HOUSE OF REPRESENTATIVES

TUESDAY, *February 21, 1928*

The House met at 12 o'clock noon.

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

Thou art still our God, our Heavenly Father. Thy loving providence is still our perpetual accompaniment. How we do thank Thee that the world is not impelled by a blind, resistless, heartless force! The spirit of God has made us, and the breath of the Almighty has given us life; in Him we have our refuge and strength. Keep the windows of our souls open and lead us to a higher and higher valuation of the things of the spirit. We most humbly acknowledge the majesty and the glory of the Galilean Teacher. In Him, through Him, and for Him may we give ourselves to Thee and to the services of our Republic. Through Jesus Christ, our Lord. Amen.

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

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its principal clerk, announced that the Senate had passed with amendments a bill of the following title, in which the concurrence of the House of Representatives was requested:

H. R. 7201. An act to provide for the settlement of certain claims of American nationals against Germany and of German nationals against the United States, for the ultimate return of all property of German nationals held by the Alien Property Custodian, and for the equitable apportionment among all claimants of certain available funds.

The message also announced that the Senate had passed without amendment a bill of the following title:

H. R. 9280. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River approximately midway between the city of Owensboro, Ky., and Rockport, Ind.

BILLS PRESENTED TO THE PRESIDENT

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that this day they presented to the President of the United States for his approval bills of the House of the following titles:

H. R. 7032. An act authorizing the Valley Bridge Co. (Inc.), of Paducah, Ky., its successors and assigns, to construct, maintain, and operate a bridge across the Cumberland River at or near Canton, Ky.;

H. R. 7033. An act authorizing the Valley Bridge Co. (Inc.), of Paducah, Ky., its successors and assigns, to construct, maintain, and operate a bridge across the Cumberland River at or near Iuka, Ky.;

H. R. 7034. An act authorizing the Midland Bridge Co. (Inc.), of Paducah, Ky., its successors and assigns, to construct, maintain, and operate a bridge across the Cumberland River at or near Smithland, Ky.;

H. R. 7035. An act authorizing the Midland Bridge Co. (Inc.), of Paducah, Ky., its successors and assigns, to construct, maintain, and operate a bridge across the Tennessee River at or near the mouth of Clarks River;

H. R. 7036. An act authorizing the Valley Bridge Co. (Inc.), of Paducah, Ky., its successors and assigns, to construct, maintain, and operate a bridge across the Tennessee River at or near Eggners Ferry, Ky.; and

H. R. 8216. An act to confer authority on the United States District Court for the Western District of Virginia to permit J. L. Sink, a bankrupt, to file his application for discharge and to authorize and empower the judge of said court to hear and determine the same.

W. H. CLARK AGAINST HAYS B. WHITE

Mr. COLTON, from the Committee on Elections No. 1, by direction of that committee, submitted a privileged report on the contested-election case of W. H. Clark against Hays B. White from the sixth congressional district of the State of Kansas, which was ordered printed.

BRIDGE ACROSS KANAWHA RIVER AT POINT PLEASANT, W. VA.

Mr. DENISON. Mr. Speaker, I want to prefer a unanimous-consent request in respect of a bill that was on the consent calendar yesterday and could not be reached. It is merely an extension of time within which to complete a bridge; an emergency exists, because the present law expires on the 2d of March next. The bill is H. R. 9843, to extend the times for commencing and completing the construction of a bridge across the Kanawha River at or near the town of Henderson, W. Va., to a point opposite thereto in or near the city of Point Pleasant, W. Va.

The SPEAKER. The gentleman assures the Chair this is an emergency?

Mr. DENISON. Yes, Mr. Speaker. I have no interest in it, but the old franchise expires on the 2d of March next.

The SPEAKER. The Chair has hitherto announced he would not recognize unanimous-consent requests to take up bridge bills out of order unless there was an emergency.

Mr. DENISON. I recognize that rule, Mr. Speaker, and I want to state that I will not move to reconsider the vote and lay that motion on the table; so that if anyone wishes to reconsider the bill that can done later by a proper motion, and I shall not resist such a motion.

The SPEAKER. The Clerk will report the bill.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of the bridge authorized by the act of Congress approved March 2, 1927, to be built across the Kanawha River at or near Henderson, W. Va., to a point opposite thereto at or near the town of Point Pleasant, W. Va., are hereby extended one and three 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 amendments:

Page 1, line 5, after the word "River," strike out the word "at" and insert in lieu thereof the word "in"; page 1, line 7, after the word "to," strike out the word "at" and insert in lieu thereof the word "in"; page 1, line 7, strike out the words "the town of."

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.

The title was amended.

ALIEN PROPERTY

Mr. GREEN of Iowa. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7201) to provide for the settlement of certain claims of American nationals against Germany and of German nationals against the United States, for the ultimate return of all property of German nationals held by the Alien Property Custodian, and for the equitable apportionment among all claimants of certain available funds, with a Senate amendment, disagree to the Senate amendment, and ask for a conference.

I will say to the House that there is only one amendment. The Senate has stricken out all after the enacting clause and has inserted an amendment. The principal features of the bill of the House, however, are preserved, and the amendment does not alter the essential structure of the bill.

Mr. TILSON. This is the alien property bill?

Mr. GREEN of Iowa. Yes; this is commonly known as the alien property bill.

The SPEAKER. The gentleman from Iowa asks unanimous consent to take from the Speaker's table the bill H. R. 7201, with a Senate amendment, disagree to the Senate amendment, and ask for a conference. Is there objection?

There was no objection.

The SPEAKER. The Chair appoints the following conferees: Messrs. GREEN of Iowa, HAWLEY, TREADWAY, GARNER of Texas, and COLLIER.

PERMISSION TO ADDRESS THE HOUSE

Mr. ENGLAND. Mr. Speaker, I ask unanimous consent to address the House for 20 minutes.

Mr. TILSON. Why does not the gentleman get time under general debate on the District appropriation bill, which is to be immediately taken up?

Mr. ENGLAND. If I can do that, it will be satisfactory, except that my remarks will not refer to the general debate on the bill.

Mr. TILSON. General debate covers everything. There is nothing, so far as I know, that general debate does not cover.

Mr. CHINDBLOM. The debate is on the general state of the Union.

Mr. ENGLAND. It does not make any special difference to me.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

Mr. SIMMONS. I will yield the gentleman time later in the afternoon.

Mr. ENGLAND. That will be satisfactory.

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. SIMMONS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 11133) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1929, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the District of Columbia appropriation bill, with Mr. HOOPER in the chair.

The Clerk read the title of the bill.

Mr. SIMMONS. Mr. Chairman, I yield myself one hour.

The CHAIRMAN. The gentleman from Nebraska is recognized for one hour.

Mr. SIMMONS. Mr. Chairman, the regular annual appropriations, under which the District of Columbia government is operating for the fiscal year 1928, total $36,507,202.44, which includes $267,317.44 contained in the first deficiency act of 1928. The amount recommended for the fiscal year 1929 as contained in the President's Budget was $37,668,686. The amount that has been recommended by the committee on the accompanying bill is $37,035,235, an increase of $528,032.56 over the current year, and a decrease of $633,451 under the Budget estimates.

The following table will show the distribution of these figures between the various divisions and services of the municipal government. An explanation of the committee's action in each instance appears under the appropriate heading in this report, and an itemized tabulation of the figures appears on pages 19 to 41 of this report.

	Appropriations for 1928 (including deficiency amounts contained in the first deficiency act of 1928)	Budget estimates for 1929	Recommendations for 1929	Increases (+) or decreases (−) for 1929, as compared with 1928 appropriations	Increases (+) or decreases (−) recommended in the bill as compared with the Budget estimates
Salaries	$2,022,940.00	$2,044,810.00	$2,117,905.00	+$94,965.00	+$73,095.00
Contingent and miscellaneous	241,660.00	223,700.00	223,700.00	−17,960.00	
Street and road improvement repair	3,913,742.44	4,233,000.00	3,923,060.00	+9,317.56	−309,940.00
Sewers	1,700,390.00	1,526,000.00	1,526,000.00	−174,390.00	
Collection and disposal of refuse	1,524,860.00	1,575,000.00	1,576,740.00	+51,880.00	+1,740.00
Public playgrounds	171,965.00	192,380.00	190,610.00	+18,645.00	−1,770.00
Electrical department	978,480.00	1,136,070.00	1,138,230.00	+159,750.00	+2,160.00
Public schools	12,004,015.00	12,156,130.00	12,150,530.00	+146,515.00	−5,600.00
Police department	3,088,760.00	3,209,180.00	3,150,269.00	+61,509.00	−58,911.00
Policemen and firemen's relief fund	710,000.00	650,000.00	−650,000.00	[1] 60,000.00	
Fire department	2,138,862.00	2,130,015.00	2,130,015.00	−8,847.00	
Health department	374,590.00	379,260.00	390,955.00	+16,365.00	+11,695.00
Courts	765,002.00	787,296.00	783,026.00	+18,024.00	−4,270.00
Public welfare	3,467,320.00	4,593,825.00	4,292,200.00	+284,880.00	−301,625.00
Miscellaneous	266,500.00	230,370.00	230,400.00	−36,100.00	+30.00
Public buildings and public parks	1,033,406.00	942,300.00	899,635.00	−133,771.00	−42,605.00
National Capital Park and Planning Commission	600,000.00	600,000.00	600,000.00		
National Zoological Park	253,000.00	180,000.00	180,250.00	−72,750.00	+250.00
Water service	1,961,710.00	1,529,350.00	1,531,710.00	−430,000.00	+2,360.00
Total regular annual appropriations	[1] 36,507,202.44	[1] 37,668,686.00	[1] 37,035,235.00	+528,032.56	−633,451.00

[1] These figures do not include an amount of $42,500 for the care and treatment of indigent patients at Freedmen's Hospital, the necessary amount for which has been transferred to and made a part of the Interior Department appropriation bill for 1929.

The committee reporting out this bill has included with its recommendations the current provision appropriating $9,000,000 lump sum as the Federal contribution to the District of Columbia expenses.

There are two ways in which to reduce taxes from the standpoint of the man who pays them. One is to shift the tax burden which rightly is his to the shoulders of some one else. The other way, and the correct way, is by reducing expenditures and thereby reducing the tax burden.

Ever since the Nation's Capital was located in Washington efforts have been made to shift the tax burden of the District to the United States. For many years the fiscal relations of the United States and the District were not on any orderly basis. About 1870 the régime of Mr. Shepherd began, with great outlays, extravagant expenditures, and much waste for city improvements and development. Just as any city that embarks upon such a program, the city of Washington could not carry such a load and the Nation was asked to help. The final outcome was that Congress abolished the government then in existence, guaranteed the payment of the city's indebtedness, and set up the present commissioner form of governing the Capital. As a part of that plan the act authorizing this change provided that the costs of operating the city should be paid 50 per cent by the District of Columbia and 50 per cent by the Federal Government. To some of the citizens of Washington the 50–50 plan is a sacred thing, not to be touched by mortal hands. It is interesting, therefore, to note how it came to be adopted originally as the basis of fiscal relations between the Federal Government and the District of Columbia. I quote now from W. B. Bryan's History of the Nation's Capital, volume 2, page 624:

* * * How was the District to go on? At the outset of the investigation Governor Shepherd answered that question when he told the committee of "the difficulty if not the impossibility of making the receipts meet the necessary expenditures" unless Congress did its part as a property holder. (Investigation, 1874, vol. 1, governor's answer, p. 469.) As to exactly what that part was he had stated officially only the previous year. (Report of Board of Public Works, p. 3, 1873.) It was one-half because, as he calculated, the Government owned one-half of the value of the real property in the District. To reach such a result, however, he placed a value of 30 cents a square foot on the streets and avenues. In this way he added 50 per cent to the valuation of Government property, consisting of the parks and reservations and public buildings. A year before it did not occur to him to include the streets, so that then his estimate of the value of the Government holdings did not go beyond two-thirds of that of other District property. (The same, 1872, p. 21. The thirty-three millions of street value brought the total up to ninety-six millions, the assessed value of private property.)

Mr. GREEN of Iowa. May I ask the gentleman a question?

Mr. SIMMONS. I will yield to the gentleman.

Mr. GREEN of Iowa. Does the gentleman say that the streets of the city were included in the value placed upon the property of the Government?

Mr. SIMMONS. When the original 50–50 plan was adopted they included the streets and avenues at 30 cents a square foot and charged them to the United States.

Mr. GREEN of Iowa. That is the most astonishing thing to me.

Mr. SIMMONS. It is no more astonishing than things that happened in 1928.

Thus by adding thirty-three millions of street value to the other values Governor Shepherd brought the Government's "property values" up to $96,000,000, equal to the assessed value of the private property in the District.

Mr. CRAIL. Will the gentleman yield?

Mr. SIMMONS. Yes.

Mr. CRAIL. Was there any reason why the streets should be considered as the property of the Government?

Mr. SIMMONS. The only reason was that they wanted the Government to pay more than they would pay if they had not put the streets in.

The 50–50 plan started off then on a decidedly questionable basis in the amount charged to the United States as a "property holder." That was in 1874. In 1876 a joint committee fixed the Federal share of the District at 40 per cent—Bryan's History, page 635—but the recommendation was not accepted. Then Mr. Bryan states, page 635:

* * * It is quite apparent, however, from the debate in 1878 that the half-and-half rate met with favor from a number, because of

the impression or belief that the value of the Federal property in the District was about one-half of the entire property valuation. No statement was given upon which such a conclusion was based. The same was true in the case of a similar claim made by the citizens of the District, as represented by a committee of 100 in a memorial presented to Congress at the opening of the session in December, 1877. Only the total of Government property valuation was given in the memorial, nothing to show how it was arrived at. As the total was the same as the estimate made by Governor Shepherd in 1873, when he included the value of the street area at so much per square foot, it may be concluded that the committee adopted his figures. Moreover, Governor Shepherd was a member of the committee.

The memorial gave a review, based upon the reports of subcommittees, of the history of the District and its present needs and condition as the foundation for the contention that as the District was the National Capital, where the Government had large property interests as well as supreme authority, it should bear an equal share with the citizens in its maintenance and improvement. (The committee of 100 citizens of the District of Columbia to the Senate and House, Washington, 1877. Also reports of subcommittees in separate pamphlet, same date and place.) With a singleness of purpose not always possible in civic efforts, this committee had but one thing to ask, but one recommendation to make, and that was the adoption of the half-and-half rate. The zeal and earnestness with which the committee urged this matter is indicated by a remark made on the floor of the House that the change in the rate of 40 per cent, as proposed in the plan reported at the previous Congress, to 50 per cent "was doubtless under the pressure of the committee of 100 citizens." (RECORD, p. 2528, April 15, 1878. The officers of the committee were: Permanent chairman, George W. Riggs; vice presidents, Joseph Casey, L. J. Davis, D. K. Carter, John T. Given, C. S. Noyes, and John T. Mitchell; secretary, John A. Baker; treasurer, R. C. Fox.)

Arrived at in this uncertain and obviously unfair way, the 50–50 plan was followed by Congress down until 1922, when the 60–40 plan was adopted. Since 1925 the United States has contributed annually $9,000,000 in a lump-sum amount in cash to the District treasury and in addition has surrendered its right to a proportionate share of district revenues (to which it was entitled under the 60–40 plan) amounting to approximately $850,000 a year. The Government also furnishes to the District the services of Army officers, whose salaries amount to $89,000 a year. During the past five years $184,000 worth of Government property has been given to the District through the Chief Coordinator in the way of surplus material. In 1927 alone this amounted to $122,000. In addition to that, the District uses Government-owned property for city purposes of the assessed value of $13,742,911.14. A very nominal ground rental would amount to $142,000 a year. Thus it will be seen that the Federal Government contributes not only $9,000,000 to the District government, but much over $1,000,000 in addition thereto. In addition to all of that are many items, some small, others large, that constantly inure to the benefit of the District that no city in the United States receives. In the first instance is the $92,000,000 Federal program for land, buildings, bridges, and so forth, for which Congress has already appropriated. Also, the services of governmental bureaus such as the Bureau of Efficiency, the Bureau of the Budget, the Bureau of Standards, free band concerts, the right to purchase supplies through the General Purchasing Office, and so forth, all of which has much value but can not be estimated in dollars and cents.

It is not my purpose here to argue theories or state vague ideas of what the fiscal relations should be. We want the Congress to have the facts. It may then reach its own conclusion as to what should be done. The committee's conclusion is that the present Federal contribution to the District's revenues is not only fair but exceedingly generous.

Let us first approach the question from the angle that Governor Shepherd used, property values. At the request of certain District organizations the District assessor recently reported that the assessed value of Government realty in the District was $470,000,000, that of District government property $50,000,000, embassies, churches, etc., $75,000,000, or a total of $595,000,000 of tax-free property. He reported the assessed value of private property at $1,150,000,000. From these figures it will be seen that 34 per cent of the District's real property is nontaxable and 66 per cent subject to taxation. But 27½ per cent of the total is United States property.

In the seventies the total only of Government property was given "nothing to show how it was arrived at" was secured. I did not want to make the same mistake, so I asked the assessor to give me the details upon which his assessment was based. Upon his figures I found that of the $470,000,000 charged as Government property, $157,670,000 was property used for municipal purposes, legal title to which was in the United States, but the user in the District of Columbia. In 1877 all the streets and avenues were assessed and charged to the United States at 30 cents a square foot. In 1928 they assess and charge to the United States all the squares, circles, parks (including Rock Creek and Anacostia, and so forth), the Zoo, the jail, and city hospital, the Smithsonian buildings, the Red Cross and Pan American buildings, the city post office, the water front, the city water reservoir, the filtration plant, the city stables, and the Center Market, the industrial schools for the District children, the School for Deaf and Dumb, a police station, and a schoolhouse, and even the Highway Bridge is included. Also Judiciary Square and the courthouse. For revenue purposes the city collects rent from the Center Market, and the United States is asked to pay for water from the water system; but for tax purposes, they state that the Federal Government owns both. There will be found in the hearings a table of these values. Under no theory should they be included. Now, then, deducting the $157,670,000 that is Government property used for municipal purposes from the total of $470,000,000, there remains a total value of $312,330,000 for property used largely for Federal purposes, or less than 18 per cent of the total. In spite of that, Congress is asked by District people to pay 40 per cent of the taxes on 18 per cent of the property.

Mr. COLE of Iowa. Will the gentleman yield?

Mr. SIMMONS. I will.

Mr. COLE of Iowa. In that estimate did you accept the capital value?

Mr. SIMMONS. I have accepted all through the figures of the assessor.

Mr. COLE of Iowa. I think they may well be questioned.

Mr. SIMMONS. The estimated tax rate next year will be $1.70 a hundred. Based on $470,000,000 worth of property, if the Government paid taxes, its tax would be $7,990,000; but it pays $9,000,000 plus other items which I have enumerated. Based on $312,330,000 of Government property used for Federal purposes, the Government's tax would be $5,309,610, and it contributes approximately $4,000,000 above this amount by its direct appropriation of $9,000,000. So there was no comfort in those figures for advocates of 60–40 and they have dropped them, and now when the assessor's figures are mentioned showing the values, they reply in a popular expression of the day: "I'd rather not hear any more about it."

There are no available figures as to the value of tangible personal property of the Government, but the assessed value of tangible personal property in the District subject to taxation is $105,000,000. Figuring on the same basis as the real property the $105,000,000 would be 66 per cent of the total. One hundred per cent would be $160,000,000 of tangible personal property subject to taxation. Eighteen per cent of that amounts to $28,800,000 as the relative estimated value of Government tangible property in the District used for Federal purposes. A tax rate of $1.70 on that would produce $509,600. Or a total on both real and personal property would be $5,819,210. Assuming that we should contribute to the District government the equivalent of what the property would produce in taxes, the amount would then be less than $6,000,000. Whatever is contributed by the Government beyond $6,000,000 is given over and above all equitable claims, and as a Federal contribution to the upkeep and beauty of the Nation's Capital.

What does the $9,000,000 we now contribute pay? Based on this bill it pays the entire cost of the public playgrounds, the public buildings and parks, National Capital Park and Planning Commission, including $600,000 for the purchase of land, the Zoo, Anacostia development, the police department, the fire department, and almost all of the salary roll of the city amounting to over $2,000,000. It is left for the people of Washington to pay only for their streets, their sewers, the courts, public welfare, electric lights, militia, schools, health department, and the collection of their refuse and other miscellaneous items amounting to about a quarter of a million dollars.

If the 60–40 plan were accepted for the fiscal year 1929 the United States would be called upon to contribute $13,466,734 and the District would be called upon to pay but $20,965,102 from general taxes. The tax rate would be then $1.20, and the rate would create in addition thereto a surplus of nearly one-half million dollars. Detailed figures will be placed in the RECORD.

1928 tax rate

(Assuming 60–40 for that year)

District of Columbia appropriation act for 1928		$36,717,185
Less water and gas tax fund items	$3,377,710	
Wholly District of Columbia items	685,000	
		4,062,710
		32,654,475
Add deficiency and supplemental appropriations for 1928 (estimates)		2,009,806
		34,664,281

1928 tax rate—Continued

40 per cent payable by United States		$13,865,712
60 per cent payable by District of Columbia, plus $685,000 wholly District of Columbia items		21,483,569
		35,349,281
60 per cent payable by District of Columbia [1]		21,483,569
Tax on intangibles	$2,200,000	
Tax on public utilities, etc	2,000,000	
Miscellaneous revenues (less United States credits)	2,000,000	
Tax rate of $1.25 on real estate ($1,150,000,000) and tangible personal property ($102,000,000)	15,650,000	
		21,850,000
Tax rate of $1.25 (based upon factors used in figuring $1.70 rate for 1928 under $9,000,000 lump-sum plan) would raise in 1928 under 60–40 an excess, over District of Columbia 60 per cent part, of		366,431

1929 tax rate based on District of Columbia budget for 1929

(Assuming 60–40 for that year)

Total District of Columbia budget for 1929		$40,431,186
Less water and gas tax fund items and trust funds	$5,999,350	
Wholly District of Columbia items	765,000	
		6,764,350
		33,666,836
40 per cent payable by United States		13,466,734
60 per cent payable by District of Columbia, plus $765,000 wholly District of Columbia items		20,965,102
		34,431,836
60 per cent payable by District of Columbia		20,965,102
Tax on intangibles	$2,250,000	
Tax on public utilities, etc	2,150,000	
Miscellaneous revenues (less United States credits)	2,000,000	
Tax rate of $1.20 on real estate ($1,150,000,000) and tangible personal property ($105,000,000) [1]	15,060,000	
		21,460,000
Tax rate of $1.20, based on budget total for 1929 under 60–40, estimated to raise, in excess of District of Columbia 60 per cent part [1]		494,898

Upon items in the bill, if the 60–40 plan were in force, the District would be called upon to pay only for the schools, the prisons, and charitable institutions, the courts, the collection of refuse, and the general salaries of employees of the city. While the United States would be asked to pay for the contingent expenses, all of the street improvements ($2,263,000) not covered by the gas tax, the sewer department, public playgrounds, electrical department (including street lighting), police department, fire department, health department, District militia, all the parks, $600,000 for new park lands, and the cost of operating the Zoo. To state it thus is to show how utterly absurd and unfair is the request that we return to the 60–40 plan.

Figuring the Government values at $341,130,000, by the Federal payment carried in this bill, we are charging the United States at a tax rate of $2.70, while the private holder pays a $1.70 rate. If the 60–40 plan were returned to, the private rate would be $1.20 and the United States rate would be $3.90 a hundred. What more need be said?

Bear in mind always in this discussion that the District tax rate includes all taxes on real and tangible personal property. Or stated another way, it includes all items generally known as school district, sanitary district, city, county, and State items.

In these calculations I have not included revenues from and expenses of the water department. It is a self-supporting activity. The board of trade, in its statement, has charged many things against the Federal Government. One that the city is "giving free water service" to the United States. What are the facts? I have pointed out that in fixing the value of United States property in the District there was included $19,622,441 for water reservoirs, and so forth, in the city system. Later on they claim to own the system and want us to pay both taxes on our system and water charges on their system. The present water system was started in 1853 and paid for and maintained entirely by the United States down to 1882. The people of Georgetown and Washington paid nothing for water save the expense of tapping the mains. Beginning in 1882 the water system was maintained out of District revenues to which the United States contributed one-half and the revenues of the system went into the general fund of the District. From 1917 to date the water system has been maintained out of its own revenues. The water rates are like Washington taxes—low—due to the fact that the United States bought and paid for the system, maintained it for years, and in effect gave it to the District. Other cities have paid for their own water systems. At the present time the total United States investment in the system is $11,953,700. The total District investment is $11,266,213. In other words, the water system is owned jointly by the United States and the District of Columbia, the Federal Government owning slightly more than one-half. In addition to that $24,753,863 from earnings have been invested in the system.

The United States receives from the water system, of which it is half owner, 3,311,481 m. g. of water, or a return of 2.21 per cent on the investment that it has made in the plant. The District of Columbia receives 8,103,525 m. g., which makes a return of 5.75 per cent on its investment. In addition the District's return in extensions to the property brings the gross return to the District up to 7.13 per cent. Contrast the Federal return of 2.21 per cent with the District's return of 7.13 per cent, and the conclusion is reached that if anyone is receiving free water it is the District and not the United States. (See table, p. 945 of the hearings.)

What is Washington's comparative tax rate with other cities? You will find in the hearings a table taken from the Bureau of the Census publication "Financial statistics of cities, 1925," Washington is in the class of 500,000 or more population. That table shows the per capita levy in Washington for all purposes at $30.31, the lowest of the group. St. Louis is next, with $34.28; Baltimore, $37.58; San Francisco, for city purposes only, $42.94; Milwaukee, for city purposes only, $47.69; Philadelphia, for city purposes only, $42.81; Cleveland, $54.08; Buffalo, $55.15; New York, $55.80; Chicago, $56.08; Pittsburgh, for city purposes only, $58.15; Detroit, $57.34; Boston, $63.63. So those who want an increased Federal contribution find no aid in that table. Then, in the hearings are tables from financial statistics of cities for 1926, prepared by the Bureau of the Census. Those tables show that Washington is third lowest in the payment of general property taxes in cities of its population group, Washington having a per capita levy of $36.87, while Boston goes to $72.78. Baltimore and St. Louis have a smaller per capita levy, $34.15 and $35.05. But it must be noted that this table includes the levy for city purposes only, whereas the other cities in the group must have in addition their State and other taxes, amounting in 1925 to $4.12 for Baltimore and $1.47 for St. Louis. So that with those figures included Washington will have the lowest per capita levy in 1926 of any city in its size group save St. Louis. Likewise the general property revenues for 1926 are the lowest in Washington of any city in its class, lowest in earnings of public service enterprise and lowest in all other revenues. Likewise there are but three cities showing a lower per capita operation and maintenance cost. The committee has before it the comparative tax rates for cities for 1927, issued by the Detroit Bureau of Governmental Research. After adjusting the tax rate to a uniform 100 per cent basis of assessment and adjusting values, the final adjusted tax rate for Washington is given at $15.30 (the District assessor says it should be $16.20) per $1,000, actual value. Taking either of the two rates Washington is shown to have the lowest tax rate per actual value of property of any of the first 34 cities of the United States.

COMPARATIVE TAX RATES OF 249 CITIES, 1927

(By C. E. Rightor, Detroit Bureau of Governmental Research. Mr. Rightor's annual report on tax rates is becoming a standard)

The accompanying table presents in summary form a record of the tax rates upon property as levied in 1927 for all cities over 30,000 population in the United States and Canada replying to the questionnaire.

There is nothing complex about the compilation. Most of the readers of the Review are acquainted with this table for past years, and the same information is furnished this year.

It is recognized that the general property tax has been and continues to be the major source of revenue of cities. The Census Bureau's "Financial statistics of cities over 30,000, 1925," the latest available report, shows that 63.7 per cent of all revenue receipts of 247 cities were from this source. Incidentally this report discloses that 35.3 per cent of the Nation's population is in cities over 30,000.

It is found to be of much concern, therefore, to taxpayers, both large and small, to know how the taxes in one city compare with other cities, and how the levies for the several purposes compare. The figures here presented furnish this information for the current year—the total tax rate per $1,000 assessed valuation, and a subdivision of

[1] Does not include any supplemental, deficiency, or new legislation appropriations, need for which may arise in the fiscal year 1929.

the total as to the amount each for city, school, county, and State (in Canada, Province) purposes. The assessed valuation upon which the rates are levied is reported also, with the percentages each of realty and personalty.

Because the legal basis of assessment in some States varies from 100 per cent, which is the predominant basis, it is desirable to adjust the rates to a uniform 100 per cent basis of assessment in all cases, thus permitting a correct and direct comparison between cities. This is done in the column entitled "Adjusted tax rate."

