

COLLECTION DISTRICTS IN CALIFORNIA.

[To accompany bill H. R. No. 300.]

CORRESPONDENCE

IN RELATION TO

COLLECTION DISTRICTS,

AND

Reducing compensation of collectors and surveyors in California.

FEBRUARY 27, 1862.—Ordered to be printed.

TREASURY DEPARTMENT, *February 21, 1862.*

SIR : I have the honor to transmit herewith a draft of a bill, prepared in accordance with your request of the 19th instant, covering the suggestions contained in the two letters of the appraiser general of San Francisco, concerning a rearrangement of the collection districts in California, copies of which were transmitted to you, with my approval, on the 6th instant. I return the papers relating to the subject, as requested.

I am, very respectfully,

S. P. CHASE,
Secretary of the Treasury.

Hon. E. B. WASHBURNE,
Chairman of Committee on Commerce, House of Reps.

TREASURY DEPARTMENT, *February 6, 1862.*

SIR : I have the honor to transmit herewith for your examination, and such action as you may deem proper, copies of two letters addressed to this department by the appraiser general of San Francisco, California.

The first letter, under date of December 26, suggests that the district of San Diego, San Pedro, Santa Barbara, and Monterey, might be abolished and attached to the San Francisco district, and inspectors appointed at those ports ; or the salaries of the collectors

at San Diego, San Pedro, and Monterey might be reduced from \$3,000 to \$1,000 per annum, each, and the salary of the surveyor at Santa Barbara from \$2,000 to \$1,000. The reductions of the inspectors' salaries, coming within my province, have already been made. The deputy collector at Monterey, who is mentioned in the letter as receiving a salary of \$1,368 75, is paid by the collector, and is, therefore, no expense to the government.

The second letter, under date of December 28, recommends that the districts of Sonoma, San Joaquin, and Sacramento, be abolished and attached to the San Francisco district, and an inspector appointed at Benicia.

In the opinion of the appraiser general, the interests of the government would be as well subserved under the proposed arrangement as they now are; in which opinion I concur, and should Congress carry it into effect, there would be a saving to the government of nearly \$16,000 per annum.

I am, very respectfully, your obedient servant,

S. P. CHASE,

Secretary of the Treasury.

Hon. E. B. WASHBURNE,

Chairman of Committee on Commerce, House of Reps.

UNITED STATES APPRAISER GENERAL'S OFFICE,
San Francisco, December 26, 1861.

SIR : I have visited and examined the several custom-houses on the southern coast, viz : at San Diego, San Pedro, and Monterey. The revenue collected at all these ports was derived from the importation of horned cattle and other live stock from Mexico ; but since the passage of the tariff act of March 3, 1857, admitting "animals living of all kinds" free of duty, there has been no revenue collected within these districts.

San Diego has an excellent harbor, but, from its geographic position, can never be a place of any considerable trade, unless it shall hereafter become the terminus of the Atlantic and Pacific railroad.

San Pedro is the most important point on the southern coast, and is destined at some future day to become a place of considerable importance. It is the natural outlet to the most productive portion of the southern country, and all imports and exports from Los Angeles and San Bernardino counties must necessarily pass through that part. The coastwise imports are nearly 300 tons per month, amounting in the aggregate to three millions of dollars annually ; and the exports of wine, fruit, wool, salt, and various articles of agricultural production are of equal value. Los Angeles is, perhaps, the most attractive spot in the southern section of California, and is destined to become a great agricultural and fruit bearing country.

Monterey, under the Spanish and Mexican governments, was the capital of Upper California, and the duties collected there once

exceeded \$100,000 per annum, but after the acquisition of the United States the business was wholly transferred to San Francisco, and the service in this district is now in a great measure preventive. Still it is an important point on the coast; has an excellent harbor where vessels of the largest class can always find a safe anchorage.

All these ports of entry and delivery were established by an act of Congress passed September 28, 1850, during what is commonly called the "flush times in California," and before the whole revenue and business of the State centered in San Francisco. The salaries were in conformity with the times, and were fixed at treble those of the adjoining State of Oregon. The time has now arrived when some action should be taken in regard to these ports on the southern coast, in order to guard against needless expenditure at a period when the country requires the utmost economy in every department of the government.

