality which make compliance with said requirements impossible without reducing the total volume of employment or restricting commerce or discriminating unfairly against individual employers or groups of employers: *And provided further,* That no modification shall be granted for a period exceeding 90 days at one time, and no modification shall permit a worker to be employed for more than an average of 40 hours per week during the period of modification, unless such a limitation of hours will result in diminishing, instead of increasing, the total volume of employment.

SEC. 4. (a) Every modification granted under section 3 of this act shall be made subject to the condition that the employer shall agree so to adjust rates of compensation that the average weekly earnings of employees for the hours of work reduced, as herein authorized or required, shall not be less than their average weekly earnings under the hours of work prevailing prior to such reduction, and such adjusted rates shall be applied to employment for any portion of the maximum hours of work so authorized or required.

(b) Any employer not conforming hours of work to the standards herein provided, or adjusting rates of compensation for the 30-hour week or any modification thereof, as hereinbefore provided, shall not be entitled to the exemption from the provisions of the antitrust laws of the United States, which is provided in section 5 of the National Industrial Recovery Act.

(c) The President is authorized, through such agencies as he may establish, to determine finally whether an employer has adopted and applied fair measures for the adjustment of rates of compensation in conformity with the requirements of this act.

SEC. 5. The requirements of this act shall extend to all forms of employment and to all employers in trades or industries engaged in producing, transporting, or distributing goods or services in or affecting interstate commerce; but shall not apply to agricultural workers or to persons employed in domestic service or to employees subject to the Railway Labor Act.

SEC. 6. Any violation of the requirements of this act shall be a misdemeanor, and upon conviction thereof an offender shall be fined not more than \$500 for each offense, and each day such violation continues shall be deemed a separate offense.

SEC. 7. The President is authorized to exercise any and all of the powers conferred upon him in the National Industrial Recovery Act for the purpose of carrying out the provisions of this act, including the power to declare the end of the period of national emergency herein defined.

SEC. 8. This act shall take effect 90 days after its enactment.

I feel that this 30-hour bill is urgently needed by the country at this time, and if passed will stimulate business and do much to settle the unemployment situation in the country. I cannot urge too strongly the need of legislative action on this bill. I feel that this petition should be signed and this legislation passed. [Applause.]

[Here the gavel fell.]

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—REPAIR AND RECONSTRUCTION OF HOMES (H.DOC. NO. 371)

The SPEAKER laid before the House the following message from the President of the United States, which was read and referred to the Committee on Banking and Currency and ordered printed:

To the Congress:

May I draw your attention to some important suggestions for legislation which should tend to improve conditions for those who live in houses, those who repair and construct houses, and those who invest in houses?

Many of our homes are in decadent condition and not fit for human habitation. They need repairing and modern-

izing to bring them up to the standard of the times. Many new homes now are needed to replace those not worth repairing.

The protection of the health and safety of the people demands that this renovizing and building be done speedily. The Federal Government should take the initiative immediately to cooperate with private capital and industry in this real-property conservation. We must lay the groundwork for this effort before Congress adjourns its present session.

The purpose of the program is twofold: First, to return many of the unemployed to useful and gainful occupation; second, to produce tangible, useful wealth in a form for which there is great social and economic need.

The program consists of four major, interrelated divisions:

1. Modernization, repair, and new construction;
2. Mortgage insurance;
3. Mortgage associations; and
4. Building-and-loan insurance.

The modernization phase of the program will furnish national guidance and support for locally managed renovizing campaigns throughout the country and protection for home owners against unwarranted cost advances. For these purposes and to assure adequate financing at low cost and on moderate terms of repayment, a new governmental agency is required.

Modernization of commercial and industrial structures is envisioned, as well as residential, but the new features providing governmental assistance are confined largely to home improvements.

Loans to individuals will be made by private agencies which will be insured by a governmental agency against loss up to a certain percentage of their advances. This insurance against loss on the rehabilitation loans will be met by the Government and will be confined to advances of credit that meet standards and conditions designed to protect both the home owners and the cooperating agencies.

To make funds available for new home construction and to improve the mortgage market, the second phase of the program is long-term mortgage financing. It provides mutual mortgage insurance under governmental direction to enable private agencies to make first-mortgage loans on newly constructed houses up to 80 percent of the appraised value of the property, and to make new mortgages on existing homes up to 60 percent of the appraised value of the property. The loans will usually carry not more than 5-percent interest and will be amortized by periodic payments over 20 years. Similar insurance arrangements are provided to help finance low-cost residential projects of the slum-replacement type.

The third phase provides for the incorporation of mortgage associations under strict Federal supervision to increase the amount of mortgage funds available in regions where interest rates are unduly high because sufficient local funds are lacking. The activities of these associations will be limited almost entirely to insured residential mortgages.

Insurance for share and certificate holders in building-and-loan associations, similar to the insurance provided for bank depositors, is the fourth phase of the program. These institutions are custodians of the funds of small savers, and it is essential that they should be given every reasonable protection. Insurance of this type is necessary in order to arrest any further drain on these institutions and to put them in a position to resume their normal useful functions.

I believe that the initiation of this broad and sound program will do much to alleviate distress and to raise perceptibly the standards of good living for many of our families throughout the land.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, May 14, 1934.

UNIFORM SYSTEM OF BANKRUPTCY

Mr. SUMNERS of Texas. Mr. Speaker, I call up the conference report on the bill H.R. 5950, to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto, and

ask unanimous consent that the statement may be read in lieu of the report.

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

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5950) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto, 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 amendments as follows: On page 2, line 13, of the Senate amendment, after "irrigation", insert "reclamation"; on page 3, line 5, of the Senate amendment strike out "51 percent" and insert in lieu thereof the following: "30 percent in the case of drainage, irrigation, reclamation, and levee districts and owning not less than 51 percent in the case of all other taxing districts"; and on page 9, line 18, of the Senate amendment strike out "75 percent" and insert in lieu thereof the following: "66 $\frac{2}{3}$ percent in the case of drainage, irrigation, reclamation, and levee districts and creditors holding 75 percent in the case of all other taxing districts"; and the Senate agree to the same.

HATTON W. SUMNERS,

A. J. MONTAGUE,

TOM D. McKEOWN,

RANDOLPH PERKINS,

Managers on the part of the House.

M. M. NEELY,

PAT. McCARRAN,

WARREN R. AUSTIN,

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill (H.R. 5950) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Under the House provisions, 30 percent in amount of the creditors of the taxing district can file a petition seeking the benefits of the act and stating either (a) that they are willing to have a plan of readjustment prepared and submitted to the court for confirmation, or (b) that a plan of readjustment has been prepared and is filed with the petition. The consent of 66 $\frac{2}{3}$ percent in amount of the creditors is required for confirmation of the plan.

The Senate bill requires the consent of 51 percent in amount of the creditors to the filing of the petition, and that the plan of readjustment be submitted with the petition. The consent of 75 percent in amount of the creditors is required for confirmation of the plan.

The House accepted the provisions of the Senate bill, with the exception that the House provisions requiring the consent of 30 percent of the creditors to file a petition and the consent of 66 $\frac{2}{3}$ percent of the creditors for confirmation of the plan are retained in the case of drainage, irrigation, reclamation, and levee districts.

The other amendments of the Senate are chiefly formal, to which the House agreed.

HATTON W. SUMNERS,

A. J. MONTAGUE,

TOM D. McKEOWN,

RANDOLPH PERKINS,

Managers on the part of the House.

Mr. SNELL. Mr. Speaker, may I ask what report this is? Mr. SUMNERS of Texas. This is a report on the municipal bankruptcy bill.

Mr. SNELL. For communities and municipalities?

Mr. SUMNERS of Texas. It is known as the "municipality bill."

Mr. SNELL. Will the gentleman tell us in a very few words just what we can do and what we may expect in the future?

Mr. SUMNERS of Texas. In reference to what?

Mr. SNELL. In reference to various communities filing petitions in bankruptcy.

Mr. SUMNERS of Texas. I presume the gentleman is familiar with the bill as it passed the House?

Mr. SNELL. In general I am.

Mr. SUMNERS of Texas. The bill passed the House requiring 30 percent of the creditors going in with the debtor in order to initiate proceedings; then it required 66 $\frac{2}{3}$ percent of the creditors to agree with the debtor to the plan. In the Senate the bill was changed in order to provide a requirement of a majority, 51 percent of the creditors, to agree in advance with the debtor on a plan. This is in regard to municipalities. Then it required 66 $\frac{2}{3}$ of each class of creditors and three fourths of all the debtors to agree generally with the debtor before the plan could be made effective by the court.

Mr. SNELL. Before the plan may become effective three fourths must agree?

Mr. SUMNERS of Texas. Yes; and a majority must agree to the plan before the plan is filed in court. The House accepted that amendment.

The Senate agreed that the provisions of the House bill as to percentages of debtors may apply to drainage districts and other taxing districts, not cities. The Senate agreed to the House provision that 30 percent could go in to count with the debtor, just as the House provision called for, with two thirds agreeing to the final plan. This was believed by the House conferees to be a good arrangement. Because of peculiar difficulties in these drainage districts and similar taxing units in getting the bondholders together, the Senate agreed with the House that it would be better to leave the House provision applicable to taxing districts and districts of that character.

Mr. HASTINGS. As I understand it, as far as municipalities are concerned, 51 percent must agree to the petition and finally 75 percent must agree?

Mr. SUMNERS of Texas. Yes; that is right.

Mr. MAY. Does the bill provide merely for the bondholders to agree, or does it include holders of certificates of indebtedness and municipal warrants?

Mr. SUMNERS of Texas. I think so.

Mr. MAY. That ought to be made specific and certain.

Mr. SUMNERS of Texas. I do not think there is any doubt about that matter.

Mr. HASTINGS. Many small municipalities have not been able to issue bonds, but have issued certificates.

Mr. SUMNERS of Texas. Everyone gets in.

Mr. Speaker, I move the adoption of the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

THE CRIME BILLS

Mr. SUMNERS of Texas. Mr. Speaker, may I submit a parliamentary inquiry?

The SPEAKER. The gentleman will state it.

Mr. SUMNERS of Texas. Mr. Speaker, there are a number of conference reports on kindred bills, known as the "crime bills", which we desire to call up. My parliamentary inquiry is whether I may submit a unanimous-consent request that the conference reports on all the bills be called up and that the statements be read in lieu of the reports.

The SPEAKER. The gentleman may call up the reports and submit the request.

Mr. SUMNERS of Texas. Then, Mr. Speaker, I desire to call up the conference reports on the bills S. 2252, S. 2575, S. 2841, S. 2249, S. 2080, S. 2253, and S. 2845, and ask unanimous consent that the statements with regard to these re-

spective bills as they come in order may be read in lieu of the reports.

The SPEAKER. The gentleman from Texas asks unanimous consent to call up en bloc the bills enumerated and known as the "crime bills", and asks in each instance that the statement may be read in lieu of the report. Is there objection?

There was no objection.

The Clerk read the statements.

The conference reports and statements are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2252) to amend the act forbidding the transportation of kidnaped persons in interstate commerce having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House numbered 1, 2, 3, 4, 5, 6, and agree to the same.

HATTON W. SUMNERS,

A. J. MONTAGUE,

TOM D. McKEOWN,

RANDOLPH PERKINS,

Managers on the part of the House.

HENRY F. ASHURST,

WILLIAM H. KING,

WM. E. BORAH,

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill (S. 2252) to amend the act forbidding the transportation of kidnaped persons in interstate commerce, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

All the amendments of the House are agreed to. The first amendment excludes from the operation of the act forbidding the transportation of kidnaped persons in interstate commerce, the technical case of a minor "kidnaped" by a parent thereof.

The second amendment provides for a death penalty if the verdict of the jury shall so recommend, provided that the sentence of death shall not be imposed by the court, if, prior to its imposition, the kidnaped person has been liberated unharmed. If the death penalty shall not apply nor be imposed the convicted person shall be punished by the same penalty provided in the original act, namely, imprisonment in the penitentiary for such term of years as the court in its discretion shall determine.

This amendment further provides that the failure to release the kidnaped person within 7 days after he shall have been kidnaped shall create a presumption that such person has been transported in interstate or foreign commerce, but such presumption shall not be conclusive. In the original bill this provision was to the effect that such a presumption arose in the absence of the return of the person kidnaped and in the absence of the apprehension of the kidnaper during a period of 3 days.

The remaining amendments are merely formal. The third amendment makes a separate section of the definition of interstate commerce. The fourth amendment adds the phrase "as used herein" in defining the term "interstate commerce." The fifth amendment makes a new section out of the proviso in the original act concerning conspiracy to violate provisions thereof. The sixth amendment strikes out the presumption contained in the original amendment, which presumption is replaced by the presumption referred to above in the second amendment.

HATTON W. SUMNERS,

A. J. MONTAGUE,

TOM D. McKEOWN,

RANDOLPH PERKINS,

Managers on the part of the House.

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2575) to define certain crimes against the United States in connection with the administration of Federal penal and correctional institutions and to fix the punishment therefor having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House numbered 1 and 2, and agree to the same.

HATTON W. SUMNERS,
A. J. MONTAGUE,
TOM D. McKEOWN,
RANDOLPH PERKINS,

Managers on the part of the House.

HENRY F. ASHURST,
WILLIAM H. KING,
WM. E. BORAH,

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill (S. 2575) to define certain crimes against the United States in connection with the administration of Federal penal and correctional institutions and to fix the punishment therefor submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate receded on both amendments adopted by the House.

The bill as it passed the House is aimed at punishing any officer or employee of a penal institution or other person who assists any prisoner to escape or smuggles into the institution any firearm, deadly weapon, or instrument which would assist the prisoner to escape.

HATTON W. SUMNERS,
A. J. MONTAGUE,
TOM D. McKEOWN,
RANDOLPH PERKINS,

Managers on the part of the House.

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2841) to provide punishment for certain offenses committed against banks organized or operating under laws of the United States or any member of the Federal Reserve System having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House numbered 1, 2, 3, 4, 5, 6, and 7, and agree to the same.

HATTON W. SUMNERS,
A. J. MONTAGUE,
TOM D. McKEOWN,
RANDOLPH PERKINS,

Managers on the part of the House.

HENRY F. ASHURST,
WILLIAM H. KING,
WM. E. BORAH,

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill (S. 2841) to provide punishment for certain offenses committed against banks organized or operating under laws of the United States or any member of the Federal Reserve

System submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report.

The Senate receded on all amendments and agreed to the bill as it passed the House.

The bill makes robbery of member banks of the Federal Reserve System and all banking institutions organized or operating under the laws of the United States a Federal offense. If in the commission of the offense murder or kidnaping is committed, the punishment is fixed at imprisonment for not less than 10 years or by death if the verdict of the jury shall so direct.

HATTON W. SUMNERS,
A. J. MONTAGUE,
TOM D. McKEOWN,
RANDOLPH PERKINS,

Managers on the part of the House.

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2249) applying the powers of the Federal Government, under the commerce clause of the Constitution, to extortion by means of telephone, telegraph, radio, oral message, or otherwise, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House numbered 1, 2, 3, and 4, and agree to the same.

HATTON W. SUMNERS,
TOM D. McKEOWN,
A. J. MONTAGUE,
RANDOLPH PERKINS,

Managers on the part of the House.

HENRY F. ASHURST,
WILLIAM H. KING,
WM. E. BORAH,

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill (S. 2249) applying the powers of the Federal Government under the commerce clause of the Constitution to extortion by means of telephone, telegraph, radio, oral message, or otherwise, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate receded on both amendments of the House. The Senate bill provided that the penalties of the act shall apply to anyone who "shall transmit an extortion message in interstate commerce by telephone, telegraph, radio, or oral message, or by any other means whatsoever." The House struck out the words of limitation to make the act apply to "anyone who shall transmit such threat in interstate commerce by any means whatsoever." The Senate receded.

On amendment 3: The Senate bill provided for punishment by imprisonment for such term of years as the court in its discretion shall determine. The House amended the bill to make the penalty not more than \$5,000 or imprisonment not more than 20 years, or both. The Senate receded.

HATTON W. SUMNERS,
A. J. MONTAGUE,
TOM D. McKEOWN,
RANDOLPH PERKINS,

Managers on the part of the House.

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2080) to provide punishment for killing or assaulting

Federal officers having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House numbered 2, and agree to the same.

Amendment numbered 1: That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree to the same with an amendment as follows: Page 1, line 3, of the Senate bill, strike out the words "murder or otherwise" and in lieu of the matter proposed to be inserted by the House amendment insert the following: "kill, as defined in sections 273 and 274 of the Criminal Code, any United States marshal or deputy United States marshal, special agent of the Division of Investigation of the Department of Justice, post-office inspector, Secret Service operative, any officer or enlisted man of the Coast Guard, any employee of any United States penal or correctional institution, any officer of the customs or of the internal revenue, any immigrant inspector or any immigration patrol inspector, while"; and the House agree to the same.

HATTON W. SUMNERS,
A. J. MONTAGUE,
TOM D. McKEOWN,
RANDOLPH PERKINS,

Managers on the part of the House.

HENRY F. ASHURST,
WILLIAM H. KING,
WM. E. BORAH,

Managers on the part of the Senate

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill (S. 2080) to provide punishment for killing or assaulting Federal officers, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

On amendment 1: The Senate bill included by its terms all officers and employees of the United States. The House amendment limited its terms to "any United States marshal or deputy United States marshal, special agent of the Division of Investigation of the Department of Justice, post-office inspector, Secret Service operative, any officer or enlisted man of the Coast Guard, or any employee of any United States penal or correctional institution." The Senate accepted the House amendment with the inclusion of officers of the customs, of the internal revenue, immigrant inspectors, and immigration patrol inspectors.

Amendment 2 of the House is a formal amendment made necessary by the adoption of amendment 1. The Senate receded.

HATTON W. SUMNERS,
A. J. MONTAGUE,
TOM D. McKEOWN,
RANDOLPH PERKINS,

Managers on the part of the House.

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2253) making it unlawful for any person to flee from one State to another for the purpose of avoiding prosecution in certain cases 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 amendments numbered 2, 4, and amendment to the title.

That the Senate recede from its disagreement to the amendment of the House numbered 3; and agree to the same.

Amendment numbered 1: That the Senate recede from its disagreement to the amendment of the House numbered 1,

and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment, strike out on page 1, line 3, of the Senate bill the word "flee" and insert in lieu thereof "move or travel in interstate or foreign commerce"; and the House agree to the same.

HATTON W. SUMNERS,
A. J. MONTAGUE,
TOM D. McKEOWN,
RANDOLPH PERKINS,

Managers on the part of the House.

HENRY F. ASHURST,
WILLIAM H. KING,
WM. E. BORAH,

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill (S. 2253) making it unlawful for any person to flee from one State to another for the purpose of avoiding prosecution in certain cases submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The first amendment of the House was the addition, after the word "Columbia", at page 1, line 5, of the words "to another State, Territory, or the District of Columbia or to a foreign country." The purpose of this amendment was to indicate more clearly that this proposed legislation was based on the Federal power over interstate commerce. It was believed by the committee of conference that the proposed act could more certainly be sustained, insofar as constitutional objections might be raised, if it was specifically designated that the Congress intended to exercise its power to control movement and traffic in interstate or foreign commerce. Therefore, the word "flee", at page 1, line 3, has been stricken out, and there have been inserted the words "move or travel in interstate or foreign commerce." The House amendment, "to another State, Territory, or the District of Columbia or to a foreign country", was stricken out.

On the second and the fourth amendments of the House, which eliminated from the original bill the provision that placed witnesses within the scope of the proposed act, the House receded. Therefore, with respect to persons moving or traveling in interstate or foreign commerce with intent to avoid giving testimony in any criminal proceedings in the place in which the commission of a felony is charged, the bill is now in its original form.

The third amendment of the House was to limit jurisdiction to persons who fled to avoid prosecution for felonies involving violence. This amendment has been agreed to.

HATTON W. SUMNERS,
A. J. MONTAGUE,
TOM D. McKEOWN,
RANDOLPH PERKINS,

Managers on the part of the House.

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2845) to extend the provisions of the National Motor Vehicle Theft Act to other stolen property, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House numbered 1, 3, 4, 5, 6, and agree to the same.

Amendment numbered 2: That the Senate recede from its disagreement to the amendment of the House numbered 2, and agree to the same with an amendment as follows: In the matter proposed to be inserted by the House amendment, strike out beginning in line 13 on page 1 down through line

9, page 2, of the House engrossed amendments and insert in lieu thereof the following:

"Sec. 4. Whoever shall receive, conceal, store, barter, sell, or dispose of any goods, wares, or merchandise, securities, or money, of the value of \$5,000 or more, or whoever shall pledge or accept as security for a loan any goods, wares, or merchandise, or securities, of the value of \$500 or more which, while moving in or constituting a part of interstate or foreign commerce, has been stolen or taken feloniously by fraud or with intent to steal or purloin, knowing the same to have been stolen or taken, shall be punished by a fine of not more than \$10,000 or by imprisonment of not more than 10 years, or both."

And on page 1, line 7, of the House engrossed amendments insert a comma after "money".

And the House agree to the same.

HATTON W. SUMNERS,
A. J. MONTAGUE,
TOM D. MCKEOWN,
RANDOLPH PERKINS,

Managers on the part of the House.

HENRY F. ASHURST,
WILLIAM H. KING,
WM. E. BORAH,

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill (S. 2845) to extend the provisions of the National Motor Vehicle Theft Act to other stolen property, submit the following statement in explanation of the effect of the action agreed upon by the conference and recommended in the accompanying conference report.

The first amendment of the House, page 2, line 1, to strike out "'security' shall mean" and insert "'securities' shall include", was agreed to.

The second amendment of the House was to strike out sections 3 and 4 of the original bill and insert in lieu thereof two new sections. The principal difference in section 3, as thus amended, is the limitation of jurisdiction of the proposed act to the transportation of stolen goods, wares, or merchandise, securities, or money, of the value of \$5,000 or more. This section, as amended by the House, remains unchanged, except for the insertion of a comma after the word "money" on page 1, line 7, of the House engrossed amendments.

Section 4 makes it unlawful to receive, conceal, store, barter, sell, or dispose of certain goods, wares, or merchandise, securities, or money, of a value of \$5,000 or more. As passed by the Senate, this section provides a penalty for the receipt or disposition of such stolen property while moving in interstate commerce, knowing such property to have been stolen. As passed in the House, this section provides a penalty for the receipt or disposition of such property while moving in interstate commerce, if such property was stolen while moving in interstate commerce, with knowledge that it was stolen while moving in such commerce. Section 4, as agreed upon in conference, provides a penalty for the receipt or disposition of such property stolen while moving in interstate commerce, knowing the property to have been stolen. The obvious purpose of section 4 was to protect interstate commerce by going after the "fence", the guilty receivers or disposers of property, stolen while being transported in such commerce. The original Senate bill does not fully accomplish this, for it includes any stolen property, so long as it is received or disposed of while moving in interstate commerce. The conference amendment is limited to the receipt or disposition of property stolen while in interstate commerce, but such property need not be received or disposed of while moving in interstate commerce.

The second amendment of the House added also a provision which authorizes Federal jurisdiction in the case of a series of transactions involving property of a total value of \$5,000 or more. The Senate agreed to the amendment.

The third, fourth, and fifth amendments of the House are merely formal changes in the proposed act. They have been agreed to by the committee of conference.

HATTON W. SUMNERS,
A. J. MONTAGUE,
TOM D. MCKEOWN,
RANDOLPH PERKINS,

Managers on the part of the House.

Mr. SUMNERS of Texas. Mr. Speaker, I move the adoption of the conference reports with reference to these several bills.

The conference reports were agreed to.

A motion to reconsider was laid on the table.

THE CONSENT CALENDAR

The SPEAKER. The Clerk will call the first bill on the Consent Calendar.

CONSTRUCTION OF A BRIDGE NEAR PORT ARTHUR, TEX.

The Clerk called the first bill on the Consent Calendar (H.R. 4870) to extend the times for commencing and completing the construction of a bridge across Lake Sabine at or near Port Arthur, Tex.

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

Mr. DIES. I object, Mr. Speaker. I want the bill to go through.

Mr. ZIONCHECK. Has not the gentleman a similar bill near the end of the calendar?

Mr. DIES. No; and I object to passing the bill over without prejudice.

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

Mr. ZIONCHECK, Mr. COCHRAN of Missouri, and Mr. ELTSE of California, objected.

VALIDITY OF DECLARATIONS OF INTENTIONS

The Clerk called the next bill, H.R. 8317, to extend the validity of declarations of intention beyond 7 years.

Mr. ELTSE of California. Mr. Speaker, reserving the right to object, I understand the gentleman from New York is willing that this bill may go over. The gentleman from Ohio [Mr. JENKINS] is not here, and I am not familiar with the measure.

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

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

There was no objection.

NATIONAL FORESTS IN COLORADO

The Clerk called the next bill, H.R. 3206, for the exchange of lands adjacent to national forests in Colorado.

Mr. ELTSE of California. I object, Mr. Speaker.

Mr. ZIONCHECK. Mr. Speaker, reserving the right to object, may I ask the gentleman from California the nature of the bill?

Mr. ELTSE of California. It is proposed that lands lying within a radius of 6 miles of national forests may be exchanged for lands within the forests.

Mr. ZIONCHECK, Mr. WOLCOTT, and Mr. ELTSE of California objected.

AMENDMENT OF FOREST EXCHANGE ACT

The Clerk called the next bill, H.R. 5368, to extend the provisions of the Forest Exchange Act of March 20, 1922 (42 Stat. 465).

Mr. ELTSE of California, Mr. ZIONCHECK, and Mr. BECK objected.

REGULATION OF AMERICAN BROADCASTING COMPANIES OPERATING ACROSS THE INTERNATIONAL BORDER

The Clerk called the next bill on the calendar, S. 2660, to amend the Radio Act of 1927, approved February 23, 1927, as amended (44 Stat. 1162).

Mr. THOMASON, Mr. BECK, and Mr. TERRELL of Texas objected.

THE BOISE NATIONAL FOREST

The Clerk called the next bill on the calendar, H.R. 7927, to add certain lands to the Boise National Forest.

The SPEAKER. Is there objection?

Mr. CHRISTIANSON. Reserving the right to object, I should like to hear from the author of the bill.

Mr. WHITE. This is a bill to protect the watershed of the city of Boise, Idaho, which supplies water for all the big irrigation districts. The Legislature of Idaho has memorialized Congress to pass this legislation. It is approved by the Secretary of the Interior and by the Secretary of Agriculture.

It is desirable to protect the forest, the new growth, from the ravage of fires, but, as I say, the primary purpose is to protect the watershed of Boise and the irrigation districts.

Mr. CHRISTIANSON. How much is it going to cost the Federal Government?

Mr. WHITE. Nothing.

Mr. CHRISTIANSON. I withdraw my reservation of an objection.

Mr. WHITE. Mr. Speaker, I ask that Senate bill 8, an identical bill, be substituted for the House bill.

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That, subject to existing valid claims or entries and withdrawals, the following-described lands are hereby added to the Boise National Forest, Idaho, and made subject to all laws applicable to national forests:

Sections 25 and 26; east half section 27; east half section 34; and section 35, township 8 north, range 5 east, Boise meridian.

Sections 1 and 2; sections 11 to 14, inclusive; sections 23 to 27, inclusive; and sections 34 to 36, inclusive; township 7 north, range 3 east, Boise meridian.

Sections 1, 2, and 3; sections 6 and 7; sections 10 to 13, inclusive; and sections 15 to 36, inclusive; township 7 north, range 4 east, Boise meridian.

Sections 1 and 2; sections 4 to 28, inclusive; and sections 30 to 36, inclusive; township 7 north, range 5 east, Boise meridian.

Sections 1 to 3, inclusive; sections 10 to 15, inclusive; sections 22 to 27, inclusive; and sections 34 to 36, inclusive; township 6 north, range 3 east, Boise meridian.

Sections 1 to 36, inclusive, township 6 north, range 4 east, Boise meridian.

Sections 1 to 21, inclusive; sections 24 and 25; and sections 28 to 36, inclusive; township 6 north, range 5 east, Boise meridian.

Sections 1 to 36, inclusive, township 6 north, range 6 east, Boise meridian.

Sections 1 and 2; sections 11 to 14, inclusive; sections 23 to 26, inclusive; and sections 35 and 36; township 5 north, range 2 east, Boise meridian.

Sections 1 to 36, inclusive, township 5 north, range 3 east, Boise meridian.

Sections 1 to 36, inclusive, township 5 north, range 4 east, Boise meridian.

Sections 1 to 36, inclusive, township 5 north, range 5 east, Boise meridian.

Sections 1 to 6, inclusive; sections 8 to 17, inclusive; sections 21 to 27, inclusive; and sections 35 and 36, township 4 north, range 3 east, Boise meridian.

Sections 1 to 36, inclusive, township 4 north, range 4 east, Boise meridian.

Sections 1, 2, 11, and 12, township 3 north, range 3 east, Boise meridian.

Sections 1 to 13, inclusive; and northwest quarter of section 14; township 3 north, range 4 east, Boise meridian; not heretofore included within the Boise National Forest, Idaho; all ranges east, Boise meridian.

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

The House bill was laid on the table.

A motion to reconsider was laid on the table.

APPOINTMENT OF POSTMASTERS

The Clerk called the next bill on the calendar, H.R. 7088, to amend the provisions of laws relating to the appointment of postmasters.

The SPEAKER. Is there objection?

Mr. WOLCOTT. I object.

NINTH PAN AMERICAN SANITARY CONFERENCE

The Clerk called the next resolution on the calendar, Senate Joint Resolution 59, to provide for the expenses of delegates of the United States to the Ninth Pan American Sanitary Conference.

The SPEAKER. Is there objection?

Mr. BLANTON. I object.

APPOINTMENT OF POSTMASTERS

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent to return to Calendar No. 183, H.R. 7088, to amend the provisions of laws relating to the appointment of postmasters. The gentleman from California [Mr. HOEPEL] says that I promised not to object to the bill.

The SPEAKER. Is there objection to returning to H.R. 7088?

There was no objection.

Mr. WOLCOTT. Now, Mr. Speaker, reserving the right to object, as I said, the gentleman from California says that I promised not to object to the bill. I do not want to be put in a false position, but I said I would reserve an objection to make a statement. This bill changes existing law by providing that the Postmaster General may appoint an acting postmaster at the expiration of the term of the postmaster. This bill gives him an authority that he has not heretofore had. By this appointment the acting postmaster is given a status in the civil-service examination which gives him an advantage over other applicants, so that he is always the no. 1 man. He gets that by his experience as acting postmaster. If I gave the gentleman from California the impression that I was not going to object, I was not aware of it, for I have always had in mind an objection to the bill, but I do not want to be misunderstood.

Mr. MARTIN of Oregon. Mr. Speaker, I object.

OPERATION OF SEIZED MOTOR VEHICLES

The Clerk called the next bill, H.R. 7302, to authorize the Postmaster General to receive, operate, and to maintain for official purposes motor vehicles seized for violation of the customs laws.

The SPEAKER. Is there objection?

Mr. BLANTON. Mr. Speaker, I reserve the right to object. This is the bill that the Chairman of the Committee on Appropriations [Mr. BUCHANAN] made a speech against on the last consent day. He thinks it would set a very bad policy and would eventually cost the Government a vast sum of money. We have never allowed the Post Office Department the privilege of using passenger-carrying cars, and that is what this bill authorizes. Because of the objections of the gentleman from Texas [Mr. BUCHANAN], I object. We need two other objectors to kill it.

Mr. HOEPEL. I object.

Mr. ELTSE of California. I object.

ANNOUNCEMENT OF LOTTERY WINNERS

The Clerk called the next bill, H.R. 7023, to amend section 213, United States Penal Code, as amended.

The SPEAKER pro tempore (Mr. PATMAN). Is there objection?

Mr. TRUAX. Mr. Speaker, I reserve the right to object.

Mr. ELTSE of California. Mr. Speaker, I object.

The SPEAKER pro tempore. This requires three objectors. [After a pause.] Not a sufficient number have objected, and the Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the prohibitions contained in section 213 of the United States Penal Code, as amended, shall not apply to a newspaper which does not more than announce the names of the winners, or the list of prizes, in a lottery or drawing conducted by a local church, civic, charitable, or fraternal organization, or by the local chapter, lodge, or other like unit of any such organization which is not itself local in character.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ADDITIONAL FEE FOR DELIVERY OF REGISTERED MAIL

The Clerk called the next bill, H.R. 7301, to authorize the Postmaster General to charge an additional fee for effecting delivery of domestic registered, insured, or collect-on-delivery mail, the delivery of which is restricted to the addressee only, or to the addressee or order.

The SPEAKER pro tempore. Is there objection?