Further, because it is accepted that the legal basis of assessment (100 per cent of true or cash value) can not be realized generally in actual practice, attempt is made to indicate what the actual tax burden in each city would be were the full value used in assessing. This is done in the last two columns. These two columns, important as the actual facts would be, must represent merely the best estimates that can be made.

The cities are presented in order of population, by the five census groups, the Census Bureau's 1926 estimates being used again this year, as the 1927 estimates were not available. An official revised census taken in a few cities since 1926 is used. These estimates do not take care of extraordinary conditions affecting some cities and therefore per capita comparisons made without considering the facts in each case might lead to unwarranted conclusions.

The figures present their own case, largely. There are many reasons for estimates being required in cases and for a note of explanation owing to local circumstances. Here, again, the tax rates may be compared only when the particular facts respecting each city are known.

Comparative tax rates for cities for 1927

[Compiled by the Detroit Bureau of Governmental Research (Inc.), from data furnished by members of governmental research conference, city officials, and chambers of commerce]

	Census July 1, 1926	Assessed valuation	Per cent		City fiscal year begins—	Date of collection of city tax	Tax rate per $1,000 of assessed valuation					Legal basis of assessment (per cent)	Adjusted tax rate to uniform 100 per cent basis of assessment	Estimated ratio of assessed value to legal basis (per cent)	Final readjusted tax rate
			Realty	Personalty			City	School	County	State	Total				
GROUP I															
Population 500,000 and over															
1. New York, N. Y.	5,924,000	$14,837,821,953	98	2	Jan. 1	May 1 Nov. 1	$20.22	$4.63	$0.95	$0.80	$26.60	100	$26.60	72	$19.15
2. Chicago, Ill.	3,048,000	1,882,067,121	79	21	Jan. 1, 1926	Jan. 2, 1927	47.00	30.30	9.10	6.50	92.90	50	46.45	50	23.23
3. Philadelphia, Pa.	2,008,000	4,198,256,362	75	25	Jan. 1	Jan 25	17.50	9.00			26.50	100	26.50	90	23.85
4. Detroit, Mich.	1,346,580	3,394,333,510	82	18	July 1	July 15 Dec 1	15.79	6.61	2.62	2.12	27.14	100	27.14	80	21.71
5. Los Angeles, Calif.	1,280,000	1,723,188,625	95	5	July 1, 1926	Dec. 1, 1926 Apr. 15, 1927	17.90	15.70	7.00		40.60	100	40.60	50	20.30
6. Cleveland, Ohio	960,500	2,168,243,440	69	31	Jan. 1	Dec. 20, June 20	10.79	9.40	3.66	.25	24.10	100	24.10	80	19.28
7. St. Louis, Mo.	830,000	1,157,869,052	85	15	Apr. 13, 1926	Nov. 1, 1926	15.90	8.70		1.20	25.80	100	25.80	75	19.35
8. Baltimore, Md.	808,000	1,818,880,682	58	42	Jan. 1	Jan 15	18.37	5.53		2.74	26.64	100	26.64	80	21.31
9. Boston, Mass.	787,000	1,929,621,700	91	9	do	Sept. 15	16.27	9.20	1.76	2.77	30.00	100	30.00	100	30.00
10. Pittsburgh, Pa.	637,000	1,060,013,550	100		do	Jan 1	17.06	11.50	7.38		35.94	100	35.94	85	30.46
11. San Francisco, Calif.	567,000	756,583,094	84	16	July 1, 1926	Oct. 15, 1926 Jan. 15, 1927	28.26	8.34			36.60	100	36.60	50	18.30
12. Buffalo, N. Y.	544,000	1,038,460,390	99	1	July 1	July 1	21.14	7.46	4.14	1.24	33.98	100	33.98	78	18.70
13. Washington, D.C.	528,000	1,047,085,545	90	10	July 1	Sept. 1 Mar. 1	11.05	5.95			17.00	100	17.00	90	15.30
14. Milwaukee, Wis.	517,000	864,957,161	80	20	Jan. 1	Dec. 15	15.14	8.32	4.93		28.39	100	28.39	85	24.13
GROUP II															
Population 300,000 to 500,000															
15. Newark, N. J.	459,000	838,875,639	78	22	Jan. 1	Apr. 15	19.39	8.95	5.03	4.53	37.90	100	37.90	100	37.90
16. Minneapolis, Minn.	434,000	306,176,538	84	16	do	May 31 Oct. 31	37.45	21.40	7.30	5.35	71.50	38	27.17	85	23.07
18. Seattle, Wash.	411,578	271,458,767	79	21	do	Mar. 1	32.76	14.32	12.73	12.27	72.08	50	36.04	96	34.60
19. Cincinnati, Ohio	411,000	1,039,600,600	80	20	do	December June	9.95	6.83	4.11	.25	21.14	100	21.14	90	19.03
20. Kansas City, Mo.	375,000	488,265,830	69	31	May 1	June 1	13.75	11.50	4.50	1.30	31.05	100	31.05	71	22.09
21. Indianapolis, Ind.	367,000	646,749,380	67	33	Jan. 1	Jan. 1 July 1	11.00	10.00	2.90	2.30	26.20	100	26.20	85	22.27
22. Rochester, N. Y.	321,000	521,867,827	100		do	May 1	15.63	12.00	4.59	1.34	33.56	100	33.56	69	23.16
24. Louisville, Ky.	311,000	385,500,000	81	19	Sept. 1	Jan. 15	14.70	5.80	3.70	5.00	29.20	100	29.20	80	23.36
GROUP III															
Population 100,000 to 300,000															
25. Toledo, Ohio	295,200	572,573,160	70	30	Jan. 1	Dec. 1 June 1	12.03	9.11	4.01	.25	25.40	100	25.40	80	20.32
26. Columbus, Ohio	285,500	584,858,990	73	27	do	Dec. 20, 1926 June 20, 1927	8.62	8.74	2.99	.25	20.60	100	20.60	80	16.48
27. Denver, Colo.	285,000	430,349,870	70	30	do	Jan. 1	10.31	13.80	4.12	3.67	31.90	100	31.90	80	25.52
28. Portland, Oreg.	282,383	338,462,420	83	17	Dec. 1, 1926	May 5 Nov. 5	20.00	10.70	7.90	7.40	46.00	100	46.00	60	27.60
29. Providence, R. I.	275,900	596,908,990	60	40	Oct. 1, 1926	Oct. 1, 1926	16.25	5.99		1.26	23.50	100	23.50	100	23.50
30. Oakland, Calif.	261,000	250,246,591	83	17	July 1	July 1	21.00	21.99	8.61		51.60	100	51.60	50	25.80
31. St. Paul, Minn.	248,000	179,692,099	80	20	Jan. 1	Jan. 1	32.59	15.82	15.35	5.35	69.11	38	26.26	80	21.01
32. Atlanta, Ga.	224,300	377,000,000	74	26	do	May-July September	8.40	6.60	11.00	5.00	31.00	100	31.00	70	21.70
33. Akron, Ohio	220,000	344,640,020	68	32	Jan. 1	Dec. 20, 1926 June 20, 1927	10.43	10.32	3.60	.25	24.60	100	24.60	80	19.68
34. Omaha, Nebr.	215,400	342,552,862	69	31	Jan. 1	May 1	11.35	13.00	3.30	1.80	29.45	100	29.45	60	17.67
35. Birmingham, Ala.	211,000	209,104,579	80	20	Sept. 1	Oct. 1	11.50	6.50	11.50	6.50	36.00	60	21.60	60	12.96
36. San Antonio, Tex.	205,000	213,600,000	77	23	June 1	Apr. 1	18.80	8.30	8.70	6.70	42.50	100	42.50	75	31.88
37. Dallas, Tex.	203,000	246,747,700	67	33	May 1	May 1	15.10	9.50	8.20	6.70	39.50	100	39.50	33	13.04
38. Worcester, Mass.	193,000	339,552,850	86	14	Dec. 1	Oct. 10	15.89	10.59	1.20	1.52	29.20	100	29.20	85	24.82
39. Richmond, Va.	189,000	257,400,000	93	7	Feb. 1	June 1 Nov. 1	16.00	7.50			23.50	100	23.50	67	15.75
40. Syracuse, N. Y.	185,000	302,326,444	100		Jan. 1	May 1	16.15	10.50	5.62	1.42	33.69	100	33.69	66	22.24
41. New Haven, Conn.	182,000	308,145,045	85	15	do	Mar. 1 Sept. 1	13.75	10.25	.33	.67	25.00	100	25.00	100	25.00
42. Dayton, Ohio	177,000	336,603,190	75	25	do	Dec. 1, 1926 June 1, 1927	10.06	9.56	3.93	.25	23.80	100	23.80	80	19.04

Comparative tax rates for cities for 1927—Continued

	Census July 1, 1926	Assessed valuation	Per cent		City fiscal year begins—	Date of collection of city tax	Tax rate per $1,000 of assessed valuation					Legal basis of assessment (per cent)	Adjusted tax rate to uniform 100 per cent basis of assessment	Estimated ratio of assessed value to legal basis (per cent)	Final readjusted tax rate
			Realty	Personality			City	School	County	State	Total				
43. Memphis, Tenn.	177,000	$245,844,324	90	10	Jan. 1	July 1	$16.00	$6.00	$9.50	$2.50	$34.00	100	$34.00	75	$25.50
44. Norfolk, Va.	174,000	173,488,274	92	8	do	do	19.60	9.80			29.40	100	29.40	67	19.70
47. Hartford, Conn.	164,000	336,496,001	87	13	Apr. 1	do	9.63	11.27	.23	.75	21.88	100	21.88	80	17.50
48. Fort Worth, Tex.	159,000	162,180,155	74	26	Oct. 1, 1926	Oct. 1, 1926	15.60	9.50	9.00	6.50	40.60	100	40.60	55	22.33
49. Grand Rapids, Mich.	156,000	263,425,606	70	30	Apr. 1	July 1 Dec. 1	12.40	13.67	3.29	2.69	32.05	100	32.05	80	25.64
50. Bridgeport, Conn.	153,000	256,794,919	75	25	do	Apr. 1 Sept. 1	18.97	6.87	.28	.78	26.90	100	26.90	80	21.52
51. Des Moines, Iowa.	146,000	189,214,980	87	13	Apr. 1	March September	14.50	15.74	6.15	2.50	38.89	100	38.89	75	29.17
52. Oklahoma City, Okla.	145,000	118,973,221	85	15	July 1	Jan. 1	17.69	18.22	7.70	.50	44.11	100	44.11	45	19.85
53. Springfield, Mass.	145,000	303,350,510	89	11	Dec. 1, 1926	Nov. 1, 1926	15.37	10.47	1.22	1.54	28.60	100	28.60	85	24.31
54. Scranton, Pa.	143,000	123,922,325	100		Jan. 1	Jan. 1	18.45	19.00	10.00		47.45	100	47.45	50	23.73
57. Nashville, Tenn.	137,000	166,404,540	75	25	do	Aug. 1	16.50	3.50	7.50	2.50	30.00	100	30.00	75	22.50
58. Flint, Mich.	136,500	176,477,939	77	23	Mar. 1	July 1 Dec. 1	15.53	15.58	5.97	2.67	39.75	100	39.75	70	27.83
59. Tulsa, Okla.	135,900	118,240,110	80	20	July 1, 1926	Nov. 1, 1926	21.70	19.20	8.20	2.50	51.60	100	51.60	50	25.80
61. Salt Lake City, Utah.	133,000	193,639,649	75	25	Jan. 1	Sept. 20	11.00	14.60	4.50	2.70	32.80	100	32.80	100	32.80
62. Camden, N. J.	131,000	181,710,495	89	11	do	June 1 Dec. 1	11.88	8.32	4.76	4.54	29.50	100	29.50	100	29.50
63. Fall River, Mass.	131,000	188,926,550	70	30	Jan. 1, 1928	Nov. 1, 1927	21.50	10.61	1.32	2.17	35.60	100	35.60	100	35.60
64. Miami, Fla.	129,100	320,238,350	98	2	July 1	Nov. 1	13.80	5.25	10.05	1.64	30.75	100	30.75	50	15.37
65. Erie, Pa.	125,000	136,341,421	96	4	Jan. 1	Mar. 1	12.20	14.00	7.00		33.20	100	33.20	75	24.90
66. Wilmington, Del.	124,000	129,751,800	100		July 1	July 1	15.60	3.40	7.50	1.50	28.00	100	28.00	75	21.00
67. Cambridge, Mass.	122,000	183,385,700	87	13	Apr. 1	Oct. 15	18.47	9.00	1.17	2.96	31.60	100	31.60	100	31.60
68. New Bedford, Mass.	119,539	216,191,900	68	32	Dec. 1	Oct. 1	18.13	6.92	.97	1.58	27.60	100	27.60	80	22.08
69. Albany, N. Y.	119,000	187,331,711	99	1	Jan. 1	Jan. 1	21.64	6.02	5.23		32.89	100	32.89	79	25.98

I will not trouble you further with statistics. Everything shows that the Washington taxpayer is in a very advantageous position compared with other cities and that he has nothing about which he can rightly complain so far as taxes are concerned, but, rather, he should be thankful for the privilege of living in the Nation's Capital, one of the many benefits being low taxes.

Mr. SNELL. Will the gentleman yield?

Mr. SIMMONS. I yield to the gentleman.

Mr. SNELL. I want to thank the gentleman for his able presentation of this matter. It is something I wanted to know for a long time. I hope the local papers will present the proposition fairly and completely. As I read the papers it is an unfair position they have taken. It is only due to us that they publish a full account as presented by the gentleman from Nebraska this morning, and I hope they will do it. [Applause.]

Mr. GIFFORD. Will the gentleman yield?

Mr. SIMMONS. I will.

Mr. GIFFORD. The gentleman speaks of intangible property. Does he have the rate and the method of collection?

Mr. SIMMONS. I have not that now.

Mr. GIFFORD. Is the gentleman going to take that up?

Mr. SIMMONS. No; it is a special tax rate.

Mr. GIFFORD. Does the gentleman know what it is?

Mr. SIMMONS. Five dollars to the thousand.

Mr. GIFFORD. Is any compulsory return demanded?

Mr. SIMMONS. They think they are getting a fair average of intangible property.

Mr. GIFFORD. The gentleman would not say that they are getting a fair average if they are not subjected to compulsory returns?

Mr. SIMMONS. They are supposed to return intangible property.

Mr. GIFFORD. In many places they are supposed to make a return on intangible property, but do not. The gentleman understands the motive of my question, that if intangible property was forced to make returns there would be an extraordinary low rate of taxation?

Mr. SIMMONS. Yes; and the board of trade claims the intangible fax is high and that the return is high.

Mr. GIFFORD. What authority has the gentleman for making the statement that the return is high, that there is a fairly honest return?

Mr. SIMMONS. I base that on figures submitted to us by the board of trade as one of the items for lowering the real and tangible rate in the District.

Mr. MADDEN. I do not understand that the gentleman from Nebraska did make that statement, but that somebody else did.

Mr. GIFFORD. I understand that in the gentleman's own State of Illinois, if they are pressed too hard they make a return.

Mr. MADDEN. But we are not trying that case at this time. We are trying the case of the city of Washington. Perhaps if we did try somebody else we might take up Massachusetts. In the meantime, we are doing a very good job if we are doing it well here.

Mr. GIFFORD. And I might say that only by comparison can we arrive at a proper conclusion. For instance, Massachusetts did gather some $16,000,000 from one individual from Illinois when that State pressed him too hard. I wondered if Washington had not a lot of Illinois citizens here at the present time.

Mr. MADDEN. Sometimes we do have a few.

Mr. SIMMONS. The board of trade charge that the District is limited in area and does not have the taxable property within its jurisdiction that other cities have. Population estimates show Washington thirteenth in population. In area, Washington is eleventh in the United States. The cities of St. Louis, Pittsburgh, Boston, San Francisco, and Buffalo have a greater population and less area, so that statement can not be sustained. They further charge an excessive operation and maintenance is due "to the Federal demands for service." That charge is not sustained and the opposite is true. They likewise state that the District pays for matters "truly national in character." But that likewise was abandoned by its proponents as untenable. The board of trade again charge that the high cost of the city government is due to demands in the way of street cleaning, policing, paving, repairing, giving fire protection, laying mains and sewers over and above the needs of the city proper. Throughout the hearings you will find the evidence negativing each of those propositions, and when the board of trade appeared before the committee they made no mention of those claims.

The committee finds that it is proper to consider in this connection the salary roll of the Federal Government, the great expenditures here annually for maintenance of the Federal establishment, the business that it brings to Washington, tourists, visitors, and so forth, and last but by no means least, the great expenditures for lands and buildings of the United States, appropriations for which have recently been made. Mention is made of the property south of Pennsylvania Avenue to be purchased by the Government.

Three of the Washington newspapers in the last three or four days, since the committee has reported this bill, as a reason for greatly increasing the Federal contribution, have referred to the fact that $17,000,000 worth of assessed property

south of Pennsylvania Avenue is to be taken out of the tax columns because of purchase by the Federal Government. We went into that matter with the assessor. You will find it on page 79 of the hearings, where the assessed value of the property is shown, and what it pays in taxes.

The assessor testified that the removal of that property from the tax rolls would not decrease revenues. His reason being that the building will be rebuilt on other tax-paying sites, and the equivalent be subject to taxation. He further states that the Government is paying excessive prices, which money will largely be invested elsewhere in the city. Also, that the increased assessment values on property north of Pennsylvania Avenue will largely make the difference. So that no consideration should be given to that situation as an argument for increased contribution by the United States.

Let me repeat, then, we have reached the conclusion that not only is there no basis for the claim that the Federal contribution is too low, but that it is exceedingly generous, and, if anything, is too high, giving Washington an advantageous tax position not enjoyed by cities elsewhere in the United States.

I stated in the beginning that the correct way to reduce taxes is to reduce expenditures, not by refusing funds where needed, but by efficient, economical expenditures of public funds to reduce the total cost of city government. We are reporting to you a bill $633,451 below the Budget estimates. This, if accepted, will enable the District Commissioners to reduce the estimated tax rate at least 5 cents per hundred.

Mr. CRAMTON. Mr. Chairman, will the gentleman yield?

Mr. SIMMONS. Yes.

Mr. CRAMTON. The gentleman the other day made an interesting and clear statement of the school situation in response to misrepresentations on the part of a certain newspaper in the District. Did that particular newspaper or any other Washington newspaper use any material portion of the gentleman's statement in the House?

Mr. SIMMONS. Not a bit of it.

Mr. CRAMTON. So that from that experience and other past experiences the House may really believe that the hope expressed by the gentleman from New York [Mr. SNELL] that the Washington newspapers would make any fair presentation of the gentleman's statement to-day, can only be realized if Congress makes an appropriation for that purpose?

Mr. SIMMONS. I think the only way that this statement can be gotten to the people of the city of Washington would be for Congress to appropriate a sum of money and use it for sending out this statement to the people of the District. I doubt very much if the District newspapers will do anything more than make a general statement regarding what I have said. Frankly I have asked two of them to be fair with us and to report fully what I have said. We will see whether or not they do it. The other way for us to do that, and that I am going to do so far as my time will permit, is to accept invitations that I receive and go out and tell these facts to the people of the District.

SALARIES OF EMPLOYEES OF THE DISTRICT OF COLUMBIA

The committee during the hearings upon the estimates for the next fiscal year went particularly into the question of the salaries of employees of the District of Columbia under the classification act, which does not include teachers, firemen, and policemen. A comparison was made with the salaries being received by employees in the executive departments and independent establishments in the Federal Government under the same act. In making this comparison the committee had before it the statement appearing on page A-110 of the Budget for 1929, which shows the average number of employees, the average salary rates, and the total salary obligations for all employees in the District of Columbia listed under the different Federal establishments, including the District of Columbia, for the years 1927, 1928, and 1929. With the exception of employees under public buildings and public parks of the National Capital, which service is hardly comparable, as most of those employees are grouped under the custodial grades, the average salary for the employees of the District of Columbia was the lowest of the 33 departments and bureaus listed. The District of Columbia employees are not only receiving the lowest rates in comparison to the rates received by employees in the Federal Government under the same law, but a very large proportion of them are and have been for some time at the minimum rates of their respective grades.

In order to bring the employees of the District of Columbia up to a fair comparison with the other departments specified in the tabulation, the committee ascertained the total amount that would be necessary to bring the salaries of the District employees up to the average salary rates of those grades. This amount was $340,750, as shown in the statement on pages 966 and 967 of the hearings upon the bill. The committee then divided this amount into a two-year program of salary readjustment, one-half to be included and distributed among the various divisions of the District government in the accompanying bill for 1929, and the second half to be included in the District of Columbia appropriation bill for the fiscal year 1930. One-half of the amount necessary would represent $170,375. The estimates submitted to the committee originally contained $37,555 for salary increases. The estimated savings anticipated during the fiscal year 1929 due to lapses in salaries represents $12,600. This left a balance necessary to be included in the 1929 bill of $121,245, if one-half of the total amount of $340,750 for salary readjustments was to be appropriated for this year. The committee has included this additional amount in excess of the Budget estimate and distributed it under the respective divisions of the District government appearing in the bill. This will allow a total, therefore, for the purpose of salary increases for 1929 of $171,400, which is about $1,025 more than one-half of the amount required. This is due to the fact that several divisions already were slightly over the total amount necessary to meet salary recommendations.

While the committee recognizes that any increases in pay under the classification act are contingent upon the appropriations made available annually by Congress for that purpose, it is of the opinion that appropriations should be sufficient to permit an equitable adjustment of salaries under that act based on proper efficiency ratings. The action taken in this case has been prompted by the fact that District employees have not been given as much recognition in the salary adjustment as their status under the law would warrant by comparison with the departments of the Government. It is the belief of the committee that the salary situation is more acute in those grades where the lower rates of pay apply and the amount recommended has been allowed with the understanding that first consideration in its application will be toward relief in those grades to employees whose efficiency ratings are such as to deserve recognition. The statistical table referred to that appears in the hearings shows the distribution of the increase allowed by the committee for this purpose.

MUNICIPAL ARCHITECT'S OFFICE

The estimate for the fiscal year 1929 provided for an appropriation of $30,540, for the office of the municipal architect, of which amount $14,040 was allocable to the District repair shop. Under a proposed reorganization plan for this office, which originally was proposed by the Bureau of Efficiency and adopted by the Commissioners of the District of Columbia, it is proposed in the bill to increase the amount to $52,240, providing a salary schedule for the municipal architect's office proper of $38,200, an increase of $21,700 over 1928, and $14,040—the same amount as the current year—for allocation to the District repair shop. The reorganization plan contemplates the appointment of an assistant municipal architect, placing the personnel of the office on a comparable basis with other similar offices in the Federal Government, establishing a permanent skeleton organization consisting of certain key positions which would be essential irrespective of the size of the construction program each year, and establishing lump-sum apportionments of 3 per cent of the appropriations for construction work up to $2,000,000, and 2½ per cent on appropriations over $2,000,000, for the use of the municipal architect's office in payment for the services of draftsmen, assistant engineers, clerks, copyists, and inspectors to be employed on the construction work provided for by such appropriations.

The preparation of all plans will take place in the municipal architect's office and be paid from such apportionments, and no appropriations will be made specifically for the preparation of plans for individual projects as has been done heretofore. Under this reorganization it has been possible to deduct from the estimates submitted a total of $16,500 that had been included for the payment of personal services for the preparation of plans for different school buildings, which plans will now be prepared in the architect's office. It is believed that the adoption of this plan of reorganization will facilitate the work of the office and expedite the construction of school buildings and other projects and will insure the maintenance of a more efficient organization.

OFFICE OF THE CORPORATION COUNSEL

There is recommended for the office of the corporation counsel a total appropriation of $58,340, which is an increase over the current year of $12,380. This increase covers the following additional personnel: One assistant corporation counsel at $5,200 to take charge of the more important condemnation work and to assist in handling the increase in this type of work; one assistant at $3,000 to assist in the work before the police court; $2,640 added by the committee for additional stenographic

services that are very much needed in the office; and $1,540 additional for salary increases. With these additions to the present staff the corporation counsel's office will be in a position to handle the increase of work that has arisen during the past several years.

SURVEYOR'S OFFICE

An additional amount of $11,190 has been recommended for the expenses of the surveyor's office, bringing the total annual appropriation for 1929 up to $79,050. Heretofore provision has always been made for temporary services and materials to take care of the extra work in the office during the busy seasons of the year, and $5,000 appropriated therefor. Under the proposed bill there is provided $6,180 for an additional field party that is needed and $3,180 for some additional permanent employees in lieu of the $5,000 for temporary services. There has also been included $1,830 for salary increases under the committee's proposal.

OFFICE OF THE DIRECTOR OF TRAFFIC

The estimates submitted for the office of the director of traffic were divided into two funds, one for salaries amounting to $28,320, an increase over 1928 of $3,020 and one for expenses totaling $50,000, which represented a reduction under 1928 of $20,000. The increase proposed in the salary item covered for the most part two new positions, one at $1,680 and one at $1,020. The amount for these two new positions the committee has disallowed, believing that there is no necessity for additional personnel at this time. The balance of the increase of $320 for salary increases the committee has allowed and has added an additional $320. Under the estimate for expenses, there was $5,000 asked for the purpose of making a traffic survey or count. This the committee has disallowed, bringing the estimate of $50,000 down to a recommended appropriation of $45,000. The committee was informed last year, and again this year, that any survey of traffic that might be needed could be made by the police department and has therefore recommended the elimination of the amount proposed to be used for that purpose.

FREE PUBLIC LIBRARY

The total amount recommended for the items making up the free public-library service is $332,935, which is an increase of $32,515 over the current year and $18,035 over the Budget estimates. The original increase presented to the committee was largely covered by a request for 10 new positions—6 in the central library, 1 in the southeastern branch, 1 in the Takoma Park branch, and 2 for the Chevy Chase-Tenley sub-branches. These increases the committee has allowed and in addition thereto has added $9,190, distributed over the several funds affected for the purpose of establishing and maintaining a branch library on Conduit Road in a vacated school building now available for that purpose. The estimates also provided for $1,280 for salary increases and to this amount the committee has added $8,845, making a total of $10,125 available for 1929 to assist in readjusting salaries of the respective grades. The salary rates of the employees in the public-library service have been noticeably low and it is hoped that with this amount and a similar amount for the year 1930 in conjunction with the salary-increase program that the committee has adopted, that the salaries of the employees here will be brought to a parity with employees in the other divisions of the District government.

OFFICE OF THE RECORDER OF DEEDS

The committee has included a provision under the office of the recorder of deeds for the District of Columbia whereby expenditures from appropriations under the recorder's control shall be made and accounted for in the manner provided by law for the other appropriations of the District of Columbia. This proviso will bring the expenditures for the office under the same system of accounting that all the other branches of the District government undergo and is suggested to make the service consistent throughout.

STREET AND ROAD IMPROVEMENT REPAIR

The committee has recommended $3,923,060 for street and road improvement repairs, which is an increase of $9,317.56 over the current year and a reduction of $309,940 under the Budget estimates. This amount is distributed over the following items:

GASOLINE TAX, ROAD AND STREET FUND

For paving, repaving, grading, and otherwise improving streets, avenues, and roads under the gasoline tax, road and street fund, the committee has reduced the Budget estimate by $90,000, making available for this purpose for 1929, $1,660,000. This is an apparent increase over 1928 of $173,500, but is actually a decrease of $20,600 under 1928, because during that year there was a total of $194,100 for specific street improvements payable from revenue other than gasoline-tax money.

Under the provisions of the act creating this fund, which provides for the collection of a charge of 2 cents per gallon on all motor-vehicle fuels sold within the District of Columbia with certain exceptions, the fund to be available solely for street and road improvement and repair, the amount has increased each year to such an extent that now it is estimated for 1929 the fund will be large enough to continue all work from this one source of revenue and not as heretofore under another appropriation that was chargeable to regular District revenue.

The committee, following its usual custom, made a personal inspection of all the individual street items listed for paving and improvement and was satisfied with the program submitted to the extent that it has not recommended a change in any of these items and has included them all as estimated. The reduction of $90,000, noted above, was made in the amount available for the construction of curbs and gutters or concrete shoulders for roadways. This brought the estimate down to an available amount of $200,000. In making this reduction the committee was guided by the thought that the District is well up generally on its program of different street and roadway improvements and that the $200,000 allowed for this purpose will be amply sufficient to carry this phase of the work for 1929.

