69TH CONGRESS } SENATE { REPORT
1st Session } { No. 329

J. BLOCK & CO.

MARCH 11, 1926.—Ordered to be printed

Mr. MEANS, from the Committee on Claims, submitted the following

ADVERSE REPORT

[To accomapny S. 1352]

The Committee on Claims, to whom was referred the bill (S. 1352) for the relief of J. Block & Co., having considered the same, report adversely thereon with the recommendation that the bill be indefinitely postponed.

The facts upon which this report is based are found in the following letter from a former Secretary of War, which is appended hereto and made a part of this report:

WAR DEPARTMENT,
Washington, October 19, 1921.

Hon. SELDEN P. SPENCER,
Chairman Committee on Claims, United States Senate.

MY DEAR SENATOR: Replying to your form letter of the 8th instant, accompanied by a copy of S. 2554, a bill for the relief of J. Block & Co., of Galveston, Tex., in the amount of $600, you are advised that the said claim was rejected a few months ago on the ground that there is no legal liability on the part of the Government.

The facts in the case having been presented to the Judge Advocate General for an opinion as to whether the district engineer, Galveston, Tex., would be justified in entertaining and paying the claim, the following opinion, which sets forth the material facts involved, was handed down:

"The papers in reference relate to the purchase by J. Block & Co. of condemned engineer property at Galveston, Tex., for which the company bid and paid $625. The articles so purchased by them were under the terms of sale to be removed from the Government warehouses within 30 days from receipt of award. The award of this property to J. Block & Co. was made on the 20th of April, 1921. On May 7, 1921, the warehouse at Fort Point, in which this property was stored, was burned and the greater part of the property destroyed. The papers in reference do not disclose the cause of the fire. The purchaser is now making application for the refund of the amount paid for this property 'on the basis that they were to be allowed 30 days in which to remove same.'

"Upon the foregoing facts it is clear that title to the property in question passed to purchaser upon payment by it of the purchase price and the Government was only a gratuitous bailee of the property which was left in the Gov-

ernment storehouse for the convenience of the purchaser. Upon the showing made in the papers there is no liability on the part of the Government to return the purchase price to J. Block & Co."

Since the property which claimant had purchased and paid for, title thereto having passed at the time of payment, was permitted to remain in a Government warehouse for the convenience of the purchaser, where it was destroyed by fire without fault on the part of the Government or its agents, it is believed that there is no legal or equitable obligation on the part of the Government to bear the loss. It is therefore recommended that the bill be not favorably reported to the Senate.

The copy of the bill is retained in the files of the department.

Sincerely yours,

JOHN W. WEEKS, *Secretary of War.*

O