Mr. TRUAX. Mr. Speaker, I object.

The SPEAKER pro tempore. This requires three objectors.

Mr. MEAD. Will the gentleman reserve his objection?

Mr. BLANTON. Mr. Speaker, I demand the regular order.

The SPEAKER pro tempore. The regular order is, is there objection?

Mr. TRUAX. Mr. Speaker, I object.

The SPEAKER pro tempore. An insufficient number have objected. The Clerk will report the bill.

The Clerk read the bill as follows:

Be it enacted, etc., That the Postmaster General, under such regulations as he may prescribe, is authorized to collect an additional fee of 10 cents for effecting the delivery by carrier or otherwise of domestic registered, insured, or collect-on-delivery mail, the delivery of which is restricted to the addressee only, or to the addressee or order: *Provided,* That no refund shall be made of fees paid for this service unless erroneous delivery of the article or articles was made by the Postal Service.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

PROMOTION TO CHIEF CLERK, RAILWAY MAIL SERVICE

The Clerk called the next bill, H.R. 7343, to remove inequities in the law governing eligibility for promotion to the position of Chief Clerk in the Railway Mail Service.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That that part of section 7 of the act of August 24, 1912 (37 Stat. 556), which comprises section 626 of title 39 of the United States Code, be amended to read as follows: "Clerks in the highest grade in their respective lines or other assignments shall be eligible for promotion to positions of clerks in charge in said lines or corresponding position in other assignments, and clerks assigned as assistant chief clerks and clerks in grade 6, or higher rank, in their respective divisions, shall, after 1 year of continuous service in such capacity, be eligible for promotion to positions of chief clerks in said division for satisfactory, efficient, and faithful service, under such regulations as the Postmaster General shall prescribe."

With the following committee amendment:

Page 1, lines 8 and 9, strike out "position in other assignments;" and insert in lieu thereof "positions in other assignments."

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, and a motion to reconsider laid on the table.

TO DISCONTINUE FURLOUGHS IN THE POSTAL SERVICE

The Clerk called the next bill, H.R. 9046, to discontinue administrative furloughs in the Postal Service.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Mr. Speaker, I ask unanimous consent that the bill be passed over with prejudice.

The SPEAKER pro tempore. Is there objection?

Mr. TRUAX. Mr. Speaker, I object to that request.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That such provisions of section 9 (a) of the Independent Offices Appropriation Act, 1934, as relate to rotative furloughs, and such provisions as continued and amended for the fiscal year 1935, shall not apply to the Postal Service.

Sec. 2. The number of employees in any branch of the Postal Service shall not be reduced, by reason of the discontinuance of any authority for granting furloughs, below the number as shown on the pay rolls of employees in service during the month of January 1934, after deducting the number who have been removed from the pay rolls after the effective date of this act by reason of death, normal retirements, or resignation, but not more in any one year than 5 percent of said number in service during January 1934; nor shall any employee in such service be deprived of employment such as he had during said month of January or be in worse position with respect to his compensation for such employment, by reason of any action taken pursuant to the authority conferred by other provisions of law.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

RESPONSIBILITY OF MAIL CONTRACTORS

The Clerk called the next bill, H.R. 7299, to authorize the Post Office Department to hold contractors responsible in

damages for the loss, rifling, damage, wrong delivery, depreciation upon, or other mistreatment of mail matter due to fault or negligence of the contractor or an agent or employee thereof.

The SPEAKER pro tempore. Is there objection?

Mr. ELTSE of California. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice?

The SPEAKER pro tempore. Is there objection?

Mr. MEAD. I object to that request.

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

Mr. ELTSE of California. Mr. Speaker, I object.

RESPONSIBILITY OF RAILROAD COMPANIES CARRYING MAIL

The Clerk called the next bill, H.R. 7392, to authorize the Post Office Department to hold railroad companies responsible in damages for the loss, rifling, damage, wrong delivery, depreciation upon, or other mistreatment of mail matter due to fault or negligence of the railroad company or an agent or employee thereof.

The SPEAKER pro tempore. Is there objection?

Mr. MEAD. Mr. Speaker, I ask unanimous consent that the bill go over without prejudice, because the committee desires to have further hearings before we ask for its consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. WOLCOTT. Mr. Speaker, I reserve the right to object. H.R. 7392, this bill, is similar to H.R. 7299, which the gentleman from New York just let go over without prejudice.

Mr. MEAD. There is a difference in the two bills. The bill H.R. 7299 pertains to star-route contractors and mail-messenger contractors, such contractors as handle mail matter only. This bill under consideration, H.R. 7392, affects railroads, whose principal business is other than that of carrying the mail. The committee decided it would be well to give a hearing on this bill because of certain amendments suggested to the committee after the bill had been reported. With a desire to perfect the bill, I ask that it be temporarily set aside.

Mr. WOLCOTT. Mr. Speaker, on our last consent day there was a bill which appeared on the calendar as Calendar 182, which was along that same line. I call the committee's attention to the fact that Calendar 197, H.R. 7299, in my opinion, embraces the same subject matter as the bills on Calendar 182, and also 198.

I do not like to see a situation created where we are going to take up these bills separately, and for the reason that No. 197 has been objected to and because I desire to consider No. 198 with that, I will have to object to the gentleman's request to pass the bill over.

Mr. ELTSE of California. Will the gentleman reserve his objection?

Mr. WOLCOTT. I reserve the right to object.

Mr. ELTSE of California. I should like to say to the gentleman from New York that I was going to ask some questions under reservation of objection a moment ago, but I was forced to the position of objecting.

Mr. MEAD. I would have been glad to answer the gentleman, but the regular order was called for.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. MEAD]?

Mr. WOLCOTT. I object.

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

Mr. WOLCOTT. I object.

STOCK OWNERSHIP BY DIRECTORS OF MEMBER BANKS OF FEDERAL RESERVE SYSTEM

The Clerk called the next bill, S. 2601, to amend section 31 of the Banking Act of 1933 with respect to stock ownership by directors of member banks of the Federal Reserve System.

Mr. TRUAX, Mr. ZIONCHECK, and Mr. HOEPEL objected.

INTERNATIONAL TECHNICAL COMMITTEE OF AERIAL LEGAL EXPERTS

The Clerk called the next business, Senate Joint Resolution 83, amending Public Resolution No. 118, Seventy-first Congress, Approved February 14, 1931, providing for an annual appropriation to meet the quota of the United States toward the expenses of the International Technical Committee of Aerial Legal Experts.

Mr. TRUAX, Mr. BLANTON, and Mr. ELTSE of California objected.

LONGSHOREMEN'S AND HARBOR WORKERS' COMPENSATION ACT

The Clerk called the next bill, H.R. 8057, to amend the Longshoremen's and Harbor Workers' Compensation Act with respect to rates of compensation, and for other purposes.

Mr. ZIONCHECK. Mr. Speaker, I object.

Mr. O'CONNOR. Will the gentleman reserve his objection?

Mr. ZIONCHECK. I reserve the objection.

Mr. O'CONNOR. I may state that a rule has been granted by the Committee on Rules on this bill, which was unanimously reported by the Judiciary Committee. There are six technical amendments to the workmen's compensation act, all of which have been approved by the Commission and all parties concerned, they having arisen by reason of the experience in administering the act of 1927. I had hoped that we might save time under the rule by passing it unanimously, because there has not been any objection heretofore, as far as I know.

Mr. BLANTON. We will have an opportunity to consider it under the rule, and that gives it a privileged status, and therefore the time ought now to be given to these other bills.

Mr. O'CONNOR. It just takes more time; that is all.

Mr. ZIONCHECK. Mr. Speaker, this is a very technical bill.

Mr. O'CONNOR. I think I can explain it to the gentleman in a few moments.

Mr. ZIONCHECK. I have read the report upon it, and it is right complicated.

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

Mr. ZIONCHECK. Mr. Speaker, for the time being, I object.

LEAVE OF ABSENCE TO HOMESTEADERS ON PUBLIC DOMAIN

The Clerk called the next bill, S. 2568, granting a leave of absence to settlers of homestead lands during the years 1932, 1933, and 1934.

Mr. TRUAX. Reserving the right to object, is the author of this bill present?

Mr. DEROUEN. I am not the author of the bill, because this is a Senate bill. It passed the Senate and came to the Committee on Public Lands and that committee considered the bill and made a unanimous report.

Mr. TRUAX. I simply wanted a short explanation of the bill.

Mr. DEROUEN. This is a relief measure for homesteaders who have been unable to comply with the law, and in order to give them more time within which to comply with the law so that their homesteads will not be contested, this bill is required.

Mr. TRUAX. What is the compliance which the gentleman mentions?

Mr. DEROUEN. I have in mind further improvements, continuous residence on the location where they have located, and such things. It is purely an emergency measure to grant relief to those settlers in the Northwest.

Mr. TRUAX. And it involves no appropriation?

Mr. DEROUEN. Not a cent.

Mr. TRUAX. I withdraw my reservation of objection.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That any homestead settler or entryman who, during the calendar years 1932 or 1933, found it necessary, or during 1934 should find it necessary, because of economic conditions, to leave his homestead to seek employment in order to

obtain the necessaries of life for himself and/or family or to provide for the education of his children, may, upon filing with the register of the district of his affidavit, supported by corroborating affidavits of two disinterested persons, showing the necessity of such absence, be excused from compliance with the requirements of the homestead laws as to residence, cultivation, improvements, expenditures, or payment of purchase money, as the case may be, during all or any part of the calendar years 1932, 1933, and 1934, and said entries shall not be open to contest or protest because of failure to comply with such requirements during such absence; except that the time of such absence shall not be deducted from the actual residence required by law, but a period equal to such absence shall be added to the statutory life of the entry: *Provided,* That any entryman holding an unperfected entry on ceded Indian lands may be excused from the requirements of residence upon the conditions provided herein, but shall not be entitled to extension of time for the payment of any installment of the purchase price of the land except upon payment of interest, in advance, at the rate of 4 percent per annum on the principal of any unpaid purchase price from the date when such payment or payments became due to and inclusive of the date of the expiration of the period of relief granted hereunder.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS OHIO RIVER NEAR SHAWNEETOWN, GALLATIN COUNTY, ILL.

The Clerk called the next bill, H.R. 8908, to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Shawneetown, Gallatin County, Ill., and a point opposite thereto in Union County, Ky.

Mr. ELTSE of California and Mr. ZIONCHECK objected.

Mr. DIES. Will the gentlemen reserve the objection? I want to propound a question as to the policy in regard to these bills to extend the time for building bridges. The gentlemen objected to my bill, no. 4870, the first bill on the calendar. I should like some explanation as to just what is the policy of these objectors.

Mr. ZIONCHECK. There is a bill later on the calendar authorizing a bridge to be built in the city of Port Arthur, in the gentleman's particular case. The first bill that was objected to was for a private concern to put in a toll bridge. There was objection by the Department of Agriculture. It is a matter of policy that if a municipality wants to go through with a bridge, we will grant that permission to the municipality and will not grant it to the private company.

Mr. DIES. I understand you are objecting to these private concerns' undertaking to operate toll bridges?

Mr. ZIONCHECK. Yes. If a municipality does not ask for it and no bridge is going to be put in, then we make no objection.

Mr. ELTSE of California. With respect to this particular bill, there was one passed last week authorizing the municipality to build this particular bridge.

Mr. ZIONCHECK. That is correct.

The SPEAKER pro tempore. Three objections are required.

Mr. WOLCOTT, Mr. ZIONCHECK, and Mr. ELTSE of California objected.

UNITED STATES MERCHANT MARINE

The Clerk called the next resolution, House Joint Resolution 282, requiring 50 percent of the cargo imported and exported under trade agreements between the United States and foreign nations to be carried in vessels of the United States.

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

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

WAGES DUE AMERICAN SEAMEN

The Clerk called the next bill, H.R. 5266, to amend section 4543 (U.S.C., title 46, sec. 605) of the Revised Statutes of the United States.

Mr. BLANTON. Mr. Speaker, the Treasury Department thinks this bill is unnecessary. I object.

Mr. BLAND. Mr. Speaker, will the gentleman withhold his objection for a moment?

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

Mr. TRUAX. Mr. Speaker, to that I object.

Mr. BLANTON. Mr. Speaker, I object to the bill.

POSTAL TREATIES AND CONVENTIONS

The Clerk called the next bill, H.R. 7317, to provide for the final construction, on behalf of the United States, of postal treaties or conventions to which the United States is a party.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 398 of the Revised Statutes (U.S.C., title 5, sec. 372), is hereby amended to read as follows:

"For the purpose of making better postal arrangements with foreign countries, or to counteract their adverse measures affecting our postal intercourse with them, the Postmaster General, by and with the advice and consent of the President, may negotiate and conclude postal treaties or conventions, and may reduce or increase the rates of postage or other charges on mail matter conveyed between the United States and foreign countries: *Provided*, That the decisions of the Postmaster General construing or interpreting the provisions of any treaty or convention negotiated and concluded hereunder shall, if approved by the President, be final and conclusive upon all officers of the United States."

With the following committee amendments:

Page 2, line 4, after the word "convention", insert the words "which has been or may be"; and after the words "concluded", on page 2, line 5, strike out the word "hereunder."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF STAR ROUTES

The Clerk called the next bill, H.R. 7212, to remove the limitation upon the extension of star routes.

Mr. TRUAX. Mr. Speaker, reserving the right to object, does this bill eliminate competitive bidding in the extension of these routes?

Mr. MEAD. No, I may say to the gentleman; it prescribes the same rate on extensions as is allowed in the original contract. The law we are seeking to amend is the law which was in operation when horse-drawn vehicles carried the mail on star routes. With the advent of the automobile the Department has been hampered in the matter of extensions; in many cases where they could grant an extension of 30 or 40 miles without injury to the contractor, and with his consent, they could not do so because of existing law.

Mr. TRUAX. It is not done under competitive bidding, is it?

Mr. MEAD. Oh, yes; the original route is secured in all cases as a result of competitive bidding.

Mr. TRUAX. Does that apply to the terms of the pending bill?

Mr. MEAD. It is placed under competitive bidding in the first instance. When an extension is granted on a route, the rate may not exceed the rate agreed to in the original bid, and new bids are secured every 4 years on every star route, including all extensions.

Mr. TRUAX. The reason I make the inquiry of the gentleman is because of the fact we have gone on record as a party as strongly advocating competitive bidding in the matter of all mail-carrying contracts. I notice that the report states:

With reference to your informal request for report on bills enumerated below, I have to advise that the Department recommends their enactment.

Now, there is something left out.

Mr. MEAD. That which is left out pertains to other bills. Only this bill is mentioned in this report.

Mr. TRUAX. The gentleman gives his assurance that it does not eliminate competitive bidding.

Mr. MEAD. It does not eliminate competitive bidding. It does for the star routes just what we did for the air mail. We insist upon competitive bidding in the first instance, and insofar as limited and needed extensions are concerned, we give them the same rate for extensions as was contained

in the original contracts which the carriers received as a result of competitive bidding.

Mr. TRUAX. The gentleman will say that this bill is in no way comparable with the extension contracts that were let by Postmaster General Brown when he let a contract for 60 miles and then extended it clear across the continent?

Mr. MEAD. I say that emphatically.

Mr. TRUAX. This bill will not do that?

Mr. MEAD. No. All star routes are advertised every 4 years and awarded to the lowest responsible bidder.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, I may say to the gentleman that I have not been completely convinced that this is a good bill.

Under the terms of existing law the original route can be extended 25 miles beyond its terminus. In this bill there is absolutely no limitation whatsoever. Now, there is nothing under the sun in this bill which would prevent the Postmaster General from letting a contract under competitive bids, we will say, for the first 30 miles outside of a city, and then extending that star route all over the State, or all over the Territory.

I shall have no objection to the bill if some limitation is placed in it; but, for the life of me, I can not see why, if the Postmaster General did not want to let these contracts without competitive bidding, he did not insist that the 25-mile limitation stay in the bill.

Mr. MEAD. Of course, there is a possibility under certain circumstances of a Postmaster General abusing an authority such as is contained in this act, but the law requires that only in cases where the service can be improved, and where the star-route contractor can perform the service at the pro rata base pay included in his original contract that extensions may be granted. In many instances the Department has been desirous of extending service, but because of the limitation of 25 miles contained in the present law it has been hampered. This is particularly so since the advent of motor vehicles.

Mr. WOLCOTT. I call the gentleman's attention to the fact that in those cases where new star routes are created, where there are extensions of existing service, the Postmaster General has it within his power at the present time to grant temporary contracts.

With that power there should be no curtailment of this service which he wants to give under the act, but I think it is bad legislation to remove all restrictions whatsoever on these star routes and create a situation whereby the Postmaster General may virtually award star-route contracts without competitive bids. This is what it amounts to. If a star route is, we will say, 30 miles in length, and it is deemed necessary to extend the service into a territory a hundred miles beyond that, there is nothing in this bill which prohibits the Post Office Department from granting an extension of a thousand miles if it see fit on the basis of the original contract.

I have no particular objection to the bill if there is some limitation placed. I wonder if we cannot pass the bill over without prejudice for the moment, and possibly we can get together on a reasonable limitation.

Mr. MEAD. I may say to the gentleman that I am not particularly determined on the language in the bill, but while we are discussing the subject may I say that the Post Office Department has within the last year or two readvertised for bids in one half of the United States. Competition has been so keen, due to the large number of people out of work, that contracts have been awarded at a lower price than that for which the service can be maintained. I should like to see this form of bidding eliminated, because it is cut-throat competition of the worst order. Many of these men will eventually have to turn in their contracts.

Mr. WOLCOTT. In that connection may I say that in all of these bids there is a provision that the contract shall be let to the lowest responsible bidder. The Post Office Department has always taken the attitude that the lowest responsible bidder is the lowest bidder who can obtain a bond to carry the mail under the terms of his bid. It is now within the discretion of the Postmaster General to interpret that

language in the bid in order to prevent injustices such as these by people who bid away below what they should bid. He can protect the individuals under a proper interpretation of this phraseology which would require him to give the contract to the lowest responsible bidder. Having that in mind, I cannot see what benefit there is to this legislation, or what the purpose of the legislation is, unless it is to remove the limitation upon the awarding of these contracts.

Mr. BLANCHARD. Will the gentleman yield.

Mr. MEAD. I yield to the gentleman from Wisconsin.

Mr. BLANCHARD. In connection with competitive bidding concerning star routes and delivery service within small cities and post office to depot and back again, we have permitted under this system the very thing that the Government of the United States has condemned in private business.

Mr. MAY. May I say that I have a half dozen complaints from rural carriers in my district where the Government has accepted bids from them because they could furnish the bond required by the advertisement. They are now under the higher rates of wages that have been established in industry and the additional cost of living that applies to every one of them. They are less able to carry the mail today at these contracts than they were then.

Mr. MEAD. There is no doubt about the gentleman's statement, and this service will break down in some instances unless these men are permitted to turn in their contracts, because just as soon as the cost of living increases they will be carrying the mail at a loss.

Mr. MAY. They are already doing that.

Mr. MEAD. They will be carrying the mail at a loss in many cases on contracts which were awarded within the last year or two.

Mr. MAY. Does this bill take care of that situation?

Mr. MEAD. No; this bill does not take care of that situation. It only pertains to extensions of existing star-route contracts.

The regular order was demanded.

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

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

UNPAID MAIL MATTER

The Clerk called the next bill, H.R. 7348, to amend section 3937 of the Revised Statutes.

Mr. ELTSE of California. Reserving the right to object, I may say to the gentleman from Pennsylvania that I have a situation in my district wherein this bill would work a hardship. I have no fundamental objection to the principle of the bill. May I ask the gentleman if he would be willing to have an amendment made in order to cover the situation?

Mr. TRUAX. Will the gentleman yield?

Mr. ELTSE of California. I yield to the gentleman from Ohio.

Mr. TRUAX. What was the first statement that the gentleman made in reference to the bill?

Mr. ELTSE of California. I have no objection to the fundamental principle of the bill, and I was asking the author of the bill if he would not consent to an amendment which would take care of a condition which prevails in my district wherein there are two adjoining cities and the post offices are more than 3 miles apart.

May I call the attention of the gentleman to the fact that the language beginning at the top of page 2 is somewhat ambiguous, where it is stated, "in large cities and adjacent districts of dense population, having two or more post offices", and then the bill goes on and states that drop letters shall be delivered at the post office in such cities or adjacent districts. Letters delivered in the post offices or between post offices in a large city, even though they are 3 miles apart or more, are delivered at the drop-letter rate anyway; so I do not see the significance of the language "in large cities." I would suggest that the bill be amended in that regard.

Mr. HAINES. As I understand it, the gentleman has an amendment he would like to submit?

Mr. ELTSE of California. Yes.

Mr. HAINES. With the approval of the committee chairman, I should be glad to listen to the amendment.

Mr. ELTSE of California. I have an amendment in mind that in lieu of the use of the word "large", in line 1 at the top of page 2, the word "adjoining" be inserted. Then I have some subsequent minor amendments which would make necessary changes.

Mr. MEAD. If it will meet with the gentleman's approval, why can we not pass the bill over without prejudice until he has the amendments ready to submit?

Mr. ELTSE of California. I have the amendments ready at this time.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 3937 of the Revised Statutes (39 U.S.C. 407) is hereby amended to read as follows:

"All domestic letters deposited in any post office for mailing, on which the postage is wholly unpaid or paid less than one full rate as required by law, except letters lawfully free, and duly certified letters of soldiers, sailors, and marines in the service of the United States, shall be sent by the postmaster to the dead-letter office in Washington, or to a post office designated by the Postmaster General, to be treated in the same manner as other undelivered letters. But in large cities and adjacent districts of dense population, having two or more post offices within a distance of 3 miles of each other, any letter mailed at one of such offices and addressed to a locality within the delivery of another of such offices, which shall have been inadvertently prepaid at the drop or local letter rate of postage only, may be forwarded to its destination through the proper office, charged with the amount of the deficient postage, to be collected on delivery."

Mr. ELTSE of California. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ELTSE of California: On page 2, line 1, strike out the word "large" and insert the word "adjoining"; and after the word "and" insert the words "in those"; and in line 2, after the word "population", strike out the comma; and in line 4, after the word "such", insert the words "cities and/or"; and after the word "to" insert the following: "an adjoining city or to."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE OF LETTERS BY PRIVATE HANDS

The Clerk called the next bill, H.R. 7670, relating to conveyance of letters by private hands without compensation, or by special messenger employed for the particular occasion only.

Mr. TRUAX and Mr. WADSWORTH rose.

Mr. TRUAX. Mr. Speaker, as I understand, this bill is intended to stop the practice that public utility companies have of delivering their charge accounts by messenger instead of using the mails.

Mr. DOBBINS. Let me say to the gentleman from Ohio that, while I should like to see the measure accomplish that, it does not go so far as that. It only prohibits the employment of special messengers or special messenger service to compete with the Post Office Department.

Mr. TRUAX. Is it not designed for that purpose?

Mr. DOBBINS. It is designed to prevent inroads on the monopoly of the Post Office Department in the carrying of the mail.

Mr. TRUAX. In other words, it is designed to make the Power Trust, which is strangling the people out of thousands and thousands of dollars, pay the Post Office Department for the carrying of such bills and other matters.

Mr. DOBBINS. No; I can hardly say it goes so far as that. It permits one to deliver letters by its own employees but does not permit a competing agency to be set up for delivering letters for other people.

Mr. TRUAX. I withdraw my objection.

Mr. ZIONCHECK. Would the gentleman have any objection to having the bill passed over without prejudice, so

that amendments may be prepared to prevent such employment?

Mr. DOBBINS. The objection to passing this over for the purpose of amending it and prohibiting people from delivering these letters by their own employees would be that it would bring in a controversial amendment, and, as far as this bill goes, I do not think there should be any controversy over it at all. There came to my attention only this morning an instance where one great chain-store organization, by the employment of private delivery agencies, has been evading the law that is designed to give the Post Office Department a monopoly over the mails to the extent that just the evasions of this one corporation alone have deprived the Government of some \$900,000 in revenue.

Mr. WADSWORTH. Mr. Speaker, reserving the right to object, may I ask the author of the bill or the chairman of the committee if the situation which this bill is intended to correct has not grown up and reached important or acute proportions since the imposition of the 3-cent postage rate?

Mr. DOBBINS. I think that has caused a great deal of the abuse, and it will continue even if the postage rate is put back to 2 cents, because in certain cases the service can be carried on at a profit at a rate of 2 cents, and they reach out and compete with the Post Office Department only in cases where they can transact this business at a profit naturally.

Mr. WADSWORTH. As I understand, under this bill no person in the United States may employ another person to deliver more than five letters by hand.

Mr. DOBBINS. Yes.

Mr. WADSWORTH. And if a private person, entirely divorced from a utilities group, wanted to send out 12 invitations to friends of his in an adjoining city and have them delivered by hand by somebody whom he employs for that purpose, he may not do it.

Mr. DOBBINS. Yes; the limit is 5. I think this limit could very well be raised to 25 without interfering with the purpose of the bill. We discussed this in committee, and I do not believe there would be any objection to raising it to 25, because that would be only a 75-cent enterprise. The idea is to strike against the growing conditions we have of private delivery agencies growing up which will soon be vested interests and will insist upon their right to continue this practice.

Mr. WADSWORTH. In my opinion, this situation would not have arisen if it had not been for the 3-cent postage rate, and if we put the rate back to 2 cents, this practice will disappear.

Mr. DOBBINS. No; this one instance I have spoken of goes back over a period of 6 or 7 years and back to the time when the letter rate was 2 cents, and they have computed the evasions as amounting to \$900,000. The matter is now before a grand jury for consideration.

Mr. WADSWORTH. Will the gentleman himself offer an amendment providing for 25 instead of 5?

Mr. BLANTON. It ought to be 50. Will the gentleman yield?

Mr. DOBBINS. Yes.

Mr. BLANTON. In answer to the gentleman from New York [Mr. WADSWORTH], to keep the record entirely straight, it must be remembered that it was the high-hatted Postmaster General Brown who put the 3-cent rate into effect and we have not been able to get rid of it since. We have been working very hard and zealously trying to get it back to 2 cents.

Mr. WADSWORTH. I shall not designate the majority here by any adjective, but it is my recollection that the majority declined to support a motion made on this side of the aisle at this session to reduce the postage rate to 2 cents.

Mr. BLANTON. We have a bill passed now to reduce it to 2 cents after a certain length of time. We are trying to get rid of the vicious 3-cent system that was brought about by the gentleman's Postmaster General.

The SPEAKER pro tempore. Is there objection?

Mr. MAY. Reserving the right to object, I understood it was agreed that there would be an amendment offered.

Mr. DOBBINS. We will offer an amendment raising it from 5 to 25.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 186 of the act of March 4, 1909 (35 Stat. 1124) (U.S.C., title 18, sec. 309), is hereby amended to read as follows:

"Nothing in this chapter shall be construed to prohibit the conveyance or transmission of letters or packets by private hands without compensation, or by special messenger employed for the particular occasion only: *Provided*, That whenever more than five such letters or packets are conveyed or transmitted by such special messenger, the requirements of section 3933 of the Revised Statutes (U.S.C., title 39, sec. 500) shall be observed as to each piece."

Mr. DOBBINS. Mr. Speaker, I offer the following committee amendment.

The Clerk read as follows:

Page 2, line 2, change the word "five" to "twenty-five."

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, and a motion to reconsider was laid on the table.

REMOVING LIMITATION UPON EXTENSION OF STAR ROUTES

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent to return to Calendar No. 226, H.R. 7212, to remove the limitation upon the extension of star routes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

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

Mr. WOLCOTT. Reserving the right to object, I believe the chairman of the committee and myself have come to an understanding that the extension of this service by the Postmaster General without new bids shall be limited to 50 miles. If the committee will accept that, I will withdraw my reservation.

Mr. MEAD. The committee will be very glad to accept it, because it is a very liberal extension of that they already enjoy.

The Clerk read the bill, as follows:

Be it enacted, etc., That the last paragraph of section 1 of the act entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1912, and for other purposes", approved March 4, 1911 (36 Stat. 1327; U.S.C., title 39, sec. 442), is amended to read as follows:

"The Postmaster General may, in cases where the mail service would be thereby improved, extend service on a mail route under contract, at not exceeding pro rata additional pay."

Mr. WOLCOTT. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Page 1, line 12, after the word "pay", strike out the period, insert a comma, and add the following: "*Provided*, That such extension shall not exceed 50 miles of traveled service route."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MENOMINEE INDIAN RESERVATION, WIS.

The Clerk called the next bill on the calendar, H.R. 7759, to amend the law relating to timber operations on the Menominee Indian Reservation in Wisconsin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act approved March 28, 1908 (35 Stat.L. 51), entitled "An act to authorize the cutting of timber, the manufacture and sale of lumber, and the preservation of the forests on the Menominee Indian Reservation in the State of Wisconsin", be, and is hereby, amended to provide that the Secretary of the Interior, insofar as practicable, shall at all times employ none but Menominee Indians upon said reservation in forest protection, logging, driving, sawing, and manufacturing into lumber for the market such timber.

Sec. 2. Section 4 of the act approved March 28, 1908 (35 Stat.L. 51), entitled "An act to authorize the cutting of timber, the manufacture and sale of lumber, and the preservation of the forests on the Menominee Indian Reservation in the State of Wisconsin", be, and is hereby, amended by adding at the end thereof the sentence: "The Secretary of the Interior shall at the end of each fiscal year ascertain and fix the fair market stumpage value of the fully

matured and ripened green timber cut on said reservation during the fiscal year and shall during the succeeding fiscal year pay said amount in equal shares to each member of the Menominee Tribe of Indians, living and on the tribal rolls, on the last day of said fiscal year.

With the following committee amendments:

Page 1, after the enacting clause, strike out all of section 1 comprised in lines 3, 4, 5, 6, 7, 8, 9, 10, and 11.

Page 2, strike out "Sec. 2" and in lieu thereof insert "That."

Page 2, line 6, after the word "following", insert a colon and strike out "sentence."

Page 2, line 13, substitute a colon for the period following the word "year" and add the following: "Provided, That said amount so distributed during any fiscal year shall not exceed the amount actually earned from timber operations on said reservation during the previous fiscal year."

"The expenditures proposed for the purposes specified herein shall be submitted to the tribal council, or its authorized business committee, for its advance review and approval."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS GRAND CALUMET RIVER, GARY, IND.

The Clerk called the next bill, H.R. 9064, granting the consent of Congress to the State of Indiana to construct, maintain, and operate a free highway bridge across the Grand Calumet River at or near a point suitable to the interests of navigation, east of Clark Street, in Gary, Ind.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State of Indiana to construct, maintain, and operate a free highway bridge and approaches thereto across the Grand Calumet River, at a point suitable to the interests of navigation, at or near a point east of Clark Street, Gary, Ind., in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906.

Sec. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

The title was amended to read: "A bill granting the consent of Congress to the State of Indiana to construct, maintain, and operate a free highway bridge across the Grand Calumet River near Clark Street, in Gary, Ind."

MILK INVESTIGATION

The Clerk called the next business, House Concurrent Resolution 32, authorizing and directing the Federal Trade Commission to investigate conditions with respect to the sale and distribution of milk and other dairy products in the United States.

Mr. COCHRAN of Missouri. Mr. Speaker, I reserve the right to object to ask the author of the resolution how he expects the Federal Trade Commission to make an investigation of this character without providing some funds for the Trade Commission to carry on the work?

Mr. SISSON. Mr. Speaker, I am not the author of the resolution, but I am familiar with it. The Federal Trade Commission has been consulted regarding the resolution and is favorable to its passage. The Budget Director also is favorable. There probably will be some small appropriation required. The resolution cannot carry an appropriation at this time.

Mr. COCHRAN of Missouri. The resolution could carry an authorization. There must be an authorization before an appropriation can be granted. Otherwise it would be subject to the point of order.

Mr. SISSON. That is correct.

Mr. COCHRAN of Missouri. There should be some kind of an authorization in this resolution. I am not fully enough informed upon the subject to warrant my commenting upon the merits of the resolution, but I call attention to the fact that there is no authorization in the resolution. If the resolution were passed in its present form, there would have to be another resolution passed with an authorization before an appropriation could be granted. I think an authorization should be provided in this resolution in the way of an amendment.

Mr. MAY. Mr. Speaker, will the gentleman yield?
Mr. COCHRAN of Missouri. Yes.

Mr. MAY. Why cannot the Federal Trade Commission, under appropriations made generally for an investigation of unfair trade practices, go on and make the investigation without an authorization?

Mr. COCHRAN of Missouri. If the gentleman will read the hearings before the Committee on Appropriations, he will find that the Federal Trade Commission has been piled up with work by the body at the other end of the Capitol and it is short of funds now. It cannot carry on as it is. If you want an investigation you must provide funds for that purpose.