REPAIRS TO STREETS, AVENUES, AND ALLEYS

The amount recommended by the committee for this purpose is $1,475,000. Prior to this bill there have been two appropriations for street repairs—one for repairs in the old city and one for repairs to suburban roads. There was no logical or reasonable line of demarcation between the two classifications of streets for repair purposes. A large part of the so-called suburban roads are actually city streets. The amount appropriated for 1928 under these two funds was $1,310,000, so that the appropriation of $1,475,000 in this bill for the combined purposes is an increase of $165,000.

The estimate submitted was divided into three types of work—resurfacing, $800,000; repairing suburban roads, $375,000; and minor repairs to paved streets, $500,000. The committee reduced the resurfacing item $200,000, making available for 1929 for this purpose $600,000. In making this reduction it recognizes that this is part of a set program of resurfacing old and worn-out streets, and instead of estimating for the following year (1910) $400,000 for this purpose, as the plan proposed, it would be well to divide the amount between the two years, giving $600,000 this year instead of $860,000 this year and next year such amount as may be necessary to complete the work. This is believed to be sound, in view of the fact, as heretofore stated, that the District program for street and road improvement is being carried on as rapidly as is necessary.

RECONSTRUCTION AND REPLACEMENT OF BRIDGES

There is included in the bill $178,000 as estimated in the Budget for the replacement of the roadway floor of the Highway Bridge over the Potomac River. The original floor constructed of buckle plate in 1907 is rapidly deteriorating under the heavy traffic strain imposed upon it by conditions existing to-day, and it is proposed with the sum allowed to put in a laminated floor with asphalt surface on steel beams.

PUBLIC CONVENIENCE STATIONS

The usual appropriation of $28,000 for the maintenance of four existing convenience stations is included in the bill. There is also included a provision making available certain unexpended amounts of prior appropriations, totaling $39,500, for the construction of a new convenience station at Thirty-second and M Streets NW.

PUBLIC PLAYGROUNDS

The total amount recommended for the public-playground system is $190,610, which represents an increase over the present fiscal year of $18,645, and a decrease under the Budget estimates of $1,770. The estimates proposed the opening of two new playgrounds, one at Kalmia Road, between Fourteenth and Sixteenth Streets NW., and the other at Fourth and M Streets SW. Because of the sparse population in the vicinity of the site proposed as a playground at Kalmia Road, the committee feels that the recommendation is excessive at this time and accordingly deducted $2,565 from the salary roll for the additional positions necessary for this proposed playground and reduced the general maintenance item $1,800 for the same reason. In carrying out its plan for salary readjustment, however, it has added an additional amount over the Budget estimate in the salary fund of $3,795, which, together with the $785 already added in the Budget for such purpose, makes available $4,580 for the year 1929 for salary increases.

POLICE DEPARTMENT

A total of $3,150,269 has been recommended for the police department for the next fiscal year. This is $61,509 more than is available for the current year and $58,911 less than the amount estimated in the Budget. The salary roll in the bill is divided into two separate amounts, one for the pay and allow-

ances of officers and members of the Metropolitan police force, the estimate for which was $2,820,000, including $45,000 for the salaries of 25 additional policemen, and the other for clerical and other personal services in the District of Columbia, for which there was estimated $76,640. The committee disallowed the 25 additional policemen requested and reduced the appropriation by $45,000. The police department was conducting its own garage and had 10 policemen on duty, receiving the salary commensurate with a policeman's duties but actually doing the work of mechanics. By an arrangement with the commissioners, all of this work was transferred to the regular District garage, where it should properly be, thus releasing 10 men for actual police duty. An additional policeman assigned to the night traffic court will be released for regular duty if the committee's recommendation with reference to closing that court is followed. This will release 11 policemen for actual patrol service.

There was submitted to the committee by the superintendent of police a list showing assignments of 152 policemen where the work could be as well or better done by clerical personnel at lower rates of pay. This number included 57 station policemen performing various clerical duties necessary for the transaction of the departmental business in the different stations and bureaus, and 54 detailed as drivers. The committee selected a number totaling 78 of the specially assigned police, which includes the 57 detailed as station clerks but does not include the 54 detailed as drivers, for absorption into the regular duty force at the average rate of six and one-half positions a month as vacancies occur on the force. These vacancies have been averaging well over a hundred a year for the past three years. It then deducted from the appropriation for the pay of police $80,272.92, which represents the total average pay of 78 policemen eliminated at the rate of six and one-half a month during the fiscal year. At the end of the next fiscal year there will be just as many policemen on regular duty as there are now, but the appropriation will be less in amount by 78 positions.

To accomplish this and to offset the clerical vacancies in the department occasioned by the transfer of the 78 policemen now detailed as clerks to active duty on the force, the committee increased the appropriation for clerical services by $69,286.92, which represents a total of the average salaries that it will be necessary to pay to clerks to fill these vacancies as they occur from month to month. In recommending this procedure the committee had two motives: First, a proper economy of administration in the police department; and, second, a proper employment of policemen for real police duties. The positions that are clerical in character can just as well, if not better, be filled by persons trained for clerical work than they are now being filled by men trained for police duties. The saving on a complete annual basis by this transfer should be about $30,000. The superintendent of police has made the recommendation and the committee concurs in it. In view of the reduction of the 25 positions requested and the substitution of clerks for policemen, a consequent decrease of $5,775 has been made in the uniform allowance appropriation.

TRAFFIC-CONTROL POLICEMEN

In the bill for the fiscal year 1927, an appropriation was carried for the installation of traffic-control lights in the business section of the city. Charts were submitted showing that all the business section of the city could be controlled by electric signals, 54 permanent duty traffic police relieved for other duty and in addition 41 others relieved from duty during rush hours. Last year the traffic director suggested some changes in this plan, but it was left without material change. The statement was made to us last year that 50 policemen could be relieved from traffic duty and assigned to other duties. The money was reappropriated and is now available.

We have had a change of commissioners and a change of traffic directors. They now propose to materially change the plans of light installation in two important particulars. First, certain of the down-town streets are to remain police and not electric light controlled and the 50 police are not to be relieved from traffic duty.

This committee feels that the present commissioners and present traffic director are bound by the actions of their predecessors as to carrying out a program that had been submitted and approved by Congress in regard to establishing these traffic lights. We expect the lights to be installed where for two years we have been told they would be installed. We likewise expect the release of traffic police to other duties.

Washington has the largest number of police per capita of any city in the United States. There is no justification for any increase in that number. It is my opinion that the commissioners and the traffic director are giving entirely too much consideration to the wishes of the street-car companies, the bus lines, and taxi concerns in traffic matters; that far too many privileges are accorded them and too little consideration and protection given to the rights of the ordinary citizen in street and traffic matters. [Applause.]

PUBLIC SCHOOLS

The total amount recommended for the various appropriations affecting the public-school system of the District of Columbia, which includes public works under the school-building program, is $12,150,530. This is an increase of $146,515 over the current year and a decrease under the Budget estimates of $5,600.

TEACHERS

The estimate submitted for the pay of teachers was $5,512,920, an increase of $250,280 over the current year. This increase was made up as follows: $101,780 for salary increases for 2,666 teachers (not including 14 annual substitutes), $3,300 on account of longevity pay, and $145,200 for the pay of 95 additional teachers that were requested for the fiscal year 1929. These 95 additional positions embraced 40 class 1-A teachers for the elementary schools, 37 class 2-A and 16 class 2-C teachers for junior high schools, and 2 class 3-A teachers for senior high schools. After an extensive hearing on the public-school needs and requirements for the next fiscal year, every angle of which was gone thoroughly into, there is recommended a total of $5,841,920 for the pay of teachers, an increase over the present year of $179,280. This increase includes the estimate of $101,780 for the salary increases affecting the present regular teacher force of 2,666 positions, the estimate of $3,300 on account of longevity pay, and $74,200 for the pay of 50 additional teachers instead of the estimate of $145,200 for the pay of 95 additional teachers. The committee has made a reduction in this allocation of $71,000 and reduced the number of additional teachers from 95 to 50.

After going carefully over the additional teacher needs of the school system, school by school and classroom by classroom, the committee feels fully justified in making this reduction of 45 teachers, and is of the opinion that with the 50 new positions granted there will be an ample number of teachers to take care of the number of pupils estimated for 1929. Included in with the 95 additional positions estimated for, there were 40 elementary-teacher positions. The committee has refused to recommend 30 out of these 40 positions, the school officials indicating their accord with the committee's action. In the elementary schools one teacher was asked for at the Conduit Road and the same position was carried as a principal in the administrative group. Four teachers were asked for the Langdon School addition which will not be ready for use. There is an admitted surplus of 15 to 18 kindergarten teachers in the schools. Also there is a surplus of a possible 55 itinerant or supplementary teachers which are to be replaced gradually by a fewer number of supervisors and the teachers placed on duty as regular classroom teachers. The school officials estimate that from 10 to 20 can be so transferred within the coming fiscal year. So while the figures indicate a denial of 30 elementary-teacher positions requested, there will be teachers available for the positions requested in that grade, the committee merely having effected an economy by transferring surplus teachers to that work.

The balance of 10 elementary-school teacher positions, which the committee has allowed, will carry the elementary-school work along without difficulty, and if the transfers are made as estimated there will be a saving in these salaries. The committee is meeting the wishes of the school officials in not forcing these transfers to a greater number than is indicated. The committee is of the opinion that even a part of this increase covering these 10 positions will not be used. The estimates included 35 additional junior high-school teacher positions to take care of an estimated increase of 300 pupils. The committee was of the opinion that the estimate was excessive. It has allowed 20 positions out of the 35 requested, or one teacher for each 15 pupils estimated and to take care of any needed adjustments. Here, again, the committee is of the opinion that the positions granted represent a liberal allowance and anticipates that a part of this number will not be used.

Mr. SEGER. Mr. Chairman, will the gentleman yield?

Mr. SIMMONS. Yes.

Mr. SEGER. The gentleman made a statement in respect to the enrollment in the junior high schools and the high schools. Does he know what the load per teacher is of pupils in the elementary schools of the city of Washington?

Mr. SIMMONS. Yes. I will insert a table taken from the Bureau of Efficiency report.

Table showing loads of elementary school-teachers in Washington and seven other cities, March–April, 1927

[NOTE.—All averages are based upon actual enrollments, and with a single exception no platoon schools are included in the averages]

City	Average number of pupils per regular classroom teacher			Average number of pupils per teacher (including all teachers)[3]	Average size of elementary schools
	Kindergarten[1]	Grades 1–8	Special schools and classes[2]		
Washington	19.3	36.0	18.0	27.0	441
Rochester	40.1	32.6	19.9	30.7	766
Newark	47	(?)	14.7	[4]35.5	939
Buffalo	40	33.1	9.0	28.6	778
St. Louis	(?)	40.5	15.2	38.4	684
Cleveland	45.2	37.2	21.5	34.4	839
Minneapolis	44.8	37.4	13.1	34.8	565
Milwaukee	40.5	42.7	21.5	38.4	692

[1] In some cities kindergartners teach only half a day and in others a full day.
[2] Special schools and classes include atypical or subnormal, open air, opportunity, deaf, blind, ungraded, incorrigible, speech correction, sight conservation, etc.
[3] In addition to regular classroom teachers this includes teachers of special subjects (manual training, music, physical training, etc.), coaching or tutor teachers, and research and visiting teachers.
[4] Average of 35.5 includes both platoon and nonplatoon schools.

The Bureau of Efficiency reports that Washington compares very favorably in the elementary schools with the situation in other cities.

The Bureau of Efficiency report that—

in comparison with other cities Washington has a disproportionately large number of kindergarten teachers.

That there are—

an average of one and three-quarters kindergartners per kindergarten. With one exception, each of the 84 kindergartners with enrollments of 30 or more had 2 kindergartners, and 5 kindergartens with less than 30 enrolled had 2 kindergartners each.

The United States Bureau of Education reports that there is not another city in the United States of population of 100,000 or more that makes as liberal provision for kindergartens as does Washington. Doctor Ballou stated, page 496 of the hearings on the bill, that they "could handle the situation" regarding the transfer of the 15 surplus kindergarten teachers to grade work. On page 448 of the hearings Doctor Cramer testified that with "sufficient time" they could make the shrinkage in the kindergarten teachers. So that there should be no dispute about a reduction in the 15 teachers on that score. The Bureau of Efficiency reports that—

at the present time Washington compares favorably with other cities of the United States with respect to the load of its regular elementary school teachers.

No serious complaint was made to the committee about the teacher situation in the elementary schools.

The Bureau of Efficiency and the committee have given exhaustive study to the "special-subject" teachers. They report that the special teacher is to teach the teacher, and that the director is to direct the teacher of the teacher that teaches the children. They state that during the last 10 years there has been an increase of over 50 per cent in special teachers, while the average enrollment has increased but 9 per cent. That many of the grade teachers are just as well qualified to teach the special subjects as the special teachers themselves; that the present system is unsatisfactory, results in a "duplication of teacher service and a loss of instructional space"; and recommend that—

the itinerant teacher should eventually be replaced by a much smaller number of assistants to directors who will serve as inspectors and instructors of special subjects in the same way that the assistants in primary instruction now serve for regular subjects.

Doctor Ballou stated that he agreed with that recommendation "100 per cent." The Bureau of Efficiency stated that the 79 itinerant teachers in physical education, music, drawing, and nature study, could eventually be reduced to 24, or by a total number of 55. We were then confronted with "when?" After full discussion with the school officials over two or three days, Doctor Ballou agreed that they could absorb into the regular classroom-teaching staff a "dozen or fifteen" of these teachers without "materially jeopardizing" that work, and that they would report back next year the results. The regular-grade teacher teaches these subjects 80 per cent of the time and therefore the effectiveness of the teaching depends on the knowledge and skill of the grade teacher.

It is agreed then, that the request for 40 elementary teachers can be reduced one at Conduit Road and four at Langdon, leaving 35 asked for. It is further agreed that 15 kindergarten and 12 to 15 itinerant teachers can be absorbed into the system, making a total of 27 to 30 to deduct from the 35 requested. Accordingly, the committee allowed 10 teachers instead of the five or eight that these figures show would be sufficient. If a mistake is being made it is being made on the side of liberality to the schools.

You will find in the hearings a very exhaustive report on the platoon schools. The committee believe that that system should be given a complete tryout here. The school officials agree. There is one platoon school in Washington—Park View; however it is not fully equipped for platoon work and is overcrowded. The parents at that school are almost unanimous in its favor. We have directed the municipal architect and the school officials to study the present plant and to submit to us next year a complete study of that school, the buildings necessary to make it a complete platoon unit, and so forth. If the report next year is satisfactory, it is our plan to develop at the Park View School a complete platoon school. We can then study first hand, the financial and educational effect of the system.

Regarding the junior high schools, the Bureau of Efficiency submits a table which you will find in the hearings showing that in 1925–26 the average number of pupils per teacher in Washington was 19.5, that 11 other cities had a greater average with St. Louis at the top with 27.8 and Baltimore 26.3. Likewise they submit a table showing that the pupil load per teacher in the senior high school here in 1925–26 was 20.3. That 20 other cities in the United States had a greater pupil load per teacher than Washington. Seattle, Wash., heads the list with 27.2. They find an excess of teachers in some subjects of the junior high schools and a "small excess of teachers in nearly all subjects in the senior high schools."

Last year we refused the schools 74 additional teachers. This report justifies our action. It also shows that Washington is now very adequately supplied with teachers.

Much has been said about the need for school buildings—great scare headlines appear at regular intervals in the papers about it. I spoke the other day on that and will not repeat what I then said—save to again call the attention of the House to the testimony of Doctor Ballou that the "most urgent" need in the schools was not to provide more classrooms in this year's bill, but to provide money for a site for a junior high school in southwest Washington. Accordingly, we have provided in this bill $250,000 above the Budget figures for the purpose of school sites. We expect to hold a conference with the school officials regarding the organization of the schools and in particular the business administration. Accordingly, we denied the request for four statisticians, pending the outcome of such a conference.

Much propaganda is being fed to the people of Washington about the condition of the portable schools. The 75 portables in use have a total seating capacity of 2,720. There are 75,063 seats now in the District schools. When the building program now under way and carried in this bill is completed there will be a total of 80,337 seats. There are not to exceed 70,000 children in the schools. So the total portable use is comparatively small. The school officials should be able to do away with them entirely when the present program is fully carried out. Many could be closed now if Maryland and Virginia children were taken out of the schools of Washington. The bill carries a proviso in effect that the present nonresident children in the schools may remain, but that hereafter no more may enter the schools here. This is in lieu of a tuition charge. The cost to the District now to give free education to Maryland and Virginia is $223,000 a year. One new school building could be built each year if Maryland and Virginia paid tuition. They do not. In justice to the District taxpayer and the District children the present situation should be brought to an end. The committee's proposal will cause no hardship on anyone. The children now in the schools may remain. But from now on Maryland and Virginia must take care of the increase and new students. Under this bill their school can easily meet this requirement. No harm will be done anyone and justice will be done the District.

Mr. LINTHICUM. Mr. Chairman, will the gentleman yield there?

Mr. SIMMONS. Yes, sir.

Mr. LINTHICUM. Are not nearly all those children the children of employees of the National Government?

Mr. SIMMONS. There is no way of knowing that accurately. But they are paying taxes in your State, and your

State is taxing the people of the State to educate them. Instead of doing that, those children are being educated at the expense, in part, of the Government employees in the District. As the gentleman from Michigan [Mr. CRAMTON] pointed out the other day, the Government employee in the District of Columbia is being taxed not only to educate his own children, but those of District employees who live in Maryland and Virginia.

Mr. LINTHICUM. I know; but most of them are children of Government officials employed in the departments or in the Army and Navy, and they are just as much a part of the National Government as those children whose parents are themselves living in the District of Columbia. Besides that, I want to say to the gentleman that Maryland pays far more into the National Treasury than she receives out of it in any form.

Mr. SIMMONS. We are not talking now about the National Treasury. We should recognize the fact that the District treasury is a distinct entity from the Federal Treasury, and any plea that you are paying taxes to the Federal Government ought not to enter into this situation at all. [Applause.]

One District employee, living not in your State, but in Virginia, reported this to the committee. He is one of the men you talked about the other day as a low-salaried Federal employee who has to live in an outlying section. He does live there, and he is compelled to send his children to a school that may not be up to the standard of the Washington schools, and why? Because he can not afford to bring his children into Washington. Those people say they want to compel Maryland and Virginia to take care of their own school children. Now, the rich man, who can hire a chauffeur or pay the car fare to send his children to the Washington schools, does so, and the result is that instead of helping the poor Federal employee who lives in your State you are harming him. [Applause.]

Mr. LINTHICUM. Maryland is not trying to take any small position in this matter. The District is quite small compared with our State, and yet the highways of our State are open to the people of Washington at all times.

Mr. SIMMONS. Yes; and all the streets of Washington and the streets of every city and State in the Union are open to the cars of Maryland.

Mr. LINTHICUM. Yes; but those who work in the various camps and military reservations throughout the country are admitted by the States to their schools as a rule.

Mr. SIMMONS. Not by the State of Maryland. I have a letter in my file from the wife of a man employed at Camp Perry, in which she says their children are required to pay tuition in the schools.

Mr. LINTHICUM. I have seen bus loads of children coming to attend county schools. I know that they do not pay any tuition and have not been asked to pay any. They were from Camp Meade, now Fort Leonard Wood.

Mr. SIMMONS. I have a letter from the mother of a child living at Camp Perry, and she asks the question: "So long as I am required to pay tuition for the education of my boy at that school, why should not Maryland pay when she sends her children to the schools of the District of Columbia?"

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. SIMMONS. Yes, sir.

Mr. GIFFORD. I fully appreciate the report that the gentleman has made, and I therefore hesitate to make any criticism. In his attempt to separate the Federal tax rate from the city tax rate I hope the gentleman will not forget that some of us still think that the Federal contribution entitles one who works for the Government to send his children to school in Washington, whether he lives in or just outside the city. This is a part of the appropriation bill that for four or five years has been intensely interesting to me for many reasons.

If this city, 10 miles square, has gotten to be so beautiful and rich and property has become so valuable that we learn our Government employees now have to go outside the city limits to find a place to live, I think it hard practice for us to refuse their children admission to the Washington schools. It is rather a serious proposition, coming from the Committee on Appropriations after due deliberation, and I can not but feel a little disturbed about it. I want the chairman to consider whether our poorly paid employees who have to go outside to find a home should not have the privilege of educating their children here—the most highly prized privilege which could be granted to them?

Mr. SIMMONS. I do not believe a child who belongs to a Member of Congress has any more right to enter the District schools than the child of anyone else living outside the city of Washington. If a Member of Congress elects to live in Maryland or in Virginia, whether he owns property or pays rent there or not, his taxes go to that community, and that community ought, under all the rules and methods followed in the United States, either to attend the schools of that place or to pay tuition somewhere else. I would like to see legislation passed in the District to charge tuition. But here is the District of Columbia complaining about bearing a tax burden, complaining about the conditions in the schools, and we have to-day 2,500 Maryland and Virginia schoolchildren attending schools in the District whom the District is educating at a cost of almost a quarter of a million dollars, for which they do not pay one cent of the cost.

You overlook the statement I made to the gentleman from Maryland, and that is this: That the rich man who has gone out into Maryland and Virginia brings his child in an automobile to a District school. The clerk in the District government may not do that; he can not afford to do that; he sometimes can not even afford to pay car fare. He must take what Maryland and Virginia give him. The result is that the man who ought to pay a part of the cost of the education of those children is getting out from under the cost.

Mr. GIFFORD. If the gentleman will allow me, I think I fully understood the proposition.

As I understand, the recommendation of the bill is that those children who are now in the District schools from Maryland and Virginia shall continue to come to these schools, if they desire to come; but that hereafter those States may not send children to the District schools even though they may be willing to pay tuition?

Mr. SIMMONS. That is correct.

Mr. GIFFORD. I do not say that the schools of Washington are better than those of Maryland and Virginia, but I do say that our employees of the Government should have the privilege of sending their children to school here if they are willing to pay a certain amount for tuition; and I certainly object when that privilege is not accorded them.

Mr. SIMMONS. I suggest that the gentleman attend prayerfully before the District legislative committee and ask that committee to hold hearings and report out two tuition bills now pending before that committee—one bill introduced by the gentleman from Michigan [Mr. CRAMTON]. If that were done, we could handle this thing as it should be handled; but a Maryland Congressman [Mr. ZIHLMAN] is at the head of that legislative committee and no tuition bill has come or will come, in my judgment, out of that committee. The reason why we are letting the children remain who are now in the District schools is to meet a situation that was brought up two years ago, and that is that if we shut the doors of the schools completely at once these outlying districts might not be able to take care of their children at once. We do not want to deprive a child of the right of going to school. Neither do we want to take out of the District school those children who have been attending them for some time. In some instances a child has been in a certain school and under certain teachers for quite a while; some of the children have come up through the schools here and may be half through or more. We do not want to shut the doors against them all at once and not permit them to finish their course here. Therefore we are not going to shut the doors to those children, but we are saying to Maryland and Virginia, if this bill is adopted, that hereafter they will have to take care of their own children.

Mr. GIFFORD. I will say to the gentleman that I well remember the discussion we have already had upon this measure. I remember we have defeated the measure thus far, but I would like to ask the gentleman whether it is not necessary for a number of employees of the Government to find homes outside of the District because of conditions here—real-estate men taking possession of the beautiful city of Washington and putting almost unheard-of valuations on property? Of course, we know these employees must find homes and move outside if there are no homes within the city limits, such as they could afford. I would ask the gentleman to deny that the necessity exists for employees of the Government to find homes outside of the city limits.

Mr. SIMMONS. I deny that. I have put in the RECORD a statement showing that Washington has more area within the District than other cities of its size have. There is area enough here. Two years ago we had a delegation come to us from Chevy Chase complaining about the deplorable conditions of that school. The spokesmen of that delegation were Maryland citizens, and they asked us to build schools in the District of Columbia for their benefit. The territory in Chevy Chase, I take it, is not a poor man's country. You take Takoma Park: Two years ago they had a new school with two rooms standing idle, when the Takoma Park, D. C., school had better than half of its classes coming from across the line in Maryland. About two weeks ago one of the Washington newspapers referred to the deplorable condition in the District schools and carried pictures of the portables at Takoma Park, D. C. They pictured the fine school building in Maryland. If Maryland will take

its children out of the Takoma Park, D. C., school, we can shut the portables there to-morrow morning, and if they will take their children out of the E. V. Brown School, we can close those portables to-morrow morning.

Mr. RAMSEYER. Will the gentleman yield?

Mr. SIMMONS. Yes, sir.

Mr. RAMSEYER. As I understand, the children now in the Washington schools from outside States will have the privilege of remaining there, but from now on children from Maryland and Virginia will not be permitted to come to Washington schools?

Mr. SIMMONS. That is correct.

Mr. RAMSEYER. What are you doing to bring that about?

Mr. SIMMONS. In the bill?

Mr. RAMSEYER. Yes.

Mr. SIMMONS. A proviso is carried that hereafter no part of the money carried in the bill for teachers can be used to educate children who do not dwell in the District except those enrolled in the schools at the date of the passage of the act.

Mr. RAMSEYER. That is, of course, by way of a limitation on an appropriation bill?

Mr. SIMMONS. Yes, sir; and it is only made necessary by the fact that we are unable to get a fair tuition bill before the House.

Mr. RAMSEYER. If that goes through in the way suggested by the gentleman, will pupils from Virginia and Maryland be permitted to attend schools in the District if they pay tuition?

Mr. SIMMONS. They will not, because there is no law authorizing the payment of tuition.

Mr. RAMSEYER. They will be excluded?

Mr. SIMMONS. Yes, sir.

Mr. CRAMTON. Will the gentleman yield?

Mr. SIMMONS. Yes, sir.

Mr. CRAMTON. It all emphasizes how unfair it is for the District Committee to refuse to bring out a legislative bill on this subject and let the House express its views with reference to it, because there are parliamentary complications in connection with an appropriation bill that do not permit provision for all the angles in connection with this question of payment of tuition. I will say that for two or three years I have tried to get such a bill out of that committee but without success.

Mr. LINTHICUM. I want to say to the gentleman, when he speaks about the schools of Maryland and Virginia, of course, I am not familiar with Virginia schools.

But I do know that the schools of Maryland are first class and stand among the highest in this country. The truth of the matter is Washington is growing so fast and rentals here in the city are so high that the people who have lived here and who work in the Army or the Navy or in the various departments of government are going into Maryland where they get cheaper rents. The counties can not keep up with this growth. They can not erect the buildings fast enough. They have a building program now by which they are trying to provide for them, but the population of the Government is growing so fast and the people are moving into these counties so fast that Maryland can not keep up with it.

Mr. SIMMONS. Why do you have a low tax rate?

Mr. LINTHICUM. We have not a low tax rate. Our tax rate is high all over the State.

Mr. SIMMONS. Oh, no.

Mr. LINTHICUM. Especially our tax rate for schools.

Mr. SIMMONS. Oh, no. You are now getting into trouble with the Board of Trade of Washington.

Mr. LINTHICUM. That is not very hard to do.

Mr. SIMMONS. They charge that the Washington tax rate is comparable with the other cities of the country; one-third of this bill goes to the support of the schools of Washington, or $1 out of every $3 is for that purpose. If your people paid proper taxes you could have the schools; and I will say this to the credit of Maryland and Virginia: During the past two years they have built schools bordering Washington and we have 500 less nonresident pupils in the District schools than we had when we had this matter before the House two years ago.

Mr. LINTHICUM. But if you put your provision through you shut down on us peremptorily.

Mr. SIMMONS. Oh, no; do not make that statement, because we are not doing that. Under the provisions of this bill we are willing to take through the Washington schools, without charging you a cent for it, every child you have in the schools now, but we are asking you from now on to take care of your own children, as the District taxpayer is compelled to take care of his children.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. SIMMONS. Yes, sir.

Mr. MOORE of Virginia. If the gentleman has not already made the statement, will he tell us about how many children come in from Virginia and Maryland, and how the number is divided between the two States?

Mr. SIMMONS. I will be glad to give the gentleman that information. There is a complete statement of that in the hearings. Virginia has been doing a very good job of building schools lately.

Mr. MOORE of Virginia. Virginia is building excellent schoolhouses in the territory in question here.

Mr. SIMMONS. I think the gentleman from Virginia will remember that when I first came here five years ago I asked where in Virginia I could find a place to live near a school that had a kindergarten, and they told me to go to Richmond. [Laughter.] Since then the condition has very much improved and we can go into Virginia opposite Washington and find kindergartens and other good schools.

Mr. MOORE of Virginia. While the information is being looked up——

Mr. HOLADAY. I can give the gentleman the information. From Virginia there are 538 in the day schools, 22 in the night schools, and 60 in the vocation schools.