One of two plans could be adopted, either to abolish all the collection districts on the southern coast and attach them to the district of San Francisco, leaving it for the collector of the latter to appoint inspectors wherever necessary to protect the revenue; or to reduce the present salaries of the collector, surveyor, and inspectors to \$1,000 per annum, thus placing them on a footing with Port Townsend and Umpqua districts in Oregon.

I am of the opinion that the latter course would be more conducive to the public interests, for while there is no revenue collected at either of the above ports, they are all situated on the seacoast where vessels are liable to be shipwrecked or stranded, and where it is necessary to guard the revenue against the operations of the smuggler. By the annexed statement it will be seen that the present annual salaries paid to the several officers at these ports amount in the aggregate to \$15,106 25, but when reduced, in accordance with the plan recommended, will be about one-third this amount, or \$6,000 per annum.

I am, very respectfully, your obedient servant,

SAMUEL J. BRIDGE,

Appraiser General.

HON. S. P. CHASE,

Secretary Treasury U. S., Washington, D. C.

UNITED STATES APPRAISER GENERAL'S OFFICE,
San Francisco, December 28, 1861.

SIR: I have visited and examined the custom-houses at Benicia, Stockton, and Sacramento. At the two latter ports not a single dollar of revenue has been collected since 1851, and there is no prospect that there ever will be in the future. They are both situated in the interior, on the San Joaquin and Sacramento rivers, which are navigated by steamers and small craft engaged in the coasting trade. All the above ports of entry were established by an act of

Congress passed September 28, 1850, based upon the trade in the early settlement of California and the subsequent discovery of gold. There never was, however, the slightest necessity for their location on these interior waters, for those places are only accessible through the Golden Gate, and all vessels that ever discharged on these rivers have first cast anchor in the harbor of San Francisco.

Benicia is the only one of these ports where the slightest revenue has been collected the past year, and that was derived from a single importation of coal by the Pacific Mail Steamship Company, amounting to \$905 27. This company have their workshops located at that place, while their steamers arrive and depart from San Francisco, and where the duties on the coal necessary for their use are almost wholly collected. Benicia is the only point in the three districts where even an inspector of the customs is required. It is barely possible that a vessel might pass through Raccoon Straits, and thus reach the interior without the payment of duties; but masters of vessels have never yet attempted the passage, and there is no probability that they ever will do so. An inspector stationed at Benicia would effectually guard the entrance to the Sacramento and the San Joaquin rivers, as every vessel bound out must pass through the Straits of Carquinas, on the shores of which that place is situated.

I therefore respectfully recommend that the districts of Sonoma, San Joaquin, and Sacramento, be wholly abolished and attached to the district of San Francisco, leaving it for the collector to appoint an inspector at Benicia, and to detail one to accompany a vessel to such place on the river as the importer may desire to have the cargo discharged. It will be seen by the annexed statement, that in addition to the rent and other incidental expenses of these districts, the salaries alone amount to \$9,000, which could be reduced without detriment to the public service to \$1,368 75, the compensation allowed by law to an inspector in the district of San Francisco.

I am, very respectfully, your obedient servant,

SAM. J. BRIDGE,

Appraiser General.

Hon. S. P. CHASE,

Secretary Treasury United States, Washington, D. C.

Statement of the annual compensation paid at the several ports on the San Joaquin and Sacramento rivers, with the proposed reduction on the same.

	Present compensation.	Proposed compensation.
District of Sonoma, 1 collector	\$3, 000 00
District of San Joaquin, 1 collector	3, 000 00
District of Sacramento, 1 collector	3, 000 00
The above districts to be abolished and attached to the district of San Francisco, with an in- spector at Benicia, at \$3 75 per day	\$1, 368 75
	9, 000 00	1, 368 75

Statement of the annual compensation paid at the several ports of the southern coast of California, with the proposed reduction on the same.

	Present compensation.	Proposed compensation.
San Diego, 1 collector	\$3, 000 00	\$1, 000 00
San Pedro, 1 collector	3, 000 00	1, 000 00
Santa Barbara, 1 surveyor	2, 000 00	1, 000 00
Monterey, 1 collector	3, 000 00	1, 000 00
1 deputy collector, unnecessary	1, 368 75
1 inspector at Sandy Cruz	1, 368 75	1, 000 00
1 inspector at San Luis Obispo	1, 368 75	1, 000 00
	15, 106 25	6, 000 00