Mr. ELTSE of California. Mr. Speaker, I reserve the right to object to state that last week I objected to the consideration of this bill for the reason that there were certain gentlemen on the Republican side of the aisle who wanted time to look into the matter further. I have no further objection to the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the resolution?

There was no objection.

The Clerk read the resolution, as follows:

House Concurrent Resolution 32

Whereas an audit made by the Agricultural Adjustment Administration has revealed that distributors in four of the largest milksheds in the United States, for the 5 years ended December 31, 1933, made a net profit of 25.71 percent on their net plant investment; and

Whereas this audit shows the net profits of distributors in each of the milksheds for the 5-year period to be: Philadelphia (distributors handling 85 percent of volume), 30.76 percent; Boston (distributors handling 75 percent of volume), 22.45 percent; St. Louis (distributors handling 67 percent of volume), 14.64 percent; and Chicago (distributors handling 90 percent of volume), 25.84 percent; and

Whereas during this same 5-year period the wholesale price of milk sold by farmers declined 50 percent, resulting in severe hardships and suffering to milk producers throughout the United States and strikes and violence in many rural and metropolitan centers; and

Whereas the aforesaid audit by the Agricultural Adjustment Administration has revealed net profits of milk distributors which tends to establish that similar conditions exist in other milksheds throughout the United States; and

Whereas an investigation in the District of Columbia, pursuant to S.Res. 76, Seventy-third Congress, first session, revealed testimony which abundantly sustains the contention that over a period of years large milk distributors have attempted to create a monopoly in the District of Columbia, and largely as a result of these efforts farmers producing milk for the District of Columbia milkshed have received low returns for their product and have been placed at a serious disadvantage; and

Whereas the testimony adduced at hearings in the aforesaid investigation in the District of Columbia tends to prove that similar monopolistic efforts likewise exist in other milksheds in the United States; and

Whereas there is reason to believe that there exists a close tie between certain leaders of milk producers' cooperatives and milk distributors, which tie is unbeknown to milk producers and detrimental to their interests; and

Whereas the continuation of the practices now engaged in by milk distributors and certain leaders of milk cooperatives seriously endangers the efforts of the Agricultural Adjustment Administration and of the several States to alleviate and remedy the distress now wide-spread among dairy farmers in the United States, which distress if permitted to continue will result in the destruction of the already sorely pressed agricultural industry: Therefore be it

Resolved by the House of Representatives (the Senate concurring). That the Federal Trade Commission is authorized and directed to investigate conditions with respect to the sale and distribution of milk and other dairy products within the territorial limits of the United States by any person, partnership, association, cooperative, or corporation, with a view to determining particularly whether any such person, partnership, association, cooperative, or corporation is operating within any milkshed of the United States in such a manner as to substantially lessen competition or to tend to create a monopoly in the sale or distribution of such dairy products, or is a party to any conspiracy in restraint of trade or commerce in any such dairy products, or is in any way monopolizing or attempting to monopolize such trade or commerce within the United States or any part thereof, or is using any unfair method of competition in connection with the sale or distribution of any such dairy products, or is in any way operating to depress the price of milk sold by producers. The Federal Trade Commission shall report to the House of Representatives as soon as practicable the result of its investigations, together with its recommendations, if any, for necessary remedial legislation.

Mr. ZIONCHECK. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. ZIONCHECK: At the end of the resolution add the following:

"There is hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, the sum of \$60,000 for the purposes of this resolution."

Mr. ELTSE of California. Mr. Speaker, I call the attention of the gentleman from Washington to the fact that the report says that \$125,000 will be necessary.

Mr. ZIONCHECK. I have put it at just one half of that.

Mr. BLANCHARD. Mr. Speaker, I move to strike out the last word for the purpose of asking the gentleman from New York [Mr. Sisson] if he has any definite knowledge of the amount that is necessary to conduct this investigation properly.

Mr. SISSON. I am advised by some of the officials of the Federal Trade Commission and also the Department of Agriculture who would be called upon to assist in this investigation, that what they regard as an adequate investigation could probably be carried on for \$50,000 or \$60,000.

Mr. BLANCHARD. I think \$60,000 is probably too high. The Department of Agriculture, through the A.A.A., has already conducted come investigations on this subject, and of course, all that information will be available to the Federal Trade Commission. An authorization of \$60,000 does not necessarily mean that the Appropriations Committee must abide by that amount. I think \$60,000 is probably too high.

Mr. KVALE. Will the gentleman yield?

Mr. BLANCHARD. I yield.

Mr. KVALE. The estimated expenditures required were set at \$125,000 by some of the agencies, and this amendment proposes to compromise by cutting that in half. That is a rather severe compromise, as it is.

Mr. BLANTON. It still leaves some discretion in the Committee on Appropriations.

Mr. SISSON. Will the gentleman yield?

Mr. BLANCHARD. I yield.

Mr. SISSON. I will say to the gentleman that the A.A.A. has made some investigations, but there are certain of the large distributors who have refused up to the present time to open their books, and no audit has been made of their books or of their profits or of the cost of distribution, for example, with respect to the New York milk shed or the New York City market, and I assume that same condition obtains in other parts of the country, although I am not informed. While perhaps the \$60,000 may not all be expended, I think to be on the safe side, because this is one of the most important investigations that could be made, we should have \$60,000.

Mr. BLANCHARD. I shall not oppose the \$60,000, but I simply rose for the purpose of calling attention to the Appropriations Committee that they should go into the matter thoroughly and give an ample amount. I think we should settle this question once and for all with reference to inordinate profits made by some of these distributors and the conditions of the various milksheds. I am for the bill. Likewise, I am for an adequate amount so that an investigation may be properly conducted.

Mr. BLANTON. Mr. Speaker, I rise in opposition to the pro forma amendment.

One of the main sources of inquiry, I take it, is going to disclose just what racketeering there is going on with respect to the milk industry. I understand there is a great deal of it in connection with the large cities. I hope that that feature of it will be fully developed, so that it may disclose just who it is that is racketeering in this industry. Just who is saying, "Pay us so much for the privilege of conducting this business."

Another thing that should be developed is the large salaries that are paid high officials. I want to say, as one Member of Congress, that I hope before this Congress adjourns we will pass a bill—let it be a rider, if necessary, on some appropriation bill—that will require every corporation in the United States to disclose to its stockholders, when they demand it, every salary that they pay their officials. When I go home I am going to make a few speeches in my district, and I am going to recommend to my constituents

that they cease buying a share of stock in any corporation that pays these inordinately large salaries to its officials. It is ridiculous for corporations to list their stocks on the daily market and ask people to buy their stocks when they are paying salaries of \$100,000, \$125,000, \$150,000, \$175,000, and \$200,000 to some individual who does not earn one tenth or one twentieth of the salary paid.

Mr. GLOVER. Will the gentleman yield for a question?

Mr. BLANTON. Certainly, I yield.

Mr. GLOVER. Is it not true also that those big corporations evade a great deal of income tax they should be paying this Government by reason of the fact they pay these excessive salaries and they are taken off of the earnings, and they beat the Government out of that much income tax?

Mr. BLANTON. Certainly. I had a constituent not long ago who happened to own a few shares of stock in one of the big corporations of America. As a stockholder they wrote the company asking them to please give them a list of the salaries paid their officials. The company refused. They said it was none of their business; that that was a personal matter that did not concern the stockholder. When that was brought to my attention as a Member of Congress I wrote them and I called their attention to this correspondence, and I said, "I demand, as a Member of Congress, that you give me a list of the salaries that you pay your officials." They wrote back and said that it was none of the business of Congress, that it was a personal matter. In other words, it is none of the business of Congress to know what big salaries companies like the Radio Corporation of America pay. It is none of the business of the stockholders. I hope the American people before this year is out will stop buying stocks of corporation that will not list the salaries of their officials.

Mr. COLDEN. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. COLDEN. I want to remind the gentleman about the American Tobacco Trust paying more than a million dollars in salaries.

Mr. BLANTON. Oh, it has to be stopped. We are responsible for it. We ought to pass a law that will force publicity and stop it. Whenever you let the American people know about it they will stop it.

Mr. COCHRAN of Missouri. Will the gentleman yield to me? I want to talk about milk.

Mr. BLANTON. I am talking now about these big salaries.

Mr. COCHRAN of Missouri. But this is a milk question we are considering.

Mr. BLANTON. Let me yield first to the gentleman from Minnesota [Mr. CHRISTIANSON].

Mr. CHRISTIANSON. Why does not the gentleman stop it? If you bring in a bill here, I think we could pass that sort of legislation. We will vote for it.

Mr. BLANTON. We are going to try to get a rider on a bill before we adjourn. It must, however, come from the other end of the Capitol.

We cannot put such a rider on a bill here in the House because our rules will not admit of it, but it can be done at the other end of the Capitol. It takes too long to get legislation through here; but if the distinguished ex-Governor of Minnesota will help me at the other end of the Capitol, we will get a rider put on some appropriation bill before we quit. [Applause.]

[Here the gavel fell.]

Mr. TRUAX. Mr. Speaker, I move to strike out the last two words.

Mr. Speaker, I am heartily in accord with all that the gentleman from Texas has said about high salaries. I am somewhat familiar with the practice that has developed this present distressing milk condition in this country.

I note that in the capital city of my State, Columbus, Ohio, the largest distributing concern we had there, the Moores & Ross Milk Co., was absorbed by the Borden Milk Co. some few years ago; and in the year 1932, I think it was, when every farmer in this country lost at least 2 cents a quart on every quart of milk they produced, the Borden milk trust made a net profit of \$20,000,000.

Mr. COCHRAN of Missouri. Mr. Speaker, will the gentleman yield?

Mr. TRUAX. I yield.

Mr. COCHRAN of Missouri. That is just exactly what I wanted to bring out.

Mr. TRUAX. I yield for a question, not for a speech.

Mr. COCHRAN of Missouri. To make it a matter of record, I read in a St. Louis newspaper during this past week that where milk producers received less than 3 cents a quart for milk, it is being sold to consumers in my city for 11 cents a quart. There is the trouble which causes the low prices to the farmers. You must close the gap between the consumer and the producer. Someone is getting too much profit. The farmer is not getting his share.

Mr. TRUAX. The gentleman is right; that is the trouble with the dairy farmer; but the same condition exists with respect to the hog farmer. He gets 3 cents a pound for his hogs, but by the time his hogs get to the market in the shape of pork the butchers receive 17 cents and 20 cents a pound for the choice cuts. The farmer receives 5 cents a pound for fat steers, yet beef is sold in this city as high as 50 cents a pound, and when you go down to the Occidental, the Shoreham, or to Harvey's and pay \$3 for a choice steak, of that sum the farmer gets about 10 cents.

The gentleman says a means must be found to bring the producer and the consumer together. We have tried that for 15 years without success. The remedy lies in the fixing of minimum prices for every farm commodity right on the farm, 10 cents for hogs, 10 cents for cattle, \$1.25 a bushel for wheat, 30 cents a pound for butterfat, 25 cents a dozen for eggs, and so on. This cannot be done by cooperation, as has been demonstrated time and time again; it cannot be done by reducing acreage. Now, Mr. Wallace says he has changed his mind, and we are going to compete with the world on wheat production and that he will probably take off the reduction program. Congress must fix a price scale for everything that is produced on the farm. In addition we must enact the Frazier bill and the McLeod bill, which goes down to the grass roots and places money in the hands of the people.

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

Mr. TRUAX. I yield.

Mr. MAY. In the event prices were fixed as suggested by the gentleman—butterfats at 30 cents, hogs at 10 cents, milk at 10 cents a quart—how much would the working people in the city have to pay for these things?

Mr. TRUAX. Not one penny more than they pay now if you restrict prices fixed by the Food Trust. We can take care of that by fixing maximum prices at the packing houses and the plants of the processors.

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

Mr. TRUAX. I yield.

Mr. DIES. I notice the gentleman overlooked silver in his list of remedies.

Mr. TRUAX. Well, I feel that the Dies silver bill is one of the most important pieces of legislation that could be passed in the interest of the farmer, because it proposes to exchange surplus farm products for silver. This would open up the markets of China and India.

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

Mr. TRUAX. I yield.

Mr. BLANCHARD. Getting back to the investigation of the milk business, will not the gentleman admit that the Secretary of Agriculture has at the present time the power to investigate; and that, by the power to license, the Secretary can prevent excessive profits?

Mr. TRUAX. As I have stated before, the Secretary of Agriculture has entirely too much work on his hands now. With all of his social duties, his speech-making and writing of books, and his religious utterances, I do not see how he gives any attention to his job as Secretary of Agriculture. [Laughter.]

Mrs. GREENWAY. Mr. Speaker, will the gentleman yield?

[Here the gavel fell.]

Mr. TRUAX. Mr. Speaker, I ask unanimous consent to proceed for 1 additional minute.

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

There was no objection.

Mr. TRUAX. I yield to the gentlewoman from Arizona.

Mrs. GREENWAY. Does the gentleman realize that of the consumer's dollar, the dairy producer 2 years ago used to get 52 percent, whereas now he gets but 37 percent, while the distributors' profits have gone up in different cities from 26 percent to something approaching 40 percent?

Mr. TRUAX. The gentlewoman from Arizona is absolutely right; and the only remedy for this distressing condition is to fix farm prices, pass the Dies silver bill, enact the Frazier bill to refinance farmers, and enact the McLeod bill so they can get their money out of these closed banks. [Applause.]

By unanimous consent, the pro forma amendments were withdrawn.

The SPEAKER. The question is on the amendment of the gentleman from Washington.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INTERNATIONAL COUNCIL OF SCIENTIFIC UNIONS

The Clerk called the next bill, H.R. 6781, to authorize appropriations to pay the annual share of the United States as an adhering member of the International Council of Scientific Unions and associated unions.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, may I call the attention of the chairman of the committee to the fact that on page 2 of the bill there is no limitation upon the sum which is annually authorized for the purpose of meeting our annual share after 1935? May I also call attention in this connection to the language on page 2, starting with line 5, where it is stated, after authorizing \$9,000 for the fiscal year ending June 30, 1935, "and annually thereafter such sum as may be necessary for the payment of such annual share"?

It seems to me that this is somewhat inconsistent with the bill which we passed last week which did away with most of these annual authorizations, and I think the Congress should adopt the broad policy of not including in any of its bills authorizations for annual appropriations beyond the present fiscal year. For this reason I am constrained to object, but I may say to the gentleman that I have no objection to the authorization for this year, and if he will consent to an amendment striking out the language which I quoted I shall not object to the bill.

My proposed amendment will strike out this language on page 2 after "1935":

And annually thereafter such sum as may be necessary for the payment of such annual share.

Mr. BLOOM. This authorization is all right for 1935?

Mr. WOLCOTT. This amendment does not touch the appropriation of \$9,000 for this year. The effect of my amendment will be to compel the sponsors of the legislation to come back to us next year and ask for the same authorization and will give us some jurisdiction over the matter.

Mr. BLOOM. I may say to the gentleman that Dr. Herbert D. Curtis, director of the observatory of the University of Michigan, is one of the sponsors of this bill. It comes from all the great educators throughout the country. But if the gentleman insists upon the amendment, which I hope he will not, I will have to agree to it, because I want to get it through. Would the gentleman make his amendment to cover the year 1937 for the time being, so we can be sure of this year and next year?

Mr. WOLCOTT. If we do that, I do not know of any reason then why we should not make it for 1938 and 1939.

Mr. BLOOM. I wish the gentleman would make it 1937.

Mr. WOLCOTT. I may say to the gentleman that I am not in a bargaining mood now.

Mr. BLOOM. I will have to accept the gentleman's amendment if he insists.

Mr. WOLCOTT. I think, in view of the fact that the money will not be needed until some time in June, and a

new Congress will have been in session for a matter of 6 months previous to that time, that it is not necessary to provide for more than the present fiscal year.

Mr. BLOOM. We could not get it through in time.

Mr. WOLCOTT. We are getting this through.

Mr. BLOOM. This has been pending for some time.

Mr. WOLCOTT. This bill was introduced in January 1934.

Mr. BLOOM. I wish the gentleman would bear with me in connection with this matter.

Mr. WOLCOTT. I may say to the gentleman that, as I stated previously, I had no objection to the appropriation of \$9,000 for this year, but I am going to hereafter take the attitude that we should not make these annual authorizations. We have to be consistent. We have either to cut out the annual authorizations or the work we did last week will be of no avail.

Mr. BLOOM. You will kill all the work—

Mr. WOLCOTT. No; I am not going to kill any work.

Mr. GOSS. Could not the gentleman get this in the Budget next year?

Mr. BLOOM. No.

Mr. GOSS. It was the policy of the House last week to cut out all annual appropriations and have the Departments come up and justify their needs each year.

Mr. BLOOM. This is merely for dues. It is not to cover traveling expenses or any other kind of expense. It is merely for the dues of the Government of the United States.

Mr. GOSS. Will not the State Department put this in their budget next year?

Mr. BLOOM. It was lost last year.

Mr. GOSS. Will they not be able to put it in their budget?

Mr. BLOOM. They cannot afford to because it is taken out of their appropriations. The Appropriations Committee will not give it to them.

Mr. WOLCOTT. I will have to insist upon my amendment. If the gentleman will accept it I will not object to the passage of the bill.

Mr. BLOOM. The gentleman might just as well object to the bill in toto.

Mr. WOLCOTT. I, frankly, do not understand what the gentleman means.

Mr. BLOOM. Because the gentleman does not give us a chance. We cannot get this approved next year. We start in January. We will not have the appropriation in time, and then we will be in a worse fix.

Mr. WOLCOTT. I do not understand the gentleman's attitude when he says this amendment will prevent our participating this year. I have no objection to the sum of \$9,000 being appropriated for 1935, but I do object to appropriating money for the fiscal year 1936, if there is any logic to my objection that we should not make these annual authorizations.

Mr. BLOOM. I may say to the gentleman that this means a great deal to the Government. If we do not pass this authorization for \$9,000, it will cost the Government 10 times or a hundred times as much.

Mr. WOLCOTT. I cannot follow the gentleman in his argument.

Mr. BLOOM. I have letters here from Dr. George H. Hale, president of the International Hall of the Scientific Union, Dr. W. W. Campbell, Dr. Walter S. Adams, and from 20 professors of California who want this.

Mr. ELTSE of California. I have not much of a quarrel with the gentleman. May I ask the gentleman from New York why he is asking for \$9,000?

Mr. BLOOM. On account of the difference in exchange.

Mr. ELTSE of California. Will not \$8,000 be adequate?

Mr. BLOOM. If the exchange is changed, \$4,000 might be enough or \$5,000; but if you change the \$9,000 to \$8,000, we cannot get that equivalent of money over there to pay the dues. If it is not necessary, the State Department will not pay it.

Mr. WOLCOTT. I may say to the gentleman that I cannot offer my amendment without withdrawing my reserva-

tion of objection. I have an amendment prepared to strike out the language referred to. I should like the gentleman to agree to the amendment, because we adopted a policy last week of not making any more annual appropriations.

Mr. BLOOM. The gentleman can do whatever he wants.

Mr. WOLCOTT. However, I may say to the gentleman that was not my responsibility, and I do not consider this my responsibility. So I am going to offer my amendment, and if the gentleman accepts it, all right.

Mr. ZIONCHECK. Is the gentleman going to object if the amendment is not accepted?

Mr. WOLCOTT. I shall object unless the amendment is accepted.

Mr. BLOOM. Although there is only one objector and three objections are required, I am willing to accept an amendment to include 1937. I am offering this for the Government, and the one thing they want to go into now is the study of radio. The Government of the United States is asking for this legislation. If the gentleman wants to object, that is his responsibility.

Mr. WOLCOTT. Does the gentleman care to say whether he will accept my amendment or not?

Mr. BLOOM. No; I will not.

Mr. BLANTON. Regular order, Mr. Speaker.

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

Mr. WOLCOTT, Mr. ZIONCHECK, and Mr. GOSS objected.

REGULATION OF SECURITIES EXCHANGES

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 9323) to provide for the regulation of securities exchanges and of over-the-counter markets operating in interstate and foreign commerce and through the mails, to prevent inequitable and unfair practices on such exchanges and markets, and for other purposes, with a Senate amendment, disagree to the Senate amendment, and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas. [After a pause.] The Chair hears none and appoints the following conferees: MESSRS. RAYBURN, HUDDLESTON, LEA of California, COOPER of Ohio, and MAPES.

THE CONSENT CALENDAR

RELIEF FOR DISBURSING OFFICERS OF THE ARMY

The Clerk called the next bill, S. 2046, to provide relief for disbursing officers of the Army in certain cases.

Mr. GOSS. Mr. Speaker, I ask unanimous consent that the bill may go over without prejudice.

Mr. COCHRAN of Missouri. Mr. Speaker, reserving the right to object, I ask unanimous consent to address the House for 2 minutes.

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

There was no objection.

Mr. COCHRAN of Missouri. Mr. Speaker, to read the bill one would judge this is apparently a matter of slight concern, but I rise to say it is a most dangerous piece of legislation. Instead of passing this bill we should immediately repeal the act the bill seeks to amend, because the original act was a war-time measure, and should not be operative during peace times.

Are you aware that under this act the Secretary of the Treasury could relieve any disbursing officer charged with responsibility on account of loss or deficiency of Government funds, vouchers, records, or papers in his charge if the Secretary of War so recommended? No matter the amount, if the Secretary of War made a recommendation, it is mandatory for the Secretary of the Treasury to grant such relief. It could be millions.

Under the existing law the Secretary of the Navy can grant relief to a Navy disbursing officer today. I admit if the Navy is entitled to so provide, the Army should likewise be permitted to grant relief to its disbursing officers, but it is my opinion it should not be extended, but the present law repealed.

I have confidence in the present Secretary of the Navy and Secretary of War, but Congress should not place such responsibilities upon them.

During the period of the war when the Navy was engaged in hostilities, ships were being sunk, and records being lost, the Navy came to Congress and asked for the passage of a bill which would give the Secretary of the Navy the power to relieve certain disbursing officers where it was shown their records were destroyed, and so forth. It was a temporary measure, as the hearings show. Later, despite the fact there were two court decisions in the matter, the then Attorney General, Mr. Daugherty, rendered an opinion that threw the law wide open and gave the Secretary of the Navy the power to relieve disbursing officers of any amount he desired.

I have had some correspondence with the Comptroller General on this subject and I ask unanimous consent, Mr. Speaker, at this point in the RECORD, to include the letters I have received from him with reference to this legislation.

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

There was no objection.

The matter referred to follows:

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington.

HON. JOHN J. COCHRAN,
House of Representatives.

MY DEAR MR. COCHRAN: I have your letter of April 30, 1934, asking for a complete report on S. 2046 and H.R. 6572, originally identical bills, but the former passed the Senate April 25, 1934, in the following form:

"A bill to provide relief for disbursing officers of the Army in certain cases

"Be it enacted, etc., That the act of July 11, 1919 (ch. 9, 41 Stat. 132; U.S.C., title 31, sec. 105), be, and is hereby amended as follows: 'Wherever the word "Navy" appears in said act the words "or Army" be added, and wherever the words "Secretary of the Navy" appear the words "or the Secretary of War" be added.'

The act of July 11, 1919, 41 Stat. 132, referred to, was a provision contained in the appropriation act for the Navy for the fiscal year 1920.

"The accounting officers of the Treasury shall relieve any disbursing officer of the Navy charged with responsibility on account of loss or deficiency while in the line of his duty, of Government funds, vouchers, records, or papers, in his charge, where such loss or deficiency occurred without fault or negligence on the part of said officer: *Provided*, That the Secretary of the Navy shall have determined that the officer was in the line of his duty, and the loss or deficiency occurred without fault or negligence on his part: *Provided further*, That the determination by the Secretary of the Navy of the aforesaid questions shall be conclusive upon the accounting officers of the Treasury: *Provided further*, That all cases of relief granted under this authority during any fiscal year shall be reported in detail to the Congress by the Secretary of the Navy."

The Navy Department in urging enactment of this legislation (see hearings before the Naval Affairs Committee of the House of Representatives on estimates of appropriations for the Navy Department for the fiscal year 1919, pp. 411, 412) represented that it was to save to disbursing officers who had lost funds by reason of the sinking of naval vessels during the war, the expense of suits for relief in the Court of Claims under sections 145 and 147 of the Judicial Code (36 Stat. 1137 (28 U.S.C. 250 (3) and 253)), or the necessity of securing legislative relief for said loss. The language adopted is substantially the same as that contained in the cited two sections of the Judicial Code, conferring upon the Court of Claims jurisdiction to afford relief in such cases. The Court of Claims has held in *Malone v. The United States* (5 C.Cls. 486) that a disbursing officer's error or mistake, or omission or forbearance to discharge all lawful duties imposed by virtue of his office would not excuse him under the statute, and in *Hall v. The United States* (9 C.Cls. 270), that a loss incurred by a disbursing officer because of forged checks drawn against his depository balance was not authorized to be relieved.

Notwithstanding the judicial construction of a statute in pari materia and substantially identical in language, by the only court having such jurisdiction, Attorney General Daugherty, on October 9, 1923 (34 Ops. Atty. Gen. 5) held that the act of July 11, 1919, quoted above, applied to a deficiency in a disbursing officer's account due to payments erroneously made. A more extended discussion of the statute, its proper interpretation, and the apparent unsoundness of the opinion of Attorney General Daugherty is contained in a memorandum attached.

The War Department in its communication of March 29, 1934, as published in Senate Report 707, page 3 (73d Cong., 2d sess.), adopts this interpretation by Attorney General Daugherty as the basis of its action should the act be extended to the War Department and states that it will relieve deficiencies in disbursing officers' accounts for (1) minor overpayments occasioned by misconstruction or misinterpretation of law and regulations; (2) petty errors

of calculation; (3) like inadvertent disbursements; and in that letter there is illustrated the character of deficiencies which the War Department will include, as follows: (1) Traveling expenses paid directly contrary to a prohibitory statute; (2) rental of an automobile paid directly contrary to a prohibitory statute; (3) minor errors of calculation.

Whether overpayments are "minor" or whether errors of calculation are "petty" is, under the act as construed by Attorney General Daugherty, left entirely to the judgment and discretion of the Secretary. It gives him authority to relieve for the actual loss of \$10,000 or more of funds when lost by fire or other casualty, and he can also, under Attorney General Daugherty's interpretation, relieve "minor" overpayments due to misinterpretation of statutes in the aggregate of tens of thousands of dollars and "petty" errors of calculation of the same extent. The legislation as so construed simply relieves disbursing officers within its terms from the effect of the audit and practically constitutes the Department the final auditing authority; for what is approved by the Secretary, or by his authority by interested subordinates, will be certified for allowance in the disbursing officer's account, and the Government will not thereafter be afforded an opportunity to secure judicial scrutiny of the matter, as the Department of Justice will not institute suit where a certificate has been made by the Secretary of the Navy under the act of July 11, 1919, and the opinion of Attorney General Daugherty cited.

If in the judgment of the Congress it is desirable that disbursing officers of the Army shall be saved the expense of a suit in the Court of Claims to secure relief where a deficiency has been incurred on account of actual physical loss of "Government funds, vouchers, records, or papers" without fault or negligence on the part of the disbursing officer "while in the line of his duty", there is no reason why the same provision should not be extended to them as has been extended to disbursing officers of the Navy, but an appropriate proviso should be inserted to overcome the erroneous and damaging opinion of Attorney General Daugherty. If a proviso is added to the language of the bill as it passed the Senate substantially as follows, that purpose will be secured:

"*Provided*, That the said act of July 11, 1919, shall be applicable only to the actual physical loss of Government funds, vouchers, records, or papers, and shall not include deficiencies resulting from illegal or erroneous payments in the respective services."

Otherwise the passage of the bill is not recommended.

Sincerely yours,

J. R. MCCALL,
Comptroller General of the United States.

MEMORANDUM

The act of July 11, 1919 (41 Stat. 132), provides:

"The accounting officers of the Treasury shall relieve any disbursing officer of the Navy charged with responsibility on account of loss or deficiency, while in the line of duty, of Government funds, vouchers, records, or papers in his charge where such loss or deficiency occurred without fault or negligence on the part of said officer: *Provided*, That the Secretary of the Navy shall have determined that the officer was in the line of his duty, and the loss or deficiency occurred without fault or negligence on his part: *Provided further*, That the determination by the Secretary of the Navy of the aforesaid questions shall be conclusive upon the accounting officers of the Treasury: *Provided further*, That all cases of relief granted under this authority during any fiscal year shall be reported in detail to the Congress by the Secretary of the Navy."

This office has consistently maintained the position that the term "loss or deficiency while in the line of his duty, of Government funds, vouchers, records, or papers in his charge, where such loss or deficiency occurred without fault or negligence on the part of said officer", applied only to a physical loss or deficiency and not to illegal or unauthorized payments made by a disbursing officer.

In decision of October 12, 1922 (2 Comp. Gen. 277), there was sustained the former action of this office denying credit to P. J. Willett, commander (S.C.), United States Navy, for disbursements in 1914 aggregating \$250, illegally paid to a third person by reason of entries of the name of a fictitious person as a laborer on the pay rolls of the Pearl Harbor Naval Station, the Secretary of the Navy on March 31, 1922, having issued his certificate purporting to be under the provisions of the act of July 11, 1919 (41 Stat. 132), that the amount erroneously paid was a loss or deficiency which occurred without fault or negligence on the part of Commander Willett and that he was in line of duty when the loss or deficiency occurred. As the basis for denying credit it was said:

"* * * In the decision of which reconsideration is requested it was held that the quoted provision of law applied only to cases of actual physical loss and afforded no relief whatever to disbursing officers of the Navy from responsibility for unlawful payments.

"The contention has been advanced in the request for reconsideration that the determination of facts relative to loss or deficiency of public funds by disbursing officers of the Navy rests solely with the Secretary of the Navy, and that the accounting officers are without authority to question such determination, being specifically directed to relieve Navy disbursing officers of amounts so certified.

"The enactment furnishes no authority to the Secretary of the Navy to determine when disbursing officers of the Navy shall be entitled to credit in their accounts for payments made.

"The proper facts must be present, and it is the duty of this office to examine every certificate of relief given under the act to see that the facts necessary to its operation are present. If the proper facts appear, no question arises as to the giving of the certificate. If the facts show there is no question of 'loss or deficiency' of funds, vouchers, records, or papers, but the question is the lawfulness of a payment made, the giving of the certificate is conclusive on none and cannot be acted upon by this office. In the present matter there was no loss of funds, no deficiency in the vouchers, records, or papers. It was simply an unlawful payment—such a payment as it is inherently the duty of the accounting officers to act upon. A certificate of relief in such a case would operate to destroy accounting."

Thereupon, Secretary of the Navy Denby, disregarding the general provision in section 304 of the act of June 10, 1921 (42 Stat. 24, 26), that "The balances certified by the Comptroller General shall be final and conclusive upon the executive branch of the Government", submitted the question to the Attorney General. On October 9, 1923 (34 Op. Atty. Gen. 5, 13), Attorney General Daugherty rendered his opinion that the term "loss or deficiency" included illegal payments, saying:

"I can find no justification for confining the act of 1919 to cases of mere 'physical loss' of funds. The words of the statute are 'loss or deficiency', and effect must be given to both terms. 'Deficiency' is not synonymous with 'loss' and is certainly of broader import than 'physical loss.' There is nothing in the general scope and purpose of the act to limit its ordinary and natural meaning (*De Ganay v. Lederer*, 250 U.S. 376, 380, 381). Besides, the statute is manifestly a remedial one and should receive a liberal rather than a strict and narrow construction. I am therefore clearly of the opinion that the statute applied to a 'deficiency' due to payments erroneously made, as is the case here."

The Secretary of the Navy, apparently relying on this opinion refused to take any action toward recovering the balance of \$250 due the United States from Willett or his sureties and to date the amount has not been collected.

That the opinion of the Attorney General is not sound seems obvious from a survey of the field involved. It is inconceivable that Congress could have intended by a legislative provision inserted in a general appropriation act to summarily oust the accounting officers from their long-established and independent jurisdiction of determining the validity of expenditures and the responsibility for illegal payments and to place in the hands of an administrative officer the final power of relieving officers disbursing a vast sum of money each year under his immediate supervision, from their responsibility for illegal disbursements. That an administrative officer should have such unlimited power to relieve of responsibility for illegal disbursements in his own department is a proposition so revolutionary and far-reaching in its possibilities for harm that it certainly requires a foundation more secure than a forced construction of the meaning of the term "loss or deficiency of funds" to include admittedly illegal payments.