Mr. MOORE of Virginia. And from Maryland?

Mr. HOLADAY. From Maryland, 1,736 in the day schools, 31 in the night schools, and 184 in the vocation schools.

Mr. MOORE of Virginia. My friend will bear in mind, of course, that involved in his proposal are the Army officers who are located within the area accessible to Washington for school purposes.

Mr. SIMMONS. Yes, sir.

Mr. MOORE of Virginia. We have Fort Myer, we have the Marine Corps camp at Quantico, and we have the Engineers' School at Humphreys. The policy proposed by this bill would operate to exclude, after a little while, the children of the officers who are serving at those posts.

Mr. SIMMONS. I take it the same arrangements can be made to educate the increment there as elsewhere. That is the conclusion the committee reached. Of course, if the gentleman wants to offer as an additional proviso an amendment exempting those children, well and good.

Mr. MOORE of Virginia. I should say that probably quite a large percentage of the 500 or 600 is represented by the children from those particular localities, although I have not made any analysis to determine that.

Mr. SIMMONS. I will be very pleased to have that information by Thursday. I have not it now.

Mr. HOLADAY. Will the gentleman yield?

Mr. SIMMONS. Yes, sir.

Mr. HOLADAY. With reference to the assertion of the gentleman from Maryland as to the quality of the schools in the State of Maryland, I had some correspondence with the superintendent of schools of Montgomery County, Md., which is an adjoining county, with reference to lending them some of these portable buildings to be moved over into Maryland, and he states:

> I feel confident that they will be glad to accept a number of these buildings [referring to the portable buildings] for use in the sections of our county where smaller buildings of the general type similar to the portable buildings of the one and two room schools are in use. We should be glad to have any estimate you have available as to the cost of moving a two-room portable school building over a distance of 20 or 25 miles.

Evidently the superintendent thinks the portable schools that are now in use and which are so seriously objected to by the Washington papers are better than the buildings now in use in the interior of Maryland.

Mr. LINTHICUM. That is not a fair conclusion. [Laughter and applause.] I want to say to the gentleman we have splendid school buildings throughout our State and in every section of our State, but you are pressing us so hard with more children that I presume they are willing to take some of these temporary buildings; and I want to say further that I guess a good many men on this floor did not go to school in a building as fine as some of these temporary buildings in Washington. I know I did not for a great many years. These temporary buildings are very good buildings when properly constructed.

Mr. SIMMONS. Will the gentleman now permit me to use some of my time and ask the gentleman a question?

Mr. LINTHICUM. Certainly.

Mr. SIMMONS. Do I understand the gentleman is making the statement that the portables we are using in Washington are perfectly fine school buildings?

Mr. LINTHICUM. I am not; but I think they are a whole lot better than nothing and a whole lot better than we had in various sections of this country many years ago.

Mr. SIMMONS. The proposal of my colleague, the gentleman from Illinois [Mr. HOLADAY], is that Congress authorize the moving of these portables over into Maryland. In other words, to give them the buildings, just move them across, pay the expense of moving, and then all they will have to do is to hire the teachers and send their own children to the schools in the fine State of Maryland, which the gentleman represents.

Mr. LINTHICUM. I can not speak for Montgomery County, as I am from Baltimore City; but I may state——

Mr. SIMMONS. Assuming that Washington would be willing to give you the portables, will you take them and your children?

Mr. LINTHICUM. I may say to the gentleman that at one time I taught school in Frederick County, Md., and I know that that county has very fine school buildings throughout the county, and so has Montgomery County, but there are some locations where they need small buildings.

Mr. SIMMONS. If that is true, then I think it would be well for the Maryland children to go to school in the fine schools of that State, and that is what the committee wants to make it possible for them to do.

Mr. LINTHICUM. I understand that is what the committee is trying to make possible, but the committee ought to consider the fact that these children are mostly children of Government employees, and the Government is paying $9,000,000 or more toward the support of the District of Columbia.

As to the use of the public highways, we are glad that you do use them, for we want you to see the beauties of our State, but when it comes to educating a few children the District of Columbia makes complaint.

Mr. SIMMONS. The gentleman will pardon me if I call to his attention the fact that two years ago Congress levied a gas tax in Washington because Maryland did not want us to use her fine highways unless we did it.

Mr. WHITEHEAD. Will the gentleman yield?

Mr. SIMMONS. Yes.

Mr. WHITEHEAD. I notice in the bill on page 46 the provision about which the chairman of the committee has been talking, and they use the language, in excluding children from the schools, "pupils who dwell outside the District of Columbia." I would like to ask the gentleman what his interpretation of the word "dwell" is?

Mr. SIMMONS. Dwell means where they live as distinguished from legal residence. In other words, if a child has its fireside and home outside of the District he is excluded.

Mr. WHITEHEAD. If that is the interpretation, children whose parents are residents of other States but who dwell here would not be excluded?

Mr. SIMMONS. No. My legal residence is in Nebraska; my citizenship is there; but while my service keeps me in Washington my children are also here, within the District, where I dwell during this time.

Mr. WHITEHEAD. In view of that interpretation, the gentleman does not think that his children would be excluded from the schools in Washington?

Mr. SIMMONS. No. If I dwelled, as I once did, in Maryland, I would have no right to bring my children into the District of Columbia schools.

Mr. WHITEHEAD. I want to suggest that it seems to me that the word ought to be further explained. I recall that "dwell" means a fixed habitation.

Mr. SIMMONS. This word was taken on the definition given in the Corpus Juris. "Dwell," in the opinion of the committee, is a proper word to describe what we want to do, to wit: To allow all the children who actually live in the District to go to school without the payment of tuition, although their home, their legal residence, may be outside of the District in the States.

Mr. WHITEHEAD. I looked the definition of "dwell" up in Webster's Dictionary, and it defines it as a fixed habitation.

Mr. SIMMONS. I will refer the gentleman to the definition in the Corpus Juris.

Mr. HOLADAY. Will the gentleman yield?

Mr. SIMMONS. I will.

Mr. HOLADAY. The provision in the bill calls for the withdrawal of the children of Maryland from the District schools in the next 12 years. I want to read an extract from the letter that I received from the Montgomery County superintendent. It is as follows:

We believe that within a reasonable period of years the country-school plants could accommodate all county children, but should the District schools be quickly closed to our children, we estimate that they would be inconvenienced to about the extent of the figures of this estimate.

So that I do not see that there is much difference between the Maryland authorities and this bill. They say they can do it in a reasonable time, and we give them 12 years.

Mr. SIMMONS. Now, there is one thing further I want to allude to, and that is an item that the bill does not carry—$350,000 which was requested for building a nurses' home at Columbia Hospital. The committee did not include that in the bill, and if you will read the hearings you will find the reasons. We think our action will meet the approval of the friends of that institution.

Briefly, the situation is this: The United States owns the ground on which the hospital is located. The District of Columbia and the United States jointly built the building. It was built by the United States and later on one-half of it was charged to the District. The hospital authorities claim that it is a private institution. They are in a public building, yet they ask for the maintenance of that building, and we are furnishing heat, light, and water every year. We pay in the hospital the same price for charity patients as we do elsewhere. They have an average of 50 pay patients in the hospital all the time. They are gradually running behind; they can not pay their way. We have had it up in public and private hearings with the officials of the hospital; we hope in the future—between now and next year—that we can work out a solution of the present unsatisfactory condition in Columbia Hospital.

Briefly stated, they feel that they are entitled to the building, that it should be given to them. There is a question of their legal and equitable right in the building and there is a question in respect to the obligation of the Government as to them and the obligation they have to the Government. Under that unsatisfactory and unsettled condition we did not think it was fair to the taxpayer of the District, nor was it good business, to go ahead and build at public expense a nurses' home for that institution. So that that item is one of the larger items that is out of the bill.

I think that with that exception that I have covered generally the more important items in the bill. Later on when the bill is read under the five-minute rule if there is any information desired that we have not given this morning I shall be glad to supply it. I do again want to call to the attention of the people of the District the opinion of the subcommittee that if they want their tax rates in the city of Washington held down or reduced the way to do it is to insist on an economical, businesslike, efficient administration of city affairs, and cut out of these bills that constantly come to us, just as this committee has done this year, those items that are not properly chargeable to city finances and that are not necessary in the city's government. [Applause.]

Mr. ARENTZ. Mr. Chairman, will the gentleman yield?

Mr. SIMMONS. Yes.

Mr. ARENTZ. I think the chairman of the subcommittee should give serious consideration, as well as the superintendent of schools and the Department of Education generally, to the idea of a junior college within the District of Columbia. I think the average departmental worker with children labors under a fearful worry, not only financially but mentally, because of the thought that there is no place within the District of Columbia no such school as one could be called a university where he can send his children for at least two years after they graduate from the high schools. It seems to me that we could do nothing better for the children of the departmental workers than to have erected in the District of Columbia a junior college, which would take care of the first two years of college work. I notice that several of the States are now taking up that matter, with the idea of preventing the great mass of students going into the universities and colleges during the first two years, when many of them drop out, sending them to junior colleges instead within the State.

Mr. BLANTON. Mr. Chairman, will the gentleman yield on that question?

Mr. SIMMONS. Yes, sir.

Mr. BLANTON. In every university in the United States the gentleman will find earnest, deserving students who are working their way through college. You do not have to call on the Government of the United States to prepare everything so easy and so rosy for the ambitious students of the United States; that is, for the ones who have anything to them. They do not ask our Government to furnish their tuition for them free. You have universities right here in Washington, splendid universities, and you have the Maryland University right near, in all of which students may work their own way, and the tuition

is not high where they have to pay. Any student in Washington can go to them, and by making some effort on his own part can thus make of himself a more useful citizen by helping to defray his own expenses.

Mr. ARENTZ. I do not know whether it is due to the brains of the parents or to the peculiar condition of the times, but it is a fact that children are graduated from the high schools now at 15 and 16 years of age.

Mr. BLANTON. Oh, in my own university days you could not enter the State University of Texas until you were 16 years of age, and there were numerous boys and girls then who had to wait over a year after high-school graduation before they could get in the university. The distinguished gentleman from Massachusetts [Mr. LUCE], I understand, graduated from Harvard when only 19 years of age. It is not so different now from the days gone by in that respect.

Mr. SIMMONS. The committee has given some study to that question. The question of a junior college in my opinion is one that should come from the legislative committee and not be initiated by our committee. I do not believe that the Washington universities offer to the student who must go on his own resources the opportunities that the various State universities do.

Mr. ARENTZ. They certainly do not.

Mr. SIMMONS. For instance, the cost of tuition at the George Washington University for a full year's course is something over $200. If you ask the student to earn that first and then on top of that to earn his expenses as he goes along, you are placing a greater burden on him than is placed on students in many of the universities of the country. The only educational system in the District paid for by the District above the twelfth grade is for two normal schools.

The course of study in those two schools has been so arranged that it has been absolutely impossible for the girl who desires to qualify herself as a teacher and work her way through school, as we say, to go to those schools. Two years ago we called it to the attention of the school officials; last year we again called it to the attention of the school officials, as we did again this year. In the present system of the normal schools, with two years of education above the high schools, at public expense, the only students coming in are those who come from the homes of well-to-do parents. We have asked the school officials to change their course of education so that a girl could go to those schools and qualify as a teacher, possibly for a longer period than three years, and work her way through. We have been promised that next year we will have a course of study in those schools that will at least give that small opening to the people of the District.

I reserve the balance of my time. [Applause.]

Mr. GRIFFIN. Mr. Chairman, I yield two minutes to the gentleman from Michigan [Mr. CRAMTON].

The CHAIRMAN. The gentleman from Michigan is recognized for two minutes.

Mr. CRAMTON. Mr. Chairman, my only purpose in rising at this time is to say that for something over 10 years I have made a study of District matters, fiscal and otherwise, and I am frank to say that this bill and the report that is now before the House are based upon a more thorough and efficient study of District matters than any bill that has come before the House heretofore. It is the result of the unusually able efforts of the entire committee. Particularly the remarkably clear, able, and convincing statement that has just been presented to the House, and especially that part with reference to fiscal matters, contains more information than has ever been presented to this House before by any Representative in charge of that bill. [Applause.]

I think the chairman and the committee are entitled to the thanks of the House. [Applause.]

Mr. GRIFFIN. Mr. Chairman, I yield myself 10 minutes.

The CHAIRMAN. The gentleman from New York is recognized for 10 minutes.

Mr. GRIFFIN. I ask unanimous consent, Mr. Chairman, to revise and extend my remarks, and to print in the RECORD certain tables to which I shall refer in these brief remarks, and which I shall use as the basis for the discussion of certain questions that are likely to come up when we reach the stage of the five-minute consideration of the bill.

The CHAIRMAN. The gentleman from New York asks unanimous consent to revise and extend his remarks in the manner indicated. Is there objection?

There was no objection.

Mr. GRIFFIN. Mr. Chairman and gentlemen—I am looking around to see if any of our ladies are present, and not seeing any, I shall simply greet you with the salutation of "Mr. Chairman and gentlemen."

I am glad that the gentleman from Michigan [Mr. CRAMTON] paid that splendid tribute to the chairman of our subcommittee. I want to join with him in expressing my personal appreciation of his courtesy and his uniform fairness and to pay a tribute to the splendid ability he displayed as presiding officer in the hearings on this, which is one of the most important bills that comes before this House. I want also to express my appreciation of the labors of my colleagues upon the subcommittee, Mr. HOLADAY, of Illinois, and Mr. WELSH and Mr. CASEY, both of Pennsylvania. All together, without, I hope, laying myself open to the suspicion of self-laudation, I think that this is about the best subcommittee on District appropriations under the Committee on Appropriations that we have ever had since this method of handling appropriations was inaugurated. [Applause.]

The committee gave earnest, sincere, and consecutive attention to every question that came up. They labored valiantly to be honest, to be fair, to be just; and I think the people of the District can congratulate themselves that they have had a board of aldermen in this subcommittee who, even if they may be called stepfathers, have turned out for their benefit one of the best bills that has ever been presented in Congress.

This bill has several outstanding features. I think perhaps the most important, the most widely interesting feature of this bill, although up to this moment it has not been stressed either in debate or in the public print, is that part of the bill which increases the appropriation for the payment of salaries for District employees by over $121,000. That feature of the bill is referred to on page 5 of the report. It provides for the step-up of the salaries of District employees. Remember, it is not a voluntary raise in salary, coming from the heart of the members of the committee; there is nothing gratuitous about it; it is simply the exercise of fairness and justice in putting into operation the specific mandatory provisions of section 7 of the classification act. That section provides that the salaries of employees shall be raised every year, providing they maintain a certain degree of efficiency, so as to "step up" the employees of the District of Columbia automatically and consecutively, to enable them to draw a salary corresponding to their proper grades.

Witness what has been taking place for years! It is no wonder that the employees of the District have felt discouraged. Major Donovan, of the auditor's bureau, testified before our committee that out of 1,950 employees affected there are 1,043 who still draw the minimum salaries.

Next above that there are 348 employees drawing the minimum salary. In the next step above that there are 233 employees drawing the salaries they are entitled to under the law, while there are only 206 employees out of 1,950 clerks in the District who are drawing the average of their grade. There are only 128 employees in the District who are drawing above the average of their grade. There are none of the 1,950 employees in this class subject to this section of the classification act who are receiving the maximum pay required by a faithful observance of the law.

How did this change come about? How is it that for the first time this subcommittee has given consideration to the plight of these employees? I want here and now to pay my meed of respect and honor to the man who, more than all others, is responsible for that change in the method of handling appropriations—my friend from Pennsylvania here [Mr. CASEY]. [Applause.]

He was not content to sit in the committee and listen to gab which led nowhere. He was not content to learn about these things and then say, "Ah, we will attend to this next year"; but he drove right home to the point. I ask you to read from the hearings if you are interested—that is, anybody who is interested—from pages 43 and 44 of the hearings. Mr. Donovan stated that if this committee should provide $170,000 in 1929 for promotions based on efficiency ratings it would probably give every employee entitled to promotion such promotion, but the amounts of money carried in this bill for promotions is less than $40,000, so that only one out of every four will receive a promotion.

Mr. CASEY. To which, under the law, they were entitled.

Mr. DONOVAN. The law provides—section 7 of the classification act—that employees shall be entitled—shall be entitled—to promotion to the salary next above their present salary, upon the attainment and maintenance of the appropriate efficiency rating, provided that Congress has appropriated sufficient money for paying the promotions. There is where the trouble comes, the employees get the required efficiency ratings, but the funds have not been appropriated to give the promotions.

Mr. CASEY. Why do you only ask for $35,000 or $40,000, when you ought to have $200,000 to comply with the law?

The CHAIRMAN (Mr. HOGG). The time of the gentleman from New York has expired.

Mr. GRIFFIN. Mr. Chairman, I yield myself 10 additional minutes.

Mr. DONOVAN. Mr. Casey, that brings up the question of the action by the Budget Bureau on the commissioners' estimates. If you wish me to go into that—you know we are under Executive injunction not to propose appropriations not in the Budget——

Mr. CASEY. I know, but I am a member of this committee and want information; when I ask a question I want a reply to it. I am not bound by the President's injunction or the Bureau of the Budget's injunction. I appreciate your position, and the record shows you are trying to protect yourself and I am trying to do my duty.

Mr. DONOVAN. Eliminating the schools, police and fire departments, and confining an answer solely to the employees affected by the classification act it would require $163,920 to give each employee a step-up; that is, each employee drawing less than the average salary of the grade.

And so on, until it culminated in the action of the committee in devoting $121,000 to this function of providing step-ups for the employees in the District.

I saw something in the paper the other day from an officer of one of the employees' organization from which I judged he was preparing to assume credit for this voluntary action on the part of the committee, but I want it known publicly that it was not due to any appeal, pressure, or urging on the part of any organization whatever, but was due primarily to the initiation and the insistence of my friend from Pennsylvania [Mr. CASEY].

I hope when the District officials proceed to allocate this increase of the appropriation for this year they will not take half the men who are entitled to the step-up, as has been intimated, but that they will allocate it to all of those who are entitled to a step-up, and distribute the fund granted this year so that everyone entitled to a step-up shall get his pro rata share out of this appropriation. I hope I make myself clear on that point, and I hope that in the allocation of the fund the District officials will see that everybody gets what he is entitled to.

Mr. CASEY. Will the gentleman yield?

Mr. GRIFFIN. Yes.

Mr. CASEY. Before the gentleman leaves that point it may be well for him to explain for the RECORD that the understanding of the committee and the District officials is that this money must be allocated to the people who are at the minimum of their grades before they allocate any of it to those above the minimum of the grades. It is to take care of the poor fellows who have not gotten increases.

Mr. GRIFFIN. That was the understanding.

Mr. SIMMONS. Further than that, when that is done, the preference is to go to the fellow who is drawing the least salary of the two.

Mr. GRIFFIN. Yes. There are many features in this bill, and I hope you will not be overawed by these papers before me. I do not intend by any means to discuss every phase of the bill. I could not do it. There is such a demand for time that I do not want to take up the time myself, but I have asked leave to extend my remarks in order that I may be able to put in the RECORD certain constructive suggestions in connection with the District government.

Whenever District matters come up in this House, in the House of the stepfathers of the District, the attendance immediately dwindles. You can not talk statistics, you can not give figures, you can not make any appeal whatever and hold the crowd. If I could only have gotten up a row with our genial chairman, I think we would have had a full attendance, but he was too good and too genial to indulge in any provocation and everything passed off very pleasantly.

The virtue of membership on an appropriation committee is this, that it gives a man who is serious-minded an opportunity to look at the inside of things, to study the machinery of municipal government and find out how the thing works. I would count my time lost on this committee—all the days and weeks that we have devoted to this bill—if I did not derive certain opinions and arrive at certain convictions as to the right or wrong of things and in what particulars something might be done to alleviate existing conditions; because notwithstanding all the taffy we may sling on the subject there is something rotten in Denmark. I have become more confirmed in my conviction that the best government given by the stepfathers in Congress is not as good as the worst government the people of the District would be able to give themselves, and I am going to elaborate on that in the future and suggest something constructive.

Mr. CASEY. In other words, as I understand the gentleman, the people would rather have self-government than good government?

Mr. GRIFFIN. I think so. At least, that is the way they feel about it. Now, there is a phase of the Federal and District condemnation law that I would like to take the time to enlarge upon, but I am not going to do it here. However, I am going to make what I hope will prove to be some constructive suggestions on the subject. I am also going to make some constructive suggestions on the matter of the retirement and pension laws of the District. It is a rather odd thing that in this little principality, in this little Territory of the District of Columbia, we have three distinct, separate, and uncoordinated pension and retirement laws affecting the employees of the District. They differ not only in the amounts of contribution that the employees make to the fund, but they differ also in the benefits derived from the fund. For instance, briefly, as to the contributions. The school-teachers contribute out of their annual salary up to 8 per cent on a maximum salary of $2,000.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. GRIFFIN. Mr. Chairman, I yield myself five additional minutes. The policemen and firemen contribute 2½ per cent of their annual salary while the civil-service clerks, the most poorly paid of all, contribute 3½ per cent of their annual salary.

In the matter of pensions, the school-teachers receive 1 per cent of the average annual salary for 10 years immediately preceding retirement multiplied by the number of years of their service, plus the Government contribution of $15 for each year of service up to 40 years.

Policemen and firemen, not more than 50 per cent of salary at the time of retirement. Upon the death of a member, before or after retirement, his widow receives $60 a month during widowhood, and each child under 16 years of age $10 a month. Seventy-five dollars is paid from the fund toward funeral expenses of a member dying while in the service.

The widows of policemen and firemen receive this pension, but the widows of school-teachers and civil-service clerks receive nothing.

As to the amount of refund; for school-teachers, all the contributions of the teacher compounded annually are returned upon separation from the service. In the case of policemen and firemen, the law does not authorize a refund of their contributions to the fund, although they may be retired from the service without any fault of their own. As to civil-service clerks, all contributions of employees plus 4 per cent interest, compounded annually, as in the case of school-teachers, are returned upon their separation from the service.

In my opinion the pension laws affecting the employees of the District ought to be uniform. They ought to be coordinated, they ought to be fair and give a square deal to all without distinction as to class or condition.

Mr. SIMMONS. Will the gentleman yield?

Mr. GRIFFIN. I yield.

Mr. SIMMONS. The gentleman has been very kind in the fine floral wreathes that have been thrown toward the chairman of the subcommittee, but I think the committee will understand that if there is any credit due for the preparation of this bill, it is not due to any one member, but to the entire committee, and may I suggest, also, for the benefit of the gentleman from New York, the committee is made up of one Englishmen, one Scotsman, and three Irishmen, and that probably accounts for the fine way in which we get along. [Laughter and applause.]

Mr. GRIFFIN. In other words, in a sense, you are getting a little touch of Tammany here in Washington. [Laughter.]

Mr. Chairman, the legislation providing for the retirement and pensioning of District employees is embraced in several distinct acts, bearing no relation to one another, and providing separate and uncoordinated schemes of contributions and benefits.

It appears to me that there is no reason in the world why the retirement and pension laws of the District should not be uniform; at least there seems to be no justification for the confusion, the conflict, and the inequalities that now exist.

In my opinion no class of employees are entitled to special favors, and none should be discriminated against. If there is any public policy involved—as I believe there is—in safeguarding the old age of faithful employees and protecting their widows and orphans from want, the law governing the subject should be uniform and applicable in all its features to all classes of employees alike.

I herewith append a summary of the main provisions of the existing laws and a table, prepared by the auditor of the District, Maj. A. J. Donovan, a very capable and experienced

man, whose services are of inestimable benefit, not only to the District itself but to Members of Congress who have come to rely implicitly upon his vast stores of information on every phase of local government:

1. SCHOOL-TEACHERS

The act relating to the retirement of school-teachers was approved June 11, 1926, and is entitled "An act for the retirement of public-school teachers in the District of Columbia, etc.," approved January 15, 1920 (44 Stat. 727).

2. POLICEMEN AND FIREMEN

The act relating to policemen and firemen is section 12 of the District of Columbia appropriation act approved September 1, 1916 (39 Stat. 718).

3. CIVILIAN EMPLOYEES

The retirement of civilian employees in the Federal service in the District of Columbia and in the service of the District of Columbia is controlled by the act of Congress approved May 22, 1920, as amended by the act of July 3, 1926.

The provisions of these three distinct methods of retirement are visually displayed in the following chart prepared by the auditor, and disclose at a glance the inequalities and lack of coordination in the three retirement laws:

1. As to contribution of the employee; as to contribution of the District.

2. As to benefits received: Widows and children of police and firemen receive pensions; the others do not.

3. As to refunds: Teachers and civil-service employees (clerks) receive a refund of the amounts paid in upon their separation from the service; police and firemen do not.

RETIREMENT AND PENSION LAWS AFFECTING EMPLOYEES IN THE DISTRICT OF COLUMBIA

Chart showing comparatively the amount of contribution made by each class of employees under the provisions of (1) the teachers' retirement act of June 11, 1926; (2) the law authorizing payment of pensions to policemen and firemen, approved September 1, 1916; and (3) the civil service retirement law of May 22, 1920, as amended July 3, 1926:

	School-teachers	Policemen and firemen	Civil service (clerks)
Contribution by each class of employees to retirement or pension fund	(1)	(2)	(3)
Average annual contribution per employee	$99.70	$53.08	[4] $52.88
Contribution of Government, fiscal year 1927	$91,964.50	$468,115.00	----------
Average annuity or pension paid in 1927	$1,050.00	$1,090.97	[5] $721.39
Number of annuitants or pensioners on roll, June 30, 1927	108	603	(6)
Normal annual increase of annuitants or pensioners	21	37	----------
Total amount paid out annually—			
For pensions	$109,214.05	$566,467.65	----------
For refunds	$32,237.56	(7)	----------
Amount of cash to credit of fund, June 30, 1927	$1,714,490.00	(8)	----------

[1] Up to 8 per cent of annual salary (maximum salary usable, $2,000).
[2] 2½ per cent of annual salary.
[3] 3½ per cent of annual salary.
[4] This is only for District of Columbia employees.
[5] Information obtained from Bureau of Pensions.
[6] This fund is administered by the Bureau of Pensions, under the Secretary of the Interior, and no statistics are available in the office of the auditor of the District of Columbia, with respect to normal retirements, Government contributions, etc.
[7] Not authorized by law.
[8] No balance on hand. Transfer from general revenues of District of Columbia authorized to cover deficit in contributions, in order to provide a sufficient amount for the payment of all pensions.

BENEFITS ACCRUING TO EMPLOYEES

1. AMOUNT OF PENSION OR ANNUITY

School-teachers: One per cent of average annual salary for 10 years immediately preceding retirement, multiplied by number of years of service, plus the Government contribution of $15 for each year of service up to 40 years.

Policemen and firemen: Not more than 50 per cent of salary at time of retirement. Upon the death of a member, before or after retirement, his widow receives $60 a month during widowhood, and each child under 16 years of age $10 a month. Seventy-five dollars is paid from fund toward funeral expenses of member dying while in service.

Civil service (clerks): Average annual salary, not to exceed $1,500, for 10 years immediately preceding retirement, multiplied by number of years of service, not to exceed 30, divided by 45. Maximum annuity payable, $1,000.

2. AMOUNT OF REFUND OF CONTRIBUTIONS IN CASE OF RESIGNATION OR SEPARATION FROM SERVICE

School-teachers: All contributions of teacher, plus 4 per cent interest, compounded annually.

Policemen and firemen: The law does not authorize refund of contributions.

Civil service (clerks): All contributions of employee, plus 4 per cent interest, compounded annually.

Mr. SIMMONS. Mr. Chairman, I yield one minute to the gentleman from Montana [Mr. LEAVITT].

Mr. LEAVITT. Mr. Chairman, on the 15th of this month there took place at Arlington Cemetery and at Fort Myer the annual anniversary observance of the sinking of the battleship *Maine* in Habana Harbor. On this occasion an address was delivered by Dr. Rafael R. Altunaga, counselor of the Cuban embassy and chargé d'affaires, that was as beautiful in the poetry of its language as it was searching in the truth of its thoughts. It had a particular meaning this year, because there was in convention at Habana at the time a meeting of the representatives of the various States of the Western Hemisphere in the Pan American conference.

It will be fitting, indeed, to have placed in the RECORD the speech delivered by the Cuban chargé at that time, and I ask unanimous consent that as a part of my remarks there may be included the brief letter with which this address was transmitted to me and the address of Doctor Altunaga.