If Congress had intended to include such extensive relief for illegal payments in this provision of the act of July 11, 1919, doubtless language would have been used making that purpose clear as was done both in the same act and in subsequent legislation authorizing restricted relief for illegal payments under defined circumstances. In the same act, at 41 Statutes, 153, there appears the following provision:

"That the accounting officers of the Treasury Department are hereby authorized and directed to allow, in the settlement of the accounts of disbursing officers of the Navy and Marine Corps covering the period of the present emergency, such credits for payments to officers and enlisted men not ordinarily allowable under the statutes, as are certified to them by the Secretary of the Navy as having been incurred under military necessity, or as having been occasioned by accidental circumstances or conditions over which such disbursing officers had no control and for which they were not justly responsible: *Provided*, That the period of the present emergency as contemplated by this paragraph shall be regarded as beginning on the 6th day of April 1917 and as terminating 6 months after the expiration of the quarter in which peace is declared. And that nothing herein shall be construed to include payments under contracts for supplies or services."

Here, as always, Congress has carefully restricted the granting of relief for illegal payments. They must have been made during the period of the emergency, which is defined, and the Secretary of the Navy must certify that they were made under military necessity or were occasioned by accidental circumstances or conditions over which the disbursing officer had no control and for which he was not justly responsible. Further, payments under contracts for supplies and services were excluded. The very existence of this restrictive provision for relief from illegal payments in the same act containing the provision for relief on account of loss or deficiency of funds is practically conclusive that the provision for loss or deficiency of funds was never intended to include illegal payments. Effect must be given to the provision for illegal payments, and it cannot be assumed that Congress would have included such provision for restricted relief if in the same act they had included a general provision intended to give the Secretary unrestricted power of relief, regardless of time or class of payment, by his certificate that they were made without fault or negligence on the part of the disbursing officer.

Nor is any support found for the view of the Attorney General in the circumstances under which the provision for relief on account of loss or deficiency of funds, vouchers, etc., was included

in the act of July 11, 1919. The Navy had been through a period of hostilities, ships had been sunk, funds and records had been lost or destroyed. This measure was urged as desirable in view of such circumstances to save the officers either the necessity of securing individual relief by Congress or the trouble and expense of securing relief from accountability for such funds and records through the Court of Claims under existing legislation. This is made evident from the report of the hearings before the Committee on Naval Affairs of the House of Representatives on estimates submitted by the Secretary of the Navy for 1919. See pages 411 and 412 of such report, where the following discussion took place relative to the purpose of the provision for relief here in question:

"Mr. KELLEY. How about this proviso with reference to accounting officers?"

"Admiral McGOWAN. That is at the bottom of page 5.

"Mr. KELLEY. Is that a desirable provision?"

"Admiral McGOWAN. Yes, sir; it is very desirable. It puts it up to the Navy Department. This is a general provision.

"Mr. KELLEY. How many cases are there of this kind intended to relieve?"

"Admiral McGOWAN. At the moment, I think, five.

"Mr. REED. Five cases pending, and there have been several other ships that have gone down with funds on board, but the amounts have not been certified by the accounting officer, and those officers will be entitled to relief, although under present legislation they have to get it through a private bill or a Navy bill, or go to the Court of Claims and hire an attorney and spend several hundred dollars.

"Admiral McGOWAN. This provision was approved as covering a number of meritorious cases on which favorable action was recommended by the Secretary of the Navy.

"Mr. KELLEY. If the Secretary of the Navy should not approve this section, there would be a certain number of special cases that ought to be taken care of?"

"Admiral McGOWAN. The Secretary has approved it.

"Mr. KELLEY. My impression was that he did not think this was good legislation.

"Mr. REED. The Secretary recommended it to the naval committee last June.

"The CHAIRMAN. I was sure the House accepted the provision in the bill as reported from this committee providing for the settlement of damages, but it seems to be a Senate amendment.

"Admiral McGOWAN. Yes, sir. My recollection was that the Secretary sent a letter recommending it.

"Mr. REED. I think I can straighten that out. The act of July 1, 1918, contained a provision authorizing the Secretary of the Navy to settle claims abroad in amounts not exceeding \$1,000. This is intended to cover cases in the United States of losses of property.

"The CHAIRMAN. We reported this provision and endeavored to get it through the House, and I thought it remained in the bill, but I am surprised to find that it comes as a Senate amendment.

"Mr. REED. This amendment was proposed in the Senate by Mr. Calder.

"Admiral McGOWAN. Yes; I was there when the Senator brought this in.

"The CHAIRMAN. Do you know whether the Secretary of the Navy approved this provision?"

"Admiral McGOWAN. I do not, sir.

"The CHAIRMAN. Have you anything further to say about this amendment?"

"Admiral McGOWAN. You mean the Calder amendment?"

"The CHAIRMAN. Yes, sir; that the accounting office shall relieve any officer, etc.

"Admiral McGOWAN. Yes, sir; I am strongly in favor of it because nothing suggested to the Congress would ordinarily be in a bill without the backing of the Navy Department. It saves Congress the trouble of having to legislate on each individual claim. They are coming up constantly.

"The CHAIRMAN. They go to the Claims Committee?"

"Admiral McGOWAN. Usually to the Naval Committee. They go in the appropriation bill, as a rule. If they do not get through here, they find their way into the Senate.

"Mr. KELLEY. I would like to call your attention to these two cases of John R. Martin and Arthur Huntington in case they should be dropped out of the bill. Are those two meritorious cases?"

"Admiral McGOWAN. Absolutely meritorious. Both of those men were simply robbed.

"Mr. KELLEY. By a subordinate officer?"

"Admiral McGOWAN. Yes, sir.

"Mr. KELLEY. Without their fault.

"Admiral McGOWAN. Without any contributory fault whatever."

Nothing is apparent here of an intent to relieve officers from responsibility for illegal payments. The representatives of the Navy Department cite cases of "ships that have gone down with funds on board" and of men who "were simply robbed" by subordinate officers, meritorious cases for which there would be relief if the officer would "go to the Court of Claims and hire an attorney and spend several hundred dollars." Thus it appears that the class of cases intended for relief were those generally coming within the provisions of existing law allowing relief by the Court of Claims. Such relief was provided for in the act of May 9, 1866 (14 Stat. 44), now sections 145 and 147 of the Judicial Code (36 Stat. 1137), as follows:

"Sec. 145. The Court of Claims shall have jurisdiction to hear and determine the following matters:

"Third. The claim of any paymaster, quartermaster, commissary of subsistence, or other disbursing officer of the United States, or of his administrators or executors, for relief from responsibility on account of loss by capture or otherwise, while in the line of his duty, of Government funds, vouchers, records, or papers in his charge, and for which such officer was and is held responsible.

"SEC. 147. Whenever the Court of Claims ascertains the facts of any loss by any paymaster, quartermaster, commissary of subsistence, or other disbursing officer, in the cases hereinbefore provided, to have been without fault or negligence on the part of such officer, it shall make a decree setting forth the amount thereof, and upon such decree the proper accounting officers of the Treasury shall allow to such officer the amount so decreed as a credit in the settlement of his accounts."

While the Court of Claims has granted relief under this authority in a large number of cases, no record is found of relief for an illegal payment. That such relief could not be granted seems clear from the statement by the court in *Malone v. United States* (5 Ct.Cls. 486), that a disbursing officer's error or mistake, or omission, or forbearance to discharge all lawful duties imposed by virtue of his office, will not excuse him. In *Hall v. United States* (9 Ct.Cls. 270) the court said:

"* * * The conclusion, then, is that those funds were not in his possession or charge; and if not, then he did not lose them by capture or otherwise; it was simply a case of more being drawn from the depository, through forged checks and vouchers, than should have been, resulting in the claimant's being charged with the excess over the amount justly payable. This was an eventual loss to him in the settlement of his accounts, but not such a loss as the Government by the act in question authorizes this court to relieve him from.

"This conclusion is aided by the words of the act, coupling 'funds' with 'vouchers, records, and papers'; which latter would necessarily be in his possession. The kind of loss contemplated by the act was doubtless the same as to all those enumerated articles. Each might be lost by capture, by robbery or theft, by fire or flood, or by unavoidable accident; and it seems to us that it was against such kinds of loss of specific things, for which he could have no other remedy, that the act was intended to afford relief; not against losses suffered by the officer through forgeries committed by his employees or others, for which he would in law be entitled to recourse against both the forger and the depository who paid the forged checks."

It must be taken that the court's interpretation of the existing law was in the minds of Congress when enacting similar legislation urged by the Navy Department, in view of war-time losses, to save their disbursing officers the trouble and expense incident to taking advantage of relief available in the Court of Claims.

Furthermore, it may well be argued that the authority given the Secretary of the Navy in the act of July 11, 1919, both as to relief for losses (41 Stat. 132), and relief for certain illegal payments (41 Stat. 153), was impliedly repealed by the provision of the act of June 10, 1921 (42 Stat. 24, 26), vesting and imposing "all powers and duties now conferred or imposed upon the Comptroller of the Treasury or the six auditors of the Treasury Department" upon the General Accounting Office to "be exercised without direction from any other officer", and providing that "the balances certified by the Comptroller General shall be final and conclusive upon the executive branch of the Government." Any former power in the Secretary of the Navy to direct relief of a disbursing officer seems highly inconsistent with the powers conferred on this office by the act of June 10, 1921, and to the extent that they are inconsistent were impliedly repealed by such enactment. The view that such former powers were considered by Congress as repealed is strengthened by the passage of the act of April 21, 1922 (42 Stat. 497), authorizing the Comptroller General to allow credit to and relieve disbursing officers of the War and Navy Departments, under conditions similar to those prescribed in the two provisions of the act of July 11, 1919, for loss of funds, records, etc., and for illegal payments. It is difficult to perceive why Congress should have included the Navy disbursing officers in the act of April 21, 1922, if the Secretary of the Navy still had the powers conferred by the act of July 11, 1919. It may be noted here that in the act of April 21, 1922, Congress again set forth carefully the conditions and the time limits in authorizing relief from responsibility for illegal payments, not leaving the matter to a haphazard construction of "loss or deficiency", as is contended by the Navy Department, was done in the act of July 11, 1919. And again in the act of May 26, 1926 (44 Stat. 654), Congress specifically set forth the terms for relief by the Comptroller General from responsibility for illegal payments made by disbursing officers of the Navy as well as the Army on account of commutation of quarters, heat, and light under the act of April 16, 1918 (40 Stat. 530), and for rental and subsistence allowance under the act of June 10, 1922 (42 Stat. 625), apparently considering that the Secretary of the Navy had no authority to direct relief under the act of July 11, 1919.

The position must be maintained that there is no more basis for the Attorney General's interpretation than there was warrant for the Secretary of the Navy, after having secured such an apparently harmless provision in an appropriation act, to attempt by administrative construction to expand it into a power broader than ever known to be vested in an administrative officer over the expenditures of his own department.

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

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

There was no objection.

BATTLEFIELD OF MONOCACY, MD.

The Clerk called the next bill, H.R. 7982, to establish a national military park at the battlefield of Monocacy, Md.

Mr. ELTSE of California. Mr. Speaker, reserving the right to object, I would call the attention of the Members of the House to the language of this bill and ask the author of the measure to explain the nature of it.

Mr. COFFIN. Mr. Speaker, I reported the bill out of the Military Affairs Committee. It is practically the same bill that passed the Seventieth Congress. It is simply to establish a national monument at the site of the battle of Monocacy, near Frederick, Md. It is to be the same character of park as the ones now established at Gettysburg and Antietam.

Mr. ELTSE of California. It is a fact, is it not, you are asking for an authorization of \$50,000 to develop this property?

Mr. COFFIN. Yes; that is correct.

Mr. GOSS. There is a committee amendment that takes care of that, is there not?

Mr. COFFIN. No; the committee amendment covers the authorization of \$50,000.

Mr. GOSS. But is not that to be stricken out?

Mr. COFFIN. No; we are striking out the language of the original bill which authorized the P.W.A. to expend the money and substituting a committee amendment authorizing an appropriation of \$50,000.

Mr. GOSS. In other words, we are striking out the \$50,000 under the P.W.A. and are inserting an authorization to take it out of any money in the Treasury not otherwise appropriated.

Mr. COFFIN. That is correct.

Mr. ELTSE of California. It will not come out of the P.W.A. funds.

Mr. COFFIN. No; it will not.

Mr. GOSS. I call attention to the last section. I understand the committee was going to offer to strike that out and then offer an amendment to make it come out of the regular fund for the Treasury. The objection was made by me in the committee, and the committee amended it in that regard.

Mr. MAY. The purpose of the committee in making it was to earmark it so that the Public Works Administration could not do with it as they have been doing with other funds.

Mr. ELTSE of California. Yes; I did not think the P.W.A. funds should be devoted to this purpose.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to commemorate the Battle of Monocacy, Md., and to preserve for historical purposes the breastworks, earthworks, walls, or other defenses or shelters used by the armies therein, the battlefield at Monocacy, in the State of Maryland, is hereby declared a national military park, to be known as the "Monocacy National Military Park", whenever the title to the lands deemed necessary by the Secretary of the Interior shall have been acquired by the United States and the usual jurisdiction over the lands and roads of the same shall have been granted to the United States by the State of Maryland.

Sec. 2. The Secretary of the Interior is hereby authorized to cause condemnation proceedings to be instituted in the name of the United States under the provisions of the act of August 1, 1888, entitled "An act to authorize condemnation of lands for sites for public buildings, and for other purposes" (25 Stat.L. 357), to acquire title to the lands, interests therein, or rights pertaining thereto within the said Monocacy National Military Park, and the United States shall be entitled to immediate possession upon the filing of the petition in condemnation in the United States District Court for the District of Maryland: *Provided*, That when the owner of such lands, interests therein, or rights pertaining thereto shall fix a price for the same, which, in the opinion of the Secretary of the Interior, shall be reasonable, the Secretary may purchase the same without further delay: *Provided further*, That the Secretary of the Interior is authorized to accept, on behalf of the United States, donations of lands, interests therein, or rights pertaining thereto required for the Monocacy National Military Park: *And provided further*, That title and evidence of title to lands and interests therein acquired for said park shall be satisfactory to the Secretary of the Interior.

SEC. 3. The Secretary of the Interior is hereby authorized to enter into leases with the owners of such of the lands, works, defenses, and buildings thereon within the Monocacy National Military Park, as in his discretion it is unnecessary to forthwith acquire title to, and such leases shall be on such terms and conditions as the Secretary of the Interior may prescribe, and may contain options to purchase, subject to later acceptance, if, in the judgment of the Secretary of the Interior, it is as economical to purchase as condemn title to the property: *Provided*, That the Secretary of the Interior may enter into agreements upon such nominal terms as he may prescribe, permitting the present owners or their tenants to occupy or cultivate their present holdings, upon condition that they will preserve the present breastworks, earthworks, walls, defenses, shelters, buildings, and roads, and the present outlines of the battlefields, and that they will only cut trees or underbrush or disturb or remove the soil, under such regulations as the Secretary of the Interior may prescribe, and that they will assist in protecting all tablets, monuments, or such other artificial works as may from time to time be erected by proper authority.

SEC. 4. The affairs of the Monocacy National Military Park shall, subject to the supervision and direction of the Office of National Parks, Buildings, and Reservations of the Interior Department, be in charge of a superintendent, to be appointed by the Secretary of the Interior.

SEC. 5. It shall be the duty of the superintendent, under the direction of the Office of National Parks, Buildings, and Reservations of the Interior Department, to superintend the opening or repair of such roads as may be necessary to the purposes of the park, and to ascertain and mark with historical tablets or otherwise, as the Secretary of the Interior may determine, all breastworks, earthworks, walls, or other defenses or shelters, lines of battle, location of troops, buildings, and other historical points of interest within the park or in its vicinity.

SEC. 6. The said Office of National Parks, Buildings, and Reservations, acting through the Secretary of the Interior, is authorized to receive gifts and contributions from States, Territories, societies, organizations, and individuals for the Monocacy National Military Park: *Provided*, That all contributions of money received shall be deposited in the Treasury of the United States and credited to a fund to be designated "Monocacy National Military Park Fund", which fund shall be applied to and expended under the direction of the Secretary of the Interior, for carrying out the provisions of this act.

SEC. 7. It shall be lawful for the authorities of any State having had troops at the Battle of Monocacy to enter upon the lands and approaches of the Monocacy National Military Park for the purpose of ascertaining and marking the lines of battle of troops engaged therein: *Provided*, That before any such lines are permanently designated the position of the lines and the proposed methods of marking them by monuments, tablets, or otherwise, including the design and inscription for the same, shall be submitted to the Secretary of the Interior and shall first receive written approval of the Secretary, which approval shall be based upon formal written reports to be made to him in each case by the Office of National Parks, Buildings, and Reservations: *Provided*, That no discrimination shall be made against any State as to the manner of designating lines, but any grant made to any State by the Secretary of the Interior may be used by any other State.

SEC. 8. If any person shall, except by permission of the Secretary of the Interior, destroy, mutilate, deface, injure, or remove any monument, column, statue, memorial structure, or work of art that shall be erected or placed upon the grounds of the park by lawful authority, or shall destroy or remove any fence, railing, enclosure, or other work for the protection or ornament of said park, or any portion thereof, or shall destroy, cut, hack, bark, break down, or otherwise injure any tree, bush, or shrubbery that may be growing upon said park, or shall cut down or fell or remove any timber, battle relic, tree or trees growing or being upon said park, or hunt within the limits of the park, or shall remove or destroy any breastworks, earthworks, walls, or other defenses or shelter or any part thereof constructed by the armies formerly engaged in the battles on the lands or approaches to the park, any person so offending and found guilty thereof, before any United States commissioner or court, of the jurisdiction in which the offense may be committed, shall for each and every such offense forfeit and pay a fine, in the discretion of the United States commissioner or court, according to the aggravation of the offense, of not less than \$5 nor more than \$500.

SEC. 9. The Secretary of the Interior shall have the power to make all needful rules and regulations for the care of the park, and for the establishment and marking of lines of battle and other historical features of the park.

SEC. 10. To enable the Secretary of the Interior to begin to carry out the provisions of this act, including the condemnation, purchase, or lease of the necessary land, surveys, maps, marking the boundaries of the park, opening, constructing, or repairing necessary roads, pay and expenses of the superintendent, salaries for labor and services, traveling expenses, supplies, and materials, the sum of \$50,000 is hereby authorized to be allotted by the Federal Administrator of Public Works out of any moneys appropriated for use under his direction, said sum to remain available until expended, and disbursements under this act shall be annually reported by the Secretary of the Interior to Congress.

With the following committee amendment:

Strike out section 10 and insert the following:

"Sec. 10. For the purpose of carrying out the provisions of this act the sum of \$50,000 is hereby authorized to be appropriated out of any moneys in the Treasury not otherwise appropriated."

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, and a motion to reconsider was laid on the table.

ENROLLMENT OF MEMBERS OF THE MEMONIEE INDIAN TRIBE

The Clerk called the next bill on the calendar, H.R. 8541, to provide for enrollment of members of the Menominee Indian Tribe of the State of Wisconsin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and directed to prepare a certified roll of the members of the Menominee Indian Tribe in the State of Wisconsin, and from time to time to add names to such roll in accordance with the provisions of this act, which roll shall constitute the official roll of members of said tribe for all purposes. The names of all persons on the tribal rolls on the date of the enactment of this act shall automatically be placed on the roll authorized to be prepared under the provisions of this act and shall be used as a basis for the compilation and preparation of said roll by the Secretary of the Interior. The Secretary of the Interior shall, from time to time, place on said roll the names of such additional persons as are entitled to the privilege of enrollment under the provisions of this act.

SEC. 2. Any person whose name is not on the roll of the Menominee Indian Tribe on the date of the enactment of this act may at any time hereafter apply to the Secretary of the Interior to have his name placed thereon. Such application shall be in writing, shall contain such information as the Secretary of the Interior may require, and shall be subscribed and sworn to before an official authorized to administer oaths; except that in the case of minors under the age of 18 years and in the case of persons who are mentally incompetent such application may be executed by any member of the Menominee Tribe of Indians in behalf of such minor or mentally incompetent person.

SEC. 3. At the end of each fiscal year the Secretary of the Interior shall compile a list of all persons who have applied for enrollment as a member of the Menominee Indian Tribe during the past fiscal year, and he shall certify such list of applicants to the general council of the Menominee Indian Tribe requesting said general council to investigate the qualifications of such applicants and to report its findings to the Secretary of the Interior. The Secretary of the Interior shall take no action on any application for enrollment until after the expiration of 1 year from the date the certified list of applicants was forwarded to the general council of the Menominee Indian Tribe, unless the said general council of the Menominee Indian Tribe shall have previously filed its findings and recommendations with reference thereto with the Secretary of the Interior.

SEC. 4. No person whose name does not appear on the tribal roll of the Menominee Indian Tribe on the date of the enactment of this act shall hereafter be eligible to enrollment unless he possesses at least one fourth of Menominee Indian blood, and any person who possesses one fourth or more of Menominee Indian blood shall be entitled to have his name placed on the tribal roll by the Secretary of the Interior in the manner provided for in this act and shall be entitled to all the privileges of membership in said tribe: *Provided*, That no person who participated in the so-called "half-breed payment of 1849" shall, for the purposes of enrollment as a member of the tribe, be considered as possessing any Menominee Indian blood, and no person claiming to possess one fourth or more of Menominee Indian blood shall hereafter be placed on the tribal roll unless he can establish the fact that he possesses the required one fourth or more of Menominee Indian blood as a descendant of a person or persons possessing Menominee Indian blood other than those persons who participated in the so-called "half-breed payment of 1849."

SEC. 5. No person whose name shall hereafter be placed on the roll of the Menominee Indian Tribe shall be entitled to any back annuities or per capita payments made to the members of the tribe out of tribal funds which were authorized to be paid to the members of said tribe before such person's name shall have been placed upon such roll.

SEC. 6. Any person whose application for enrollment as a member of the Menominee Indian Tribe is denied by the Secretary of the Interior shall have the right of appeal to the Federal District Court for the Eastern District of Wisconsin at any time within 2 years after the denial of such application by the said Secretary of the Interior, and the general council of the Menominee Indian Tribe shall have the right to appeal to said court from any order or decision of the Secretary of the Interior granting any such application or placing the name of any applicant on the tribal roll, at any time within 2 years after such order or decision of the Secretary of the Interior. Notice of such appeal and of the

hearing thereof shall be given to the Secretary of the Interior, the applicant and the general council of the Menominee Indian Tribe, in such manner as the court, by order, shall direct: *Provided*, That failure on the part of the Secretary of the Interior to approve or deny any application, within 2 years after the same has been filed with him, shall, for the purposes of this section, be deemed a denial of such application. Said district court shall consider all affidavits on file with the Secretary of the Interior with reference to the particular application and shall also consider such additional evidence as may be presented in the form of affidavits or otherwise by any of the parties in interest and shall hear such witnesses in open court as either party may present, and at the conclusion thereof the court shall either affirm or deny the right of said applicant to enrollment as a member of the Menominee Indian Tribe, which judgment shall be conclusive. In the event the court decides that the applicant is entitled to enrollment, the court shall order the Secretary of the Interior to place the applicant's name on the tribal roll as of the date upon which said application was denied by the Secretary of the Interior.

Sec. 7. The provisions of this act shall be applicable to the enrollment of members of the Menominee Indian Tribe of the State of Wisconsin notwithstanding any conflicting tribal custom of said tribe, and any act or acts of Congress in conflict with the provisions of this act are hereby repealed.

With the following committee amendments:

Page 3, line 14, after the word "blood" strike out "and any person who possesses one fourth or more of Menominee Indian blood" and insert the following: "And any person possessing one fourth or more of Menominee Indian blood who has been or may be born of parents residing, at the time of such birth, upon the Menominee Reservation, at least one of whom is an enrolled member of the Menominee Tribe, or has been or may be adopted by the Menominee Tribe."

On page 6, line 4, after the word repealed, insert "insofar as the same relates to the Menominee Indians."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADJUSTMENT OF CO-CALLED "OLMSTEAD LANDS" CLAIMS

The Clerk called the next bill on the calendar, H.R. 8779, authorizing the Secretary of Agriculture to adjust claims to so-called "Olmstead lands" in the State of North Carolina.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture be, and he is hereby, authorized to adjust all claims to the so-called "Olmstead lands" in the State of North Carolina, which were placed under his administrative care by the act of July 6, 1912 (37 Stat. 189).

Sec. 2. That for the purpose of carrying out the provisions of this act the Secretary of Agriculture is authorized, upon a finding by him, and approved by the Attorney General, that by reason of long-continued occupancy and use thereof a party is justly entitled to any of said Olmstead lands, to convey by quitclaim deed to such party the interest of the United States therein, or to pay to such party from any appropriation which hereafter may be made to carry out the purpose of the act of March 1, 1911 (36 Stat. 936), such sum as the Secretary of Agriculture shall find to be just compensation for the release of the claim of such party to said lands, other claims of title to said Olmstead lands found to be superior to that of the United States may be settled by the Secretary of Agriculture through allowing the removal of timber from the lands claimed in such an amount as he finds equitable and acceptable to the claimant in full satisfaction of his claim, or with the approval of the National Forest Reservation Commission the Secretary of Agriculture may make payment in satisfaction of the claim from funds appropriated for carrying out the provisions of the said act of March 1, 1911 (36 Stat. 936).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXCHANGE OF LANDS, FORT MOJAVE INDIAN RESERVATION

The Clerk called the next bill, S. 1807, to provide for the exchange of Indian and privately owned lands, Fort Mojave Indian Reservation, Ariz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to accept, in his discretion, under rules and regulations to be prescribed by him, conveyances to the Government of privately owned lands contiguous to the even-numbered sections added to the Fort Mojave Indian Reservation, Ariz., by Executive order of February 2, 1911, and to permit lieu selections of land approximately equal in value from the even-numbered sections by those surrendering their holdings, so that the lands retained and acquired through exchange for Indian use may be consolidated and held in a solid area so far as may be possible: *Provided*, That upon conveyance of any privately owned lands to

the Government pursuant thereto, the Secretary of the Interior is hereby authorized to issue to the person or persons making the conveyance, patent of appropriate form and legal effect for the lieu lands. The areas consolidated in the Government pursuant to this act are hereby declared to be held for the benefit of the Indians of the Fort Mojave Reservation: *Provided further*, That the title or claim of any person or persons who refuse to convey to the Government shall not be affected by this act.

The 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.

RADIO STATION LANDS, GRAND ISLAND, NEBR.

The Clerk called the next bill, H.R. 9394, to authorize the Federal Radio Commission to purchase and enclose additional land at the radio station near Grand Island, Nebr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Federal Radio Commission is authorized to purchase an additional tract of land containing approximately 10 acres adjacent to that now owned by the United States at Grand Island, Nebr., and to enclose the same for use in connection with the constant-frequency monitoring station located at said place. There is hereby authorized to be appropriated the sum of \$1,200 to carry out the purposes of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

MILITARY AND NAVAL TOURS IN THE TROPICS

The Clerk called the next bill, H.R. 8567, to amend the laws relative to the length of tours of duty in the Tropics and certain foreign stations in the case of officers and enlisted men of the Army, Navy, and Marine Corps, and for other purposes.

The SPEAKER. Is there objection?

Mr. ELTSE of California. Mr. Speaker, I reserve the right to object. There is no report here from the Navy Department, although there is one from the War Department. I happen to be on the Military Affairs Committee and my chairman has asked that this bill be put over by unanimous consent.

Mr. SPENCE. Mr. Speaker, this bill was passed by the Senate on May 10, with an amendment. The amendment is as follows: After the word "hostilities", in line 10, page 2, insert the words, "and except in the discretion of the Secretary of War for temporary emergencies" so that the provision will read:

No officer or enlisted man in the Army shall, except upon his own request, be required to serve in a single tour of duty for more than 2 years in the Philippine Islands, on the Asiatic station, or in China, Hawaii, Puerto Rico, or the Canal Zone, except in case of insurrection or of actual or threatened hostilities, and except in the discretion of the Secretary of War for temporary emergency.

Mr. ELTSE of California. Do I understand that as it affects the Navy those provisions have been removed?

Mr. SPENCE. No; it merely qualifies the provision that was added after the repeal of the former acts.

Mr. ELTSE of California. I understand, but we have no report here from the Secretary of the Navy, and this has not been passed upon by the Naval Affairs Committee in the House.

Mr. SPENCE. It applies only to the Army.

Mr. ELTSE of California. It says the Navy.

Mr. SPENCE. The clause that is added is:

No officer or enlisted man of the Army shall, except upon his own request be required to serve in a single tour of duty for more than 2 years, etc.

Mr. GOSS. Is there not a similar Senate bill over here?

Mr. SPENCE. The Senate bill is here. That bill adds:

And except in the discretion of the Secretary of War for temporary emergency.

The Senate committee made this report:

As a result of the hearings and documentary evidence, the committee is convinced that the present law prescribing 3 years as a fixed tour of foreign service for personnel of the Army, Navy, and Marine Corps is unreasonable, unwarranted, and inhumane in its effect on the personnel and their families, and is contrary to the best interest of the Government and the efficiency of the service.

Mr. ELTSE of California. I ask unanimous consent that the bill be passed over without prejudice.

Mr. HOEPEL. Will the gentleman yield to me before he makes that request?

Mr. ELTSE of California. Yes.

Mr. HOEPEL. I should like to explain the provisions of this bill. There are very few men of the Navy on shore duty ever beyond the territorial limits of the United States. The Chief Surgeon of the Navy, I know, is fully cognizant of this bill and is in accord with its provisions. I hope the gentleman will withdraw his request and permit the bill to be enacted.

Mr. GOSS. Does the Senate bill in any way tie the Navy up?

Mr. SPENCE. It is my opinion it does not.

Mr. GOSS. If the Navy is out of it, you could substitute the Senate bill.

Mr. SPENCE. It is my opinion it only applies definitely to the Army.

Mr. ELTSE of California. It is difficult for me to understand how that could be true when you are talking about the Army and the Navy.

Mr. SPENCE. I should like to read a letter from the Surgeon General of the Army:

1. Ever since Moses led Israel out of Egypt it has been a recognized fact that protracted residence in the tropics, and even the subtropics, on the part of the white man has been associated with an increase of sickness and poor health in contrast to living conditions in temperate zones. The baneful effects of living in the tropics is properly attributed to three factors: (a) The presence in hot climates of many diseases not found in temperate zones, or, as is the case in two common diseases—malaria and dysentery—the greater prevalence and severity of these diseases in Panama and the Philippines over and above their occurrence in the continental limits of the United States; (b) factors associated with tropical climates, per se, as high temperatures, increased humidity, and the evil effects of strong solar action; it is universally conceded that subjecting the white man to the above morbid influences for any great length of time saps his vitality, diminishes his energy and activity, and increases sickness and disease; (c) isolation and its attending distractions, as changes in modes of living, character of food, and especially monotony and ennui. The last two are in a great measure due to the absence of the usual diversions and amusements that one is accustomed to at home. For the enlisted man the absence of congenial, sympathetic, and righteous companions is a large factor in reducing morale and bringing about nervous disorders.

2. Our statistics, computed over a 10-year period, tend to prove the correctness of the above views. Admission rates per 1,000 for all cases: United States, 668; China, 888; Panama, 893; Philippines, 934. In view of the above, it is the considered professional opinion of the Surgeon General of the Army that a protracted continual residence in the tropics directly promotes sickness and ill health and lowers efficiency. It is fully appreciated that some of our foreign stations from the standpoint of health and living conditions are worse than others. Our highest sick rates have always occurred in the Philippines. Hawaii has always been the most sanitary of our island possessions.

3. In my opinion, the brief submitted justifies the conclusion that a 3-year compulsory tour of duty in our tropical possessions is both unwise and uneconomical.

ROGER BROOKE,

Colonel, Medical Corps, Acting, the Surgeon General.

Mr. GOSS. Mr. Speaker, I ask unanimous consent that this bill go over without prejudice. Meantime, the gentleman could probably get in touch with the Chairman of the Naval Affairs Committee and iron out the objection that he has given to the gentleman from California. It would not affect his bill in any way.

Mr. SPENCE. I feel this bill will not have any compulsory effect on the Navy. It simply applies to the Army.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut [Mr. Goss]?

Mr. HOEPEL. Mr. Speaker, I object.

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

Mr. ELTSE of California. Mr. Speaker, I object.

TO AUTHORIZE DOUGLAS CITY, ALASKA, PUBLIC WORKS

The Clerk called the next bill, H.R. 9371, to authorize the incorporated town of Douglas City, Alaska, to undertake certain municipal public works, including construction, reconstruction, enlargement, extension, and improvements of its water-supply system, and construction, reconstruction, enlargement, extension, and improvements to sewers, and for

such purposes to issue bonds in any sum not exceeding \$40,000.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the incorporated town of Douglas City, Alaska, is hereby authorized and empowered to undertake the municipal public works herein specified and for such purposes to issue bonds in any sum not exceeding \$40,000. Said town is hereby authorized and empowered to construct, reconstruct, enlarge, extend, and improve its water-supply system and for such purpose to issue bonds in any sum not exceeding \$25,000; to construct, reconstruct, enlarge, extend, and improve sewers and for such purpose to issue bonds in any sum not exceeding \$15,000.

SEC. 2. That before said bonds shall be issued a special election shall be ordered by the common council of the said town of Douglas City, at which election the question of whether such bonds shall be issued in the amounts above specified for either or both of the purposes hereinbefore set forth shall be submitted to the qualified electors of said town of Douglas City whose names appear on the last assessment roll of said town for municipal taxation. The form of the ballot shall be such that the electors may vote for or against the issuance of bonds for each of the purposes herein specified in the amounts herein authorized. Not less than 20 days' notice of such election shall be given by posting notices of the same in three conspicuous places within the corporate limits of the town of Douglas City, Alaska, one of which shall be at the front door of the United States post office. The registration for such election, the manner of conducting the same, and the canvass of the returns of said election shall be, as nearly as practicable, in accordance with the requirements of law in general or special elections in said municipality, and said bonds shall be issued for either or both of the purposes herein authorized only upon condition that not less than a majority of the votes cast at such election in said town shall be in favor of the issuance of said bonds for such purpose.

SEC. 3. Such bonds shall be coupon in form, may bear such date or dates, may be in such denomination or denominations, may mature in such amounts and at such time or times, not exceeding 30 years from the date thereof, may be payable in such medium of payment and at such place or places, may be sold at either public or private sale, may be redeemable, with or without premium, or nonredeemable, and may carry such registration privileges as to either principal and interest, principal only, or both, as shall be prescribed by the common council of said town of Douglas City at the time such bonds are authorized to be issued. The bonds shall bear the signatures of the mayor and clerk of the town of Douglas City, and shall have impressed thereon the official seal of said town. In case any of the officers whose signatures or countersignatures appear on the bonds shall cease to be such officers before delivery of such bonds, such signatures or countersignatures shall nevertheless be valid and sufficient for all purposes the same as if they had remained in office until such delivery. Said bonds shall bear interest at a rate to be fixed by the common council of the said town of Douglas City, not to exceed 6 percent per annum, payable semiannually, and the bonds shall be sold at not less than the principal amount thereof plus accrued interest.

SEC. 4. The bonds herein authorized to be issued shall be general obligations of said town of Douglas City, payable as to both interest and principal from ad valorem taxes which shall be levied upon all the taxable property within the corporate limits of said town of Douglas City in an amount sufficient to pay the interest on and principal of such bonds as and when the same become due and payable. Such of the bonds as may be issued to construct, reconstruct, enlarge, extend, or improve the water-supply system of said town of Douglas City may, if so provided by the common council of said town of Douglas City, be additionally secured by a direct pledge of all or any part of the revenues of said water-supply system and any subsequent additions or extensions thereto, remaining after provisions for the payment of the reasonable costs of operation and maintenance of said system and the cost of such repairs, improvements, and betterments thereto as shall be necessary to keep the same at all times in good repair and working order.

SEC. 5. No part of the funds arising from the sale of said bonds shall be used for any purpose or purposes other than those specified in this act. Said bonds shall be sold only when and in such amounts as the common council of the town of Douglas City shall direct, and the proceeds thereof shall be disbursed for the purposes hereinbefore mentioned and under the orders and directions of said common council from time to time as the same may be required for said purposes.

SEC. 6. The town of Douglas City is hereby authorized to enter into contracts with the United States of America or any agency or instrumentality thereof, under the provisions of the National Industrial Recovery Act and acts amendatory thereof and acts supplemental thereto, and revisions thereof, and the regulations made in pursuance thereof, and under any further acts of the Congress of the United States to encourage public works, for the sale of bonds issued in accordance with provisions of this act or for the acceptance of a grant of money to aid said town in financing any public works herein authorized; or to enter into contracts with any person or corporation, public or private, for the sale of such bonds; and such contracts may contain such terms and conditions, subject to the provisions of this act, as may be agreed upon by and between the common council of said town of Douglas City and the United States of America or any agency or instrumentality thereof, or such terms and conditions, subject to

the provisions of this act, as may be agreed upon by and between the common council of said town of Douglas City and any other purchaser of said bonds.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MOUNT HOOD NATIONAL FOREST, OREG.

The Clerk called the next bill, S. 1982, to add certain lands to the Mount Hood National Forest in the State of Oregon.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the following-described lands, title to which was conveyed to the United States in part settlement of a fire trespass and which are located within the boundaries of the Mount Hood National Forest, in the State of Oregon, be, and the same are hereby, added to said national forest and are made subject to all laws and regulations relating to the use and administration of the national forests:

Township 4 south, range 5 east, Willamette meridian: Last half northeast quarter, northwest quarter northeast quarter, northeast quarter southeast quarter section 18; southeast quarter northeast quarter, west half northeast quarter, east half northwest quarter, east half southeast quarter, northwest quarter southeast quarter, southeast quarter southwest quarter section 20; section 22; southwest quarter section 24; sections 25 and 26; north half northeast quarter, northeast quarter northwest quarter section 29; section 36.

Township 4 south, range 6 east, Willamette meridian: Lots 3 and 4, east half, east half southwest quarter section 20; southwest quarter section 28; lots 3 and 4, east half northeast quarter, northwest quarter northeast quarter, northeast quarter northwest quarter, southeast quarter, east half southwest quarter section 30; lots 1 and 2, northeast quarter, east half northwest quarter section 31.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HAMPTON ROADS NAVAL OPERATING BASE

The Clerk called the next bill, H.R. 6847, providing for the acquisition of additional lands for the naval air station at Hampton Roads Naval Operating Base, Norfolk, Va.

Mr. WOLCOTT. Reserving the right to object, it does not seem to me quite proper that a bill authorizing an expenditure of \$400,000 should be passed in this House by unanimous consent. For that reason I am constrained to object.

Mr. DARDEN. Will the gentleman withhold his objection?

Mr. WOLCOTT. I reserve the objection for the purpose of allowing the gentleman to make a statement.

Mr. DARDEN. Before any final action can be taken it will have to go to the Committee on Appropriations and be returned to the House. This simply authorizes the presentation of the project to the committee. It is something that is vitally needed for the Navy. The present field at Norfolk will only accommodate 120 planes. It is a large naval base, and there are 235 planes in the fleet that will base on it in the next month or two. Certainly the House will not be prejudiced in any way by allowing it to go to the Committee on Appropriations.

Mr. WOLCOTT. In view of the fact that this will have to be ironed out later on before the Committee on Appropriations, I will withdraw my reservation of objection, but I still contend that \$400,000 should not be authorized by this House under unanimous consent, as a matter of policy; however, inasmuch as I do not have the establishment of policy, I will withdraw my reservation of objection.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he hereby is, authorized and directed to acquire, by purchase or condemnation, additional tracts of land adjacent to and lying southeastwardly from the Hampton Roads Naval Operating Base, Norfolk, Va., said land being generally known as "East Camp", together with such additional land adjoining same as is necessary for the development and expansion of naval air activities at said station, and comprising approximately 540 acres and being bounded by Masons Creek on the north and east, Bush Creek on the west, and the Virginian Railway on the south; and there is hereby authorized to be appropriated for the purchase of this entire tract the sum of \$400,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STILLAGUAMISH RIVER, STATE OF WASHINGTON

The Clerk called the next bill, H.R. 3353, to provide a preliminary examination of Stillaguamish River and its tributaries in the State of Washington, with a view to the control of its floods.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, this bill, Calendar No. 253, and the four succeeding bills, Calendar Nos. 254 to 257, inclusive, have about the same status. They are all bills authorizing resurveys of projects where the original survey had been authorized by the Rivers and Harbors Committee under the Rivers and Harbors Act of January 21, 1927.

There has been a good deal of comment within the last few weeks with regard to the jurisdiction of these committees. I presume I made a lifelong enemy a matter of 3 or 4 weeks ago by trying to protect the jurisdiction of the Rivers and Harbors Committee.

I am not going to object any further to these bills if it is the policy of the majority leaders to transfer jurisdiction over these bills from the Rivers and Harbors Committee to the Flood Control Committee. I am not going to object to it; but I call attention to the fact that there is absolutely no need of passing these five bills, because all that is needed is for the Committee on Rivers and Harbors to report a resolution for the resurvey desired. It will be done upon application to that committee, and it will save us all the time and bother of bringing these bills in here. For the life of me I cannot see why these bills were ever introduced.

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

Mr. WOLCOTT. I yield.

Mr. TRUAX. What expense is involved if these bills are passed?

Mr. WOLCOTT. There is very little expense involved.

Mr. SMITH of Washington. The expense is merely nominal.

Mr. WOLCOTT. It is not so much the matter of expense as it is the matter of precedent.

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

Mr. WOLCOTT. I yield.

Mr. WILSON. May I not call attention to the fact that where surveys are made on account of destructive floods covering the watersheds of these rivers, where these surveys are made for the purpose of flood control there is no conflict with the Rivers and Harbors Committee over the question of jurisdiction. The gentleman from Ohio [Mr. JENKINS] asked questions relative to the jurisdiction of these committees the other day when the gentleman from Texas [Mr. MANSFIELD] addressed the House. The gentleman from Texas said that when the legislation was for flood-control purposes it should come from the Flood Control Committee but that when it was for navigation purposes it should come from the Committee on Rivers and Harbors.

Mr. WOLCOTT. May I ask the gentleman if, in the case of any of these bills, a request was made for a resolution by the Rivers and Harbors Committee?

Mr. WILSON. I doubt if a resolution by the Rivers and Harbors Committee could serve the purpose, because the War Department asked for additional surveys for the purpose of flood control covering the watersheds in question. The War Department is asking this because there have been floods on these rivers which have destroyed millions of dollars worth of property and which have endangered human lives. It calls for action by the Flood Control Committee.

Mr. WOLCOTT. I hope the gentleman appreciates my position. I have no objection to the bills; I am simply trying to protect the precedent which has been established.

Mr. WILSON. There is no conflict of jurisdiction. Survey after survey has been made on various rivers throughout the United States. The same authority handles it, no matter which committee reports the legislation—the Corps of Engineers of the Army—whether the purpose of the bill is for flood control or navigation. The expense comes from the same fund, but for the one purpose legislation is reported by the Committee on Flood Control and for the other purpose by the Committee on Rivers and Harbors.

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

Mr. WOLCOTT. I yield.

Mr. DONDERO. I should like to ask the Chairman of the Flood Control Committee whether or not these surveys include anything except flood control? For instance, is navigation taken into consideration?

Mr. WILSON. Of course, the jurisdiction given the Flood Control Committee includes all those things where flood control is the paramount objective.

Mr. DONDERO. Does the gentleman mean that that includes navigation and commerce as well?

Mr. WILSON. It might be said to include navigation where navigation is incidental. On the other hand, where the improvement of a river is primarily for the purpose of navigation, flood control being incidental, the Committee on Rivers and Harbors would have jurisdiction.

Mr. DONDERO. If the jurisdiction of the Committee on Flood Control extended to matters of navigation, what is the necessity for having the Committee on Rivers and Harbors?

Mr. WILSON. I call the gentleman's attention to the case of the Choctawhatchee River, which runs a distance of 178 miles through Alabama. It has been improved for navigation for 27 miles. The gentleman from Alabama [Mr. STEAGALL] asked a survey for flood-control purposes of 178 miles of this river and tributaries because it endangered a number of small cities on the river and its tributaries. That survey for flood-control purposes was made and the project adopted as part of the Public Works relief program. So there is no conflict. As the gentleman from Texas [Mr. MANSFIELD] answered the gentleman from Ohio [Mr. JENKINS], if the purpose is for flood control, the Committee on Flood Control has jurisdiction; if the purpose is for navigation, the Committee on Rivers and Harbors has jurisdiction. We have never asked that anything come to the Committee on Flood Control which should go to the Committee on Rivers and Harbors, and we do not intend to.

Mr. WOLCOTT. In view of the gentleman's statement I withdraw my reservation of objection.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to cause a preliminary examination to be made of the Stillaguamish River and its tributaries in the State of Washington, with a view to the control of its floods, in accordance with the provisions of section 3 of an act entitled "An act to provide for the control of the floods of the Mississippi River, and of the Sacramento River, Calif., and for other purposes", approved March 1, 1917, the cost thereof to be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS LAKE SABINE

Mr. DIES. Mr. Speaker, the official objectors inform me that they are not prepared to go farther than no. 276 on the calendar. I have a bill no. 291 on the calendar, for the construction, maintenance, and operation of a bridge over Lake Sabine similar to the first one on the calendar, which was objected to.

It is very important that this bill pass, because we have an application for a loan before the P.W.A., and everything is waiting for this bill to pass.

Mr. Speaker, I ask unanimous consent that after the bill H.R. 8513 is considered by the House this afternoon, that the bill H.R. 9526 may be called out of order.

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

There was no objection.

Mr. CARMICHAEL. Mr. Speaker, I have a very important bill, H.R. 9141, pending on the calendar. This bill grants the consent of Congress to the State of Alabama, its agents or agencies, to erect a bridge across the Tennessee River. This is in the same condition as the bill of the gentleman from Texas [Mr. DIES]. We have applied for our loan, and the granting of the loan depends upon the passage of this bill.

Mr. ZIONCHECK. Mr. Speaker, I object for the time being. The gentleman from Texas [Mr. DIES] spoke to me about the other bill, and I was familiar with the matter.

SNOHOMISH RIVER AND ITS TRIBUTARIES

The Clerk called the next bill, H.R. 3354, to provide a preliminary examination of Snohomish River and its tributaries in the State of Washington, with a view to the control of its floods.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to cause a preliminary examination to be made of Snohomish River and its tributaries in the State of Washington, with a view to control of its floods, in accordance with the provisions of section 3 of an act entitled "An act to provide for control of the floods of the Mississippi River, and of the Sacramento River, Calif., and for other purposes", approved March 1, 1917, the cost thereof to be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NOOKSACK RIVER AND ITS TRIBUTARIES

The Clerk called the next bill, H.R. 3362, to provide a preliminary examination of the Nooksack River and its tributaries in the State of Washington, with a view to the control of its floods.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to cause a preliminary examination to be made of the Nooksack River and its tributaries in the State of Washington, with a view to the control of its floods, in accordance with the provisions of section 3 of an act entitled "An act to provide for control of floods of the Mississippi River, and of the Sacramento River, Calif., and for other purposes", approved March 1, 1917, the cost thereof to be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SKAGIT RIVER AND ITS TRIBUTARIES

The Clerk called the next bill, H.R. 3363, to provide a preliminary examination of Skagit River and its tributaries in the State of Washington, with a view to the control of its floods.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to cause a preliminary examination to be made of the Skagit River and its tributaries in the State of Washington, with a view to the control of its floods, in accordance with the provisions of section 3 of an act entitled "An act to provide for the control of the floods of the Mississippi River, and of the Sacramento River, Calif., and for other purposes", approved March 1, 1917, the cost thereof to be paid from appropriations heretofore and hereafter made for examinations, surveys, and contingencies of rivers and harbors.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GREEN RIVER, WASH.

The Clerk called the next bill, H.R. 5175, to provide a preliminary examination of the Green River, Wash., with a view to the control of its floods.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to cause a preliminary examination to be made of the Green River, Wash., with a view to control of its floods, in accordance with the provisions of section 3 of an act entitled "An act to provide for control of the floods of the Mississippi River, and of the Sacramento River, Calif., and for other purposes", approved March 1, 1917, the cost thereof to be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONNECTICUT RIVER

The Clerk called the next bill, H.R. 8562, to provide for a preliminary examination of the Connecticut River, with a view to the control of its floods and prevention of erosion of its banks in the State of Massachusetts.

There being no objection the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of War is authorized and directed to cause a preliminary examination to be made of the Connecticut River, with a view to control of its floods and prevention of erosion of its banks in the State of Massachusetts, in accordance with the provisions of section 3 of the act entitled "An act to provide for the control of the floods of the Mississippi River and of the Sacramento River, California, and for other purposes", approved March 1, 1917 (U.S.C., title 33, sec. 701), the cost thereof to be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONTROL OF ALCOHOLIC BEVERAGES IN THE CANAL ZONE

The Clerk called the next bill, H.R. 8173, authorizing the President to make rules and regulations in respect to alcoholic beverages in the Canal Zone, and for other purposes.

Mr. WOLCOTT. Mr. Speaker, I object.

Mr. LEA of California. Will the gentleman withhold his objection?

Mr. WOLCOTT. I withhold my objection.

Mr. LEA of California. May I inquire as to what is the gentleman's objection to the bill?

Mr. WOLCOTT. It goes to the delegation of power to the Executive to make rules and regulations which are punishable by fine and imprisonment. I think this is a power we should reserve to ourselves.

Mr. LEA of California. This has been the practice ever since the law was established in the Panama Canal Zone. There is no legislative body in the Canal Zone. Congress is the only body that has a right to legislate for the Zone.

Mr. WOLCOTT. I may say to the gentleman if it has been, then there is no justification for the bill.

Mr. LEA of California. After the prohibition law was passed it left the zone without powers to regulate the liquor business, and the transportation of liquor.

Mr. WOLCOTT. They were subject to the Volstead Act?

Mr. LEA of California. Yes.

Mr. WOLCOTT. They were subject, therefore, to an act passed by this Congress. There is no reason why these regulations should not be embodied in an act for the regulation of the liquor traffic in the Canal Zone, to be introduced and passed by this House.

Mr. LEA of California. They are without any law at the present time to regulate the liquor business, and this is no time to start in with a new law this late in this session of Congress.

Mr. WOLCOTT. My statement was there has been ample time for this Congress to pass upon a liquor control act for the Canal Zone. I am seriously, conscientiously, and fundamentally opposed to the delegation of power to any individual outside of the legislative establishment to make regulations the breach of which is punishable by fine or imprisonment.

Mr. LEA of California. All rules and regulations must be punishable under the criminal laws in order to be effective. There is nothing new in this. It is the common practice of Congress to pass such laws. It has been the practice of some 20 years in reference to Panama Canal Zone legislation. All administrations have concurred in this procedure for control of the liquor business. The Canal runs right through the Republic of Panama. If the gentleman's objection prevails it will deprive the United States of any power to control this movement of liquor. I hope the gentleman will not make his objection.

Mr. WOLCOTT. I cannot see where my objection will prevent this Congress from passing legislation immediately establishing a liquor law for the Canal Zone.

Mr. LEA of California. I think the gentleman will recognize that there is not time to institute and pass such legislation in this Congress.

Mr. EDMISTON. Is the Canal wet now?

Mr. LEA of California. They have no law down there, so I suppose you would say it is "wet."

Mr. WOLCOTT. This bill was introduced on February 21. If a bill for the regulation of liquor in the Canal Zone had been introduced on that date, there would have been ample time for its passage. The statement that, because we have not had time to pass the legislation, is no justification for the delegation of this power to the Executive. We should stay here and take the time to see that it is done properly and in accordance with the spirit of the Constitution.

Mr. LEA of California. In the last Congress we passed a law giving the President regulatory powers in reference to the Panama Canal Zone, including liquor regulation. This has been the undebated policy of Congress for 20 years.

Mr. WOLCOTT. Why should there be a necessity for this legislation if we passed a bill last year for the same purpose?

Mr. LEA of California. Since then the Prohibition Act has been repealed and a different situation exists.

Mr. WOLCOTT. Were they not operating under the Volstead Act before that?

Mr. LEA of California. They were; yes.

Mr. WOLCOTT. What was the need of the legislation last year?

Mr. LEA of California. It was simply legislation revising existing law.

Mr. WOLCOTT. I am sorry and I may be considered a fundamentalist in this particular, but I think it is time we should save to ourselves the lawmaking powers given us under the Constitution and I shall have to insist on my objection.

Mr. LEA of California. Let me call the gentleman's attention to the fact that Congress has passed numerous laws providing various penalties for violation of rules and regulations during this session and relating to matters for which there is no such necessity as in this case. I hope the gentleman will not object in this case where his objection may so greatly interfere with the proper administration of the Government's business in the Canal Zone.

Mr. WOLCOTT. All over my protest, and I have made up my mind I am not going to consent to any more delegations of power of this nature to the Executive or to anyone else outside of the legislative establishment.

I object, Mr. Speaker.

MEASUREMENT OF VESSELS USING THE PANAMA CANAL

The Clerk called the next bill, H.R. 7667, to provide for the measurement of vessels using the Panama Canal, and for other purposes.

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

Mr. TRUAX. Mr. Speaker, I object to that request, but not to the bill.

Mr. BLAND. Then I object to the bill, Mr. Speaker.

CODE OF LAWS FOR THE CANAL ZONE

The Clerk called the next bill, H.R. 8700, to establish a code of laws for the Canal Zone, and for other purposes.

Mr. ELTSE of California. Mr. Speaker, reserving the right to object, a half hour ago was the first time I had an opportunity to look at this bill, but I understand all the members of the committee were in favor of the bill.

Mr. LEA of California. Yes; there is a unanimous report from the committee, and so far as I know the measure has the unanimous approval of everybody interested in the Panama Canal Zone.

There being no objection, the Clerk read the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS THE ST. LOUIS RIVER NEAR CLOQUET, MINN.

The Clerk called the next bill, S. 3144, to legalize a bridge across the St. Louis River at or near Cloquet, Minn.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the bridge now being constructed over St. Louis River at or near Cloquet, Minn., by the Highway Department of the State of Minnesota, if completed in accordance with plans accepted by the Chief of Engineers and the Secretary of War as providing suitable facilities for navigation, and operated as a free bridge, shall be a lawful structure, and shall be subject to the conditions and limitations of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAINT ROCK RIVER, JACKSON COUNTY, ALA.

The Clerk called the next bill, H.R. 8234, to provide a preliminary examination of the Paint Rock River in Jackson County, Ala., with a view to the control of its floods.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to cause a preliminary examination to be made of the Paint Rock River, in Jackson County, Ala., with a view to the control of its floods, in accordance with the provisions of section 3 of an act entitled "An act to provide for control of the floods of the Mississippi River, and of the Sacramento River, Calif., and for other purposes", approved March 1, 1917, the cost thereof to be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEN. THOMAS J. (STONEWALL) JACKSON

The Clerk called the next bill, H.R. 8513, to authorize the coinage of 50-cent pieces in commemoration of the birthplace and boyhood home of Gen. Thomas J. (Stonewall) Jackson.

Mr. WOLCOTT. Mr. Speaker, I object.

Mr. EDMISTON. Mr. Speaker, will the gentleman reserve his objection a moment?

Mr. WOLCOTT. I will be pleased to do so.

Mr. EDMISTON. I want to explain to the gentleman that this bill differs to a certain extent from the other coinage bills which have gone through on this calendar without objection.

The objection by the Treasury Department to those bills has been that the coins are not sold. The gentleman probably does not understand that this is a State 4-H camp and these 4-H boys and girls of West Virginia want to sell these coins. They will not sell them for just a year, but they will keep right at it until they dispose of the number authorized. I wish the gentleman would reconsider his objection. The bill has much more merit, to my mind, than the ones for a short exposition of 2 or 3 months or something of that sort.

Mr. WOLCOTT. I may say to the gentleman that I see nothing in the report with reference to a 4-H camp. The bill, as I read it, authorizes the Treasury Department to coin 50,000 silver 50-cent pieces to commemorate the boyhood home of Gen. Thomas J. (Stonewall) Jackson.

Mr. EDMISTON. The home has been purchased by the State of Virginia and is a State 4-H camp.

Mr. WOLCOTT. I am sorry, but I am afraid I shall have to object.

Mr. EDMISTON. On what grounds?

Mr. ELTSE of California. Regular order, Mr. Speaker.

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

Mr. WOLCOTT. I object, Mr. Speaker.

BRIDGE ACROSS LAKE SABINE

The SPEAKER. Under the unanimous-consent agreement the Clerk will report the bill (H.R. 9526) authorizing the city of Port Arthur, Tex., or any commission designated by it, and its successors and assigns, to construct, maintain,

and operate a bridge over Lake Sabine at or near Port Arthur, Tex., by title.

The Clerk read the title of the bill.

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

Mr. ZIONCHECK. Reserving the right to object, is this going to be a toll bridge until the actual cost is paid, and then it is to be a free bridge?

Mr. DIES. That is it.

Mr. ELTSE of California. I want to call the gentleman's attention to the report of the Secretary of War.

Mr. DIES. Let me say to the gentleman that that is an error. The committee rejected the bill drawn by the P.W.A. attorneys and reported out this, and the report of the Secretary of War refers to the first bill.

Mr. ELTSE of California. This bill will supersede no. 9?

Mr. DIES. Yes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to promote interstate commerce, improve the Postal Service, and provide for military and other purposes, the city of Port Arthur, Tex., or any commission designated by it, and its successors and assigns, be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across Lake Sabine, at a point suitable to the interests of navigation, between a point at or near Port Arthur, Tex., and a point opposite in Cameron Parish, La., in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the city of Port Arthur, Tex., or any commission designated by it, and its successors and assigns, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, maintenance, and operation of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The said city of Port Arthur, Tex., or any commission designated by it, and its successors and assigns, is hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1906.

SEC. 4. In fixing the rates of toll to be charged for the use of such bridge the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of such bridge and its approaches, including reasonable interest and financing cost, as soon as possible, under reasonable charges, but within a period of not to exceed 20 years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall hereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management. An accurate record of the cost of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 5. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INTERNATIONAL COUNCIL OF SCIENTIFIC UNIONS

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to return to Calendar No. 238, H.R. 6781, and agree to the amendment offered by the gentleman from Michigan.

Mr. WOLCOTT. Reserving the right to object, will the gentleman agree to the amendment I suggested?

Mr. BLOOM. Certainly.

Mr. McFARLANE. What is the object of this bill?

Mr. BLOOM. This is to permit the United States to join in the scientific unions.

Mr. McFARLANE. What will it cost?

Mr. BLOOM. The regular annual fee is \$4,500, but we must figure on the exchange.

The SPEAKER. Is there objection?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, to be expended under the direction of the Secretary of State, in paying the annual share of the United States as an adhering member of the International Council of Scientific Unions and associated unions, including the International Astronomical Union, International Union of Chemistry, International Union of Geodesy and Geophysics, International Union of Mathematics, International Scientific Radio Union, International Union of Physics, and International Geographical Union, and such other international scientific unions as the Secretary of State may designate, the sum of \$9,000 for the fiscal year ending June 30, 1935, and annually thereafter such sum as may be necessary for the payment of such annual share.

Mr. WOLCOTT. Mr. Speaker, I offer the following amendment.

The Clerk read, as follows:

Page 2, line 5, after the figures "1935", strike out the comma, insert a period, and strike out the balance of line 5 and lines 6 and 7.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS THE TENNESSEE RIVER BETWEEN SHEFFIELD AND FLORENCE, ALA.

Mr. CARMICHAEL. Mr. Speaker, I ask unanimous consent to call up the bill (H.R. 9141) granting consent to build a bridge across the Tennessee River.

There being no objection, the Clerk read the bill, as follows:

H.R. 9141

A bill granting the consent of Congress to the State of Alabama, its agent or agencies, and to Colbert County and to Lauderdale County in the State of Alabama, and to the city of Sheffield, Colbert County, Ala., and to the city of Florence, Lauderdale County, Ala., or to any two of them, or to either of them, to construct, maintain, and operate a bridge, and approaches thereto, across the Tennessee River at a point between the city of Sheffield, Ala., and the city of Florence, Ala., suitable to the interests of navigation

Be it enacted, etc., That the consent of Congress is hereby granted to the State of Alabama, its agent or agencies, and to Colbert County and to Lauderdale County in the State of Alabama, and to the city of Sheffield, Colbert County, Ala., and to the city of Florence, Lauderdale County, Ala., or to any two of them, or to either of them, to construct, maintain, and operate a bridge, and approaches thereto across the Tennessee River, at a point suitable to the interests of navigation, between the city of Florence, Ala., and the city of Sheffield, Ala., in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906.

Sec. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS SAVANNAH RIVER, SYLVANIA, GA.

Mr. PARKER. Mr. Speaker, I ask unanimous consent to call up Calendar No. 287, H.R. 9313, to extend the times for commencing and completing the construction of a bridge across the Savannah River at or near Burtons Ferry, near Sylvania, Ga.

The SPEAKER. Is there objection?

There was no objection.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge authorized by act of Congress approved May 26, 1928, heretofore revived and reenacted by the act of Congress approved May 27, 1933, to be built by the South Carolina and Georgia State Highway Departments across the Savannah River at or near Burtons Ferry, near Sylvania, Ga., are hereby further extended 1 and 3 years, respectively, from the date of approval hereof.

Sec. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 1, line 6, after the word "approved", insert "April 22, 1932, and extended by an act of Congress approved."

The committee amendment was agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

SELECTION OF CERTAIN LANDS FOR USE OF UNIVERSITY OF ARIZONA

Mr. TRUAX. Mr. Speaker, I ask unanimous consent to call up the bill, H.R. 7237, no. 279 on the Consent Calendar, to provide for the selection of certain lands in the State of Arizona for the use of the University of Arizona.

The SPEAKER. Is there objection?

There was no objection.

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

There was no objection.

Mrs. GREENWAY. Mr. Speaker, I ask unanimous consent to substitute Senate bill 2379, a similar bill.

The SPEAKER. Without objection, the similar Senate bill, No. 2379, will be considered in lieu of the House bill.

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That, subject to lawful claims initiated by settlement or otherwise prior to August 2, 1932, and maintained in the manner required by law, the State of Arizona may select for the use of the University of Arizona by legal subdivisions all or any portions of sections 11, 14, 22, and 28 and the east half section 21, township 14 south, range 16 east, Gila and Salt River meridian, Arizona, and upon the submission of satisfactory proof that the land selected contains saguaro groves or growths of giant cacti or are necessary for the care, protection, and conservation of such groves or growths, the Secretary of the Interior shall cause patents to issue therefor: *Provided,* That there shall be reserved to the United States all coal, oil, gas, or other mineral contained in such lands together with the right to prospect for, mine, and remove the same at such times and under such conditions as the Secretary of the Interior may prescribe.

The 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.

The bill H.R. 7237 was laid on the table.

RELIEF OF GOVERNMENT CONTRACTORS OPERATING UNDER CODE

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent for the present consideration of the bill H.R. 9002, to provide relief to Government contractors, whose costs of performance were increased as a result of compliance with the act approved June 16, 1933, and for other purposes, being no. 277 on the calendar.

The SPEAKER. Is there objection?

Mr. ZIONCHECK. Mr. Speaker, I reserve the right to object. The reason these bills are being called up in this manner is because the objectors on the Democratic side have not received copies of the bills nor have they received the reports from the Clerk. After this bill, with the exception of a couple of bills with respect to Alaska, I shall object to any further consideration of the bills.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the President, through such agency or agencies as he may establish or designate, be, and he is hereby, authorized and directed to hear and determine, on a fair and equitable basis, claims of persons who entered into a contract or contracts with the United States, including subcontractors and materialmen, for additional costs incurred by reason of compliance with a code or codes of fair competition approved by the President under section 3 of the act approved June 16, 1933, known as the "National Industrial Recovery Act", or by reason of compliance with an agreement with the President executed under section 4 (a) of said act. In the event that such contract was performed, wholly or in part, by a surety on the bond of the contractor, the claim may be presented by such surety.

Sec. 2. In order to be entitled to a consideration of his claim, the person presenting the same shall be required to establish (1) that the contract or contracts were entered into prior to August 10, 1933, or that the bid resulting in the contract was submitted prior to said date; (2) that the contract was performed wholly or in part subsequently to said date; (3) that in the performance of such contract or contracts, he fully complied with the terms of the approved code or codes of fair competition for his trade or industry, or subdivision thereof, or that, in the absence of such code, he entered into and fully complied with an agreement with the President under section 4 (a) of the said act of June 16, 1933; and (4) that the cost of performance of such contract or contracts has been directly increased over the cost prevailing at

the time that the bid was submitted, by reason of such compliance, and the amount of such increase.

Sec. 3. In no event shall any award exceed the amount by which the cost of performance of such part of the contract as was performed subsequently to August 10, 1933, was directly increased by reason of compliance with a code or codes of fair competition, or with an agreement with the President, as aforesaid.

Sec. 4. In no event shall any award be made which would result in a profit to the claimant exceeding 7 percent on the cost of performance of the contract in respect of which the claim is made. The agency or agencies to be created or designated thereunder shall have the authority, from time to time, to determine the actual cost and profit thereon.

Sec. 5. No claim hereunder shall be considered or allowed unless presented within 6 months after the President shall have established or designated an agency or agencies to whom such claims may be submitted; or, at the option of the claimant, within 6 months after the performance of the contract is completed.