The CHAIRMAN (Mr. HOOPER). The gentleman from Montana asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

The matter referred to follows:

HEADQUARTERS DEPARTMENT OF THE DISTRICT OF COLUMBIA,
UNITED SPANISH WAR VETERANS,
Washington, D. C., February 18, 1928.

Hon. SCOTT LEAVITT,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: Dr. Rafael Rodríguez Altunaga, counselor of the Cuban embassy and chargé d'affaires ad interim, delivered an address at the Maine memorial exercises held February 15, 1928, in the riding hall at Fort Myer, Va., under the auspices of the Department of the District of Columbia, United Spanish War Veterans, that was keenly appreciated, as demonstrated by the frequent applause of the veterans of the Spanish War, the large audience of public officials, distinguished guests, and citizens present, comprising more than 2,000 people. The program was also broadcasted by the National Broadcasting Co. over its red network.

The splendid tribute paid by Doctor Altunaga to the heroic men who lost their lives in the sinking of the *Maine* cemented still closer the firm bond of friendship that exists between Cuba and the United States.

The address is worthy of the attention of Senators and Representatives and other public men. * * *

Sincerely yours,

JAMES E. MAYNARD,
Past Department Commander United Spanish War Veterans.

ADDRESS DELIVERED BY DR. RAFAEL RODRÍGUEZ ALTUNAGA, COUNSELOR OF THE CUBAN EMBASSY AND CHARGÉ D'AFFAIRES AD INTERIM, AT FORT MYER, VA., FEBRUARY 15, 1928, THE THIRTIETH ANNIVERSARY OF THE SINKING OF THE BATTLESHIP "MAINE"

Once again the Cuban nation comes, through its diplomatic representative in Washington, to place, as in a votive lamp, the myrrh of its gratitude in this love offering which the veterans of the Spanish-American War are paying to-day in tribute to the never-to-be-forgotten victims of the *Maine*. To-day, as on other occasions, we feel the same warm devotion for those who perished that unfortunate night in February of 1898 in Habana Harbor in a horrible catastrophe, the remembrance of which, even after 30 years, terrifies one's mind.

The contemplation of a monument to the dead fills the soul with an almost religious sentiment. Man looks on such a marker as a milepost on the road to the great mystery; and the heart recoils before the prospect of mute eternity. This sentiment is increased when with the idea of death is associated the memory of the country's tragedy for the cause of its liberty; and on so viewing it there seems to drift the shadows of those who gave their lives as a tribute to that liberty. The heart beats more strongly then, the eyes dim from emotion, and the soul is prostrated before these august shadows which are like guardians and an intangible guaranty of integrity of a free nation. So, when Cubans visit the solemn monument raised to the *Maine* in Arlington National Cemetery, we experience this strange emotion which I have analyzed before, and we recall that loyal and sincere friendship of Cuba and the United States. This respect which exists in this Nation for the liberty and integrity of the Republic of Cuba is so sacred it is far removed from the avarice of man, because it is a treasure the custody of which is held by those who embraced immortality on the wings of fire on the tragic night of February 15, 1898; and also by those who at Santiago de Cuba, with its holocaust shortly afterwards, wrote the epilogue of 50 years to Cuba's struggle for emancipation.

The tragedy of one minute ended a tragedy of half a century. Since 1850 the Cuban Nation practically maintained armed rebellion against the intolerable policies of its bad rulers. And I say the policies of its bad rulers because the battle for our liberty was not a battle of race

against race, nor of hate and reciprocal rancor. The war waged was not against the Spaniards, for the Spaniards are our own parents. To more strongly accentuate this affirmation the father and mother of Martí, the soul of the revolution, were Spaniards; and, in truth, our nationality is and always will be Spanish in so far as the work of centuries does not develop a new social order or blot out ancestral inheritances. The Cuban revolution was the result of the culture of the Cuban nation, of its thinkers, of its poets, and writers who were not resigned, as the men of the Spanish America of 1810 and 1811 were not resigned, to the scorn of the ruling classes. Through the shadows of the colonial government there filtered the civilization of the world, and the legion of martyrs and apostles of the revolution was formed, and soldiers were spiritually recruited to achieve that work. Blessed be the man who prefers to embrace the cross as a martyr than live in the world as a slave.

In this unequal fight for liberty of one against one hundred, in America we always found an asylum of consolation, a protecting hand, a voice of cheer. Here thousands of my compatriots took up their residence; here many of them founded their homes; here they lived, dreaming of their return to a land enlightened by the sun of democracy and liberty. Wealth, peace, and courage; love for science and for art, the generous blood of youth; all these were brought as a pledge of devotion and faith to the immense pyre built before the image of the tortured country. Nothing restrained the Cubans in their romantic battle for life with dignity or death with honor, and as high ideals of justice, which, like the arbors in the moral harmony of the world, are at the end fulfilled, Providence, invisible mother of men, put its finger into the labyrinth of our destiny and showed its face amidst the veils of a tragic night.

The thunder of the explosion of the *Maine* roared; the waters of bitterness, thrown day by day and year by year into the hearts of the American people, overflowed in uncontrollable torrents and crowds inflamed in the streets of American cities were changed into instruments of our vengeance and shouted to the high powers of the Nation: "Remember the *Maine*" and "Viva Cuba libre."

Thus, the liberty of Cuba has remained forever united with the memory of that inexpressible catastrophe. The apathy and diplomacy of the American Government gave place to the exultant march of the armies, full of ideals, which were on the way to consummate a work which, in the quadrant of the history of the American continent, had remained a century behind. Santiago de Cuba, the hill of San Juan, and Caney are holy shrines for the patriotic sentiments of two nations which found themselves together amid the clamor of the battle and facing death under the same ideals.

If it were possible in our time to revive the biblical legend of the sanctity of the tabernacle there could be nothing better than to declare a holy place this zone of Santiago where—rare secret of history—was begun and finished the Spanish dominion over Cuba. A millenary stone, as an ark of the covenant, would mark the culminating point where the sacrifice of Cubans and Americans was the greatest, and on this stone should appear, arm in arm, facing the image of death, the Cuban and American soldiers and, lighting the scene, a rising sun, from which disk, as drops of light, should be suspended this sentence, taken from the joint resolution of the American Congress: "Cuba is, and by right ought to be, free and independent." That place would be closed to the Cubans and Americans who would not go there in patriotic pilgrimage with hearts as pure and unselfish as those who fell in that place; with minds void of any paltry desire; in mystic elation; evoking for their spirits; and in the lips the tremor of a prayer. The high points of history remain inaccessible to those who do not feel themselves with courage to ascend the mystic path which leads to immortality and to glory. Sic itur ad astra.

Spanish-American War Veterans, your responsibility is very great. You must maintain, like a sacred fire, and hand down to posterity the aspirations which stimulated your companions and for which they sacrificed their lives on the battle fields of Cuba. The Hand which created the world made us physically neighbors, as though preparing the mutual intelligence and the fraternal ties which unite us to-day, while high ideals and historical facts place us arm in arm and heart with heart.

The dead, from the valley of eternity, are contemplating us and in silence are watching each step we take in this labor of mutual understanding, reciprocal and sincere confidence and profound respect for our common traditions which are the reasons for this ceremony of pious reverence which gathers us together here to-day.

The best way, the only one, of honoring the dead is to be loyal to the spirit in which they lived. It is not enough to erect monuments, to sing De Profundis, and to utter panegyrics. It is necessary to feel deeply the ideal to which they sacrificed themselves. Any other act is a profanation.

Victims of the *Maine!* Cubans will eternally glorify your names because above them is written the liberty of Cuba.

Mr. GRIFFIN. Mr. Chairman, I yield 20 minutes to the gentleman from Oklahoma [Mr. HASTINGS].

Mr. HOWARD of Oklahoma. Mr. Chairman, I suggest the absence of a quorum.

The CHAIRMAN. The gentlemen from Oklahoma suggests the absence of a quorum. The Chair will count.

Mr. HOWARD of Oklahoma. Mr. Chairman, I withdraw the point of no quorum.

Mr. HASTINGS. Mr. Chairman, I want to bring to the attention of the Members of the House H. R. 11199, a bill to provide for the furnishing of bonds by national and State banks and trust companies which are members of the Federal reserve system for the protection of depositors. H. R. 11199 is a revised, amended copy of H. R. 5572.

Section 1 requires that all banks, State and national, and trust companies, members of the Federal reserve system, shall each give bond in the sum of 25 per cent of the amount of their deposits, exclusive of interest-bearing time deposits and other deposits specially secured, for the protection of the general unsecured depositors.

Congress, of course, does not have jurisdiction over State banks and trust companies which are not members of the Federal reserve system, and therefore the provisions of the bill are not attempted to be made to apply to them. The banks and trust companies affected are given six months to comply with the provisions of the act and to give the bonds as required therein.

Section 2 requires that all national banks, upon their organization, shall each give bond in an amount equal to its capital stock at the time of organization, and thereafter a bond in the sum of 25 per cent of the deposits shall be given, as shown by its last annual statement.

Section 3 authorizes the Secretary of the Treasury of the United States to approve such bond upon ascertaining that the surety company making the bond is financially responsible.

Section 4 requires a report of all banks affected on January 1 of each year showing their total aggregate deposits subject to check, interest-bearing time deposits, and deposits otherwise specially secured.

The provisions of this bill only require a bond in an amount equal to 25 per cent of the amount of unsecured deposits and does not require a bond for interest-bearing deposits placed with the bank under special contract and does not cover deposits such as county, State, school, and municipal, which are otherwise specially secured. The bond is for the purpose of guaranteeing security of the general deposits of the banks which are not otherwise secured.

It may be asked why it is provided in the bill that a bond of only 25 per cent of the aggregate amount of deposits is required. Of the failed banks brought to my attention if 25 per cent of the deposits had been guaranteed and this percentage of the deposits had been paid in cash by a surety company, as this bill would require, I know of no bank that would have failed. In the event it is found, however, that 25 per cent would not be a sufficient amount to protect all depositors, this percentage could and should be increased.

The Comptroller of the Currency reports for the year 1927, in his annual report (p. 17), as follows:

> The average percentage of dividends paid on claims proved against the 706 receiverships that have been finally closed was 74.74 per cent. Had offsets, loans paid, and other disbursements been included in this calculation the disbursements to creditors would show an average of 80.95 per cent.

This shows that a bond of 25 per cent would in all but extraordinary cases be sufficient to cover the loss and pay the depositors in full. If experience should show, however, that a larger percentage is required, the bill could be amended and the percentage increased. It should be large enough to guarantee all depositors against loss.

It may be inquired as to the necessity for this legislation. Let the statistics as shown by the reports of the Comptroller of the Currency answer this. The report of the comptroller for 1927, page 13, shows that there were 7,832 national banking associations in existence at the close of the current year, October 31, 1927, with a capital of $1,502,697,615, and, page 101, on June 30, 1927, there were 27,061 reporting banking associations in the continental United States, Alaska, and insular possessions, with combined resources aggregating $68,132,558,000. This amount includes individual deposits of $51,132,554,000. The comptroller reports, in answer to my inquiry under date of January 21, 1928, that for the eight years beginning January 1, 1920, to December 31, 1927, inclusive, there were 564 national bank failures with deposits aggregating a total of $213,546,400, and that there were 3,377 failures of other banking associations, State banks, and trust companies with aggregate deposits of $971,956,704.

I am appending two tables prepared by the Comptroller of the Currency, the first showing, by States, the number of

national banking institutions which failed for each year from 1920 to 1927, inclusive, showing capital and deposits, and the second table showing State bank and trust company failures during the period reported upon by States and by years.

From the figures given in these two tables we have prepared the following table showing by States: (1) The total number of State-bank failures, (2) total amount of failed State-bank deposits, (3) total number of national-bank failures, (4) total amount of failed national-bank deposits, (5) total number of both State and national bank failures, (6) total amount of deposits of failed banks, State and national, (7) the grand total number of failed banks, State and national, and (8) the grand total of deposits of failed banks, both State and national, for the eight-year period covered by the two tables:

State	(1) Total number State-bank failures	(2) Total amount State-bank deposits	(3) Total number national-bank failures	(4) Total amount national-bank deposits	(5) Total State and national failures	(6) Total amount deposits State and national
Alabama	17	$5,657,539	4	$438,243	21	$6,095,782
Arizona	28	10,963,870	3	848,814	31	11,812,684
Arkansas	58	20,535,227	7	1,729,200	65	22,264,427
California	10	3,543,859	14	6,589,871	24	10,133,730
Colorado	56	12,097,032	16	11,425,027	72	23,522,059
Connecticut	2	2,075,000	1	1,478,076	3	3,553,076
Florida	53	53,309,805	4	2,466,066	57	55,775,871
Georgia	245	37,761,755	8	1,868,907	253	39,630,662
Idaho	45	12,174,547	23	7,201,267	68	19,375,814
Illinois	58	19,946,180	8	2,012,336	66	21,958,516
Indiana	45	10,290,344	7	3,162,749	52	13,453,093
Iowa	304	118,985,268	63	23,791,987	367	142,777,255
Kansas	141	34,852,826	7	2,278,810	148	37,131,636
Kentucky	32	5,962,052			32	5,962,052
Louisiana	31	7,199,292	1	32,062	32	7,231,354
Maine	3	1,924,154			3	1,924,154
Maryland	4	419,000	1	262,995	5	681,995
Massachusetts	16	62,056,939	1	292,995	17	62,349,934
Michigan	52	7,451,051	1	581,948	53	8,032,999
Minnesota	247	59,537,729	52	21,644,088	299	81,181,817
Mississippi	29	7,511,685	2	49,657	31	7,561,342
Missouri	194	55,264,755	4	766,503	198	56,031,258
Montana	135	32,049,856	53	13,578,863	188	45,628,719
Nebraska	131	28,596,117	21	8,193,292	152	36,789,409
Nevada	1	143,000			1	143,000
New Hampshire	1	1,009,139			1	1,009,139
New Mexico	40	9,795,476	18	6,305,490	58	16,100,966
New York	7	2,055,273	1	198,498	8	2,253,771
North Carolina	78	16,244,132	9	6,266,550	87	22,510,682
North Dakota	316	57,616,512	48	10,734,836	364	68,351,348
Ohio	19	8,893,412	4	4,676,802	23	13,570,214
Oklahoma	162	31,547,240	47	13,809,030	209	45,356,270
Oregon	29	10,317,234	6	2,109,905	35	12,427,139
Pennsylvania	25	26,484,903	10	10,807,079	35	37,291,982
Rhode Island	1	158,000			1	158,000
South Carolina	144	43,492,495	14	4,822,738	158	48,315,233
South Dakota	247	68,364,144	46	15,432,188	293	83,796,332
Tennessee	37	9,367,513	1	468,950	38	9,836,463
Texas	158	26,934,889	31	14,440,950	189	41,375,839
Utah	12	2,132,677	2	1,420,335	14	3,553,012
Vermont	1	2,031,737			1	2,031,737
Virginia	22	4,898,550	1	115,204	23	5,013,754
Washington	35	15,589,748	7	1,484,361	42	17,074,109
West Virginia	13	6,032,093	2	1,123,128	15	7,155,221
Wisconsin	42	8,804,456	6	1,623,885	48	10,428,341
Wyoming	50	8,974,199	10	7,012,715	60	15,986,914
Hawaii	1	904,000			1	904,000
Total	3,377	971,956,704	564	213,546,400	3,941	1,185,503,104

These figures compel an earnest study of the subject and to my mind conclusively show the necessity for this legislation.

Of the 3,941 bank failures during the period of eight years reported upon, 2,818, or a little more than two-thirds, were from 12 States, and an examination of the deposits shows that they were $726,365,778, about two-thirds of the $1,185,503,104 aggregate total deposits of all failed banks. Beginning with the State having the greatest number of bank failures during the period reported upon, Iowa heads the list with 367 failed banks, with deposits aggregating $142,777,255. Following, in their order, are the 12 States referred to:

State	Failures	Amount
Iowa	367	$142,777,255
North Dakota	364	68,351,348
Minnesota	299	81,181,817
South Dakota	293	83,796,332
Georgia	253	39,630,662
Oklahoma	209	45,356,270
Missouri	198	56,031,258
Texas	189	41,375,839
Montana	188	45,628,719
South Carolina	158	48,315,233
Nebraska	152	36,789,409
Kansas	148	37,131,636
Total	2,818	726,365,778

Surely, when it is shown by official tables that 3,941 banks failed in the past eight years, with aggregate total deposits of $1,185,503,104, this is all that should be necessary to emphasize the necessity for legislation such as I have proposed.

The comptroller reports (p. 15) that 135 national banks, the largest number during the eight years reported in the table, with an aggregate capital of $8,257,000, were placed in charge of receivers during the year ending October 31, 1927, and that during the fiscal year ending June 30, 1927 (p. 19), there were 689 failures of State and private banks, with total liabilities of $206,655,000, as compared with 496 failures of this class of banks the year previous, with liabilities aggregating $147,823,000, or an increase of 193 State-bank failures for the year ending June 30, 1927, over the previous year.

Congressman HOWARD, of Nebraska, stated in a speech a few days ago that his State had a guaranty law, and that since it was enacted no depositor had lost a dollar. This is a splendid record. The law of that State requires a contribution from each bank to a fund to insure the deposits of all banks. The bill I have introduced would require each bank to give bond to insure its own deposits. I have not investigated the history of such legislation to find out how many States have enacted laws requiring bank deposits to be guaranteed. If the Federal Government had led the way and each State had enacted such a law it would not only have saved the percentage of loss to depositors on the $1,185,503,104, but it would also have saved the capital stock of the failed national banks, aggregating $34,979,500, and the surplus of each, and the capital stock and surplus of each of the State banks which failed during the past eight years, aggregating perhaps more than $100,000,000. I do not have exact figures as to amount of capital and surplus of the failed State banks.

Every bank, State and national, which receives school, county, city, and State deposits, is required to give a surety bond in

an amount equal to the total of these deposits. This is true, regardless of the financial standing of the bank. If a bank is required to give a bond to protect school, county, city, and State deposits, why should it not be required, in a reasonable amount, to insure individual deposits against loss? I see no difference in principle. In the State of Oklahoma all Indian funds deposited with any bank, no matter how strong the bank, are required to be secured, either by a surety bond or by the deposit of approved securities in an amount equal to the deposits.

For my part I see no difference in requiring a bond in a sufficient amount to protect the laborer, the washerwoman, farmer, business and professional man, and all classes who are depositors against loss. There can be no legitimate argument against the principle involved in this bill. The only argument I have heard urged against it is that the premium on the bond would be an additional expense to the bank. Of course, that is true; but banks are required to pay premiums on the bonds given to secure school, county, city, and State funds. This bill would not only be a good thing for the depositors but it would be a good thing for the shareholders of the banks. It would result in the executive officers of the banks being more conservative, they would require better security for loans, and their assets would be kept in more liquid form, for they would be subject not only to the supervision and criticism of the bank examiners but also of the representatives of the surety companies making the bonds for the banks. This would, therefore, in my judgment, prevent many banks from failing and would save large amounts to the shareholders in assessments where banks fail, and result in larger dividends being paid to the stockholders of the banks. The average dividend paid by national banks on capital and surplus for 1927 was 6.62 per cent.

Again, the active officers of the banks are required to give bond to protect the bank against loss on their account, notwithstanding they may be and are men and women of high character. Why is this required? If this be true as to individuals, why, on principle, should not the depositors be protected against loss by requiring the banks to give bond?

Congress passed the Federal reserve act in December, 1913. It provided a financial reservoir to which member banks might go for assistance, and it has been successful since the organization of the Federal reserve banks in 1914. The failures of banks have been due to a number of causes, and among them are: Too many banks were organized in some communities, some banks were in charge of inexperienced officers, and some failures have been due to economic conditions. Failures in the South and Middle West have been largely due to agricultural conditions, and in the far West and in the Southwest to the losses on cattle, and, of course, a few failures have been due to corrupt management. I think by far the most failures can be attributed to economic conditions, and I think this is conclusively shown by the figures which I have given as to the number of failed banks in the 12 agricultural States, where two-thirds of the bank failures occurred. The second cause, in my judgment, is due to inexperienced management.

This bill in a way tends to guard against this, because surety companies would be reluctant to make bonds for banks which are not managed by experienced officers.

It is urged by some that it would be difficult for some banks to give such a bond. They make bonds to secure State, county, school, and municipal funds. Why can not they make bonds to secure general depositors? If a bank is in such a precarious condition that reputable surety companies would not make a bond for it, then the sooner that bank is liquidated the better, and the less will be the loss to the depositors, the shareholders, and the people of the community.

It has been suggested that surety bonds are not required to insure the deposits of State banks, and that therefore this would be a discrimination against the banks mentioned in the bill. I think it would have the contrary effect, because I believe that it would result in State legislation requiring every State bank to take out insurance for the benefit of its depositors. As between two banks, one conservatively managed with a surety bond to protect the depositors and the other without such a bond, everyone knows, of course, that the majority of the people would deposit their money in the bank protecting their money by a surety bond. The premium on the bonds required under this bill, in my judgment, would be small as compared with the profit on the increased deposits which the bank would receive, and therefore this bill would be financially beneficial to all the banks throughout the country. It would bring every dollar out of hiding and could be used for the productive development of the community. I think deposits in every bank throughout the country would increase. It certainly would make the officers of the banks more conservative and result in fewer bad loans and therefore would result in a greater financial advantage to the shareholders in increased dividends; it would protect the depositors against loss and would clearly be in their interest.

This bill does not require one bank to insure the deposits of another. Every bank under this bill would pay for the premium on its own bond. No bank would be dependent upon another bank. I think this is the only sound principle. If banks were required to contribute to a guaranty fund for the benefit of all banks, then the strong, conservative, well-managed banks would contribute to the weak banks and those in the hands of inexperienced officers. The amount of the premium would depend upon the condition and management of each bank. If safe, officered by experienced men, and conservatively managed, the premium would be small. The same principle would be applied as in the case of fire insurance. The greater the hazard the larger the premium. As in the case of fire insurance, when the hazard—bad flues and fire traps—is removed, which in banking is comparable to reckless, inexperienced management, and unsecured loans, the premium will be reduced. Every bank whose condition entitles it to be bonded can find a surety company seeking its business and anxious to make its bond. Let me emphasize: I have no doubt but that it would result in increased deposits for each bank, and therefore increased profits, far in excess of the small amount of premium required to be paid on the bond. Again it would establish confidence in banks throughout the country and bring out of hiding large amounts of money not now deposited in banks. I believe this is a good bill from every standpoint. I believe it right in principle and I want to urge it upon the earnest consideration of the Members of the House. I have pressed it upon the attention of individuals and bankers throughout the country, and no objection has ever been urged against it other than the objection of the cost of the premium on the bond. If every State in the Union, by legislation, requires that its public officials must require such bonds to insure public deposits in banks, why should not the individual depositors be so secured? What is the difference in principle?

The loss to depositors does not present the full picture. They have not only lost their entire savings but many of them have no credit elsewhere and are left penniless and destitute. Some have to sacrifice what little property they have to meet obligations they expected to pay out of the money lost or to meet current expenses. Not one anticipated the loss and made no provision for it. Everyone in the community feels the financial shock. Business is paralyzed. Everyone, whether a depositor or not, sustains a loss through business depression. It takes months, sometimes years, for the public to regain confidence. The shareholders are assessed. They must sacrifice their property at a ruinous loss to raise the money. Why? There is but one answer, and that is because we decline to compel the banks to incur the extra expense of a small premium on the surety bonds which this bill would require. If enacted into law, it would protect the depositors, the shareholders, and the public from the business depression that always follows a bank failure. Let me repeat the question: Why are banks required by Federal and State laws and regulations to make bonds to secure public money? The answer is, to guarantee it. We should not permit the small premium which the banks would have to pay to outweigh in this legislation the rights of the depositors and the interest of the public. Banks are chartered under legislative sanction, State and Federal. We can not and should not try to longer escape our responsibility.

During my entire life I have exerted my best efforts to assist in the protection of the men and women of small means who did not possess financial strength or who were not organized to fight his or her own battle, and I am forced to the conclusion that every bank and trust company which is required to furnish a bond to secure school, county, city, and State funds, and also Indian funds, should also be required to make a bond to fully protect the general depositors who have confidence in the banking institutions conducted and protected by the laws of the Federal Government. [Applause.]

The two tables referred to in my remarks, together with the correspondence with the Comptroller of the Currency, are, by the permission of the House, hereto appended:

HOUSE OF REPRESENTATIVES,
Washington, D. C., January 9, 1928.

Hon. J. W. McINTOSH,
Comptroller of the Currency, Washington, D. C.

DEAR MR. McINTOSH: In re H. R. 5572, to provide for the furnishing of bonds by National and State banks and trust companies which are members of the Federal reserve system for the protection of depositors.

For use before the committee in the matter of the above bill, which I have introduced, I would appreciate it if you would furnish me with

the number of bank failures, State and Federal, from January 1, 1920, to January 1, 1928. Also the amount of the capital stock and the deposits of each class of banks and the location of the banks by States.

This bill only requires deposits to be protected by national banks and trust companies and State banks and trust companies which are members of the Federal reserve system, for the reason that Congress has no jurisdiction over a State bank not a member of this system.

So far as I know, every State, including Oklahoma, requires a surety bond or the deposit of approved Federal or State bonds to secure all public deposits, such as county, municipal, school, and Indian deposits, and I see no difference in principle in requiring such protection for individual deposits.

I want to use this data to show the losses that have been sustained through bank failures during the past eight years, therefore would appreciate it if you would give me these figures by years as well as by States. If you do not have the data with reference to State banks, please direct me to the place where I may secure this information.

Very respectfully,

W. W. HASTINGS.

TREASURY DEPARTMENT,
Washington, January 21, 1928.

Hon. W. W. HASTINGS,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: Complying with the request in your communication of the 9th instant, I have had compiled and inclose herewith statement showing, by States, the number of national banks which have failed, together with their capital and deposits, each year, from January 1, 1920, to December 31, 1927, inclusive.

Information concerning failures of banks other than national is furnished this office through the courtesy of the various State bank superintendents, but for only the fiscal years, and the data received does not disclose the amount of capital or deposits. I inclose, however, a consolidated statement compiled from the annual reports of the comptroller, showing by States the number and liabilities of failures of State and private banks during the eight fiscal years ended June 30, 1920, to 1927, inclusive, which are the latest figures available.

Yours very truly,

J. W. MCINTOSH, *Comptroller.*

National-bank failures, January 1, 1920–December 31, 1927, inclusive

State	1920			1921			1922			1923			1924		
	Number	Capital	Deposits	Number	Capital	Deposits	Number	Capital	Deposits	Number	Capital	Deposits	Number	Capital	Deposits
Alabama										1	$25,000	$39,634	2	$135,000	$304,030
Arizona				1	$25,000	(1)				2	200,000	848,814			
Arkansas	1	$30,000	$235,589				1	$60,000	$461,016						
California	1	50,000	943,689	3	165,000	$1,487,893	2	175,000	343,109						
Colorado				1	25,000	173,382	1	150,000	475,881				3	185,000	1,115,818
Connecticut													1	150,000	1,478,076
Georgia										1	50,000	27,312			
Idaho	1	25,000	387,045	4	280,000	[1] 2,323,019	2	100,000	293,498	4	305,000	849,197	4	200,000	1,099,254
Illinois													1	200,000	433,685
Indiana				1	25,000	24,796	1	125,000	984,671						
Iowa				2	150,000	569,096				2	100,000	431,876	3	[1] 210,000	1,655,065
Kansas										1	50,000	545,541	4	275,000	1,213,834
Louisiana							1	50,000	32,062						
Maryland							1	50,000	262,995						
Massachusetts										1	50,000	292,995			
Minnesota										3	150,000	1,015,091	8	310,000	3,743,381
Mississippi							1	25,000	(1)						
Montana				4	150,000	803,154	8	500,000	2,147,792	15	500,000	2,586,579	15	1,175,000	6,314,960
Nebraska				4	275,000	[1] 1,011,857	1	100,000	550,133	2	75,000	586,890	7	325,000	2,110,275
New Mexico				1	75,000	134,453	2	55,000	287,337	3	280,000	967,744	10	865,000	3,931,045
New York													1	1,500,000	198,498
North Carolina										3	325,000	3,234,424			
North Dakota	2	50,000	417,544	1	25,000	115,204	2	50,000	[1] 60,490	11	355,000	2,088,006	10	355,000	2,403,591
Ohio										2	200,000	2,649,555			
Oklahoma				3	325,000	1,118,390	3	500,000	[1] 1,881,502	12	505,000	3,340,485	7	325,000	2,408,304
Oregon				2	125,000	401,775				2	75,000	262,793			
Pennsylvania				1	50,000	671,077							1	50,000	329,404
South Carolina													2	100,000	281,644
South Dakota	1	50,000	848,240	1	25,000	264,775				6	280,000	1,555,316	13	665,000	5,758,905
Texas	1	25,000	184,694	10	610,000	[1] 5,114,397	1	25,000	47,916	2	110,000	674,876	4	785,000	5,056,721
Utah							2	275,000	1,420,335						
Virginia				1	25,000	115,204									
Washington													3	140,000	485,494
Wisconsin										1	25,000	77,396	2	75,000	772,427
Wyoming										2	75,000	223,002	8	520,000	6,789,713
Total	7	230,000	3,016,801	40	2,355,000	14,328,472	28	2,240,000	9,248,737	76	3,735,000	22,297,526	109	8,545,000	47,884,125

State	1925			1926			1927			Total		
	Number	Capital	Deposits	Number	Capital	Deposits	Number	Capital	Deposits	Number	Capital	Deposits
Alabama				1	$25,000	$94,579				4	$185,000	$438,243
Arizona										3	225,000	848,814
Arkansas				3	200,000	847,929	2	$60,000	$184,666	7	350,000	1,729,200
California	2	$50,000	$114,667	2	150,000	1,762,175	4	225,000	1,938,338	14	815,000	6,589,871
Colorado	6	725,000	6,614,226	5	325,000	3,045,720				16	1,410,000	11,425,027
Connecticut										1	150,000	1,478,076
Florida	1	100,000	348,671	1	50,000	433,771	2	200,000	1,683,624	4	350,000	2,466,066
Georgia	6	675,000	1,670,130	1	50,000	171,465				8	775,000	1,868,907
Idaho	5	305,000	1,124,555	1	25,000	111,285	2	100,000	1,013,413	23	1,340,000	7,201,267
Illinois	1	25,000	123,243	2	75,000	374,890	4	200,000	1,080,518	8	500,000	2,012,336
Indiana				1	62,500	272,920	4	300,000	1,880,362	7	512,500	3,162,749
Iowa	12	750,000	4,176,146	20	1,135,000	8,284,890	24	1,380,000	8,674,914	63	3,725,000	23,791,987
Kansas				1	50,000	258,931	1	50,000	260,504	7	425,000	2,278,810
Louisiana										1	50,000	32,062
Maryland										1	50,000	262,995
Massachusetts										1	50,000	292,995
Michigan							1	50,000	581,948	1	50,000	581,948
Minnesota	15	830,000	7,829,781	13	470,000	4,926,345	13	475,000	4,129,490	52	2,235,000	21,644,088
Mississippi				1	25,000	49,657				2	50,000	49,657
Missouri	1	25,000	212,086	1	100,000	277,896	2	90,000	276,521	4	215,000	766,503
Montana	8	390,000	1,386,176	2	55,000	91,316	1	25,000	248,886	53	2,795,000	13,578,863
Nebraska	1	75,000	511,612	3	160,000	920,065	3	240,000	2,502,460	21	1,250,000	8,193,292
New Mexico	2	250,000	984,911							18	1,525,000	6,305,490
New York										1	1,500,000	198,498
North Carolina	4	155,000	914,830				2	150,000	2,117,296	9	630,000	6,266,550
North Dakota	7	175,000	1,363,409	11	325,000	2,736,376	4	210,000	1,550,216	48	1,545,000	10,734,836
Ohio							2	325,000	2,027,247	4	525,000	4,676,802
Oklahoma	7	505,000	2,138,121	7	200,000	1,129,099	8	260,000	1,793,129	47	2,620,000	13,809,030
Oregon	1	25,000	181,264				1	100,000	1,264,073	6	325,000	2,109,905

[1] One bank restored to solvency, deposits not included.

National bank failures, January 1, 1920–December 31, 1927, inclusive—Continued

State	1925			1926			1927			Total		
	Number	Capital	Deposits	Number	Capital	Deposits	Number	Capital	Deposits	Number	Capital	Deposits
Pennsylvania	2	$200,000	$3,146,943				6	$750,000	$6,659,655	10	$1,050,000	$10,807,079
South Carolina	5	520,000	2,751,701	4	$675,000	$1,413,297	3	125,000	376,096	14	1,420,000	4,822,738
South Dakota	11	520,000	3,263,368	12	450,000	3,268,538	2	100,000	473,046	46	2,090,000	15,432,188
Tennessee				1	100,000	468,950				1	100,000	468,950
Texas	4	500,000	1,040,405	4	277,000	1,167,493	5	250,000	1,154,448	31	2,582,000	14,440,950
Utah										2	275,000	1,420,335
Virginia										1	25,000	115,204
Washington	2	150,000	827,402	2	75,000	171,465				7	365,000	1,484,361
West Virginia	1	50,000	571,934				1	50,000	551,194	2	100,000	1,123,128
Wisconsin	1	50,000	350,144	1	25,000	251,640	1	25,000	172,278	6	200,000	1,623,885
Wyoming										10	595,000	7,012,715
Total	105	7,050,000	41,645,725	100	5,084,500	32,530,692	99	5,740,000	42,594,322	564	34,979,500	213,546,400

Number and liabilities of banks, other than national, which failed in years ended June 30, 1920 to 1927, inclusive

	1920		1921		1922		1923		1924		1925		1926		1927	
	Number of banks	Liabilities	Number of banks	Liabilities	Number of banks	Liabilities	Number of banks	Liabilities	Number of banks	Liabilities	Number of banks	Liabilities	Number of banks	Liabilities	Number of banks	Liabilities
Maine							1	$510,000	1	$614,154					1	$800,000
New Hampshire											1	$1,009,139				
Vermont			1	$2,031,737												
Massachusetts	1	$3,455,286	13	57,889,916	2	$711,737										
Rhode Island											1	158,000				
Connecticut			1	2,000,000	1	75,000										
Total, New England States	1	3,455,286	15	61,921,653	3	786,737	1	510,000	1	614,154	2	1,167,139			1	800,000
New York	2	38,000	3	1,798,472			1	217,000	1	1,801						
Pennsylvania	1	3,549,466	2	525,000	5	4,547,607	3	4,893,180	2	585,000	5	9,378,422	3	$1,185,788	4	1,820,440
Maryland			1		1	129,000	1	110,000	1	180,000						
Total, Eastern States	3	3,587,466	6	2,323,472	6	4,676,607	5	5,220,180	4	766,801	5	9,378,422	3	1,185,788	4	1,820,440
Virginia	2	1,911,127	3	527,900	6	766,327	1	479,000	3	228,500	3	653,059	1	165,637	3	167,000
West Virginia	2	645,000			2	1,226,500	1	810,000			3	995,895	2	319,525	3	2,035,173
North Carolina			17	1,367,869	7	2,072,851	7	669,700	7	1,274,000	19	3,560,000	11	4,096,712	10	3,203,000
South Carolina			8	1,576,275	7	2,896,226	7	1,768,766	13	4,485,037	32	6,103,959	30	9,497,626	47	17,164,606
Georgia	1		54	284,000	39	7,226,938	4	2,466,000	20	2,967,836	24	4,984,347	13	2,001,000	90	17,831,634
Florida	2	300,000	2	2,325,000	6	597,171	3	465,000	4	3,744,814	2	48,874	9	20,587,946	25	25,241,000
Alabama					1	100,000			6	419,850	6	641,477	1	63,146	3	4,433,066
Mississippi			5	2,310,656	5	625,256	4	675,202	4	441,804	3	1,677,983	1	159,234	7	1,621,550
Louisiana	1		2		8	1,384,604	2	885,000	4	276,700	3	571,988	5	1,867,000	6	2,214,000
Texas	3	765,899	26	1,139,750	40	6,277,580	11	2,108,058	13	1,516,000	25	7,503,170	19	3,767,432	21	3,857,000
Arkansas	3	1,298,876	7	279,000	5	1,673,534	1	92,343	8	2,874,131	10	4,833,700	8	2,992,643	16	6,491,000
Kentucky	1	42,031	1	166,750	4	230,000	1	506,314	6	701,000	7	924,700	6	1,578,767	6	1,812,490
Tennessee			2	1,133,928	2	375,000			3	906,459	8	726,318	8	2,119,628	14	4,106,180
Total, Southern States	15	4,962,933	127	11,111,128	132	25,451,987	42	10,925,383	91	19,836,131	145	33,225,470	114	49,216,296	251	90,177,699
Ohio	1	1,860,000			1	223,237			3	771,628			3	2,342,547	11	3,696,000
Indiana	3	1,286,500	1		7	729,790	1	47,000	12	3,157,584	3		4	719,000	14	4,350,470
Illinois	4	265,000	11	1,256,640	5	5,810,327	5	1,573,415	11	3,794,786	4	970,000	5	2,920,102	13	3,355,910
Michigan	2	342,667	4	125,000	5	536,600	2	115,000	6	714,193	4	343,250	8	696,631	21	4,577,710
Wisconsin					1	121,500	3	262,100	12	2,163,949	6	1,799,017	8	1,523,910	12	2,933,980
Minnesota	1	170,000	3	225,000	14	2,065,123	11	2,378,232	69	21,959,974	36	8,055,900	52	12,779,500	61	11,904,000
Iowa	2	190,699	15	745,000	9	1,416,420	16	4,836,700	57	21,893,410	61	32,867,199	76	28,452,430	68	28,583,410
Missouri	4	563,089	12	277,690	17	6,101,746	12	2,228,143	23	20,723,676	31	3,502,289	45	7,199,736	49	14,668,386
Total, Middle Western States	17	4,677,955	46	2,629,330	59	17,004,743	51	11,440,590	193	75,179,200	145	47,537,655	201	56,633,856	249	74,069,866
North Dakota	2	1,291,146	51	9,580,700	12	1,808,047	20	4,179,470	127	23,971,074	31	6,474,552	36	6,035,812	37	4,275,711
South Dakota	1	140,000	1	158,000	5	630,000		1,712,632	117	44,023,000	31	5,303,900	49	9,450,000	35	6,946,612
Nebraska	2	60,000	16	1,724,000	23	3,957,576	18	3,879,798	19	4,477,238	11	1,781,457	23	8,106,616	19	4,609,432
Kansas	2	600,000	4	297,500	17	4,278,137	17	8,621,545	29	7,821,590	13	2,378,320	22	3,825,354	37	7,030,380
Montana			10	2,651,549	13	4,296,359	29	8,104,111	68	14,715,344	5	556,085	5	948,944	5	777,464
Wyoming			2		6	820,199	4	547,000	18	4,447,000	15	2,381,000	4	604,000	1	175,000
Colorado			4		14	1,709,630	2	339,348	14	5,545,000	5	1,240,171	12	2,602,883	5	660,000
New Mexico			3		6	1,039,267	4	878,000	16	5,257,291	7	1,670,918	3	875,000	1	75,000
Oklahoma	1	180,000	10	405,000	37	8,207,490	13	4,066,843	58	9,503,000	8	1,323,400	13	1,824,507	22	6,037,000
Total, Western States	8	2,271,146	101	14,816,749	133	26,746,705	115	32,328,747	466	119,760,537	126	23,109,803	167	34,273,116	162	30,586,599
Washington			6	408,778	6	7,351,291	5	966,249	8	1,730,430	5	519,000	2	466,000	3	4,148,000
Oregon			3	1,744,000	6	4,907,079	3	438,000	3	256,428	2	747,997	1	66,742	11	2,156,988
California			1		2	423,394	1	100,000	2	629,753	2	356,721	1	306,991	1	1,727,000
Idaho			13	908,000	9	4,344,099	9	2,026,000	2	1,770,000	5	802,410	3	1,591,576	4	732,462
Utah			4	261,000	2	97,414	1	140,000	2	1,054,299	1	221,964			2	358,000
Nevada					1	143,000										
Arizona			8		4	3,096,440	4	454,932	5	1,590,589	2	1,661,465	4	4,082,444	1	78,000
Total, Pacific States			35	3,321,778	30	20,362,717	23	4,125,181	22	7,031,499	17	4,309,557	11	6,513,753	22	9,200,450
Hawaii (nonmember banks)					1	904,000										
Total, United States	44	18,954,786	330	96,124,110	364	95,933,496	237	64,550,081	777	223,188,322	440	118,728,046	496	147,822,809	689	206,655,054

Mr. HOLADAY. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Chairman, my reason for addressing the House at this time is to offer a very brief and certainly incomplete explanation of what can be designated as the present day naval program in this country. It is not my intention or expectation to offer any suggestions to those either in Congress or in official life who are entrusted with the duties and decisions concerning the necessary equipment for a navy such as citizens of this country may wish to have maintained. My

sole reason for speaking at this time is the fact that there seems to have been a very much misconceived and misunderstood view of the position of the administration. There has resulted from this misunderstanding a nation-wide propaganda of opposition to the program. Probably there is no Member of this House who has not been deluged with scores of letters and telegrams protesting against what is understood to be a proposed increase of great proportions in the size of our Navy.

The recommendations of the Secretary of the Navy, which were made to the House Committee on Naval Affairs January 11, 1928, have been so thoroughly discussed that there seems to be no reason for again bringing up the details of those recommendations. Even if referred to, a Member who is not conversant with naval technicalities and not informed as to the details of the suggestions could not with intelligence discuss such a problem. It is, therefore, my desire to deal with the subject only as an outsider and to explain in a few words how one Member of Congress at least regards the present status of the case, particularly with reference to the complaints and protests that have been made to Members of Congress by constituents.

For a complete understanding of the attitude of the administration and a realization that the program is one of peace rather than of war or aggrandizement, it is desirable for us to recall certain events of a few years ago.

First, let me refer to the results of the Limitation of Armaments Conference held in Washington in the winter of 1921–22. The agreement then reached applied to battleship reduction and in conformity with its terms this country scrapped nearly 825,000 tons, greatly in excess of the quantity scrapped by any other country. No agreement was reached at that conference with respect to auxiliary vessels, upon which it was expected that action would follow after the program relative to battleships had been carried into effect by the signatory countries. The latter result having been accomplished, the President requested the nations concerned to meet in Geneva last summer for the purpose of considering the program further. Instead of carrying the program forward with regard to cruisers, one of the nations participating even went so far as to suggest an increase of 50 per cent in its cruiser strength. The records show that even without this increase there was a very large disparity between the cruiser tonnage of the United States and the other power rated equally with us on the 5–5–3 basis at the Washington conference. Inability to reach an agreement on this point was one of the principal reasons for the failure of the conference at Geneva.

When the subject of naval construction was before Congress last year the President opposed any increase in cruiser tonnage in order that the Geneva conference could take up the subject before we acted. This attitude and other things showed that the President is sincerely in favor of reduction rather than increase of naval armament. Another indication of the administration's position was the approval by the Secretary of State of the resolution offered by the gentleman from Massachusetts [Mr. FROTHINGHAM] to the effect that submarine construction should be abandoned. Secretary Kellogg, however, made his approval contingent upon other nations also agreeing to the same principle. According to cable dispatches, marked opposition to this program immediately developed in foreign countries. In other words, they have flatly refused to agree not to construct submarines.

Let us see exactly what President Coolidge recommended in his annual message to Congress last December. After referring to the national defense by suggesting a moderate military force, the President next referred to the Navy, and the following are extracts from his references to the naval situation:

> Our Navy is likewise a weapon of defense. We have a foreign commerce and ocean lines of trade unsurpassed by any other country. We have outlying territory in the two great oceans and long stretches of seacoast studded with the richest cities in the world. We are responsible for the protection of a large population and the greatest treasure ever bestowed upon any people. We are charged with an international duty of defending the Panama Canal. To meet these responsibilities we need a very substantial sea armament. * * * We can plan for the future and begin a moderate building program.
>
> This country has put away the Old World policy of competitive armaments. It can never be relieved of the responsibility of adequate national defense. We have one treaty secured by an unprecedented attitude of generosity on our part for a limitation in naval armament. After most careful preparation, extending over months, we recently made every effort to secure a three-power treaty to the same end. * * * We are ready and willing to continue the preparatory investigations on the general subject of limitation of armaments which have been started under the auspices of the League of Nations.
>
> * * * Any future treaty of limitation will call on us for more ships. We should enter on no competition. We should refrain from no needful program. * * * But it should be made known to all that our military power holds no threat of aggrandizement. It is a guaranty of peace and security at home, and when it goes abroad it is an instrument for the protection of the legal rights of our citizens under international law, a refuge in time of disorder, and always the servant of world peace. Wherever our flag goes the rights of humanity increase.

In conclusion he says, among other things:

> It is the policy of the United States to promote peace. We are a peaceful people and committed to the settling of disputes by amicable adjustment rather than by force. We have believed that peace can best be secured by a faithful observance on our part of the principles of international law, accompanied by patience and conciliation, and requiring of others a like treatment for ourselves.

It is fair to say that the details of the administration's naval program came in the nature of a surprise to the people of the country. The first impression they gained was of a sudden desire upon its part for an extensive new Navy program. What struck the people forcibly was the enormous amount of money involved. To say that we were to spend $750,000,000 for naval construction carried the idea that this sum was to be immediately available and would come out of the pockets of the taxpayers at once.

As a matter of fact the program was intended in an orderly manner to maintain our naval defense in accordance with the standards established by the Washington conference. Even if the program is carried into effect the cost will be spread over a period of eight years. Therefore the annual expense will be not in excess of $92,000,000 or $93,000,000. In addition to providing new equipment, all of which is designated, the replacement of obsolete and worn-out material is a very large and, in fact, the major item of the program.

Congress is made up, as it rightly should be, of men of all types and viewpoints. Practically all our legislation is the result of compromise. It is fair to assume that whatever naval program is ultimately adopted by Congress will be the result of an effort to bring into agreement the divergent views of the congressional membership. We can confidently expect, therefore, that the bill as finally passed will call for a smaller appropriation and less construction than that recommended by the President, although carrying out in the main the general principles he has laid down.

The most recent development is a press statement to the effect that the President has changed his mind as to the need of as much equipment as he originally recommended. This, I infer, is incorrect, in that he has simply been a little more specific and seems to have stated, in effect, that the most pressing need for first construction are the 25 cruisers. However, a misconception has arisen to the effect that he has now limited his recommendation to this cruiser construction. The facts do not seem to bear out this idea, although, of course, I know nothing about what the President may have said either to individuals or to the representatives of the press.

Mr. BLACK of New York. Will the gentleman yield?

Mr. TREADWAY. I will yield to the gentleman.

Mr. BLACK of New York. Can the gentleman tell us what happened between the time of the President's message to the Sixty-ninth Congress, when he said we had a Navy equal to any in the world, and the time when the Secretary of the Navy submitted his great naval program?

Mr. TREADWAY. As I said at the beginning of my remarks, I was not speaking from any technical information as to the needs of the Navy or the existing conditions. I admit absolute ignorance; it is not in my line of work. I am trying to demonstrate that we are not aiming at war preparation, but that the intent of the administration is to put us on a partial parity with other nations that will help toward world peace.

Mr. BLACK of New York. The gentleman means that it is competition of parity?

Mr. TREADWAY. No; if the gentleman will ask gentlemen who are informed of the parity between nations, he will find that we are nowhere near a parity, and never were, either in men, battleships, or cruisers. Nor have we been on a parity in the possibility of equipping merchant ships.

Mr. BLACK of New York. Does the gentleman think we ought to be on a parity?

Mr. TREADWAY. I will tell the gentleman at the conclusion of my remarks exactly what my position is, if he will permit. I have not the knowledge that would permit a discussion of these details. I am trying to draw a general picture, and particularly the subject of my remarks is caused by what I conceive to have been very erroneous and misconceived propa-

ganda that has gone around the country. Undoubtedly the gentleman has had as many letters and telegrams, as many as the rest of us, on the subject.

Mr. STEVENSON. Will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. STEVENSON. The gentleman has given me information that I have been wanting to have. I did not understand the cost of the vessels that we scrapped.

Mr. TREADWAY. We scrapped 825,000 tons as the result of the international agreement for the limitation of armament.

Mr. STEVENSON. And how much was the cost of those vessels?

Mr. TREADWAY. I can not inform the gentleman.

Mr. STEVENSON. And we are expected to turn around and build $700,000,000 worth of new vessels?

Mr. TREADWAY. The naval program calls, over a period of eight years rather than to-day or to-morrow, for an expenditure of about $725,000,000.

Mr. STEVENSON. Will that put us on a parity?

Mr. TREADWAY. The dollar-and-cents proposition has not come into my mind at all. Here is the situation: The countries sent delegates here and we framed a program of limitation of armament. It applied to battleships—we must get that into our minds. Understand, it applied only to battleships. When Secretary Hughes—and probably the gentleman was present—made that thrilling, wonderful address he mapped out a program which this country carried out in all details. That program, while it applied only to battleships, was intended later to include other naval construction, which has not been done.

Mr. STEVENSON. They framed us instead of framing the program. Now we are going to spend $750,000,000 to get even?

Mr. TREADWAY. No; the gentleman would not put the honor and the integrity of the country, as agreed upon by the representatives at the Washington conference, against any number of millions of dollars. We are a country honest and upright, and stand by our word, and our word was given to scrap those battleships.

Mr. STEVENSON. I have not intimated or insinuated anything against the honor of the country. I say we were overreached.

Mr. TREADWAY. I do not know how the gentleman defines "overreached." We carried out the agreement, and there was no more able, no more prominent member of that delegation on the part of this country than the distinguished Senator Underwood of the gentleman's own party.

Mr. BLACK of New York. That is probably the reason why we have any Navy left at all.

Mr. TREADWAY. I do not think Mr. Underwood would take any more credit than the other members. They were under the leadership of Secretary Hughes, and any man who listened to his address at the opening of the conference knows that the interests of the United States were in mighty good hands.

Mr. KETCHAM. The gentleman from New York [Mr. BLACK] was not here then.

Mr. TREADWAY. I want to say that if I am any judge of deep thinking and ability to express one's self Secretary Hughes exhibited that quality in the address to which I refer. [Applause.]

Last year I voted with the President against increased naval armament, feeling, as he did, that we should await the results of the Geneva conference. The fact that that conference failed puts an entirely different aspect on the whole proposition. Whatever the individual view of the President may be, or the opinions of the people of this country, we must all recognize that we have gotten into a position of internationalism and are, to a certain degree, a creature of the nations of the world. If our views are not accepted by other nations, whether we wish it or not we are practically forced to keep up with whatever programs they may set up. All this brings to mind our total unpreparedness at the beginning of the World War, both on land and on sea. If at that time we had had suitable naval equipment, no merchant ships flying the American flag would have been attacked and sunk by Germany. We need only to be reminded of conditions at that time to realize our duty to our country to-day.

President Coolidge, in my opinion, is advocating this naval program in the firm belief that it is the duty of this country to maintain its standards of parity in some degree with other nations, not in anticipation of war, but as a means of maintaining peace. In this viewpoint I heartily concur and am prepared to support a measure based upon proper defense of the country and the maintenance of peace both at home and abroad. Such a bill will be reported by the Committee on Naval Affairs which has devoted extensive study to the situation and it will represent its judgment as to the equipment necessary to maintain our position among the nations of the world. In this way only can we ultimately become the leaders of the peace of the world. [Applause.]

FURTHER MESSAGE FROM THE SENATE

The committee informally rose; and the Speaker having resumed the chair, a message from the Senate, by Mr. Craven, its principal clerk, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9136) entitled "An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1929, and for other purposes."

The message also announced that the Senate had passed without amendment a joint resolution of the following title:

H. J. Res. 156. Joint resolution authorizing the President to accept the invitation of the British Government to appoint delegates to the Eighth International Dairy Congress, to be held in Great Britain during June and July, 1928, and providing for an appropriation of $10,000 for the payment of the expenses of the delegates.

The committee resumed its session.

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. GRIFFIN. Mr. Chairman, I yield 10 minutes to the gentleman from Maryland [Mr. Linthicum].

Mr. LINTHICUM. Mr. Chairman and gentlemen of the committee, I arise to discuss that section of the bill which appertains to students of the public schools who dwell outside the District of Columbia, to wit:

On page 46, public schools:

No part of the appropriation herein made for the public schools of the District of Columbia shall be used for the instruction of pupils who dwell outside the District of Columbia: *Provided*, That this limitation shall not apply to pupils who are enrolled in the schools of the District of Columbia on the date of the approval of this act.

I feel quite sure that appropriation committee for the District of Columbia and the District of Columbia residents are anxious and willing to be fair and equitable as to these students of Maryland and Virginia, who seek an education in the splendid schools of Washington. We must not overlook the fact that the city of Washington has in the past decade grown from a city of perhaps 300,000 to one to-day of 528,000. This very large increase began during the World War when people from all over the country came to Washington and went into the Government service, and thousands of them have remained. Since the World War began this vast increase of population has caused increased values of real estate and extremely high rentals, so high indeed that Congress had to intervene to protect the interests of the citizens. What naturally followed was for these Government employees receiving small salaries from $1,200 to $1,500 or perhaps $1,800 or more, with families to raise, looked beyond the confines of the District and discovered homes both large and small in Montgomery and Prince Georges Counties of Maryland and Arlington County, Va. There they could obtain a small cottage or bungalow at a reasonable purchase price, and where rentals are much lower than in the District. There they found some vacant ground, healthful surroundings, and a place very suitable for the rearing of their families at much less than it would cost in the District of Columbia.

The result has been that these counties have been overburdened from an educational standpoint with this large influx of population. They have likewise been largely overburdened financially. You will observe from the table which I here insert what it costs to educate a child:

Statement of tuition cost of nonresident pupils attending public schools, District of Columbia

Type of school	Tuition rate	Total enrollment	Total cost of tuition	Total paying tuition	Total estimated revenues	Total not paying
Normal	$183.67	19	$3,489.73	2	$367.34	17
Senior high	131.13	796	104,379.48	33	4,327.29	763
Junior high	116.44	290	33,767.60	5	582.20	285
Elementary	67.24	1,163	78,200.12	16	1,075.84	1,147
Special	137.17	2	274.34			2
Vocational	153.17	15	2,297.55	1	153.17	14
Vacation	3.94	244	961.36			244
Night	9.74	53	516.22			53
Total		2,582	223,886.40	57	6,505.84	2,525

NOTE.—It takes $67.24 a year to educate a child in the elementary schools, $116.44 in the junior high and $131.13 in the senior high.

Now, for example, take a family with two children in the elementary school. It would cost the county about $134.48 to educate these two children per year, whereas the county, if it is a small bungalow or cottage, is perhaps only receiving some $60 or $70 as a total tax from this family. If the family happens to have one child in the senior high, it would cost the county $131.13 to educate this child, while perhaps the county is only getting the $60 or $70 taxes all told. Advance this idea to larger families and ask yourself whether the county should not also receive sympathy.

You see, therefore, it is not only a question of the District being treated fairly, but it is likewise a question of your desire to treat these counties fair. These children, under the present law, must be the children of parents who are engaged in Government business, such as the children of Army and Navy officials, and the various departments of the Government, all of them brought to Washington or its environs for governmental service. Why, then, should not the National Government be willing to bear the burden of the children of its employees? Why should it desire to compel these counties only moderately well off financially to assume the whole expense? I verily believe that as this Government of ours increases in years to come a very considerable proportion of the population will be found in these counties surrounding the District. As transportation improves and greater distances can be covered in a short time, it is quite natural that Government employees and those wishing God's sunshine and climate will resort to the open spaces.

These counties have already begun to work out the problem, and some 500 less nonresident students are attending the public schools in Washington. Two years ago there were over 3,000 students from Maryland and Virginia in the city of Washington. To-day there are only 2,285 who do not pay tuition. Furthermore, it must not be forgotten that the National Government contributes $9,000,000 toward the expenses of the District of Columbia. Why should not the expense of educating these children of the employees of the National Government, which amounts to $217,380.56, be paid out of this fund? Certainly, we should not adopt the provision proposed in this bill, which prevents all future students from coming into the District of Columbia until the counties which are bearing the burden have time to provide them education.

The gentleman preceding me, Mr. TREADWAY, of Massachusetts, has just been advocating the President's naval policy, which provides for the expenditure for each of the next eight years of $92,000,000, and yet the Appropriations Committee is depriving these children of the rights of an education when they are the people who are eventually to be the part of this great Nation and along with those from the various States of the country are to guide the old ship of state and are to utilize this vast Navy in the defense of our country in the years yet to come.

I hope Congress will not make the mistake of depriving any child of every educational advantage, and I assure you that the great free State of Maryland, as fast as it is able to do so, will provide the educational facilities for its children, though I am personally thoroughly convinced that it is the duty of the National Government to provide education for the children of its employees and not to depend upon the restricted facilities of the neighboring counties.

Mr. SIMMONS. Mr. Chairman, will the gentleman yield?

Mr. LINTHICUM. I would prefer to go on with my statement.