Sec. 6. Appropriations for the purpose of paying claims allowed hereunder and the expenses of determining the claims are hereby authorized.

Sec. 7. In all proceedings under this act, the agency or agencies to be created or designated hereunder shall have the power to compel the attendance of witnesses to testify under oath and to produce books, papers, letters, or other documents.

Sec. 8. The agency or agencies created or designated hereunder are hereby authorized to make, adopt, and promulgate rules and regulations for the determination of claims.

Mr. GOSS. Mr. Speaker, is that in connection with the increase caused by N.R.A.?

Mr. SUMNERS of Texas. Yes. It is very well safeguarded.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider laid on the table.

PUBLIC WORKS, FAIRBANKS, ALASKA

Mr. DIMOND. Mr. Speaker, I ask unanimous consent for the present consideration of H.R. 9402, to authorize the incorporated town of Fairbanks, Alaska, to undertake certain municipal public works, including construction, reconstruction, and extension of sidewalks; construction, reconstruction, and extension of sewers, and construction of a combined city hall and fire-department building, and for such purposes to issue bonds in any sum not exceeding \$50,000, Calendar No. 281.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the incorporated town of Fairbanks, Alaska, is hereby authorized and empowered to undertake the municipal public works herein specified and for such purposes to issue bonds in any sum not exceeding \$50,000. Said town is hereby authorized and empowered to construct, reconstruct, and extend sidewalks and for such purpose to issue bonds in any sum not exceeding \$10,000; to construct, reconstruct, and extend sewers and for such purpose to issue bonds in any sum not exceeding \$10,000; to construct a combined city hall and fire-department building and for such purpose to issue bonds in any sum not exceeding \$30,000. All of said public works are to be undertaken in the said town of Fairbanks, Alaska.

Sec. 2. Before said bonds shall be issued a special election shall be ordered by the common council of the said town of Fairbanks, at which election the question of whether such bonds shall be issued in the amounts above specified for any or all of the purposes hereinbefore set forth shall be submitted to the qualified electors of said town of Fairbanks whose names appear on the last assessment roll of said town for municipal taxation. The form of the ballot shall be such that the electors may vote for or against the issuance of bonds for each of the purposes herein specified in the amounts herein authorized. Not less than 20 days' notice of such election shall be given by publication thereof in a newspaper printed and published and of general circulation in said town before the day fixed for such election. The registration for such election, the manner of conducting the same, the canvass of the returns of said election shall be, as nearly as practicable, in accordance with the requirements of law in general or special elections in said municipality, and said bonds shall be issued for any or all of the purposes herein authorized only upon condition that not less than a majority of the votes cast at such election in said town shall be in favor of the issuance of said bonds for such purpose.

Sec. 3. Such bonds shall be coupon in form, may bear such date or dates, may be in such denomination or denominations, may mature in such amounts and at such time or times, not exceeding 30 years from the date thereof, may be payable in such medium of payment and at such place or places, may be sold at either public or private sale, may be redeemable, with or without premium, or nonredeemable, may carry such registration privileges as to either principal and interest, principal only, or both, as shall be prescribed by the common council of said town of Fairbanks at the time such bonds are authorized to be issued. The bonds shall bear the signatures of the mayor and clerk of the

town of Fairbanks, and shall have impressed thereon the official seal of said town. In case any of the officers whose signatures or countersignatures appear on the bonds shall cease to be such officers before delivery of such bonds, such signatures or countersignatures shall nevertheless be valid and sufficient for all purposes the same as if the officers of the town signing the same had remained in office until such delivery. Said bonds shall bear interest at a rate to be fixed by the common council of the said town of Fairbanks, not to exceed 6 percent per annum, payable semi-annually, and the bonds shall be sold at not less than the principal amount thereof plus accrued interest.

Sec. 4. The bonds herein authorized to be issued shall be general obligations of said town of Fairbanks, payable as to both interest and principal from ad valorem taxes which shall be levied upon all the taxable property within the corporate limits of said town of Fairbanks in an amount sufficient to pay the interest on and principal of such bonds as and when the same become due and payable.

Sec. 5. No part of the funds arising from the sale of said bonds shall be used for any purpose or purposes other than those specified in this act. Said bonds shall be sold only when and in such amounts as the common council of the town of Fairbanks shall direct, and the proceeds thereof shall be disbursed for the purposes hereinbefore mentioned and under the orders and directions of said common council from time to time as the same may be required for said purposes.

Sec. 6. The town of Fairbanks is hereby authorized to enter into contracts with the United States of America or any agency or instrumentality thereof, under the provisions of the National Industrial Recovery Act and acts amendatory thereof and acts supplemental thereto, and revisions thereof, and the regulations made in pursuance thereof, and under any further acts of the Congress of the United States to encourage public works, for the sale of bonds issued in accordance with provisions of this act or for the acceptance of a grant of money to aid said town in financing any public works herein authorized; or to enter into contracts with any person or corporation, public or private, for the sale of such bonds; and such contracts may contain such terms and conditions subject to the provisions of this act, as may be agreed upon by and between the common council of said town of Fairbanks and the United States of America or any agency or instrumentality thereof, or such terms and conditions, subject to the provisions of this act, as may be agreed upon by and between the common council of said town of Fairbanks and any other purchaser of said bonds.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

MUNICIPAL LIGHT AND POWER PLANT, SEWARD, ALASKA

Mr. DIMOND. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H.R. 9468) to authorize the incorporated town of Seward, Alaska, to issue bonds in any sum not exceeding \$60,000 for the purpose of constructing and installing a municipal light and power plant in the town of Seward, Alaska.

The SPEAKER. Is there objection?

Mr. GOSS. Reserving the right to object, I should like to ask the gentleman if this town has any other power plant now?

Mr. DIMOND. Mr. Speaker, the town has another power plant, but the people of the town are very much dissatisfied because the service is unsatisfactory.

Mr. GOSS. Is it a privately owned plant?

Mr. DIMOND. It is a privately owned plant.

Mr. GOSS. What you want to do now is to legislate them out of business and bond the town for \$60,000 for another plant; is that it?

Mr. DIMOND. The town wants to build another plant.

Mr. GOSS. Have you had a referendum on it?

Mr. DIMOND. There was a vote on it that carried, I am told, 8 to 1 in favor of it.

Mr. GOSS. You have had a vote already?

Mr. DIMOND. They have had a vote already, informally; not under any authority of any statute.

Mr. GOSS. Is it simply going to legislate this other plant out of business, or will they be able to get back some of the investment?

Mr. DIMOND. That is a question that I cannot answer with any degree of certainty, but I think the other plant will be practically out of business. It may be that a part of the other plant will be purchased, particularly the distribution system.

Mr. GOSS. Is there anything in this bill authorizing the purchase of this private plant or any of its lines?

Mr. DIMOND. No.

Mr. GOSS. There is nothing?

Mr. DIMOND. No, sir.

Mr. ELTSE of California. Will the gentleman yield?

Mr. GOSS. I yield.

Mr. ELTSE of California. Will the gentleman from Alaska state about what the investment in the privately owned plant is?

Mr. DIMOND. That is a disputable question. It is probably around \$100,000.

Mr. GOSS. Does the gentleman think it is fair to come in here and legislate a private industry out of business without giving in this bill any authority to purchase the old plant or to purchase any of the existing transportation lines or any of the equipment; just simply automatically wipe them out of existence?

Mr. ZIONCHECK. Will the gentleman yield?

Mr. GOSS. Yes; I yield.

Mr. ZIONCHECK. It is barely possible that the people of Seward have no intention of building a municipal lighting plant, but they are probably being held up in rates in such manner that they want to have the authority in order to force the rates down.

Mr. GOSS. May I ask who sets the rates?

Mr. ZIONCHECK. The Power Trust.

Mr. GOSS. They may have a utilities commission. Have they?

Mr. DIMOND. The rates are fixed in the first instance by the private utility, but the municipal corporation, acting through the common council, is given authority under the Territorial law to revise the rates.

Mr. DOCKWEILER. Will the gentleman yield?

Mr. GOSS. I yield.

Mr. DOCKWEILER. Unless we can have a clear explanation of the damage to the private plant, I will have to object.

Mr. GOSS. Mr. Speaker, I object.

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

Mr. GOSS. Yes, Mr. Speaker; I object.

TERMINAL RAILWAY POST OFFICES

Mr. MEAD. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H.R. 9392) to reclassify terminal railway post offices.

I spoke to one of the members of the committee on the Democratic side and another member of the committee on the Republican side and explained the bill to them.

Mr. ELTSE of California. Reserving the right to object, with whom did the gentleman take it up on this side?

Mr. MEAD. With the gentleman from Michigan [Mr. WOLCOTT].

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. MEAD]?

There was no objection.

The Clerk called the bill (H.R. 9392) to reclassify terminal railway post offices.

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

Mr. COCHRAN of Missouri. Reserving the right to object, I have had many letters with reference to this measure. This is a bill to reclassify the railway terminal post offices, as I understand it.

Mr. MEAD. If the gentleman will reserve his objection, I should like to proceed for a few minutes to explain the bill, and then I shall be glad to answer any objections, if there be any.

Mr. COCHRAN of Missouri. I will reserve the right to object so my friend can proceed.

Mr. MEAD. Mr. Speaker, I thank you; this is a bill to reclassify the employees of the terminal-railway post offices. In 1911 or 1912, as the result of the establishment of the Parcel Post, it was necessary to secure space in the railway terminals to handle the large volume of mail developed as the result of the inauguration of that service. In the interest of economy, space in the railroad terminals was secured because of the expensive cost of space in railway postal cars.

From that time to this there has been a controversy over the jurisdiction of the terminals and the classification of the railway-terminal clerks. There has been a desire on the part of Postmasters General to transfer this work from the railway terminals to the city post offices. This transfer would entail a reduction in salary of the railway-terminal clerks. Within the last month our committee, acting as a committee of arbitration, heard the Department and the terminal clerks, and they both have agreed to this legislation. It will save the Post Office Department approximately \$450,000 a year after reclassification becomes effective. It is fair to the employees and satisfactory to them as well. Therefore this bill is in the interest of economy and it is recommended by the Post Office Department. It is reported unanimously by our committee. We believe it will settle this controversy for all time and the employees will enjoy greater contentment.

About a week ago we were given a rule by the Committee on Rules for the consideration of this bill, and that action was unanimous also. In view of the fact that it effects a saving, in view of the fact that it is satisfactory to the employees, and in view of the fact that the Post Office Department has approved of it, I should like to see the bill pass at this time.

Mr. COCHRAN of Missouri. Will the gentleman yield?

Mr. MEAD. I yield gladly to the distinguished gentleman from Missouri.

Mr. COCHRAN of Missouri. Everyone here knows that the post-office clerks have not a better friend in Congress than the gentleman from New York [Mr. MEAD]; he has demonstrated that time and time again. The employees realize that. Therefore, with his assurance that the railway postal clerks are satisfied with this bill, and with his further assurance that he will do what he can to see that the Senate does not add any amendment which might be detrimental to the interest of the railway postal clerks, I shall withdraw my reservation of objection.

Mr. MEAD. I may say to the gentleman from Missouri that a copy of this bill has been given to the Senate committee; and that committee has been informed that the Department is in favor of the measure we are acting on now.

Mr. COCHRAN of Missouri. And the gentleman can assure me that the employees are satisfied?

Mr. MEAD. I can assure the gentleman and other Members of the House that the employees have assured me through their representatives that they are satisfied with this bill, and that the Department likewise is satisfied. It represents as fair a settlement as we could secure.

Mr. COCHRAN of Missouri. Mr. Speaker, I accept the gentleman's statement and, knowing his interest in the clerks, I withdraw my reservation of objection.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the terminal-railway post office system shall be maintained for the purpose of handling and distributing all transit mail not handed or distributed in railway-post-office lines, and the clerks in said terminal-railway post offices shall be classified as railway postal clerks and progress successively to grade 4. Clerks in charge of terminals, tours, or crews consisting of less than 20 employees shall be of grade 5. Clerks in charge of terminals, tours, or crews consisting of 20 or more employees shall be of grade 6. When a terminal-railway post office is operated in three tours there shall be a relief clerk in charge: *Provided*, That the clerk in charge of terminals having 75 or more employees shall be of grade 7: *Provided further*, That no employee in the Postal Service shall be reduced in rank or salary as a result of the provisions of this act.

With the following committee amendments:

Page 1, line 4, strike out at the end of the line the words "all transit."

Page 1, line 6, at the beginning of the line insert the words "or post offices."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS MISSOURI RIVER AT BROWNVILLE, NEBR.

Mr. MOREHEAD. Mr. Speaker, I ask unanimous consent to return to Calendar No. 296, H.R. 9567, to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Brownville, Nebr.

I may state that this project has the approval of the Department. The county authorities feel there is some chance of financing this project, thus providing another crossing of the Missouri River. I hope there will be no objection.

Mr. ELTSE of California. Mr. Speaker, reserving the right to object, I hope the gentleman from Nebraska understands that this places the men on the floor at a great disadvantage, not having the bills before us; we have to take the gentleman's word for it, not knowing what is in the bill. I join the gentleman from Washington in expressing the hope that no more of these bills will be urged, because we have no way of examining them.

Mr. ZIONCHECK. I shall have to take the gentleman's word for what is in the bill. As I understand, this is merely an extension of authority.

Mr. MOREHEAD. I have a copy of the bill and also a report from the Department. I thought perhaps by pushing it now I might have some chance of getting it through the other body.

Mr. ZIONCHECK. As I understand, this bill provides for an extension of the time.

Mr. MOREHEAD. Yes; this is just an extension. The Department has approved it.

Mr. ELTSE of California. Is it an application by a municipality, a city, or a county?

Mr. MOREHEAD. It is an application by a county.

Mr. ELTSE of California. Mr. Speaker, I withdraw my reservation of objection.

Mr. COCHRAN of Missouri. Mr. Speaker, reserving the right to object, does the gentleman say this authority is to be given to the county and not to individuals?

Mr. MOREHEAD. That is my understanding; that it is a request by the county.

Mr. COCHRAN of Missouri. Formerly the grant was to individuals, was it not?

Mr. MOREHEAD. I am not positive about that.

Mr. COCHRAN of Missouri. We have discussed this bill for the last 8 years. I have always contended the bridge would never be built.

Mr. MOREHEAD. Yes. This bill grants an extension.

Mr. COCHRAN of Missouri. As the gentleman from Nebraska states that this grant goes to the county, I shall not object. I will object to granting permission to a private individual or promoter to build a toll bridge.

The gentleman from Texas [Mr. Dries] had a bill on the calendar today to which I objected, because it sought to grant authority to private individuals to construct a toll bridge. There are plenty of Members here who object to such bills.

The same gentleman had another bill farther down the calendar which authorized the construction of a bridge at the same place by officials of the county. To this I did not object. We do not want any more toll bridges built by private individuals, but when the State or any subdivision accepts the responsibility for the construction and financing of a toll bridge, permission is granted without debate.

Some Members say the Public Works Administration will supply funds for toll bridges to be constructed by individuals. I have assurance from the Public Works Administration officials they will not, but they do consider assisting States and counties that make applications. The individual cannot get recognition from the Public Works Administration on a project of this character.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge authorized by act of Congress approved February 26, 1929, heretofore extended by acts of Congress approved June 10, 1930, and March 4, 1933, to be built by the Brownville Bridge Co. across the Missouri River at or near

Brownville, Nebr., are further extended 1 and 3 years, respectively, from the date of approval thereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 1, line 8, after the word "are", insert "hereby"; page 2, line 2, strike out the words "the date of approval thereof" and insert in lieu thereof "March 4, 1934."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE PRIVATE CALENDAR

The SPEAKER. The Clerk will call the Private Calendar, commencing with the starred bill.

PETE JELOVAC

The Clerk called the first bill on the Private Calendar, H.R. 4913, for the relief of Pete Jelovac.

Mr. BLANCHARD. Mr. Speaker, I object.

JUDD W. HULBERT

The Clerk called the next bill, H.R. 4932, for the relief of Judd W. Hulbert.

Mr. ZIONCHECK. Mr. Speaker, reserving the right to object, as far as I can gather from the bill, the claimant was over 60 years of age at the time of his injury and is now 74.

I think under the circumstances a lump sum might be agreed to, not over \$1,000, because he was over 60 years of age at the time he was injured.

Mr. WEST of Ohio. Mr. Speaker, will the gentleman yield?

Mr. ZIONCHECK. I yield.

Mr. WEST of Ohio. This bill passed the House at the last session, but failed of passage in the Senate.

This is a very worthy case.

The claimant received a lump-sum payment. It was established that his injury was service-connected and there was no question of his disability's coming from the injury. The man is totally disabled at the present time and has no means of earning a livelihood. We have the records and the reports establishing the facts in the case. There is no question of the fact that he is entitled to this compensation and then to the restoration of his status on the compensation roll that he was on before the lump-sum payment.

Mr. ZIONCHECK. Before he took the lump-sum settlement of \$2,500?

Mr. WEST of Ohio. Yes; and then to have his compensation continued at the old rate. The case has been thoroughly investigated. It seems to be a perfectly reasonable thing to place him back on the roll, take the lump sum out of the balance, and then allow him to continue at the regular rate.

Mr. ZIONCHECK. In addition to the \$2,500 he will be on the roll at \$66 per month?

Mr. WEST of Ohio. But his age is such that the probability of the payment of a large amount is not great. The man is in a feeble and invalid condition, and is totally disabled, as established by the facts in the report.

Mr. BLANCHARD. Will the gentleman yield?

Mr. WEST of Ohio. I yield to the gentleman from Wisconsin.

Mr. BLANCHARD. What justification can there be for upsetting a lump-sum settlement and going back to the compensation plan of payment?

Mr. WEST of Ohio. When the lump sum was agreed upon the gentleman did not understand the conditions. He was in such condition that he did not realize the significance of the settlement and accepted it without proper knowledge. He wants to go back to his old status, taking the lump sum away from the balance that would be due and letting the regular payments continue. In view of the fact that he has a very short expectancy of life because of his advanced age, I do not think the payments will amount to very much.

Mr. BLANCHARD. What is the man's age?

Mr. WEST of Ohio. His age is 74. His expectancy of life is not great.

Mr. BLANCHARD. How is it proposed to take out the lump-sum settlement?

Mr. WEST of Ohio. It is proposed to take the lump-sum settlement out of the balance due him according to the provisions of this act.

Mr. BLANCHARD. How is it proposed to take the lump-sum settlement out of \$66 a month?

Mr. WEST of Ohio. He would be put on the rolls at the date he was taken off.

Mr. BLANCHARD. That is 1922?

Mr. WEST of Ohio. Yes; out of the balance due to date deduct \$2,500, the lump-sum settlement, and give him the balance.

Mr. BLANCHARD. Twelve years is 144 months. This happened in 1922?

Mr. WEST of Ohio. Yes.

Mr. BLANCHARD. At the rate of \$66 a month that amounts to \$700 a year. Twelve times \$700 would be over \$8,000; but it is not proposed to pay him an additional lump sum settlement. He gets restoration to the compensation rolls?

Mr. WEST of Ohio. That is right.

Mr. BLANCHARD. The gentleman stated his age is 74?

Mr. WEST of Ohio. Yes.

Mr. BLANCHARD. I would be willing to accept an amendment which would make this point clear; that is, he is restored to the rolls at the old rate and the lump sum is to take the place of the balance due.

Mr. WEST of Ohio. If the bill does not make that point clear, I would be willing to accept an amendment that would make it clear.

Mr. BLANCHARD. I would be willing to accept that amendment to the bill if that will clear up the point. If the gentleman will draft an amendment to make that clear I would be willing to accept the amendment.

Mr. Speaker, I ask unanimous consent that this bill may be passed over temporarily.

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

There was no objection.

F. M. PETERS AND J. T. AKERS

The Clerk called the next bill, H.R. 4957, for the relief of F. M. Peters and J. T. Akers.

Mr. ZIONCHECK. Reserving the right to object, as I gather from this bill, it is proposed to give two claimants \$3,250 and \$4,400. This is money that they paid out by reason of embezzlement in a post office over which they had jurisdiction?

Mr. KEE. Yes. One of these claimants, J. T. Akers, was a former postmaster and he had a man working in the post office under the civil service. They could not discharge him. He had charge of the c.o.d. packages. The Government had a system of keeping those accounts. They simply used tags, and this clerk who had charge of the c.o.d. accounts submitted the tags to him and then money orders were issued and sent back to the shippers of the c.o.d. packages. This clerk was under bond, but the bond was for only \$1,000 and had been the same as required for 10 years.

Mr. HOLLISTER. May I ask the gentleman a question? I know the case very well. There is a Supreme Court opinion which apparently is on all fours with this case.

Mr. KEE. Yes.

Mr. HOLLISTER. Can the gentleman tell me if that is true?

Mr. KEE. That is true.

Mr. HOLLISTER. The individual who had charge of the c.o.d. collections had to remit in turn by getting a money order from some other department, remitting the proceeds in that way to the sender of the c.o.d. packages. The Supreme Court decided the matter on the theory that money of that kind was not public money.

Mr. KEE. That is the decision, and the decision also held that the postmaster was not responsible. The decision was rendered by the Supreme Court after these postmasters had paid the Government.

Mr. HOLLISTER. And the facts in this case are identical?

Mr. KEE. Yes. The Government has this money which it is not entitled to under that decision.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$3,250 to F. M. Peters, former postmaster at Bluefield, W. Va., and the sum of \$4,400.82 to J. T. Akers, present postmaster at Bluefield, W. Va., such sums representing those paid by the said F. M. Peters and J. T. Akers to the United States Government to replace funds embezzled by a former clerk in the post office at Bluefield, W. Va.

With the following committee amendment:

Page 2, line 1, after the words "West Virginia", insert the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WALLACE E. ORDWAY

The Clerk called the next bill, H.R. 4966, for the relief of Wallace E. Ordway.

Mr. ZIONCHECK. Mr. Speaker, reserving the right to object, will the gentleman state what liability the Government has in a case like this where a child crawled through a fence and fell into an irrigation ditch?

Mr. PIERCE. Mr. Speaker, this is a claim I inherited from my predecessor.

In the city of Klamath Falls there was an irrigation ditch constructed by the Government. They have a right-of-way about 150 feet wide. The city has grown around that right-of-way, extending about 3 miles. The Government has never fully protected the irrigation ditch. At the upper end of it they built a woven-wire fence. There is left out for the public something like 30 to 50 feet that the public use as a sidewalk and for automobiles.

Then it was fully 50 feet down to the ditch where the water was. They allowed the water to run across there and wash away the bank until it made a hole about 10 feet wide and 6 feet deep, which went right into the ditch. Pedestrians could go around it, but this 5-year-old child came down that pathway and went in and was drowned. Suit was brought against the city for maintaining this death trap and the city defended on the ground it was Government property. Sinnott, who sat in the seat I now occupy some years ago, was in the city at the time and he had them cover up this death trap with planks and they have since moved the fence back so it is no longer a menace.

It was a pure matter of negligence on the part of the Reclamation Service in leaving this hole in the pathway that led immediately down to the water where this child had no chance to protect itself.

The bill, as originally introduced, provided for \$7,500 and this was reduced by the committee to \$5,000. The Senate bill has reduced the amount to \$4,000. The bill has twice passed the Senate and is now up to the House.

Mr. ZIONCHECK. In the event this was a natural river instead of an irrigation ditch.

Mr. PIERCE. It was not a natural river.

Mr. ZIONCHECK. But in the event it had been a natural river instead of an irrigation ditch and the child fell into it, whom would they sue?

Mr. PIERCE. It was not a natural river, it was a ditch constructed by the Government of the United States for the irrigation of a tract of land below Klamath Falls.

Mr. ZIONCHECK. Where was the fence the gentleman speaks of in relation to the ditch—on the outside of the path?

Mr. PIERCE. The fence was not on the Government line. There was a pathway along the fence on the outside.

Mr. ZIONCHECK. On the outside of the fence and the child coming along fell through the fence.

Mr. PIERCE. No; they had allowed the water to come in and wash away the pathway and when the child came down the pathway it went into this death trap.

Mr. ZIONCHECK. Was the child on the outside of the fence at the time it fell through?

Mr. PIERCE. The child was on the path side.

Mr. ZIONCHECK. And that was on the outside of the fence?

Mr. PIERCE. And the child went under the fence where they had allowed this hole to exist.

Mr. ZIONCHECK. I do not know how the gentleman from Ohio regards this matter, but under the circumstances I shall accept the \$4,000, which is the amount the Senate passed, by way of amendment. If the gentleman from Ohio wants to go further into the question of liability, of course, he can do so.

Mr. PIERCE. I think there is no question about the liability.

Mr. HOLLISTER. If the gentleman could substantiate what he has stated—and I have no doubt the gentleman means to state the facts—the situation would be quite different; but the report does not so state the facts. The report of the Acting Commissioner of the Bureau of Reclamation of the Department of the Interior states that the evidence produced showed that the child crawled through a hole under the fence.

Mr. PIERCE. He did not crawl under; he fell through the hole on the path.

Mr. HOLLISTER. What evidence have we to substantiate that statement?

Mr. PIERCE. The suit, of course, was thrown out on the ground it was Government property and not city property.

Mr. HOLLISTER. Therefore, that is immaterial.

Mr. PIERCE. Yes.

Mr. HOLLISTER. So the question is simply one of whether this is a negligence case.

Mr. PIERCE. I think so; without any question.

Mr. HOLLISTER. Can the gentleman produce any evidence that the committee had to contradict the statement I have referred to in the report?

Mr. PIERCE. The committee made a report based on the evidence.

Mr. ZIONCHECK. The report shows that the child fell through the fence and into the ditch.

Mr. PIERCE. No; it fell into this hole that was left there.

Mr. ZIONCHECK. A hole in the fence.

Mr. PIERCE. The child did not fall through the fence. There was a hole under the fence that the Government officials had allowed to remain there.

Mr. HOLLISTER. May I suggest that the gentleman produce the evidence the committee had to demonstrate that?

Mr. ZIONCHECK. May I call the attention of the gentleman from Ohio to the fact that on the first page of the report there is some language that may be so construed:

The only protection to the public along this canal was a wire fence. A small culvert had been built across the street, emptying its water into the canal and washing away a part of the embankment, leaving a hole about 8 feet long and 4 feet wide.

Mr. HOLLISTER. But here is the point that is not made clear: It is not clear on which side of the fence that was. The claim of the Government, apparently, is that the child crawled under the fence and there was a hole on the other side and the child fell in. On that basis there could be no liability on the Government. If the hole was on the street side of the fence, then undoubtedly there could be recovery.

May I suggest to the gentleman that we pass this bill over without prejudice and the gentleman produce the evidence referred to?

Mr. PIERCE. I dislike to see the bill passed over, because it would be pretty nearly fatal at this session. It is old matter which I inherited from Nick Sinnott and then from Butler, the Member who preceded me.

Mr. HOLLISTER. The gentleman may be able to get the evidence within the next half hour.

Mr. ZIONCHECK. Mr. Speaker, I ask unanimous consent that this bill be the first bill considered on the call of the Private Calendar tomorrow evening.

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

There was no objection.

LAURA ROUSH

The Clerk called the next bill, H.R. 4992, authorizing the payment of compensation to Laura Roush for the death of her husband, William C. Roush.

Mr. BLANCHARD. Mr. Speaker, I object.

JOE PETRAN

The Clerk called the next bill on the Private Calendar, H.R. 5004, for the relief of Joe Petran.

The SPEAKER. Is there objection?

Mr. BLANCHARD. I object.

WILLIAM S. STEWART

The Clerk called the next bill on the Private Calendar, H.R. 5122, for the relief of William S. Stewart.

The SPEAKER. Is there objection?

Mr. BLANCHARD. I object.

Mr. JONES. Will the gentleman withhold that?

Mr. BLANCHARD. I will.

Mr. JONES. We had this bill up once before. The report does not disclose the full facts of the case. I did not get the facts in before until after the bill had been presented. The purpose of this measure is to place this man on the same plane that 19 others who were injured prior to April 1916 have been put on by special bills. I have here a letter from the Secretary of War and the Governor of the Canal Zone. They show that there have been 19 bills passed for those who were injured between 1908 and 1915. The Governor of the Canal Zone says there are not more than five or six cases that could be brought in under this policy. The act of 1916 gave compensation to these injured employees. This bill is simply to put this man who was injured in 1912 on the same parity for compensation that these other men have been put on. The previous objection was made on the ground that the cases back of 1916 should not be opened up. But, as a matter of fact, that field has already been opened up. Here is a letter from the Secretary of War, who gives the names of the men injured in the same line of work from 1906 to 1912—19 of them who have been granted relief by special bills.

Mr. BLANCHARD. How many were injured in this same accident?

Mr. JONES. I do not know whether there were any injured in the same accident or not. These men that I speak of were injured between 1908 and 1912 or 1915. These other 19 men were injured in the Canal Zone in the same character of work.

Mr. BLANCHARD. Does the gentleman believe it is the proper policy to go back of 1916, when the Compensation Act was passed?

Mr. JONES. I do not know that I would have favored going back originally, but they have gone back in 19 cases—men injured in 1908, 1909, 1911, and 1914. It would be manifestly unfair to go back in some cases and not go back in others.

Mr. BLANCHARD. I am particularly interested in the policy of going back of the original act. This claimant has received \$1,788, representing 1 year's salary.

Mr. JONES. They all did; they all got that prior to the 1916 act. I understand they all received the salary for 1 year.

Mr. BLANCHARD. I am perfectly willing to give this bill further consideration. Will the gentleman be satisfied to let this go over until tomorrow evening?

Mr. JONES. I am glad to do so. In the meantime I would like to have the gentleman read the report from the Secretary of War which I have here.

Mr. BLANCHARD. Mr. Speaker, I ask unanimous consent that this bill go over and be the second bill on the calendar tomorrow night.

The SPEAKER. Without objection, it is so ordered.

EUSTACE PARKS

The Clerk called the next bill, H.R. 5142, for the relief of Eustace Parks.

The SPEAKER. Is there objection?

Mr. ZIONCHECK. I object.

WIENER BANK VEREIN

The Clerk called the next bill, H.R. 5161, for the relief of Wiener Bank Verein.

The SPEAKER. Is there objection?

Mr. TRUAX. I object.

Mr. BLOOM. Mr. Speaker, will the gentleman withhold that?

Mr. TRUAX. Yes.

Mr. BLOOM. May I give the gentleman any information that he would like to have about this bill?

Mr. TRUAX. This bill proposes to pay a claim in the amount of \$30,208.67.

Mr. BLOOM. That is correct.

Mr. TRUAX. This claim originated on April 21, 1917.

Mr. BLOOM. That is correct.

Mr. TRUAX. Will the gentleman state why the claim has not been allowed before this?

Mr. BLOOM. I should be glad to do that. It is just because it got mixed up in the Private Calendar heretofore.

Mr. TRUAX. It got mixed up?

Mr. BLOOM. Yes; it got mixed up just the same as this is going to be mixed up if the gentleman objects to it. This has never been objected to. President Coolidge, President Hoover, and President Roosevelt each sent special messages to the Congress asking that the amount be paid.

Mr. TRUAX. Does the gentleman mean to tell me that President Coolidge and President Hoover and President Roosevelt have all argued on one policy?

Mr. BLOOM. With reference to this amount of money; yes.

Mr. TRUAX. On this bill?

Mr. BLOOM. Yes. Our Ambassador in Turkey at that time was requested to borrow \$150,000 from this bank.

Mr. TRUAX. For what purpose?

Mr. BLOOM. To purchase food for the starving people.

Mr. ZIONCHECK. Is not this a case of the payment of salaries?

Mr. BLOOM. Oh, no. This has nothing to do with salaries. The United States paid the principal but have not paid the interest.

Mr. ZIONCHECK. Drafts for salaries.

Mr. TRUAX. The report states that the interest for the period of the delay on the transfer of \$50,000, 4 years, 4 months, and 13 days, was \$10,377.

Mr. BLOOM. That is at 4¾ percent.

Mr. TRUAX. To whom was the interest to be paid?

Mr. BLOOM. The Wiener Bank Verein loaned to our Ambassador in Turkey \$150,000, and that money should have been deposited with their correspondent the next day in New York.

Mr. TRUAX. At what rate of interest?

Mr. BLOOM. No rate of interest then, but they withheld payment of the money for 4 years.

Mr. TRUAX. What was the nation?

Mr. BLOOM. Turkey.

Mr. TRUAX. Who made the loan?

Mr. BLOOM. The Wiener Bank Verein.

Mr. TRUAX. Does that country owe us some money?