Mr. SIMMONS. Just to have the gentleman develop this one thought: Does Maryland have a State school fund?

Mr. LINTHICUM. Of course, Maryland provides a State school fund.

Mr. SIMMONS. So that the State contributes to the counties in support of the schools?

Mr. LINTHICUM. The State contributes to the counties just like the National Government contributes, for instance, to the roads throughout the country, upon the very same principle. The gentleman used as an argument the putting on of a gasoline tax in the District of Columbia to satisfy Maryland. The truth of it is that before you put the gasoline tax on here in the District you did not have a decent road leading out of the District into Maryland, but that since you put on that tax, and that fund goes to the building of District roads and streets, you have decent roads leading into the State of Maryland, where you have the advantage of all of our roads, which we invite you to use and enjoy and we are glad to have you, but be a little easy on the student question. The gentleman from Pennsylvania [Mr. CASEY] approaches this question in a fair way; he suggests on pages 297 and 298 of the hearings the following in the examination of Doctor Ballou by Mr. CASEY:

Mr. CASEY. Has this question ever been studied?

Doctor BALLOU. As to whether they could take care of their own children?

Mr. CASEY. Yes.

Doctor BALLOU. No; not on my part.

Mr. CASEY. Whose duty would it be to study it—the school authorities or the District Commissioners?

Doctor BALLOU. It would be the Maryland or Virginia authorities' business to study it, I should say.

Mr. CASEY. Do you think it would help any if we had a joint study made of it?

Doctor BALLOU. If the committee desire, I can make an inquiry of the superintendent of schools in Arlington County and also in the Maryland counties adjoining and find out from them what the situation is. I will be glad to do that if the committee so desires.

Mr. CASEY. I would rather see that done. I can readily see the injustice of this picture as it has been painted to us; but I can also see the other side of it. I do not want to deprive any child of an education when there are not facilities in his own State and I think the child should not be made to suffer because of lack of effort on somebody else's part. I think this matter should be looked into before we make the child pay the penalty.

Doctor BALLOU. I agree with that entirely.

Mr. SIMMONS. Mr. Chairman, will the gentleman yield?

Mr. LINTHICUM. Yes.

Mr. SIMMONS. Will the gentleman consent to have inserted in his remarks a letter from the superintendent of schools in the adjoining county of Virginia and a letter from the superintendent of schools in Montgomery County, Md., upon this very proposition?

Mr. LINTHICUM. I do not want any letters inserted in my remarks. Let the gentleman insert them in his own remarks. He has control of the time.

Mr. SIMMONS. They are letters which show that the committee, in the proposal that we have in the bill, has entirely met their wishes, to wit, that we do not force them to immediately take care of all of their children.

Mr. LINTHICUM. They would be rather enlightening in the further discussion of this question, if your statement is correct.

Mr. CASEY. Mr. Chairman, will the gentleman yield?

Mr. LINTHICUM. I do.

Mr. CASEY. In view of what the chairman has just said, I wish to say that I have not seen those letters coming from the superintendent of schools in Maryland or Virginia.

Mr. PALMISANO. I understand they are from local county superintendents, and not from the superintendent of the public schools of the State of Maryland.

Mr. SIMMONS. Does the gentleman claim that we ought to take care of all the children of Maryland and Virginia?

Mr. PALMISANO. No; I am referring particularly to that letter received from the superintendent of schools of Montgomery County.

Mr. LINTHICUM. Mr. Chairman, I have not yielded for this colloquy.

Mr. GAMBRILL. Mr. Chairman, will the gentleman yield there?

Mr. LINTHICUM. I do.

Mr. GAMBRILL. I wish the gentleman from Maryland would emphasize the fact that the public schools of the District of Columbia are not open to all the children of Maryland and Virginia but only to those children whose parents are engaged, officially or otherwise, in business in the District of Columbia, and who thereby contribute by their work and by their expenditures toward the taxes of this city.

I wish to emphasize the fact that this paragraph has been drawn with great skill and with a certain degree of artfulness, in that it is estimated by the gentleman from Illinois [Mr. HOLADAY] and reported in the hearings on this bill that there are 224 children attending the public schools of the District of Columbia who are the children of Members of Congress or the children of the secretaries of Members of Congress, who get their tuition free. Not 10 per cent of the Members of Congress make any contribution whatever toward the taxes of the Government of the District of Columbia.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. SIMMONS. I yield to the gentleman two additional minutes.

Mr. LINTHICUM. Can not the gentleman yield me five minutes?

Mr. SIMMONS. I will give you one more minute for a question.

The CHAIRMAN. The gentleman from Maryland is recognized for three additional minutes.

Mr. SIMMONS. I am sure the gentleman from Maryland [Mr. GAMBRILL] does not wish to be misunderstood. There are, so far as we figure out, 224 children of Members of Congress or their clerks. Now, those who live in the District of Columbia are a considerable portion of those 224. They are either living in their own homes or renting quarters in parts of the District that are subject to taxes, so that they are not getting the education of their children free.

Mr. GAMBRILL. Mr. Chairman, will the gentleman yield?

Mr. LINTHICUM. I have only three minutes left.

Mr. GAMBRILL. Then we will try to get you more time. Does the gentleman from Nebraska mean to say that more than 10 per cent of the Members of Congress pay taxes here?

Mr. SIMMONS. If a man owns property he pays taxes on it; and if he rents, the landlord pays the tax, and that tax is reflected or passed on in the rent.

Mr. GAMBRILL. I should say that most of the Members of Congress live in Congress Hall.

Mr. LINTHICUM. The thing that I want to bring to your attention is the matter of fairness. Since the war the employees of the Government have increased by the thousands in the District of Columbia and the suburbs in Maryland, and that has been a heavy burden upon these two counties adjoining the District.

The CHAIRMAN. The time of the gentleman from Maryland has again expired.

Mr. LINTHICUM. Will the gentleman from Nebraska give me a couple of minutes more?

Mr. SIMMONS. I yield to the gentleman three minutes more.

The CHAIRMAN. The gentleman from Maryland is recognized for three minutes more.

Mr. LINTHICUM. That, as I have said, has been a heavy burden on these counties, and it costs in the education of the children where they have even one, and certainly where they have two children—it costs these counties, which are not rich counties, more than the counties get in total taxes out of the resident who lives in the county. The Government of the United States contributes $9,000,000 annually to the support of the government of the District of Columbia, and it costs about $217,380.56 annually to educate these children. You must remember, as my colleague from Maryland [Mr. GAMBRILL] has said, that they are the children of employees of this Government and not of the people who earn their livelihood by occupations carried on in those counties. All these children under the present law must be children of employees of the National Government, and the National Government contributes $9,000,000 annually to this fund.

Mr. SIMMONS. They are children of employees of the Government and otherwise occupied in the District. In other words, according to the testimony given two years ago, as I remember, if a farmer in Maryland delivers a quart of milk a day he is supposed to be in business here in the District of Columbia.

Mr. LINTHICUM. Let us try to have the superintendents of education in the three counties and Doctor Ballou study this question and provide a system by which we can finally get rid of this annual argument over the education of a few children.

The CHAIRMAN. The time of the gentleman from Maryland has again expired.

Mr. SIMMONS. Mr. Chairman, I yield five minutes to the gentleman from Illinois [Mr. HOLADAY].

The CHAIRMAN. The gentleman from Illinois is recognized for five minutes.

Mr. HOLADAY. Mr. Chairman and gentlemen, I feel that after all there is not so much difference between the District of Columbia and Maryland. The large percentage of the pupils from Maryland and Virginia come from the two adjoining counties. The superintendent of schools in both of those counties recognize that it is the duty of those counties, and of their respective States to furnish school facilities for the pupils residing in those counties. The only question is how soon they will be able to do that. Montgomery County, Md., and the adjoining county in Virginia, Arlington, are making rapid progress in that respect. They are constructing buildings. I think at the present time perhaps, or in not more than a year's time they will be able to take care of all of their high-school pupils, and in a few years all of their elementary pupils. As I say, they admit that in principle they should take care of those children, and the only question is how much time we will give them.

Mr. SIMMONS. The figures show that they are able to take care of 90 per cent of the high-school children, and about 50 per cent of the elementary-school children.

Mr. HOLADAY. I hope that in a few years they will be able to take care of all of their students. Under this provision we give them 12 years, because we provide that all pupils now in the District schools will have the right to continue through the next 11 years and complete their high-school education.

Long before the children who are now in the primary grades from Maryland and Virginia will have completed their school work, Maryland and Virginia will have the facilities to take care of their pupils. So after all the committee and the officials of the adjoining counties in Maryland and Virginia are practically in accord on the proposition.

Mr. Chairman, I yield back the remainder of my time.

Mr. GRIFFIN. Mr. Chairman, I yield five minutes to the gentleman from Maryland [Mr. GAMBRILL].

Mr. GAMBRILL. Mr. Chairman and gentlemen of the committee, I had not anticipated that I would be required to make any remarks on this subject to-day, but the gentleman from Illinois has referred to something which is news to me, namely, that the school authorities of Prince Georges County and Montgomery County are in agreement with the authorities in the District of Columbia with regard to this provision in the appropriation bill.

Mr. HOLADAY. If the gentleman will permit, I did not refer to Prince Georges County, because I do not know that there is any communication from that superintendent. I referred to the superintendent of schools of Montgomery County, Md., and the superintendent of schools of Arlington County, Va. So far as I know we have no communication from the superintendent of schools of Prince Georges County.

Mr. GAMBRILL. Mr. Chairman, I rise at this time to disabuse the minds of the members of this committee of the idea that Maryland is not trying to do its part in meeting this situation. I believe I may say without boastfulness that Maryland has made in recent years two notable contributions toward civic progress, in that she probably leads the Nation in the construction of good, modern, and improved roads, and has advanced from a low plane in educational advantages and facilities until she stands to-day in a notable position among the States of the Union.

You gentlemen must remember that the population of the city of Washington has increased enormously within the past 8 or 10 years and that a great influx of population has spread into Maryland along the District line, and has caused difficulties in the way of providing school facilities for those communities. Especially is that true when you bear in mind that ordinarily all school activities radiate from the county seats of the respective counties, and the county seats of Prince Georges and Montgomery Counties are some distance from the District line.

I have recently received a letter from the superintendent of the public schools of Prince Georges County, which gives some very interesting information. He says:

> There are 10,500 pupils enrolled in the public schools of Prince Georges County, and it is estimated that fully one-fourth of the pupils attending the public schools of Prince Georges County are the children of parents who work in Washington, and consequently pay their business tax directly or indirectly to that city.

And he might have added that most of those parents do their trading and buying in the city of Washington.

We have endeavored to meet this situation as best we can, and you gentlemen of the committee must have been struck with the significance of the statements made to you regarding the number of nonresident students attending the public schools of the District of Columbia this year as contrasted with those who attended the public schools two years ago. It was reported two years ago that there were about 3,072 nonresident pupils attending the public schools of the District of Columbia. To-day that number has been reduced to 2,582, of which about 57 students pay tuition. So that in two years there has been a reduction of about 500 nonresident students.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. GRIFFIN. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. GAMBRILL. We have endeavored to meet this situation, and in Prince Georges County alone, a county which is contiguous to the District of Columbia, I am informed by the superintendent of public schools of that county that they have built within the past five years 40 new school buildings which are being used at the present time.

I was very much in hopes that this matter might come up as a separate proposition and would be presented by the Cramton bill coming before this House, unrelated to an appropriation bill, so that the merits of this case might be discussed and that

this question which has vexed Congress for some years might be decided.

When the paragraph in the appropriation bill which seeks to deprive the children of Maryland and Virginia of the privilege of attending the public schools of Washington comes up for consideration under the five-minute rule, I shall probably offer an amendment to that paragraph in the bill and will then take the opportunity of addressing the House on the subject. [Applause.]

The CHAIRMAN. The time of the gentleman from Maryland has again expired.

Mr. GRIFFIN. Mr. Chairman, I yield 15 minutes to the gentleman from Georgia [Mr. LANKFORD.]

Mr. LANKFORD. Mr. Chairman, the farm-relief problem is simple enough and only becomes difficult when we realize that there are not enough Members of Congress who are anxious to help the farmer. The farmer does not get a square deal anywhere. He gets anything but a square deal in taxation, marketing, production control, purchasing, and financing. Thousands of bills have been introduced for him, but not a single great law, such as has been enacted for other peoples, has been enacted for him.

I have studied most carefully every farm-relief plan submitted and find that many are not at all for the farmer but are introduced by those who come as wolves in sheep's clothing.

Let me write just one privilege for the farmer in any bill, and anyone can write all the rest of the bill, and I will support it, provided nothing is put in the bill to limit, restrict, or interfere with that one privilege written by me. I would give the farmer himself the one privilege enjoyed by all others of fixing a reasonable price for all he produces and sells. This can only be done when we enact laws giving the farmers the same rights enjoyed by other businesses and enterprises.

I have introduced several bills showing clearly how this can be done. For instance, my bill (H. R. 77) would enable the individual farmer to borrow the average amount for which his commodity has sold since January 1, 1917, and therefore his price would be stabilized at that average. The loan would enable him to hold his own cotton or other commodity for a fair price. In order to protect himself and all concerned he would agree to make such reasonable curtailments of production as is made by all others producing the particular commodity and as would enable him to get a fair price for his carry-over and for his new production.

The producers of each commodity would only be bound by their own expressed consent and then only such as actually sign the contract. By this plan the Government would be agreeing to help the farmers on a 50-50 plan, something on the order of that now in force with the States relative to road building. The Federal Government would offer to help the farmers become absolutely free to manage their own products and, as never before, to name and fix a price for the sale of their own commodities.

We would be offering to help the farmers, provided they would help themselves and become masters of their own fortunes. The farmers would handle their own commodities, receiving the highest reasonable prices for their products, with all the sale price going into their own pockets, and without deductions for fees, commissions, or other unnecessary so-called marketing charges.

The farmer's friends, not his enemies, would control his destinies and there would be no dangerous bureaucratic control of his rights. There would be only absolutely necessary governmental agencies with well-defined duties and powers. The bill is not in the interest of any organization, corporation, or syndicate, or any man or set of men other than the farmer, is drawn with his sole and only interest in view, and yet is not unfair to anyone.

The bill has a complete referendum and recall, and would not go into effect unless 75 per cent of the producers of the particular commodity so elected and would not remain in effect unless at least 75 per cent of such producers approved its continuance in operation.

In my humble judgment, the bill provides a complete solution of the overproduction problem, meets every reasonable objection to other farm relief bills, and without equalization fees, expensive machinery, or red tape puts the farmer on an absolute parity with those engaged in other industries or enterprises. It helps the farmer directly, not indirectly; makes clear his every right, raises no mooted or difficult issues, makes him master of his own problems, and assures him the prosperity to which he is so justly entitled.

True relief of a shackled, imprisoned slave is the striking off of shackles, the opening of the prison door, and the sending forth of a free man, on an equality with other folks. True relief for the farmer can only come by his relief from the straightjacket of discriminatory legislation, the opening of the gates of the slave pens of economical and financial oppression in which he is incarcerated, and the sending him forth a free man to manage his own affairs on an equality with other folks and to name, within reason, the price at which he will sell the products of his own toil. This and only this is real farm relief. Anything less is a delusion and a snare.

Every success ushers in new responsibilities and every gain gives more to be lost. Every breath of freedom is endangered by a threat of return to a more terrible bondage, and every great invention or discovery for the benefit of humanity makes more insidious and determined the efforts of those who toil not but who live by the toil of others, to control all the comforts and necessaries of men, women, and children and thus to enslave all peoples. There is constant warfare by the middlemen, certain monied interest, and corrupt corporate wealth to control and make enormous profits out of all farm products, the food and clothing of all peoples, all necessaries of life, every convenience of mankind, and the very lifeblood of men, women, and children everywhere. Monopolistic control of all transportation lines and other public utilities is now being sought and obtained. A determined effort is now being made to get complete control of all hydroelectric energy sites, and eventually to dominate and control the use of electricity—one of God's very greatest gifts to mankind. These very facts make very difficult, if not impossible, the proper solution of the farm problem, the Muscle Shoals problem, and other kindred problems.

Our forefathers, threatened by the wild beast and savage Indian, built fortifications for their folks and thus gained this splendid heritage for their children, and saved their children to own and possess this fair land.

So, to-day, with every human right assailed by the most tremendous forces of all times, we must, by legislation in the most positive terms, build strong and everlasting fortifications for our folks, if we are to save the purity, nobleness, and very lives of our children for our national welfare and our Nation's wealth for our children.

So, Mr. Chairman, the greatest fight of all times is for freedom of folks and for the rights of children and their fathers and mothers. Victory can only be won for our people by our being ever on the alert and ever steadfast for the right. [Applause.]

Mr. SIMMONS. Mr. Chairman, I yield 30 minutes to the gentleman from Wyoming [Mr. WINTER].

STATES OR PROVINCES?

Mr. WINTER. Mr. Chairman, regarding the public lands and resources there is a deep-seated problem. It arises from a difference of viewpoint as to the very fundamentals of the question. A magazine of national circulation, speaking of the Western States, recently stated:

> In the immense, if not heavily populated, area the sequestration of a large minority of all land from State and local control is a problem of real magnitude and a fairly constant source of irritation. * * * In the western mountain and desert States the feeling is often expressed that the tax burden would be less if only the various classes of Government-owned land were available to the assessor. * * * Speaking generally, we question the wisdom of tax exemption. The more property reached, the less the burden on any single class or group of ratables.

The governmental areas referred to above, a majority, not "a large minority" of the lands, consist of 250,000,000 acres of reserved lands, comprising forest reserves, national parks, Indian reservations, mineral withdrawals, monuments, and power sites; and nearly 200,000,000 acres of unreserved and unappropriated domain in the Western States, as follows:

Nevada	53,925,693
Utah	26,872,218
California	20,667,431
Wyoming	19,325,762
Arizona	18,090,711
New Mexico	16,399,031
Oregon	16,349,469
Idaho	10,398,407
Colorado	7,213,300
Montana	6,696,934
Washington	896,207
South Dakota	300,956
Minnesota	250,256
North Dakota	133,237
Total	197,509,612

The problem before us began in the very early history of our National Government. The treaty with Great Britain was made with each of the thirteen colonies. It included all the land, excepting Florida, from the Atlantic to the Mississippi. There was confusion among the colonies as to the territory claimed by each. But there was no doubt that the legal title was in the separate Commonwealths. This was recognized by the Continental Congress and the United States after the adoption of the

Constitution. The General Government, by resolution of the Congress, asked the colonies, later States, to cede this extra territory to the United States so that sale might be made of it to provide a common fund for the payment of the Revolutionary debts, for which each of the States was liable for its own part. The United States then took upon itself, as a Nation, the payment of the Revolutionary debts of the separate States.

But the ordinances by which this was done in 1787, reenacted in 1789 after the adoption of the Constitution, provided for the permanent and greater purpose of erecting new States, as each area was populated with the necessary number of people, which was fixed at 60,000. Thus we start with the undisputed proposition of law and fact that, as to the area west of the original colonies and east of the Mississippi, excepting only Florida, the Federal Government received its title, not in itself, but as a trustee, from the original States; and the original States always had and retained ownership of all the lands within their permanent borders.

As to the areas acquired west of the Mississippi, through the Louisiana Purchase, Texas annexation, Mexican cession, the Oregon treaty, and Gadsden Purchase, the United States paid some purchase money and settled other considerations, and the cessions were made to the United States.

The legal status of the various acquisitions is stated in "Cyc" as follows:

> When the thirteen original States established their independence each State became the owner of the vacant and unappropriated lands within its borders. * * *
>
> And when new States were formed out of the territory of such original States, and admitted into the Union, such new States became entitled to vacant and unappropriated lands within their borders. And the ownership of the United States of lands within the limits of the original States is based upon cessions from the States.
>
> But when foreign governments ceded territory to the United States Government, the vacant and unappropriated land therein passed to the United States.
>
> And the new States which have been formed out of such territory have no title to vacant and unappropriated lands within their borders.

While there is this difference in the manner of acquirement by the Federal Government of its title to territory, I propound the inquiry: Is it possible for equal States of the Union, no matter how the territory was acquired out of which they were formed, to be in the Union of American States on a different basis from other States, even the original States, with equal rights under the Constitution? Can the new States occupy a different legal and constitutional status from the old? Yet the Atlantic Coast States owned their lands. West of those States the States did not and do not own their lands, according to the record which has been made thus far.

In the international treaties under which the various areas were acquired it was expressly stipulated, as it was in the ordinances in 1787 that separate, independent States should eventually be organized and that they should be admitted into the Union "on equal terms with the original thirteen States." This was done politically; that is, the subsequent States upon admission have had representation in accordance with the Constitution. But it was not done upon admission, or at any time, as to the land comprising these States.

All were entitled to equal status upon admission. It seems manifest that there can not be equal terms, complete and equal sovereignty, as was provided in the international treaties and the Constitution, unless ultimately, if not upon admission, the power of the Federal Government over the land that comprises a State ceases and that of the State in jurisdiction, authority, and taxation completely attaches.

In 1826 it was openly claimed and argued in the Senate as a legal and constitutional proposition that immediately upon the admission of a State into the Union it came into full ownership of all the soil within its boundaries for all purposes. The subject came up at that time because the Revolutionary War debt had been nearly paid. That specific purpose of the cessions by the States had been practically fulfilled and only one other purpose and object of the General Government with respect to the public lands remained, to wit, the establishment of new States on an absolute equality with the old.

It is impossible to say that a State is admitted on equal terms with the original States which retained and owned every foot of soil of the public lands within their borders and even public lands outside their boundaries, when approximately all the soil of that State is retained in and controlled by the General Government, tax free; and great portions permanently reserved by the Federal Government. To draw four lines on the map and call it Wyoming, without ownership of and sovereignty over the soil, even though it is given political representation, does not admit that State on an equality with the original States, for it lacks the other vitally important if not equally essential attribute.

Let us illustrate: The granting by the Federal Government to Wyoming of 500,000 acres of land, upon its admission, out of a total of more than 62,000,000 acres in its area, does not change the legal and sovereignty propositions stated. Nor does the fact that this was augmented by school sections and other grants for colleges, and later, Carey Act projects, constitute that equal sovereignty specifically provided in the Louisiana Purchase and other treaties, and clearly contemplated in the Constitution. A part is never equal to the whole. Anything less than the whole leaves unequal terms and an incomplete sovereignty.

As long as a given area of land was territory, the Constitution makes clear provision for its control by the Federal Government, in Article IV, section 3:

> Congress shall have power to dispose of and make all needful rules and regulations respecting the Territory or other property belonging to the United States, and nothing in this Constitution shall be so construed as to prejudice any claims of the United States or of any particular State.

But there is not a line in the Constitution which expressly authorized the General Government to retain ownership and control after that Territory is organized into a State. On the contrary, the equality among the States fixed by the Constitution demands that the State then have absolute ownership, which includes jurisdiction, power of disposition, and taxation. And it applies to every foot of soil and everything in it to the center of the earth. Again, the international treaties provided for admittance on equal terms.

The case on behalf of the States was made by United States Senators representing the then Western States of Indiana, Illinois, Ohio, and Missouri back in the period of 1826–1832. Their arguments were not answered. How, then, did it come about that the Federal Government retained control and the States, other than the original States, did not come into absolute ownership of their lands upon admission?

First, so far as the legal claim is concerned, based upon the international treaties, our Supreme Court finally held that it had no jurisdiction because a treaty is a matter between sovereign nations, and even though the treaties were violated by the United States it, the court, was confined to a consideration of and must uphold the laws of Congress, notwithstanding the Constitution itself makes treaties equally the supreme law of the land. (Bottiler *v.* Domingues, 130 U. S. 238. Ready Money Cases, 112 U. S. 580. Whitney *v.* Robertson, 124 U. S. 190.)

So there was and is no forum in which the legal rights of the States under those treaties could be tested and enforced. Again, the Supreme Court, in so far as it has passed on the matter, has upheld the right of the Federal Government under the Constitution to control and dispose of the public lands in such manner as Congress may provide. It has further held that this authority includes the right of the Government to make reservations of public land for public purposes, under Article IV, section 3, giving the General Government the power to "dispose" of the "territory." Also, that the Executive may withdraw lands from entry for public purposes.

The decisions of the United States Supreme Court on these subjects are stated as follows in "The Constitution of the United States of America"—annotated—1924, page 521:

> The true constitutional equality between the States only extends to the right of each, under the Constitution, to have and enjoy the same measure of local or self-government, and to be admitted to an equal participation in the maintenance, administration, and conduct of the common or National Government. (Case *v.* Toftus, 39 Fed. 732.)
>
> (Page 527)
>
> The words "dispose of" vest in Congress not only the power to sell but also to lease the lands of the United States. The disposal must be left to the discretion of Congress. (U. S. *v.* Gratiot, 14 Pet. 538.)
>
> No appropriation of public land can be made for any purpose but by authority of Congress. (U. S. *v.* Fitzgerald, 15 Pet. 421; California *v.* Deseret Water Co., 243 U. S. 415; Utah Power Co. *v.* U. S., 243 U. S. 389.)
>
> (Page 531)
>
> The power of the President to withdraw public lands from entry has been so long exercised and recognized by Congress as to be equivalent to a grant of power. (U. S. *v.* Midwest Oil Co., 236 U. S. 459.)
>
> (Page 530)
>
> Congress has the power "to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States" and pursuant to this power has the exclusive right to control and dispose of the public and unoccupied lands, to which

the United States has acquired title, either by deeds of cessions from other States or by treaty with a foreign country; and no State can interfere with this right or embarrass its exercise. (Van Brocklin v. Tennessee, 117 U. S. 167.)

This being the legal status concerning the public lands, we are compelled to turn our faces from the courts to the Congress.

It is the exercise of this power by Congress that I wish to discuss. The present laws and policies of Congress, in my judgment, are working unjustly and inequitably against the Western States, and proposals are emanating from the departments which will accentuate and fasten upon us greater and more permanent injustice. I believe it to be the duty of Congress to give to the Western States the rights which they have not been able to present and secure in the courts. The exclusion of a legal remedy ought to make our case all the stronger, in equity and moral right, before the Congress in fixing rights by its policies and laws. Therefore let me trace some of the history of this subject in the Congress in order that we may have a proper perspective and make clearer the propositions I wish to lay down for the future.

The Public Lands Committee of the Senate in 1832 made a report, after a complete survey, favoring the ceding of the lands by the Federal Government to the States wherein the lands lay. The following is a part of such report:

Our pledge would not be redeemed by merely dividing the surface into States and giving them names.

The public debt being now paid, the public lands are entirely released from the pledge they were under to that object, and are free to receive a new and liberal destination for the relief of the States in which they lie * * *.

The speedy extinction of the Federal title within their limits is necessary to the independence of the new States, to their equality with the elder States, to the development of their resources, to the subjection of their soil to taxation, cultivation, and settlement, and to the proper enjoyment of their jurisdiction and sovereignty.

And it was at this point, in 1834, that the policy of our Government was settled and fixed on the principle that the Government was to hold the legal title and as trustee dispose of the public land. It was a trust for the reason that the ordinances and international treaties made it so and the Constitution provides but one method of acquiring property for itself in absolute ownership. Article I, section 8, paragraph 16:

To exercise exclusive legislation in all cases whatsoever over such district (not exceeding 10 miles square) as may by cession of particular States and the acceptance of Congress become the seat of government of the United States, and to exercise like authority over all places purchased, by the consent of the legislature of the State in which the same shall be, for the erection of forts, magazines, arsenals, dockyards, and other needful buildings. And to make all laws which shall be necessary and proper for carrying into execution the foregoing powers and all other powers vested by this Constitution in the Government of the United States or in any department or officer thereof.

The manufacturing States of the North Atlantic by reason of their great population controlled a majority of the votes of Congress. They did not want their people and workingmen to migrate to and settle the West. They, therefore, not only denied the legal claim, but they also determined to defeat the movement for Congress to cede the lands to the States admitted and to the subsequent States upon admission. The fact that they had had every foot of their soil and sold their public lands, and additional public lands beyond their borders, and with the proceeds built up funds for the enrichment and development of their States, did not deter them.

Henry Clay, though a westerner, from Kentucky, was a member of the Committee on Manufactures. He was an expectant candidate for the Presidency. His course may have been influenced by the voting strength of the eastern manufacturing States in the Senate, House, and country. He threw in his lot with the East, as against the then West, on the public-lands question. The report of the Manufactures Committee of the Senate, presented and argued by Clay, was against ceding the lands to the States and favored the policy which was adopted in 1834 by force of their votes, without regard to legal rights or equities, of the continued Government control of the lands even after Territories were admitted as States.