Mr. BLOOM. This is a bank. This bank loaned the money to our Ambassador for the Government and they were to deposit immediately that money in New York City. The Government did not deposit it for 4 years, and it is for the interest on the money that the Government did not pay them from 1917 to 1920 or 1921 that this claim is made. This bank loaned the money to the United States without interest provided it would be paid immediately in New York City, which was not done. If the gentleman will read carefully this report and the bill and the last statement of President Roosevelt, I feel sure that he will not object. Three Presidents have recommended its payment.

Mr. TRUAX. But we know that it was the policy of two Presidents to refund income taxes to the extent of four and

a half billion dollars. We are now trying to get away from that sort of procedure.

Mr. BLOOM. This bank trusted the Government of the United States. It did not expect any interest provided the money would be turned back to them within the course of a few days, but for 4 years the United States Government failed to pay this \$150,000, and they are only asking for interest on that money for the time of the default in payment.

Mr. TRUAX. That is the reason I object to it, because it is interest. The United States Government loaned billions of dollars to Europe and those countries have never paid us that money.

Mr. BLOOM. Oh, the gentleman wants to be fair.

Mr. TRUAX. Not with an outfit like this.

Mr. BLOOM. But this is a private concern.

Mr. TRUAX. Yes; and the private bankers ruined the country, J. P. Morgan especially.

Mr. BLOOM. You can put it in the bill that Mr. Morgan will not get a cent of this.

Mr. TRUAX. If the gentleman could guarantee that, I might withdraw my objection.

The SPEAKER. Is there objection?

Mr. TRUAX. Mr. Speaker, I object.

Mr. BLOOM. Just one moment. I accept the gentleman's proposition. I will guarantee that J. P. Morgan will not get a cent of this. The gentleman said if I would do that he would withdraw his objection.

Mr. TRUAX. Oh, no; I did not say that. I said I might.

The SPEAKER. Is there objection?

Mr. TRUAX. I object.

FRANKING PRIVILEGE—GRACE G. COOLIDGE

The Clerk called the next bill, H.R. 5344, granting a franking privilege to Grace G. Coolidge.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That all mail matter sent by post by Grace G. Coolidge, widow of the late Calvin Coolidge, under her written autograph signature, be conveyed free of postage during her natural life.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALBERT M. JOHNSON AND WALTER SCOTT

The Clerk called the next bill, H.R. 3726, to grant a patent to Albert M. Johnson and Walter Scott.

Mr. ZIONCHECK. Mr. Speaker, I object.

Mr. ENGLEBRIGHT. Will the gentleman reserve his objection, and let the bill go over until tomorrow evening?

Mr. ZIONCHECK. Yes; I will reserve it.

Mr. ENGLEBRIGHT. I want to assure the gentleman that this is a most meritorious measure, and if the gentleman wants any information between now and tomorrow night, I shall be glad to show him the whole history of the case.

Mr. ZIONCHECK. I think I have a bowing acquaintance with this case. This is Death Valley Scotty, whose place you pass as you go through Baker. I understand this was a promotion scheme by this gentleman in Chicago and Death Valley Scotty for the selling of borax.

Mr. ENGLEBRIGHT. It is 50 miles north of any borax deposits, and if the gentleman will permit me, I will give him an outline of the case. Death Valley Scotty is an old prospector, as the gentleman knows, in Death Valley. He has lived at the upper end of the valley, at what is known as Grapevine Ranch, as long as I can remember; for 25 or 30 years, to my knowledge. A number of years ago he made the acquaintance of Johnson, of Chicago. Johnson at that time, I understand, was suffering an illness. He went down into the Death Valley country and recovered his health. He started by building a substantial house on this land.

Mr. ZIONCHECK. It is a Turkish castle, is it not?

Mr. ENGLEBRIGHT. But there is nothing for sale.

Mr. ZIONCHECK. Is there any harem there?

Mr. ENGLEBRIGHT. There is nothing for sale. They endeavored to homestead it, but it was on unsurveyed land. After a survey was extended they found they were in another township. Then the Death Valley Monument, which has withdrawn a great many hundred square miles of land, was

established, and these people agreed not to make any protest, with the understanding that they could come to Congress and perfect their title. If the gentleman will read the report, he will find that the Secretary of the Interior sets out clearly that even if there was a reservation of mineral they, the Government, would not be keeping faith with the agreement.

Mr. ZIONCHECK. Death Valley Scotty is living there now, is he not?

Mr. ENGLEBRIGHT. Yes.

Mr. ZIONCHECK. And nobody is bothering him?

Mr. ENGLEBRIGHT. Nobody is bothering him.

Mr. ZIONCHECK. And nobody will bother him as long as he lives there, and then after he dies there could be an amusement park, the Death Valley Park, for the benefit of the public?

Mr. ENGLEBRIGHT. No; that is not the fact.

Mr. ZIONCHECK. Oh, it could be.

Mr. ENGLEBRIGHT. They have a color of title, and it is questionable whether they can go ahead and perfect their title, but it will involve a great deal of delay.

Mr. ZIONCHECK. It will require an act of Congress, will it not?

Mr. ENGLEBRIGHT. No; I do not agree with the gentleman. They could go ahead with proceedings in the land office, but it will take time, and it is a rank injustice to require them to do so. They have spent their money. They are one of the largest taxpayers in the county.

Mr. ZIONCHECK. It is a \$2,000,000 castle, is it not?

Mr. ENGLEBRIGHT. Will the gentleman withhold his objection or let it go over?

Mr. ZIONCHECK. I will let it go over.

Mr. ENGLEBRIGHT. And I will show the gentleman the records, and I am sure he will be as enthusiastic as the people of the county are to have this straightened out.

Mr. ZIONCHECK. Mr. Speaker, I ask unanimous consent that this bill go over until the call of the calendar tomorrow evening.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

JEANNETTE S. JEWELL

The Clerk called the next bill, H.R. 1769, for the relief of Jeanette S. Jewell.

Mr. TRUAX. Reserving the right to object, I would like to ask the author of the bill a question or two. A few days ago the President of the United States vetoed a bill similar to this. Does the gentleman know about that?

Mr. McREYNOLDS. I can tell the gentleman about that. That was a bill that passed through the Claims Committee. It did not come out of the Committee on Foreign Affairs. It was a year's salary for a widow where the party had retired before his death. It is the policy of this committee not to report out any bill for a year's salary unless the party dies in the service.

Mr. TRUAX. Is that the policy of the President?

Mr. McREYNOLDS. I would judge so from his veto.

Mr. TRUAX. Can the gentleman assure me that the President will approve of this bill if it is enacted?

Mr. McREYNOLDS. I could not do that. I say he vetoed the other bill on the ground that the man was not in the service. He had retired prior to his death. That bill came out of the Claims Committee and it passed this House, but that was the ground upon which it was vetoed.

Mr. TRUAX. What year was this?

Mr. ALLEN. Mr. Jewell entered the foreign service in 1902, and he died while in the service in 1927.

Mr. McREYNOLDS. I had never known of a bill providing payment of a year's salary for a retired officer to be paid. One of that kind came from the Senate, and I immediately called the State Department and found this other one was there and called their attention to it.

The President's attention was called to the matter. This officer was a retired officer. He was not, therefore, in the service and his widow was not entitled to the year's salary. The Committee on Foreign Affairs have taken steps to see

that no bills are reported out for a year's salary to widows in the case of retired officers.

Mr. TRUAX. With the gentleman's assurance that he believes the President will not object to this bill, I withdraw my reservation of objection.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Jeanette S. Jewell, widow of John F. Jewell, late American consul at Birmingham, England, the sum of \$7,000, being 1 year's salary of her deceased husband, who died of illness incurred while in the Consular Service; and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, a sufficient sum to carry out the purpose of this act.

The bill was ordered to be engrossed and read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

PIERRE E. TEETS

Mr. BACON. Mr. Speaker, I ask unanimous consent to return to calendar no. 340, a bill (H.R. 206) for the relief of Pierre E. Teets.

This bill was passed over without prejudice the other day, I think through some misapprehension. The gentleman from Ohio, with whom I have consulted, says he has no objection to my request.

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

There was no objection.

The Clerk read the title of the bill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to adjust and settle the claim of Pierre E. Teets, first lieutenant, Field Artillery Reserve, United States Army, under section 6 of the act approved June 3, 1924 (Public, No. 1826, 68th Cong.), representing pay and allowances, and as reimbursement for approved amounts expended by him for medical and hospital treatment for injuries sustained while under active-duty training from July 3, 1927, to July 17, 1927, at Camp Pine, N.Y.

With the following committee amendment:

Page 1, after the enacting clause, strike out all of the remainder of page 1, and lines 1 and 2 on page 2, and insert in lieu thereof the following: "That the Comptroller General of the United States is hereby authorized and directed to certify for payment the claim of Pierre E. Teets, first lieutenant, Field Artillery Reserve, United States Army, for 6 months' pay and allowances, and reimbursement for such amounts as may be approved by the Secretary of War expended by him for medical and hospital treatment for injuries sustained while under active-duty training from July 3, 1927, to July 17, 1927, at Camp Pine, N.Y."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MUCIA ALGER

The Clerk called the next bill, H.R. 4030, for the relief of Mucia Alger.

The SPEAKER. Without objection, a similar Senate bill will be considered in lieu of the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mucia Alger, widow of William E. Alger, late American consul at Fernie, British Columbia, the sum of \$2,500, being 1 year's salary of her deceased husband, who died March 19, 1917, while in the Foreign Consular Service.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill was laid on the table.

HARRIET C. HOLADAY

The Clerk called the next bill, H.R. 6647, to compensate Harriet C. Holaday.

The SPEAKER. Without objection, a similar Senate bill will be considered in lieu of the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay to Harriet C. Holaday, widow of Ross E. Holaday, late American consul at Manchester, England, the sum of \$8,000, being 1 year's salary of her deceased husband, who died while in the Foreign Service, and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, a sufficient sum to carry out the purpose of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill was laid on the table.

FRANK W. MAHIN

The Clerk called the next bill, S. 696, to authorize Frank W. Mahin, retired American Foreign Service officer, to accept from Her Majesty the Queen of the Netherlands, the brevet and insignia of the Royal Netherland Order of Orange Nassau.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That Frank W. Mahin, retired American Foreign Service officer, be, and he is hereby, authorized to accept from Her Majesty the Queen of the Netherlands the brevet and insignia of officer of the Royal Netherland Order of Orange Nassau, which has been tendered to said officer, through the Department of State, in appreciation of services rendered the people of Holland.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMMA R. H. TAGGART

The Clerk called the next bill, H.R. 2326, for the relief of Emma R. H. Taggart.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Emma R. H. Taggart, widow of Giles Russell Taggart, late American consul at Belize, British Honduras, the sum of \$4,000, equal to 1 year's salary of her deceased husband.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LAKE OF THE WOODS

The Clerk called the next bill, H.R. 6161, to fulfill certain treaty obligations with respect to water levels of the Lake of the Woods.

Mr. TRUAX. Mr. Speaker, reserving the right to object, this is a bill to appropriate a sum exceeding \$73,000 to fulfill certain treaty obligations with Great Britain. In view of the fact that Great Britain is already a large debtor of this country I object to the bill.

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

Mr. TRUAX. I yield.

Mr. McREYNOLDS. The gentleman has the wrong conception of the matter.

Mr. TRUAX. Many thousands of dollars are involved in such bills on the calendar.

Mr. McREYNOLDS. The gentleman misunderstands the situation. This money is not appropriated to go to Great Britain; it is to go to these farmers up in Wisconsin and Minnesota the gentleman from Ohio has been fighting for on this floor.

Mr. ZIONCHECK. The gentleman has been fighting for the people of Ohio.

Mr. TRUAX. I have been speaking for those in Ohio.

Mr. McREYNOLDS. This is a claim the United States assumed when the treaty was made between Canada and the United States.

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

Mr. McREYNOLDS. I yield.

Mr. TRUAX. Mr. Speaker, I now realize that when I made my first objection to the bill and the statement that this money was to be paid to Great Britain that I did not

understand the bill. I beg the gentleman's pardon for having made a misstatement in the premises.

Mr. BLANCHARD. Mr. Speaker, I ask unanimous consent that this bill go over without prejudice.

Mr. McREYNOLDS. I object.

Mr. BLANCHARD. Then I object to the bill.

SHELBY J. BEENE ET AL.

The Clerk called the next bill, H.R. 5736, for the relief of Shelby J. Beene, Mrs. Shelby J. Beene, Leroy T. Waller, and Mrs. Leroy T. Waller.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Shelby J. Beene the sum of \$14,739.53, to Mrs. Shelby J. Beene the sum of \$15,227.80, and to Leroy T. Waller and Mrs. Leroy T. Waller each the sum of \$14,531.79, together with interest at the rate of 6 percent per annum thereon in each case from December 23, 1929, to the date of making payment under this act. Such sums represent overpayments of income taxes made (under protest) on such date by the said persons for the years 1921 and 1922. The said persons were 4 of 48 partners composing a partnership, each member of which was assessed with deficiency assessments for 1921 and 1922. Depletion on account of certain bonuses and advanced royalties received by the partnership was not allowed, and each partner's taxable income was correspondingly increased. Forty-four of the partners paid under protest and entered suits for refunds. The other four partners named in this act appealed from the deficiency assessment, but the Board of Tax Appeals and Circuit Court of Appeals, Fifth Circuit, maintained the validity of the assessments as to them, and the United States Supreme Court refused to grant them writs of certiorari. Subsequently the United States Supreme Court in the case of *Palmer v. Bender* (287 U.S. 551) (being the consolidated suits of the 44 remaining partners before the Supreme Court on writs of certiorari to the Circuit Court of Appeals, Fifth Circuit) held that the depletion claimed by the partnership should have been allowed, and the 44 partners were allowed refunds accordingly. The 4 partners' claims for refunds involved the same facts and law as those of the 44 partners.

With the following committee amendment:

Page 2, line 24, after the word "partners", insert the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CAROLINE M. EAGAN

The Clerk called the next bill, H.R. 194, to refund to Caroline M. Eagan income tax erroneously and illegally collected.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to refund and pay, out of any money in the Treasury not otherwise appropriated, to Caroline M. Eagan, Eagan Apartment, Board Walk and Florida Avenue, Atlantic City, N.J., the sum of \$10,950.19 for income tax erroneously and illegally collected from her for the calendar year 1925, together with interest thereon at the rate allowed by law on overpayments of internal-revenue taxes.

With the following committee amendment:

Page 2, line 2, after the word "taxes", insert a colon and the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FLORENCE OVERLY

The Clerk called the next bill, H.R. 872, for the relief of Florence Overly.

Mr. ZIONCHECK. Reserving the right to object, may I ask the author of the bill, the gentleman from Ohio [Mr. LAMNECK], why the father is liable for the support of the daughter?

Mr. LAMNECK. I do not know as I can give the gentleman the information at this time.

Mr. ZIONCHECK. Unless they can show some legal liability of the father to support the daughter at the time he was killed, or at this time, I will have to object to the bill.

Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice, to be brought up tomorrow.

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

There was no objection.

GEORGE E. Q. JOHNSON

The Clerk called the next bill, H.R. 4460, to provide for the payment of compensation to George E. Q. Johnson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions of section 1761 of the Revised Statutes, as amended, George E. Q. Johnson shall be paid the sum of \$5,500 as compensation for services for the period from August 17, 1932, to March 4, 1933, both days inclusive, during which time he held the office of United States district judge for the northern district of Illinois. There is authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

With the following committee amendment:

Page 2, line 1, after the word "act" insert a colon and the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES P. SPELMAN

The Clerk called the next bill, H.R. 4567, for the relief of James P. Spelman.

Mr. ZIONCHECK. Mr. Speaker, I object.

Mr. COCHRAN of Missouri. Will the gentleman withhold his objection? This is a meritorious bill, and should pass.

Mr. ZIONCHECK. I withhold my objection.

Mr. COCHRAN of Missouri. What is the trouble with this bill? Why does the gentleman object? I should like to answer his objections.

Mr. ZIONCHECK. I cannot understand why the Government should pay a refund to a person who made a bid because the bid required putting a sample in. What harm was there in complying with the sample?

Mr. COCHRAN of Missouri. Does the gentleman know that practically all the bids of the office of the Bureau of Indian Affairs and the Post Office Department require bidders to submit a sample? As I understand it, the Bureau of Indian Affairs accepted the sample, and after they accepted the sample and awarded the contract they came to the conclusion the sample did not meet the specifications. This was an honest bid. The Department itself recognized it was an honest bid and recommended, not the amount that was in the bill, but the difference between the lowest bidder and the next lowest bidder. They realized the bidder felt his bid should be accepted or rejected on the sample he submitted.

Mr. ZIONCHECK. Under those circumstances a person could come in here and get the difference between the lowest bidder and the next lowest bidder, and there would be no reason for bidding at all.

Mr. COCHRAN of Missouri. No. The Department accepted the bid despite the sample, and later held it did not meet the specifications.

Mr. ZIONCHECK. He furnished the material as per the sample?

Mr. COCHRAN of Missouri. Yes.

Mr. ZIONCHECK. What is wrong?

Mr. COCHRAN of Missouri. I repeat, it was found that the sample did not meet the specifications. They had changed the specifications after the previous proposal, and the bidder had not noticed the change in the specifications. This man was forced to go out of business. He is in need, and I hope the gentleman will not object.

Mr. ZIONCHECK. Mr. Speaker, I object.

JERRY O'SHEA

The Clerk called the next bill, H.R. 4666, for the relief of Jerry O'Shea.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Jerry O'Shea, of Blackwater, N.Dak., the sum of \$275 in full satisfaction of his claim against the United States for damages arising out of the destruction of his crops in August 1930 by a herd of horses belonging to Indians of the Fort Berthold Indian Reservation.

With the following committee amendment:

Page 1, line 9, after the word "reservation", insert a colon and the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MASSACHUSETTS BONDING & INSURANCE CO.

The Clerk called the next bill, H.R. 4838, for the relief of the Massachusetts Bonding & Insurance Co., a corporation organized and existing under the laws of the State of Massachusetts.

Mr. ZIONCHECK. Mr. Speaker, I ask that this bill be passed over without prejudice, to be brought up at the next call of the Private Calendar.

The SPEAKER pro tempore (Mr. CONNERY). Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. TRUAX. Mr. Speaker, I make the point of order that there is not a quorum present. There should be more Members here. We ought to have the Members who introduced these bills here at any rate.

Mr. ZIONCHECK. As long as there are no speeches made I do not see why we need an audience.

Mr. TRUAX. We need consideration, not oratory. Mr. Speaker, I withdraw the point of no quorum.

AMERICAN-LA FRANCE AND FOAMITE CORPORATION OF NEW YORK

The Clerk called the next bill, H.R. 5170, for the relief of the American-La France and Foamite Corporation of New York.

Mr. ZIONCHECK. Mr. Speaker, I object.

ALICE M. A. DAMM

The Clerk called the next bill, H.R. 5357, for the relief of Alice M. A. Damm.

Mr. GOSS. Mr. Speaker, reserving the right to object, this bill carries an appropriation, does it not?

Mr. McREYNOLDS. It ought not to. The language is, "There is hereby authorized to be appropriated."

Mr. GOSS. The gentleman assures us of that fact?

Mr. McREYNOLDS. That is all it is; yes.

Mr. GOSS. What does the gentleman say about the amendment on page 2—

Provided, That no part of the amount appropriated in this act in excess of 10 percent—

And so forth? Why not amend it and put in the words "authorized to be"?

Mr. McREYNOLDS. I have no objection to that.

Mr. GOSS. With the understanding we adopt an amendment, in line 11, after the word "amount", inserting the words "authorized to be", and then on page 2, line 6, after the word "amount", insert the words "authorized to be", I shall not object.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Alice M. A. Damm, widow of Henry C. A. Damm, late American consul at Nogales, Mexico, the sum of \$5,000, being 1 year's salary of her deceased husband, who died while in the Foreign Service; and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, a sufficient sum to carry out the purpose of this act:

With the following committee amendment:

At the end of the bill insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

Mr. GOSS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment to the committee amendment offered by Mr. Goss: In line 11, after the word "amount", insert "authorized to be"; and in line 6, page 2, after the word "amount", insert the words "authorized to be."

Mr. McREYNOLDS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. McREYNOLDS. Is the Claims Committee authorized to appropriate direct?

The SPEAKER. The Claims Committee has such power.

Mr. GOSS. Mr. Speaker, as I understand, the Claims Committee usually appropriates direct, but in this instance the bill authorizes an appropriation, and my object was to have the committee amendment conform with the language of the bill.

The amendment to the committee amendment was agreed to.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALBERT GONZALES

The Clerk called the next bill, H.R. 5357, for the relief of Albert Gonzales.

Mr. ZIONCHECK. Mr. Speaker, I object.

DOMINIC FRACAPANE

The Clerk called the next bill, H.R. 5417, to reimburse Dominic Fracapane for injuries sustained in an accident with a Government-owned motor truck.

Mr. TRUAX. Mr. Speaker, I object.

Mr. O'CONNOR. Mr. Speaker, in the absence of the chairman of the committee, is the gentleman willing to let this bill go over and be called up during the consideration of the calendar tomorrow night?

Mr. TRUAX. Yes; if the gentleman wants that.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that this bill may be passed over and be called tomorrow night following the last bill so passed over.

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

There was no objection.

JUDD W. HULBERT

Mr. WEST of Ohio. Mr. Speaker, I ask unanimous consent to return to Private Calendar No. 424, the bill (H.R. 4932) for the relief of Judd W. Hulbert, and if consent is granted I shall offer the amendment which I have sent to the Clerk's desk.

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

There was no objection.

The Clerk read the title of the bill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the United States Employees' Compensation Commission be, and it hereby is, authorized and directed to restore Judd W. Hulbert to the rolls of employees entitled to compensation under the provisions of the compensation acts and to give him the benefits of said acts.

SEC. 2. That said Commission pay to the said Judd W. Hulbert out of the employees' compensation fund, which is hereby made available for this purpose, a sum equal to the amount of \$66.66 per month from the date of the last monthly payment made to him, less the sum of \$2,500 paid to him in lump-sum settlement under the provisions of section 14 of the Compensation Act: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent of the lump sum appropriated in section 2 shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent of the lump sum appropriated in section 2 on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The Clerk read as follows:

Amendment offered by Mr. WEST of Ohio: Page 1, lines 10 and 11, after the word "purpose" in line 10, strike out all through the word "last" in line 11; and on page 2, strike out all preceding the colon in line 3 and insert in lieu thereof "the sum of \$66.66 per month from the date of enactment of this act until the date of his death"; and on page 2, after line 16, insert the following new section:

"SEC. 3. The payment of the sums authorized to be paid under this act shall be in full settlement of all claims against the United States on account of the injury of the said Judd W. Hulbert."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNIE MORAN

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to return to Calendar No. 191, H.R. 4272, for the relief of Annie Moran.

The SPEAKER. Is there objection?

Mr. ZIONCHECK. Reserving the right to object.

Mr. BLOOM. This bill was passed over March 15. At that time of the gentleman from New York [Mr. BLACK] made the unanimous request that the bill be passed over without prejudice, and to be called up on the first call of the next Private Calendar.

Mr. ZIONCHECK. What does the bill provide for?

Mr. BLOOM. It is for payment to the mother of a young boy who was killed by an automobile mail truck in New York.

Mr. HOLLISTER. Mr. Speaker, I think I ought to make a short statement. I objected to the bill at the time it first came up and told the gentleman from New York that I could not see in the facts of the case where a private individual or a corporation would be liable. I told the gentleman that I had not had much experience in handling damage cases, but I would submit the facts to someone who had. I did so, and I got a letter back from a man whom I consider an excellent lawyer in such cases saying that on those facts he would settle this case as soon as he could. I told the gentleman from New York [Mr. BLOOM] he had won.

Mr. ZIONCHECK. What was the injury?

Mr. BLOOM. The boy was killed.

Mr. ZIONCHECK. How old was he?

Mr. BLOOM. Twenty-one or twenty-two.

Mr. ZIONCHECK. And he had a mother dependent upon him?

Mr. BLOOM. Yes.

Mr. ZIONCHECK. Was he married?

Mr. BLOOM. No.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Annie Moran, New York City, the sum of \$12,500. Such sum shall be in full satisfaction of all claims against the United States for damages sustained by the said Annie Moran as the result of the death of her son, Edward Moran, who was struck and fatally injured by a United States mail truck in New York City, May 12, 1930.

With the following committee amendment:

Page 1, line 6, strike out "\$12,500" and insert "\$5,000."

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, and a motion to reconsider was laid on the table.

T. BROOKS ALFORD

The Clerk called the next bill on the Private Calendar, H.R. 5543, for the relief of T. Brooks Alford.

The SPEAKER. Is there objection?

Mr. HOPE. I object.

Mr. McMILLAN. Will the gentleman withhold that for a moment?

Mr. HOPE. I will.

Mr. McMILLAN. If the gentleman is going to object in spite of anything I may say, I do not wish to delay the action of the House, but I am satisfied that the gentleman from Kansas does not sufficiently understand the merits of the case.

Mr. HOPE. I will say that I have gone over the committee report, and I cannot find anything to convince me that there is any liability on the part of the Government. However, I am willing to listen to any statement the gentleman may make.

Mr. McMILLAN. In the Sixty-eighth or Sixty-ninth Congress there was an omnibus law passed, approved by the President, taking care of many cases just like this. I have known this man personally for the past 20 years, and I know exactly the condition he was up against and the experiences he has had. If the gentleman is going to object, that is the end of it. I may say that this man appeared before the committee in an extended hearing, and I would be glad to have the gentleman look over that hearing, and I hope he will do so.

Mr. HOPE. Let me ask the gentleman. He stated that some years ago an omnibus bill was passed covering a large number of cases similar to this.

Mr. McMILLAN. Yes. It was reported out by the Committee on Foreign Affairs. I have a copy of the bill in my office, but I did not bring it over here, not knowing this matter would come up.

Mr. HOPE. Can the gentleman tell why his bill was not included in it?

Mr. McMILLAN. For the reason that the gentleman will find in the report. Let me read the gentleman a paragraph from a letter from the Acting Secretary of State, dated February 13, 1930:

The records of the Department do not reveal any circumstances which will bring Mr. Alford within the scope of existing law under which a recommendation for his relief could properly be made. Consequently I regret that the Department is obliged to conclude that any relief which may be afforded would result from action, the nature of which only Congress itself can determine.

On the strength of that statement, Mr. Alford appeared before the committee in an extended hearing. I have a copy of those hearings and I have a copy as well of the omnibus bill to which the gentleman referred. I hope the gentleman will not object to this bill.

Mr. HOPE. Mr. Speaker, if the gentleman is willing to have the bill passed over at the present time, I shall be glad to give consideration to what he says.

Mr. McMILLAN. Of course, if the gentleman is about to threaten me with an outright objection, I shall be glad to consent to anything. I should be glad to let the bill go over until tomorrow evening under the circumstances.

Mr. HOPE. I would not want to agree that the bill might be called up tomorrow night, because I am not sure that I shall have time to give the matter study between now and tomorrow night, but I shall be glad to consider what the gentleman has said.

Mr. McMILLAN. I hope the gentleman will oblige me by letting me get a copy of this hearing before him and a copy of this omnibus bill. I think the gentleman can give that attention tomorrow, and I shall be glad if he will permit me to have the bill brought up tomorrow evening.

Mr. HOPE. I would not want to go that far, but I shall be glad to have the bill passed over without prejudice, and if I have time to study it between now and tomorrow night I should be glad to consider the matter further.

Mr. McMILLAN. Very well.

Mr. HOPE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice and that we may return to its further consideration at a later date.

The SPEAKER. Is there objection?

There was no objection.

CLAIMS FOR EXTRA LABOR AT CERTAIN NAVY YARDS

The Clerk called the next bill, H.R. 5567, for the allowance of certain claims for extra labor above the legal day of 8 hours at certain navy yards certified by the Court of Claims.

The SPEAKER. Is there objection?

Mr. TRUAX. Mr. Speaker, I reserve the right to object. This bill calls for an appropriation of \$332,347.74. I believe the gentleman from New York [Mr. SNELL] is here, and I yield to him for a statement. In advance I may say that with probably 40 Members here out of 435, in my humble judgment it is an ill-advised time in which to legislate on sums of money involving hundreds of thousands of dollars as this bill does.

Mr. SNELL. But a great many have gone through in the same way.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield to me?

Mr. TRUAX. I yield to the gentleman from New York, the minority leader.

Mr. SNELL. Mr. Speaker, I should be very glad to make a short statement. I have no personal interest in this bill. I do not know a single one of the claimants and not one of them lives in my district. A good-looking laboring man came into my office about 10 years ago and said to me that a small claimant against the United States Government had no opportunity to get his money. But if his claim was large enough he could get it. I did not like to see a good citizen go away with that feeling. I asked him to tell me why he felt that way. He went on and explained about these labor claims that were performed in the navy yard back in 1877 or 1878, a long time ago. I then said that if the situation were as he said I would personally introduce his bill and do what I could to get it through. The gentleman came to my office about a month or so after that and brought all of his proof, and it was just exactly as he said. Therefore I was forced to introduce the bill and do what I could for him, because there was not one mark against this claim from start to finish so far as I could see. These men performed the labor under the direction of the Secretary of the Navy. The Navy agreed to pay a certain amount. The matter ran along for several years because they had to have a special legislation from Congress to pay them. Every one of the 1,500 claims has been to the Court of Claims and has been passed upon, and the exact amount that is due to every man is set forth in the bill. It is as honest a claim as ever was presented to the Federal Government. The fact of whether it is more or less, large or small, has nothing to do with it, I should expect from the standpoint of the gentleman, if it is a just claim.

Mr. TRUAX. The gentleman's statement is logical, and I, of course, do not want for one moment to question his sincerity or integrity.

Mr. SNELL. There is the proof. It is not a question of logic or sincerity. It is just a question of fact ascertained by the Court of Claims.

Mr. TRUAX. I call the gentleman's attention to the fact that on Thursday last or Friday we spent 2 or 3 hours in debating on the floor of this House about an appropriation for the World's Fair at Chicago, which resulted finally in reducing the appropriation from \$405,000 to \$200,000. There are other bills, for instance, the Minnesota fire bill, which involves millions of dollars and a number of other bills for a million or two million dollars, but when we pass a single one of these bills we make no provision to raise the revenue with which to pay those bills.

Mr. SNELL. The gentleman forgets the fact that this has been to the Court of Claims, our own court, that it has passed upon them and that it says the Federal Government owes these men these amounts. Also the Secretary of the Navy and Comptroller General approve. In the name of justice or anything else, what right is there to deny payment? Why do we continually send claimants to the Court of Claims to have their claims adjudicated if we do not intend to pay them after they have proved their case? If this claim was against one of us and we were responsible, they could collect it.

It has passed the Senate four or five times. It has been reported by the House Committee on Claims a great number of times, but there has always been somebody who said on account of the amount of it that it ought not be paid. If a claim of \$10 is just, it should be paid. If it is ten thousand or ten million and it is just, in my judgment it ought to be paid.

Mr. O'CONNOR. Will the gentleman yield?

Mr. TRUAX. In just a moment. What the gentleman from New York says is true, but the point I am making is that we are all trying to reduce the expenditures of this Government.

Mr. SNELL. But here is something that has been adjudicated by the courts, and it is a judgment against the United States.

Mr. TRUAX. But has the money been provided to pay it?

Mr. SNELL. The money has not been provided for one tenth part of all we are passing. What about all the claims you are passing here today? There has not been any money provided for a single claim that you have passed today, or those you sent to Court of Claims last week.

Mr. TRUAX. And that is the reason I am objecting.

Mr. SNELL. But the gentleman does not object to all of them.

Mr. TRUAX. That is true.

Mr. SNELL. I have told you all that I can about the case. It is an absolutely honest case. It has been adjudicated in the Court of Claims, and the Court of Claims says the Federal Government owes these men this amount of money.

Mr. ZIONCHECK. Will the gentleman yield?

Mr. TRUAX. Certainly.

Mr. ZIONCHECK. In what years was this money earned?

Mr. SNELL. In 1877, if I remember correctly.

Mr. ZIONCHECK. 1877?

Mr. SNELL. It has been passed in the Senate five times; it has been reported from the Claims Committee of the House five or six or seven times.

Mr. TRUAX. Has it been objected to previously?

Mr. SNELL. Sometimes it has and sometimes we never reached it.

Mr. ZIONCHECK. One of the greatest injustices to the Government is the feeling that the Government takes the position that it can do no wrong, and on that basis just tramples rough-shod over the people. If it is a just claim it should be paid.

Mr. BLANTON. Mr. Speaker, this is one of my pets. I have been objecting to this \$332,347.74 bill, not as far back as 1877, when it originated, but during my service here, and I object.

Mr. SNELL. Will the gentleman kindly tell the House the basis on which he makes his objection?

Mr. BLANTON. If you will look back at some of those old speeches of mine you will see why I have objected.

Mr. O'CONNOR. Mr. Speaker, regular order.

Mr. BLANTON. Mr. Speaker, I object.

W. R. McLEOD

The Clerk called the next bill, H.R. 5605, for the relief of W. R. McLeod.

Mr. ZIONCHECK. Reserving the right to object, I will object unless the author of this bill submits to an amendment. The bill calls for \$374, but the Post Office Department finds that only \$100 is really involved, and that they should not have kept over \$100 in the safe. I think if the author of the bill consents to an amendment to make the amount \$200, which is twice the amount they should have kept in the safe at that time, I will not object.

The author of the bill does not seem to be on the floor at the moment, Mr. Speaker, and I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

HARRIET V. SCHINDLER

The Clerk called the next bill, H.R. 5639, for the relief of Harriet V. Schindler.

There being no objection, the Clerk read, as follows:

Be it enacted, etc., That sections 17 and 20 of the Employees' Compensation Act of September 7, 1916, as amended, are hereby waived in favor of Harriet V. Schindler, widow of Frederick S. Schindler, deceased, formerly employed at the post office, Utica, N.Y., and the United States Employees' Compensation Commission is authorized and directed to consider and determine her claim for compensation, notwithstanding the limitations in the first paragraph of section 10 of the aforesaid act. The Commission is further authorized and directed to pay such expenses for medical treatment furnished Frederick S. Schindler on account of his injury as it may determine to have been reasonable and necessary.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

G. T. FLEMING

Mr. BLANCHARD. Mr. Speaker, at the call of the Private Calendar on April 3, Calendar No. 316, H.R. 4930, for the relief of G. T. Fleming, was objected to. Two bills arising out of the same transaction for the relief of two other individuals passed the House on that day, but this bill for \$500, for some reason, was objected to. If we are going to pass two bills arising out of the same transaction, we certainly should pass this one. This man certainly is deserving more than the other two. For that reason, Mr. Speaker, I ask unanimous consent to return to Calendar No. 316, H.R. 4930.

The SPEAKER. Is there objection?

There was no objection.

The Clerk called the bill, H.R. 4930, for the relief of G. T. Fleming.

Mr. BLANTON. Mr. Speaker, what bill is this that the gentleman has asked to return to out of regular order?

Mr. BLANCHARD. This is no. 316 on the Private Calendar.

Mr. BLANTON. What does it involve?

Mr. BLANCHARD. The payment of \$500 to one G. T. Fleming, of Pelzer, S.C.

Mr. BLANTON. I remember the bill. I have no objection to it.

Mr. BLANCHARD. Mr. Speaker, I ask unanimous consent to substitute a similar Senate bill, Senate 3364, for the House bill.

The SPEAKER. Without objection, a similar Senate bill will be considered in lieu of the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$500 to G. T. Fleming, of Pelzer, S.C., which sum represents the loss sustained by the said G. T. Fleming on the bail bond of Reuben G. Johnson, who was afterward captured and returned to the United States officers by the said G. T. Fleming; record of said estreat-

ment of bond is shown in order of Hon. H. H. Watkins, United States district judge, at Greenville, S.C., May 22, 1923.

Mr. BLANCHARD. Mr. Speaker, I offer the usual attorneys' fee amendment.

The Clerk read as follows:

Amendment offered by Mr. BLANCHARD: At the end of the Senate bill add the following attorneys' fee proviso: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill was laid on the table.

WILLIAM H. CHAMBLISS

The Clerk called the next bill, H.R. 5783, for the relief of William H. Chambliss.

Mr. TRUAX. Mr. Speaker, I object.

BEN D. SHOWALTER

The Clerk called the next bill, H.R. 5900, for the relief of Ben D. Showalter.

Mr. BLANCHARD. Mr. Speaker, I object.

M. P. CREATH

The Clerk called the next bill, H.R. 6016, for the relief of M. P. Creath.

Mr. HOLLISTER. I object.

Mr. CROWE. Mr. Speaker, will the gentleman reserve his objection?

Mr. HOLLISTER. Mr. Speaker, I reserve my objection.

Mr. CROWE. Mr. Speaker, this seems to be a case of considerable merit. According to court decisions the 5,818 pounds of butter forming the basis of the claim was not adulterated but was made in the regular way. It was made at a time when the help of this young gentleman had been drafted into the Army and when he himself had been drafted into the service and had 3 weeks' time to close his business and go into the Army. The complaint of the butter was that it had too high a moisture content. There is nothing in the case to show that anything illegal was used in the manufacture of the butter or that adulterants were used. The Supreme Court decision of Justice Butler held that butter with additional moisture was not a law violation, if adulterants were not used. No adulterating compounds were used.

Mr. HOLLISTER. Was it not the law that if there were more than a certain moisture content the butter was illegal?

Mr. CROWE. According to the Court decision, the moisture content did not have to be a fixed and certain amount, but could be more or less. That is the substance of a decision rendered by Mr. Justice Butler of the Supreme Court in October 1923.

Mr. HOLLISTER. Perhaps I am not clear. Is the gentleman referring to a case involving this particular butter?

Mr. CROWE. No; it is a case involving the Lynch & Tilden Produce Co. in which a decision was handed down by Mr. Justice Butler in the October 1923 term of the Supreme Court of the United States.

Mr. HOLLISTER. As I understand the pending bill it is a claim for a refund of taxes assessed against this butter. On what grounds does the gentleman think recovery should be had?

Mr. CROWE. Because the man's help was drafted at that time, and he himself was drafted into the service. He had about 3 weeks' time in which to dispose of his plant.

Mr. HOLLISTER. What has that to do with it?

Mr. CROWE. He filed his claim and handled it as best he could while he was in the service.

Mr. HOLLISTER. With all due respect to the claimant, just because he went into the military service are we going to refund him taxes he may have properly paid? It seems to me such a course would open up a great attack on the Government. A great many men went into the service leaving their businesses to take care of themselves as best they could. A great many Members of Congress did so.

Mr. CROWE. That is all true, but according to this decision the moisture content does not have to be a certain fixed minimum; it may be more or less. No adulterant was used in the manufacture of this butter. The only thing that happened was that the moisture content was higher than expected.

Mr. HOLLISTER. Does the gentleman mean that in every case where the amount of moisture in butter exceeds a limit we should make a refund? If so, then we had better bring in a general bill covering all similar situations. What I am trying to get at is why we should pick out the case of one man who paid certain taxes and make a refund thereof to him simply because he went into the service.

Mr. CROWE. For the reason there was not anything of an adulterating nature used in the butter.

Mr. HOLLISTER. There must be other people in the same condition. Let us bring in a general bill. I object to these individual bills covering a general picture of this kind unless there are some particular facts which puts this man in a different class than perhaps 500 other men.

Mr. CROWE. I think if he had been in the position to have had an attorney file his claim, the situation might have been different.

Mr. HOLLISTER. This is just like these questions involving the statute of limitations. Individuals come in and ask the Government to return them money because they did not have an attorney and did not know about the statute of limitations. It seems to me if we grant individual bills of this kind, then we will be met with an attempt on the part of 40, 50, or 500 other individuals asking for the same kind of relief.

Mr. CROWE. This man was in the service; he was a young man and inexperienced, and he filed his claim in his own way, the best he knew how, and because he did not have it on the regular form they objected to his claim. His claim was as just as though it had been on a regular form.

Mr. HOLLISTER. But might there not be many cases of this kind?

Mr. CROWE. I do not think there would be.

Mr. HOLLISTER. I am constrained to object unless the gentleman can tell me why this individual case differs from other cases of the same nature.

Mr. CROWE. Will the gentleman object to the bill going over without prejudice?

Mr. HOLLISTER. No. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

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

There was no objection.

M. R. WELTY

The Clerk called the next bill, H.R. 6238, for the relief of M. R. Welty.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to M. R. Welty the sum of \$750 for damages to his automobile by a mail truck belonging to the Government.

With the following amendment:

Page 1, line 7, after the word "Government" insert a colon and the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating

the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was greed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. BROWNING. Mr. Speaker, I ask unanimous consent that on tomorrow evening when the Private Calendar is again taken up that the bills H.R. 6241, S. 503, and H.R. 8482 be given a preferred status for consideration at that time. These are the three jurisdictional bills that were not considered when seven others were brought up a few days ago. I understand it is agreeable that they be placed at the head of bills on the Private Calendar to be called tomorrow evening.

Mr. BLANCHARD. Mr. Speaker, reserving the right to object, I presume these are the three jurisdictional bills that were the subject of the unanimous-consent request of the majority leader?

Mr. BROWNING. Yes.

Mr. GOSS. Why should they be preferred?

Mr. BROWNING. All the jurisdictional bills except these three were preferred. There is no more reason why they should be than these. There are only three of them conferring jurisdiction on the Court of Claims. One of the arguments that the minority leader makes against them is age, and out of respect for their age we wish to bring them up.

Mr. SNELL. When they go to the Court of Claims and you get a judgment, it does not make very much difference if they are objected to here because the amounts are large. I know these claims are rather large, and you ought to let them go.

Mr. BROWNING. I think the minority leader should not object to their being called in conjunction with the consideration of the Private Calendar tomorrow.

Mr. GOSS. There are requests for four or five other bills to be called when we take up the Private Calendar. I presume these will be called after the others.

Mr. SNELL. I do not know why they should have a preferred status any more than other claims. We have had some claims passed over on account of personal objections. I think the time has come when we should start at the beginning of the Private Calendar and go through the Calendar in the regular way under the rules of the House.

Mr. BLANCHARD. I may say to the minority leader that it does not make very much difference, because if they come up out of order I am going to object to all of them, anyway.

Mr. GOSS. I understand these bills will be called after the other requests already granted have been complied with?

Mr. BROWNING. That is agreeable.

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

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. EICHER, for 4 days on account of illness in his family.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J.Res. 317. Joint resolution requesting the President of the United States of America to proclaim May 20, 1934, General La Fayette Memorial Day for the observance and commemoration of the one hundredth anniversary of the death of General La Fayette.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 3235. An act to amend an act entitled "An act providing for the participation of the United States in A Century of Progress (the Chicago World's Fair Centennial Expositi-

tion) to be held at Chicago, Ill., in 1933, authorizing an appropriation therefor, and for other purposes", approved February 8, 1932, to provide for participation in A Century of Progress in 1934, to authorize an appropriation therefor, and for other purposes.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on May 12, 1934, present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H.R. 177. An act for the relief of Lottie Bryant Steel;
H.R. 190. An act for the relief of Elizabeth T. Cloud;
H.R. 200. An act for the relief of Jacob Durrenberger;
H.R. 207. An act for the relief of Homer C. Chapin;
H.R. 371. An act for the relief of Peter Guilday;
H.R. 503. An act to authorize the donation of certain land to the town of Bourne, Mass.;

H.R. 878. An act for the relief of Kathryn Thurston;
H.R. 889. An act for the relief of Frank Ferst;
H.R. 1207. An act for the relief of Robert Turner;
H.R. 1208. An act for the relief of Frederick W. Peter;
H.R. 1209. An act for the relief of Nellie Reay.
H.R. 1254. An act for the relief of H. Forsell;
H.R. 2021. An act to place Jesse C. Harmon on the retired list of the United States Marine Corps;

H.R. 2203. An act for the relief of Enoch Graf;
H.R. 2431. An act for the relief of certain newspapers for advertising services rendered the Public Health Service of the Treasury Department;

H.R. 2750. An act for the relief of Scott C. White;
H.R. 3553. An act for the relief of Harvey O. Willis;
H.R. 3673. An act to amend the law relative to citizenship and naturalization, and for other purposes;

H.R. 3868. An act for the relief of Arabella E. Bodkin;
H.R. 4060. An act for the relief of Ellen Grant;
H.R. 4274. An act for the relief of Charles A. Brown;
H.R. 4927. An act for the relief of C. J. Holliday;
H.R. 4928. An act for the relief of the Palmetto Cotton Co.;

H.R. 4929. An act for the relief of J. B. Trotter;
H.R. 5299. An act for the relief of Orville A. Murphy;
H.R. 5542. An act for the relief of Joe G. McInerney;
H.R. 7059. An act to provide for the further development of vocational education in the several States and Territories;

H.R. 8052. An act 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 lands of Auwaio-limu, Kewalo, and Kalawahine, on the island of Oahu, Territory of Hawaii, the status of Hawaiian home lands, and providing for the leasing thereof for residence purposes;

H.R. 8208. An act to provide for the exploitation for oil, gas, and other minerals on the lands comprising Fort Morgan Military Reservation, Ala.;

H.R. 8235. An act to authorize the Secretary of War to convey by appropriate deed of conveyance certain lands in the district of Ewa, island of Oahu, Territory of Hawaii; and

H.J.Res. 311. Joint resolution to permit articles imported from foreign countries for the purposes of exhibition at A Century of Progress Exposition, Chicago, Ill., to be admitted without payment of tariff, and for other purposes.

ADJOURNMENT

Mr. BYRNS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 40 minutes p.m.) the House adjourned until tomorrow, Tuesday, May 15, 1934, at 12 o'clock noon.

COMMITTEE HEARING

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(Tuesday, May 15, 10 a.m.)

Continuation of the hearings on H.R. 8301, communications bill.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

471. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the legislative establishment, House of Representatives, fiscal year 1934, in the sum of \$4,787.92; to the Committee on Appropriations and ordered to be printed.

472. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the legislative establishment, United States Senate, for the fiscal year 1934, in the sum of \$50,000, and for the fiscal year 1935, in the sum of \$100,000, amounting in all to \$150,000; to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. WHITE: Committee on Irrigation and Reclamation. H.R. 9583. A bill to convey to the King Hill Irrigation District, State of Idaho, all the interest of the United States in the King Hill Federal reclamation project, and for other purposes; without amendment (Rept. No. 1600). Referred to the Committee of the Whole House on the state of the Union.

Mr. CHAVEZ: Committee on Indian Affairs. H.R. 8927. A bill to define the exterior boundaries of the Navajo Indian Reservation in Arizona, and for other purposes; with amendment (Rept. No. 1602). Referred to the Committee of the Whole House on the state of the Union.

Mr. CHAVEZ: Committee on Indian Affairs. H.R. 8938. A bill to amend the act of Congress approved June 7, 1924, commonly called the "San Carlos Act", and acts supplementary thereto; with amendment (Rept. No. 1603). Referred to the Committee of the Whole House on the state of the Union.

Mrs. NORTON: Committee on the District of Columbia. H.R. 5043. A bill to require financial responsibility of owners and operators of vehicles for hire in the District of Columbia, and for other purposes; without amendment (Rept. No. 1604). Referred to the House Calendar.

Mr. SADOWSKI: Committee on Interstate and Foreign Commerce. H.R. 9585. A bill authorizing the city of Sault Ste. Marie, Mich., its successors and assigns, to construct, maintain, and operate a bridge across the St. Marys River at or near Sault Ste. Marie, Mich.; without amendment (Rept. No. 1605). Referred to the House Calendar.

Mr. MONAGHAN of Montana: Committee on Interstate and Foreign Commerce. H.R. 9502. A bill authorizing the State Highway Departments of the States of Minnesota and North Dakota to construct, maintain, and operate certain free highway bridges across the Red River from Moorhead, Minn., to Fargo, N.Dak.; without amendment (Rept. No. 1606). Referred to the House Calendar.

Mr. COLE: Committee on Interstate and Foreign Commerce. S. 3211. An act to extend the times for commencing a completing the construction of a bridge across the Chesapeake Bay between Baltimore and Kent Counties, Md.; with amendment (Rept. No. 1607). Referred to the House Calendar.

Mr. LEA of California: Committee on Interstate and Foreign Commerce. S. 3114. An act to extend the times for commencing the construction of certain bridges in the State of Oregon; with amendment (Rept. No. 1608). Referred to the House Calendar.

Mr. TAYLOR of South Carolina: Committee on the Post Office and Post Roads. H.R. 8460. A bill to amend section 392 of title 5 of the United States Code; without amendment (Rept. No. 1609). Referred to the Committee of the Whole House on the state of the Union.

Mr. LLOYD: Committee on the Judiciary. House Joint Resolution 312. Joint resolution providing for a comprehensive observance of the one-hundredth anniversary of the overland journey of Jason Lee to Oregon and establishment of first permanent American settlement in the year 1834;

without amendment (Rept. No. 1610). Referred to the House Calendar.

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H.R. 9185. A bill authorizing the International Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Rio Grande at Laredo, Tex.; without amendment (Rept. No. 1611). Referred to the House Calendar.

Mr. SUMNERS of Texas: Committee on the Judiciary. H.R. 9269. A bill limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain proceedings against the Electro-Metallurgical Co., New-Kanawha Power Co., and the Carbon & Carbide Co.; with amendment (Rept. No. 1612). Referred to the House Calendar.

Mr. SUMNERS of Texas: Committee on the Judiciary. H.R. 3357. A bill to amend section 99 of the Judicial Code (U.S.C., title 28, sec. 180), as amended; with amendment (Rept. No. 1613). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. VINSON of Georgia: Committee on Naval Affairs. H.R. 9221. A bill to authorize the appointment and retirement of Richmond Pearson Hobson in the grade of rear admiral in the Navy; without amendment (Rept. No. 1601). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H.R. 1885) granting a pension to Richard O'Hearn, and the same was referred to the Committee on Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WOODRUFF: A bill (H.R. 9616) to amend title III of the National Prohibition Act, as amended and supplemented (relating to industrial alcohol), with respect to the issuance of tax-free alcohol to clinics; to the Committee on Ways and Means.

By Mr. DIRKSEN: A bill (H.R. 9617) to authorize the reduction of the required distance between liquor distilleries and rectifying plants and to authorize higher fences around distilleries; to the Committee on Ways and Means.

By Mr. JOHNSON of West Virginia: A bill (H.R. 9618) authorizing the Sistersville Bridge board of trustees to finance, construct, maintain, and operate a toll bridge across the Ohio River at Sistersville, Tyler County, W.Va.; to the Committee on Interstate and Foreign Commerce.

By Mr. TARVER: A bill (H.R. 9619) to authorize the disposal of surplus personal property, including buildings of the Emergency Conservation work; to the Committee on the Public Lands.

By Mr. STEAGALL: A bill (H.R. 9620) to improve Nationwide housing standards, provide employment and stimulate industry; to improve conditions with respect to home-mortgage financing, to prevent speculative excesses in new mortgage investment, and to eliminate the necessity for costly second-mortgage financing by creating a system of mutual mortgage insurance and by making provision for the organization of additional institutions to handle home financing; to promote thrift and protect savings; to amend the Federal Home Loan Bank Act; to amend the Federal Reserve Act, and for other purposes; to the Committee on Banking and Currency.

By Mr. McGRATH: A bill (H.R. 9621) to grant to the city of Monterey, Calif., an easement for street purposes over certain portions of the military reservation at Monterey, Calif.; to the Committee on Military Affairs.

By Mr. PALMISANO: A bill (H.R. 9622) to amend subsection (a) of section 23 of the District Alcoholic Beverage Control Act; to the Committee on the District of Columbia.

By Mr. JONES: A bill (H.R. 9623) to amend the Grain Futures Act to prevent and remove obstructions and burdens upon interstate commerce in grains and other commodities by regulating transactions therein on commodity futures exchanges, by providing means for limiting short selling and speculation in such commodities on such exchanges, by licensing commission merchants dealing in such commodities for future delivery on such exchanges, and for other purposes; to the Committee on Agriculture.

By Mr. HOWARD (by departmental request): A bill (H.R. 9624) authorizing certain employees in the Indian Service to administer oaths; to the Committee on Indian Affairs.

By Mr. McDUFFIE: A bill (H.R. 9625) relating to the revolving fund established by the joint resolution of December 21, 1928, for the relief of Puerto Rico; to the Committee on Insular Affairs.

By Mr. DINGELL: A bill (H.R. 9626) to provide that mothers of deceased World War veterans who did not make the pilgrimage to cemeteries of Europe shall receive a sum equivalent to the average cost per person of such pilgrimages; to the Committee on Military Affairs.

By Mr. TRUAX: A bill (H.R. 9627) to preserve and encourage a declining national institution which is a great educational and recreational benefit to the people of the Nation, particularly farmers, wage workers, and small producers, popularly known as the circus; to enable our people, particularly farmers, wage workers, and small producers and their children to receive the benefits herein mentioned without being taxed by the Government; to accomplish this end by removing the tax on admissions thereto as provided by section 500 of the Revenue Act of 1926 as amended; to the Committee on Ways and Means.

By Mr. WEAVER: A bill (H.R. 9628) authorizing the attendance of the Marine Band at the reunion of the Thirtieth Division, American Expeditionary Forces at Asheville, N.C.; to the Committee on Naval Affairs.

By Mr. TERRELL of Texas: Resolution (H.Res. 382) providing for the appointment of a committee of the House to investigate the various executive and independent offices, commissions, boards, and bureaus, for the purpose of determining whether or not the Constitution authorizes the creation of all these agencies and whether their work is necessary for the best interest of the people of the United States, and to recommend the repeal of all such agencies as are found to be unauthorized by the Constitution, or to be unnecessary for the best interest of the people of the United States, or to be uneconomical and unnecessary for the administration of the Government of the United States; to the Committee on Rules.

By Mr. McDUFFIE: Joint Resolution (H.J.Res. 344) to amend the resolution entitled "Joint resolution for the relief of Puerto Rico", approved December 21, 1928, to permit an adjudication with respect to liens of the United States arising by virtue of loans under such joint resolution; to the Committee on Insular Affairs.

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. 9629) granting a pension to Bertha M. Lewis; to the Committee on Invalid Pensions.

By Mr. DIRKSEN: A bill (H.R. 9630) for the relief of E. F. Droop & Sons Co.; to the Committee on the District of Columbia.

By Mr. HILL of Alabama: A bill (H.R. 9631) for the relief of William F. Hurt; to the Committee on Naval Affairs.

By Mr. LAMNECK: A bill (H.R. 9632) for the relief of H. E. Kraner; to the Committee on Claims.

By Mr. LUNDEEN: A bill (H.R. 9633) for the relief of Joseph S. Smith, alias Clare Holmes; to the Committee on Military Affairs.

Also, a bill (H.R. 9634) granting a pension to Henry Berndt; to the Committee on Pensions.

By Mr. McFARLANE: A bill (H.R. 9635) granting a pension to James B. Vaughn; to the Committee on Pensions.

By Mr. MAPES: A bill (H.R. 9636) for the relief of Homer P. Cota; to the Committee on Naval Affairs.

By Mrs. NORTON: A bill (H.R. 9637) to authorize the General Accounting Office to allow credit in the accounts of J. R. Lusby, disbursing officer of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. SPENCE: A bill (H.R. 9638) for the relief of D. E. Wooldridge; to the Committee on Claims.

By Mr. VINSON of Georgia: A bill (H.R. 9639) for the relief of George A. Fox; to the Committee on Naval Affairs.

By Mr. WEST of Ohio: A bill (H.R. 9640) granting a pension to Alice Richards; to the Committee on Invalid Pensions.

PETITIONS, ETC.

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

4622. By Mr. BRUNNER: Petition of Our Lady of Grace Parish, Howard Beach, Long Island, N.Y., urging Congress to support the amendment to section 301 of the Senate bill 2910; to the Committee on Merchant Marine, Radio, and Fisheries.

4623. By Mr. CONDON: Petition of Myra Flynn and other citizens of Providence, R.I., supporting the so-called "anti-lynching bill", S. 1978; to the Committee on the Judiciary.

4624. By Mr. GOODWIN: Petition of the mayor, trustees, and 64 other residents of the town of Cobleskill, N.Y., earnestly urging Congress to speedily pass legislation which will permit liberalized direct loans to industry; to the Committee on Appropriations.

4625. By Mr. JOHNSON of Texas: Memorial of Roy Connally, secretary, Chamber of Commerce of Waxahachie, Tex., favoring House bill 8100; to the Committee on Interstate and Foreign Commerce.

4626. By Mr. KRAMER: Resolution of the Edison Post, No. 431, Inc., American Legion; to the Committee on World War Veterans' Legislation.

4627. By Mr. LINDSAY: Petition of the Merchants' Association of New York, New York City, favoring enactment of House bill 9322; to the Committee on Ways and Means.

4628. Also, petition of the Northeastern Retail Lumbermen's Association, Rochester, N.Y., seeking relief for the building industry through a plan of Federal financing; to the Committee on Banking and Currency.

4629. Also, petition of the Shippers Conference of Greater New York, New York City, opposing the passage of House bill 7667; to the Committee on Merchant Marine, Radio, and Fisheries.

4630. Also, petition of the Brooklyn Postal Employees' Credit Union, Brooklyn, N.Y., urging the passage of Senate bill 1639; to the Committee on the Post Office and Post Roads.

4631. Also, petition of the Delaware & Hudson Railroad Corporation, L. F. Loree, president, opposing House bill 7430; to the Committee on Labor.

4632. By Mr. MILLARD: Resolution adopted by the Catholic Laymen's League of Orange and Rockland Counties of New York State, protesting against the action taken by the Federal Radio Commission in connection with broadcasting by Station WLWL; to the Committee on Interstate and Foreign Commerce.

4633. Also, petition signed by 32 residents of Westchester County, urging the passage of the McLeod bill; to the Committee on Banking and Currency.

4634. Also, petition signed by employees of the postal department at Peekskill, N.Y., urging the enactment of House bill 7244; to the Committee on the Civil Service.

4635. By Mr. RUDD: Petition of the Brooklyn Postal Employees' Credit Union, general post office, Brooklyn, N.Y., favoring the passage of Senate bill 1639; to the Committee on the Post Office and Post Roads.

4636. Also, petition of the Shippers' Conference of Greater New York, opposing the passage of House bill 7667; to the Committee on Interstate and Foreign Commerce.

4637. Also, petition of the Delaware & Hudson Railroad Corporation, office of the president, with reference to House bill 7430, establishing a 6-hour day for railroad employees; to the Committee on Labor.

4638. Also, petition of the Chamber of Commerce of the Borough of Quechs, city of New York, favoring necessary legislation authorizing the Home Owners' Loan Corporation to increase its capitalization by issuing an additional \$2,000,000,000 in bonds; to the Committee on Banking and Currency.

4639. By Mr. TREADWAY: Resolution adopted by the ministers of Berkshire County, Mass., urging that steps be taken to bring about complete disarmament; to the Committee on Naval Affairs.

4640. By the SPEAKER: Petition of the provincial government of Abra, Bangued, P.I.; to the Committee on Ways and Means.

4641. Also, petition of the provincial government of Zamboanga, Zamboanga, P.I.; to the Committee on Insular Affairs.

4642. Also, petition of the members of the Northvale Holy Name Society, Northvale, N.J., urging adoption of the amendment to section 301 of Senate bill 2910; to the Committee on Merchant Marine, Radio, and Fisheries.

4643. Also, petition of the Knights of Columbus, Queen City Council, No. 575, Battle Creek, Mich., urging adoption of the amendment to section 301 of Senate bill 2910; to the Committee on Merchant Marine, Radio, and Fisheries.

4644. Also, petition of Charles Forney, opposing the Senate resolution for an investigation of the American Telephone & Telegraph Co.; to the Committee on Interstate and Foreign Commerce.

SENATE

TUESDAY, MAY 15, 1934

(Legislative day of Thursday, May 10, 1934)

The Senate met at 11 o'clock a.m., on the expiration of the recess.

THE JOURNAL

On motion of Mr. ROBINSON of Arkansas, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, May 14, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. ROBINSON of Arkansas. 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	Couzens	Johnson	Robinson, Ark.
Ashurst	Cutting	Keyes	Robinson, Ind.
Austin	Dickinson	King	Schall
Bachman	Dill	La Follette	Shipstead
Balley	Duffy	Lewis	Smith
Bankhead	Erickson	Logan	Stetson
Barkley	Fess	Loneragan	Stephens
Black	Fletcher	McCarran	Thomas, Okla.
Bone	Frazier	McGill	Thomas, Utah
Borah	George	McKellar	Thompson
Brown	Gibson	McNary	Townsend
Bulkley	Glass	Metcalf	Tydings
Bulow	Goldsborough	Murphy	Vandenberg
Byrd	Hale	Norbeck	Van Nuys
Byrnes	Harrison	Norris	Wagner
Capper	Hastings	Nye	Walcott
Clark	Hatch	O'Mahoney	Walsh
Connally	Hatfield	Overton	Wheeler
Copeland	Hayden	Patterson	White
Costigan	Hebert	Pope	

Mr. ROBINSON of Arkansas. I desire to announce that the Senator from California [Mr. McADOO] is absent on account of illness; that the Senator from North Carolina [Mr. REYNOLDS] and the Senator from Massachusetts [Mr. COOLIDGE] are absent because of their service as members of the Board of Visitors to the United States Military Academy; and that the junior Senator from Arkansas [Mrs. CARAWAY], the Senator from Illinois [Mr. DIETERICH], the Senator from Oklahoma [Mr. GORE], the Senator from

Louisiana [Mr. LONG], the Senator from West Virginia [Mr. NEELY], the Senator from Nevada [Mr. PITTMAN], the Senator from Georgia [Mr. RUSSELL], the Senator from Texas [Mr. SHEPPARD], and the Senator from Florida [Mr. TRAMMELL] are necessarily detained from the Senate. I ask that this announcement may stand for the day.

Mr. HEBERT. I desire to announce that the Senator from Wyoming [Mr. CAREY] is absent because of his duties as a member of the Board of Visitors to the United States Military Academy at West Point.

I wish further to announce that the senior Senator from Pennsylvania [Mr. REED], the junior Senator from Pennsylvania [Mr. DAVIS], the senior Senator from New Jersey [Mr. KEAN], and the junior Senator from New Jersey [Mr. BARBOUR] are necessarily detained from the Senate.

The VICE PRESIDENT. Seventy-nine Senators have answered to their names. A quorum is present.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the Legislature of Puerto Rico, which was referred to the Committee on Territories and Insular Affairs:

Concurrent resolution to declare that the final status of Puerto Rico should be statehood and that the people of Puerto Rico desire that Puerto Rico become a State, forming a part of, and associated with, the federation of the United States of America; to petition the Congress of the United States of America for legislation authorizing the people of Puerto Rico to adopt its own State constitution for its approval by the Congress of the United States of America, after it has been ratified by a plebiscite to which it shall be submitted; to demand from the Congress of the United States of America an immediate liberalizing reform, of a political and economic nature, of the autonomic regimen of government at present enjoyed by Puerto Rico, through amendments to the organic act in force, and for other purposes

PART I

Whereas for more than 35 years the people of Puerto Rico, in a state of deep preoccupation, has suffered the disappointments inherent in a regime under which it has been working among difficulties caused by differences in systems, laws, customs, and language, assimilating, however, with clear vision of the future, the fundamental ideals which serve as a basis for the institutions of our government;

Whereas during that interregnum in which the people of Puerto Rico has lived trusting in the justice of the people of the United States of America, the latter, believing the former capable of living a life of equality, dignity, and honor in their relations with each other, granted to the Puerto Ricans, through Congress, American citizenship with all the prerogatives inherent therein;

Whereas the consensus of opinion of the people of Puerto Rico shows that it is advisable to know what is to be the final status of Puerto Rico in its relations with the United States of America, with the understanding that the preservation of its characteristics and other traditions are not in conflict with the principles and ideals of the American Nation, and that the vernacular may subsist in conjunction with the use of the English language, all within the new structure of government within which the people of Puerto Rico will live in dignity in association with the people of the United States of America, under the same flag;

Whereas the people of Puerto Rico has always aspired, and continues to aspire, to the fulfillment of the words which, in the lexicon of liberty of the United States of America, involved the consecration of the principle that "peoples have the right to determine their own destinies": Now, therefore, be it

Resolved by the Legislature of Puerto Rico—

SECTION 1. That the people of Puerto Rico desire that Puerto Rico become a State and be admitted to the Union under the same conditions as the States which integrate the same.

Sec. 2. To request from the Congress of the United States of America, as it is hereby requested, legislation authorizing the people of Puerto Rico to frame its own State constitution in order to submit it for the approval of the Congress of the United States of America after it is ratified by the electoral body of Puerto Rico to which it shall be submitted through a plebiscite for such purpose, the result of which shall be certified by the executive secretary of Puerto Rico; and the Governor of Puerto Rico shall give notice thereof to the President of the United States for the proper purposes.

PART II

Whereas, until the proceedings heretofore referred to in this resolution have been carried out, the people of Puerto Rico needs urgently to improve the conditions of its internal life by protecting its agriculture and promoting the development of its industry by reorganizing its government institutions, by regulating the application to Puerto Rico of certain acts of Congress, and by securing exemption from the effect of certain fiscal acts already enacted in the United States by obtaining Federal aid in temporarily balancing its annual budgets without detriment to essential services, and by securing amendments to the organic act in force in order to attain said ends; and