But even they denominated the Government a trustee, stating that the lands were to be administered, the Revolutionary War debt being paid, for the benefit of the States in which the lands were located, and sold into private ownership as rapidly as possible. This was afterwards and is to-day perverted to mean under the phrase "for the benefit of all the people" to include all the people of all the States. Such is the position held to-day by the States east of the Rockies, notwithstanding they have all had their lands and everything in them. The four sons of Uncle Sam—North, East, South, and West—were entitled to their equal inheritance. North, East, and South duly received theirs. Now, when the West comes of age and asks for its equal share, North, East, and South say, "Now, we will divide the last quarter among the four of us."

I mean by this that nearly all the States of this Union, except the present 11 public-land States, have gradually but finally, by transfer to private ownership, come into full possession, control, jurisdiction, taxation, and development of all their lands and resources, including surface, forests, and minerals. This was under the trusteeship policy imposed by the East against the then West. Twenty-six of the States east of the Rocky Mountains received their mineral wealth by and through purchases, mineral locations, and homesteading of the people who settled those States.

This is generally true of the States east of the Rocky Mountains. Texas retained all of its lands and minerals for itself when it was annexed. Some States were granted all their minerals when admitted or by subsequent provision that exempted them from the operation of the mining laws permitting full title to be gained by homesteading, including the minerals.

But when it came the turn of the States of the Rocky Mountain region and westward to the Pacific to be developed, the letter and the spirit of the trusteeship, as explained and placed of record in the United States Senate by those who imposed it by main force and strength of votes, in lieu of ceding to the States, has been denied, violated, and perverted by interpretation of old laws and by the passage of new laws.

The West, unable to secure their lands and resources upon admission, acquiesced in the policy which was adopted in 1834 and adjusted itself to develop thereunder. Under it all its land, including forests and minerals, would, though gradually, ultimately pass to private ownership, and thus the Western States would have come eventually, though long delayed, into full sovereignty and development.

The West was and is agreeable to the general mining law of 1866 and 1872 and later amendments whereby mineral lands were made not subject to homestead entry and mineral rights reserved from agricultural patents, but were made subject to mineral location and conveyed thereunder, on compliance with the mining law, by patent to citizens. The mineral lands were thus made available to the people and came into private ownership and taxation. This policy was acceptable, as it carried on the general plan of disposing of the public domain to the people, contributed to development, individual opportunity, and State sovereignty.

But since 1890, affecting directly, adversely, and only the Western States, a new policy has been imposed by the East, North, and South entirely different from that which was the settled policy of the Government for three-quarters of a century. They determined to divide the assets of the West among "all the people." This was and is indefensible. After sharing $577,000,000, the proceeds of the sale of their billion acres of public domain and some of ours, they have "reserved," out of a total of about 800,000,000, in the 11 public-land States, which are the 11 Western States, containing 97 per cent of all the public lands, more than 250,000,000 acres, or more than a quarter of their entire area. This means that 250,000,000 acres of these States can never be settled or developed or come into private ownership and taxation by these States.

In my judgment the Supreme Court of the United States never intended that their decision to the effect that the power to "dispose of" in the Constitution included the power "to reserve" should be extended so excessively and so outrageously invading the rights of the States. Reservations have been made to an unconstitutional extent. There is a rule of reason in law and in constitutions.

To permanently reserve and keep from development and under Federal bureau control one-fourth of a State is unconstitutional, because it is an unreasonable exercise of the right to reserve. It violates the conditions imposed in the treaties under which they were acquired. It takes no legal argument to prove this. It is obvious to all as a matter of plain sense and justice. If it can be done constitutionally, then three-fourths or nine-tenths of a State can be reserved constitutionally. That is an absurdity and proves my contention.

For example, the State of Nevada is still approximately 80 per cent under Government control. There is nothing in the Constitution to prevent, if my view is wrong, the reserving by the President and the Congress forever of all of the area of that State, thereby preventing its settlement, development, and making it tax free forever, except the 20 per cent which has

been granted to that State or acquired by its people under the mining and homestead laws.

But the West says there is something in the Constitution to prevent such murder of a State of this Union. If that can be done constitutionally, and that is the position the opposition must take, then the words "Union of sovereign States" are a hollow mockery and a lie. I do not believe they are, but believe that our view is right—that the power to reserve is limited and retail, not unlimited and wholesale. It must not be exercised unreasonably.

While the Supreme Court has said that a reservation of the public land may be made by Congress (U. S. *v.* Shannon, 157 Fed. 863), it was not the earlier intention to deprive the new States permanently of great parts of their area. Indeed, it was the thought that in due time all of their area was to come into private ownership and under the sovereignty of the States.

This thought is clearly presented in the following statement, on page 521 of the authority above quoted:

> The right of every new State to exercise all the powers of government which belong to and may be exercised by the original States of the Union must be admitted and remain unquestioned except so far as they are temporarily deprived of control of the public lands. (Pollard *v.* Hagon, 3 How. 223; Weber *v.* Harbor Commissioners, 18 Wall. 65; Escanaba Co. *v.* Chicago, 107 U. S. 688; Kinglett *v.* U. S. Land Assn., 142 U. S. 183; Illinois Central R. Co. *v.* Illinois, 146 U. S. 434; McCabe *v.* Atchison R. Co., 235 U. S. 151.)

Again, the Supreme Court in Pollard *v.* Hagan (3 Howard, 212 (1845)), clearly stated that equal terms and full sovereignty of the States would not be complete until the national trust was fully executed, and all lands and resources disposed of to the States or the people of the States. The language is as follows:

> Whenever the United States shall have fully executed these trusts the municipal sovereignty of the new States will be complete throughout their respective boundaries, and they and the original States will be upon an equal footing, in all respects whatever.

The denial of control by the States was considered temporary. These great reservations permanently deprive them of control. This is a complete change of policy, virtually denies ultimate sovereignty to the State, and defeats the purposes of the trust.

But even if constitutionally a quarter, a half, or three-fourths of a public-land State could be forever reserved for a so-called public purpose, it would be utterly unjust and unwise to do so, not only for these States, but also for the Nation. And yet it has been done on an average as to a quarter of each of the Western States.

The compacts with the States upon their admission, the forced price of their entrance into the Union, in their enabling acts and constitutions, whereby the newly admitted States agreed to not interfere with the primary disposal of the soil, which presupposes a right to the soil of the State in the State, under the decisions of the Supreme Court simply made the Government a trustee; and, as I view it, a trustee for all the people of that State; and they did not change any constitutional right held by the State, because it is impossible for a State to include anything in its constitution, and that can add to or take away a right granted to it, or retained in it, by the Constitution of the United States.

The construction of the courts of section 3, clause 1, of the Constitution which provides that "new States may be admitted by the Congress into this Union," and so forth, is expressed on page 578 of the Constitution of the United States, annotated, 1924, in the following language:

> This clause refers to and includes new States to be formed out of territory yet to be acquired, as well as that already ceded to the United States. New States when admitted have equal sovereignty with the older ones, and are entitled to all the rights of jurisdiction and eminent domain which the original States possessed, whether such equality be stipulated for in the act of admission or not. * * * When also a State enters into the Union, it solemnly pledges to the other States to support the Constitution as it is, in all its provisions, until altered in the manner which the Constitution itself provides, and she can not, by a compact with the United States, enlarge or diminish her constitutional rights or liabilities. (Illinois Central R. Co. *v.* Illinois, 146 U. S. 434; Ward *v.* Race Horse, 163 U. S. 514.)

When those compacts were made, there were no great "reservations" of public land. They were not in the contemplation of the parties to the compacts. Hence the States have a right to have their trustee by said compacts "dispose of" the domain by transfer to the people as always theretofore and as it was being disposed of at the time; by purchase, homestead, mining laws, or grants for specific purposes, and not by reservation in immense areas in the trustee. The Government is not carrying out its part of the compacts, its duty as trustee. If not, then the compacts should be abrogated and the States at once reinvested with their rights and the land restored to them.

The reason given for these great reservations is "conservation." It is a great word to conjure with, especially with those who do not know and often do not care to know the facts and conditions regarding the things they insist upon "conserving." There is only one thing, upon analysis, that conservation really applies to and that is the forest land. But there is no reason why the States primarily interested, directly concerned, and dependent upon the preservation of the forest, will not conserve their own forests. They will.

The Federal Government has wasted forests in the past as well as the States. We should not be made dependencies because of the folly of the older States which permitted the destruction of their forests. Now, as to all other resources which are said to be conserved by "reservation," we do not need or want conservation. We need and want use and development. So far as my State is concerned, the range is not being destroyed and does not need to be "conserved" by a permit and fee system. There are billions of tons of coal, which, in addition to its ordinary method of use, can be converted into oil and gasoline, or ground and burned in the same manner as oil. It can be converted into gas and into electricity. The coal of the Western States is inexhaustible. A late official report estimates the amount of oil in our coal and lignites at about 104,000,000,000 barrels of motor fuel. Nobody will waste it; it can not be wasted. Oil is practically inexhaustible for, in addition to the oil pools constantly discovered, produced by flow and pump, the oil sands of all fields, still containing 70 per cent of all the oil they ever contained, will be mined and the 70 per cent recovered. Oil is not being wasted.

Again, the United States Geological Survey and the Secretary of the Interior are my authority for the statement that we have 60,000,000,000 barrels of oil in the 10,000 square miles of oil shale in the Green River formation in the corner of Wyoming, Colorado, and Utah; and in all the oil shales of this country, 92,000,000,000 barrels. In manufacturing oil from shale, there will not be millions of dollars wasted in "dry holes." Every ton of shale treated will produce 10 to 40 gallons of oil.

We want our great deposits of potash and phosphate, aluminum and asbestos used and not kept useless by imprisonment under "conservation." So-called conservation does not justify the withholding from the States and their legitimate use all these resources by "reservation," or leasing acts which hinder the industries with restrictions and excessive royalties. The mining law was invaded as to coal, oil, oil shale, gas, phosphate, and sodium, by the leasing act, and location and patent denied. Theoretically, the forest lands are open to homesteading and location of minerals, but in fact they are not. Entries are denied. Prospecting and discoveries have ceased.

What further encroachments now threaten us? It is actually proposed by the Interior Department, and bills have been introduced in Congress to repeal homestead laws and place the remainder of the public domain not already reserved under a Federal leasing system! "System" is the correct word. That system abides and constantly enlarges. The system, year after year and decade after decade, continues in office, building precedent on precedent, always advancing, enlarging their scope, claiming and taking more and more power, by new interpretations and by securing the passage of laws when their objects can not be gained by rule and regulation. Bureaus and boards are made up of officials who are perfectly honest, hard-working, able Government servants; but they are imbued with the very essence of the spirit of the system. Their viewpoint is the Federal viewpoint. They work and build accordingly. When they pass their successors carry on. The heart of the system is human nature, which seeks expansion and power. A bureau perpetuates itself and its spirit. Every new precedent established is another inch gained for Federal power and, of course, incidentally, the power of the bureau and its personnel. The system grows from that upon which it feeds. The more it feeds, the stronger its appetite. The stronger its appetite, the more it feeds. And always its food is the rights of the States and the individual citizens of the States. "On what meat doth this our Cæsar feed that he hath grown so great?" On the substance and freedom of the citizen and of the local self-governments. Thus comes centralization at Washington in all departments. I believe in a strong central government, in the Union, in a nation as builded upon the Constitution; but that Constitution reserves certain rights in the States and the people. The West is for the whole Constitution, which designed a balanced Government, Federal and State. We are striving to maintain that balance.

This proposed grazing lease system on all of the balance of the public domain means perpetual Government control, it dooms those great areas to the status of a Federal pasture. It

means that the remaining lands could never be entered, acquired, and transferred to private ownership or the ownership of the States. It involves still another imposition in the form of grazing fees in addition to the brood of fees, royalties, charges, tributes which have already been exacted from the western resources. It means another profit-making reserve of 200,000,000 more acres in the 11 Western States; making a total, with the areas already reserved, of 450,000,000 acres, which amounts to 55 per cent of their total area, of which the Western States are to be forever deprived as to sovereignty, settlement, and taxation.

The Western States can never be convinced that such usurpation of more than half of these States can be constitutionally done or that it is wisdom, statesmanship, right, or justice, or in the best interests of the United States of America.

Take, for example, the State of Wyoming, if such a grazing bill passes. Wyoming would never be sovereign or be able to tax not only the 18,000,000 acres now reserved, but 20,000,000 acres more, the amount of our present unreserved domain; a total of 38,000,000 acres; 62 per cent of its area! And its people would be subject forever, as to that great part of her surface with all it contains, to bureau landlordism and to pay tribute for its use at the same time. And yet it must at its own expense extend over all its 62,000,000 acres police jurisdiction, preserve law and order by its courts, and provide roads and schoolhouses for what people might be scattered over all this area. The same condition would prevail in every Western State.

It is an amazing proposition which is intolerable to contemplate. The highest interests of the settler, the ordinary stock grower, the average livestock companies and corporations, and of the State as a whole demand its defeat. It is the first duty of the public-land States to see to it that such additional shackle is not clamped upon them.

The pending bills providing for grazing permits or leasing systems with imposition of fees in renewable periods of 10 years will cause all settlement and home building to cease. One of the bills repeals the 640-acre stock-raising homestead. The Secretary of the Interior recommends its repeal. Even if permitted under the terms of the bills, homesteading could not be carried on simultaneously with a permit or leasing plan. No man wants a homesteader in the middle of his leased area and no homesteader wants a home surrounded by leased lands. Conflict would be inevitable. The Secretary of the Interior has twice stated in his annual reports and in letters and addresses that the character of the land now left can not be successfully settled under the 160, the 320, or the 640 acre acts. So that it is not to be expected that he will designate any of the remaining area for homesteading, even if the proposed grazing bills should so provide. He has recommended, if a grazing bill should not be passed, that the stock-raising homestead area be enlarged from 640 acres to 1,280 acres, having come to the conclusion that such an area is required to make a home and a living on the remaining lands.

The people are still land hungry and desirous of making homes in the West. The proof of this is the large number who filed entries under the homestead acts during the last year, 1927, aggregating 3,236,764 acres. Homesteading results in the raising of more livestock than the open range. The consumer benefits thereby.

The public-land States must take their stand upon this underlying fundamental principle—that it is the purpose of the treaties, the Constitution, it has been and should continue to be the policy of this Government to transfer as rapidly as possible to the people, in limited acreage for business, living, home, settlement, development, State taxation, and sovereignty every acre of public domain that is now left.

The trust in the Government was not created to go on forever. It is time it was finally executed and terminated. In no other way than in transferring to the people of each State or to the States the lands left in such States can the Federal trust be executed. Any other course is a breach of that national trust, a violation of a sacred obligation to the States—the States wherein the lands lie, for they and their people are the true and lawful beneficiaries of that trust and not those who have already had their inheritance, either by retaining it originally or by having the later imposed trust fully executed and receiving the complete rights to which they are entitled. The West is now entitled at least to its unreserved lands.

As to the fourth of the area of the Western States which is now reserved in parks, forest, Indian reservations, power sites, monuments, mineral withdrawals, and oil reserves, these reservations are utterly unreasonable areas to be withheld forever from the States. With the exception of the national parks, which, I take it, we are willing to concede as a possible legitimate exercise of the power of reservation as long as the areas are reasonable or as a distinctly national resource which we are willing shall be enjoyed by all the people under Federal management, ultimately all the reservations should be turned over to the States. If they are not so returned, then all of the people for whom they are taken should pay to the part of the people from whom they are taken their reasonable value. The General Government should make recompense by payment of their value or pay annually an amount equivalent to what would be collected in taxation from them on a valuation based upon their developed resources. Each Western State is entitled to its own—no more and no less—just as the States or the people of the States east of the Rockies have received their own.

One of these two courses, either cession to the States or compensation for these great reservations, must be adopted if justice is to be done. The Western States should take their stand on that declaration without doubt, hesitation, equivocation, or "shadow of turning." That position is founded on the rock of right—and it can never be overthrown. It is just, logical, imperative, and inevitable. Right must prevail. [Applause.]

Returning to the matter of the balance of the unreserved and unappropriated domain of 200,000,000 acres in the West, which is now planned to be placed under a leasing system, I lay down the following propositions: It should be left open as free range until proper disposition is made of it; that disposition shall not be by further Federal reservations for any purpose, or held forever under any leasing or permit system preventing acquisition by the people. The disposition which is commanded in the Constitution and the settled policy of this Nation should be made, to wit, transfer by direct sale, mineral location, or enlarged homesteads to the people; or by cession to the States. The Government should plan to cease functioning in a matter which can now be managed by the several States.

The fundamental principle which should govern the whole question of the unreserved public domain remaining is the transfer to private ownership in limited areas. That is the primary proposition. How this is accomplished, while very important, is secondary. It can be done; first, through direct sales in restricted amounts as to the surface by the Government to the people for a nominal price of 50 cents to $1 per acre, according to classification, with several years in which to pay; the proceeds to be returned to the States of origin in case or through reclamation projects. Secondly, through the enlargement of the area of stock-raising homesteads to 1,280 or 2,560 acres, with less cash requirements for improvements and less burdensome rules as to residence and cultivation; permitting those who have homesteaded to take additional areas to make up the total enlarged area.

In either of these two ways, I contend, the ultimate best use of the land will be effected to the greatest good to the greatest number. Once privately owned, these lands will inevitably find their greatest use and best economic level. In case either of these methods is used it would be for surface rights only. The mineral rights now included in the mineral leasing law, and all minerals should be made over to the States to handle as their legislatures may determine.

Third, most simple and comprehensive, the lands with all their resources should be ceded to the States, so that the States could make the disposition to private ownership as to the surface and evolve such plan of handling the mineral resources as they see fit, looking to the best interests of agriculture, of livestock, and the mining interests, and of the State as a whole, for all its people, in accordance with the conditions in each State.

Eastern representatives and people frequently complain of and oppose Federal aid in reclamation, roads, colleges, schools, land grants for certain objects, and other purposes, forgetting the fact that the Federal Government holds these great public reservations and vast areas of public domain, which are nontaxable. Why should not the Government give even greater aid than it has when it holds the greater part of our States without taxation and prevents settlement?

Turn the balance of the public domain with all its resources over to the States and they will cease calling upon the Government for special benefits on account of this unusual condition. They will gladly attend to their own needs and welcome release from the necessity of making these requests. They will then ask for no more than the rest of the States of the Union, with whom they have the right to proportional benefits of any general plan of internal improvements under national policies.

Thus, by one of these three methods, will the States come into that full sovereignty and equality with the other States to which they are entitled as a matter of equity and right, equality and dignity, as sister States of the American Union and receive the material return, not in part as a dole from Washington, but in full, in their own right, from the resources with which they have been endowed. That endowment no man,

no party, no administration, no group of States however powerful and numerically strong in Congress, no just nation and trustee should withhold.

Are we to be States or Provinces? We hold these truths to be self-evident—that all States are created equal; that they are endowed by the organic law with certain inalienable rights; that among these are, life, which implies and requires equal sovereignty over their soil and all the riches therein, as the means of existence; liberty, which means freedom from discrimination and ultra-Federal control not imposed on most of the States, and freedom in local self-government to the same extent granted to any of the States; and the pursuit of happiness, which means development under the same conditions for the new and later States as were enjoyed by the original and other States, with equal rights and advantages for their citizens in their lands and resources, which are essential to the well-being of their people. [Applause.]

Mr. CASEY. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. BLACK].

Mr. BLACK of New York. Mr. Chairman and gentlemen of the committee, whenever the administration is puzzled, it sends into the parliamentary arena to defend the puzzle, the amiable gentleman from Massachusetts [Mr. TREADWAY], who wonders what this great, big world is all about.

To-day the gentleman started to defend the naval program of the administration. Admittedly, he knew little about the Navy, and, finally, concluded he knew nothing about the administration's naval program, and yet there is nothing terrible about that because neither does the administration. [Laughter.] In commenting on the Washington Disarmament Conference he at last solved the real result. He said Hughes made a great speech. Yes; Hughes made a great speech and Great Britain and Japan got the battleships.

There should be no particular excitement about the gentleman from Massachusetts being confused about the President and the Navy, and he should not be disturbed by the fact that the country is a little bit confused about the President and the Navy. As a matter of fact, on all the major problems of the country the administration is pretty well confused. Not only on the Navy but on farm relief, on coal policies, on taxes, and even on "not choosing to run" the administration is entirely surrounded by confusion.

In 1926 the President sent a message to the Congress and said that we had a Navy equal to any navy in the world, and this year the Secretary of the Navy, with the consent of the President, sends to Congress a naval program that has startled the American people.

Last year the President went so far as to send a letter to the gentleman from Idaho [Mr. FRENCH], the chairman of the Subcommittee on Appropriations for the Navy, which was read from the desk, begging us not to go ahead too far on appropriating money, indicating that we should keep our appropriations down to enough for a "paper" Navy, and my good friend the majority leader [Mr. TILSON], also a great defender of the administration, but who only takes the well when the administration is half puzzled on a proposition and who never goes out on a limb like the gentleman from Massachusetts [Mr. TREADWAY], came along and followed the President's suggestion on a "paper" Navy and offered his amendment authorizing $450,000 to start drawing contracts for new cruisers. The only man on this side of the House who came out foursquare for an American naval program was the Speaker of the House. The rest of the Republican group went along with the President on his "blue-print" Navy.

Now, what has happened between the message of 1926 and the Wilbur program of to-day for the future? Was it the Geneva conference that had anything to do with it? No; the Geneva conference was not a building conference; it simply failed to be a conference of limitation. Now, what has really happened? To-morrow we celebrate the birthday of a great American who said, "In time of peace prepare for war."

FURTHER MESSAGE FROM THE SENATE

The committee informally rose; and the Speaker having resumed the chair, a further message from the Senate, by Mr. Craven, its principal clerk, announced that the Senate insists upon its amendments to the bill (H. R. 7201) entitled "An act to provide for the settlement of certain claims of American nationals against Germany and of German nationals against the United States for the ultimate return of all property of German nationals held by the Alien Property Custodian, and for the equitable apportionment among all claimants of certain available funds," disagreed to by the House of Representatives, and agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. SMOOT, Mr. CURTIS, Mr. REED of Pennsylvania, Mr. GERRY, and Mr. HARRISON to be the conferees on the part of the Senate.

The committee resumed its session.

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. BLACK of New York. As I was saying before the Senate intruded, but not with the tax bill, to-morrow we celebrate the birthday of a great American, who said, "In time of peace prepare for war," and we are living in the administration of another great American, who believes "in time of peace prepare for elections."

Last year he wanted to keep us down to a paper Navy. Why? Because he wanted to keep appropriations down, because he wanted to create a surplus, because he wanted to give the people tax reduction, and we came along in this session of Congress and the Democrats, with the more intellectual members of the Republican Party, gave the country a tax-reduction program, and now the President does not care about the tax-reduction program, but has it on ice over in the Senate and now declares he is for a large Navy, repudiating and throwing into the waste-basket his message of last year in which he said we have a Navy equal to any navy in the world.

Now our friend from Massachusetts, the birthplace of the intellectuals of the country, said we are not engaging in a competitive-building program. My God, if we are not engaged in a competitive-building program, what are we engaged in? Surely we are not building battleships to fight canoes. We are building battleships, we are building cruisers, we are building submarines, we are building aircraft carriers because other nations are doing the same thing, and if that is not competition, I do not know what competition is. Why can they not be honest and straightforward with the American people and say we have been forced to go ahead with a competitive-building program because of the weak-kneed Secretary of State that we have in the State Department?

The gentleman from Massachusetts in reviewing the disarmament conference said that the American program was a program of cutting down capital-ship construction; in other words, Hughes and the other men went into the conference with the idea of destroying the American Navy. Well, I give Hughes greater credit than that. The American program as submitted by Mr. Hughes at the outset of the Naval Disarmament Conference in Washington was a program of limitation all down the line. We were to cut down on capital ships and on all auxiliary craft, and what happened? That very cagey gentleman, Lord Balfour, realizing that the American politician must get a result, even if it is to the destruction of his own country, went along and gave three cheers for our former Secretary of State, escorted him to the platform and said, "I take it on myself to make this great friend of peace the chairman." Mr. Hughes became the chairman and submitted this program. What did they do? Naturally, the first item on the program was the capital ships and Great Britain went along beautifully, and they agreed we should cut down our capital ships; and when they got through cutting down our capital ships they forgot about the rest of the Hughes program, and because we had to get a result, because the Harding administration had to get a result, we agreed to the limitation on capital ships.

But under the 5-5-3 ratio there should have been a provision for auxiliary craft to help the major ships. But this great lawyer Hughes, forget to put any such clause in the disarmament treaty, and that left Mr. Balfour and the Japanese to go on and build up auxiliary craft without a word of protest from Washington, D. C., or from Hughes. That is the situation they brought us to—through an entire lack of statesmanship on the part of the Republican Party. Now the disarmament friends and others of the Republican Party thought they had done something, and they wanted the whole world to know that they had stopped competition in the construction of battleships. They wanted the whole world to know that it was the Republicans and that our party had nothing to do with it. But now that the Washington conference is under fire, that great research expert [Mr. TREADWAY] found out that Mr. UNDERWOOD was a delegate. I said in response to him to-day that that was the reason why we had any Navy left at all.

Now, what was the function of Mr. UNDERWOOD? Mr. UNDERWOOD attended to the management of the Far East question. He worked out a program of peace with China and the Asiatic people; he worked out a foundation that, if we had lived up to it, we would control the Chinese field in trade, but instead of that this weak-kneed administration has consented to run along with the British, and every time the British sent one man over there this administration sent two, and when the

British sent one flag there the United States sent two. If we had followed Mr. UNDERWOOD we would have had peace in China.

Mr. SNELL. Will the gentleman yield?

Mr. BLACK of New York. Yes.

Mr. SNELL. Do the gentleman from Massachusetts and the gentleman from New York agree?

Mr. BLACK of New York. Sure we agree. I want the attention of my friend from New York [Mr. SNELL], chairman of the Rules Committee, one of the leaders of the House, who was sent down here to protect the great State of New York. Last year he lined up for the paper Navy. I want to tell this great chairman that if we do have a war with Great Britain or Japan that that paper Navy will be shot through with more holes than the gentleman can find in the cheese that is made up in his district. [Laughter.]

Now, on the general proposition Great Britain has made a precedent for the control of the high seas—Great Britain has always insisted that that nation was the economic leader of the world and should control the high seas. The United States has become the economic leader of the World—the President of the United States in his message indicated that we were the greatest economic factor in the world, and if that is so, according to the British precedent, we are entitled to control the high seas. We have not insisted on that. We have insisted simply on a parity on the high seas, and when we have made that concession to Great Britain, Great Britain has no complaint about our new naval program. Under the existing policy in Great Britain and her appropriations Great Britain will reach 400,000 tons of cruiser strength, our suggestion at Geneva, five years before us. There should be no complaint among Americans about our building 400,000 tons of cruisers.

Now to the Americans who think the British are so wonderful in protecting themselves let me say this:

If the British Admiralty thinks that 600,000 tons of cruisers are needed to protect an inferior economic power, why can they not say that 400,000 tons of cruisers are necessary to protect a greater economic power?

Mr. Chairman, I do not know what the Naval Affairs Committee is going to do. Evidently, somebody in the administration has gotten cold feet on this naval program. If Wilbur was right when he sent his program to Congress, he is right now. If the General Board was right when Wilbur sent his program to Congress, the General Board is right now. What I want to know is this: Are we going to take our estimates of naval needs from our own naval experts sitting in the General Board or are our Navy needs to be determined by the politics of the administration? If the General Board, a board of experts who study the question, says that we need so much, and the Secretary of the Navy who has not resigned, even though I suggested it, by the way, has adopted the program of the naval board, why should this great strong man in the White House run away from his General Board, run away from his Secretary of the Navy, because a few editorials appear in the newspapers about noncompetitive armament? The British are not running away. They stopped building a few cruisers, and why? Out of consideration for us? No, but because they realized that from a defensive standpoint they made a mistake in building 10,000-ton cruisers. At the next armament conference they are going to call for a smaller type of cruiser. They do not intend to build anything that they will scrap. I hope the Naval Affairs Committee will not follow our friend TREADWAY, because if they do, God knows where they will go. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. GRIFFIN. Mr. Chairman, I yield 10 minutes to the gentleman from Maryland [Mr. PALMISANO].

Mr. PALMISANO. Mr. Chairman, on April 21, 1927, after noticing an article in the Baltimore Press wherein the prohibition administrator, John F. J. Herbert, had sanctioned the use of guns and blackjacks, I wrote to Gen. Lincoln C. Andrews requesting the dismissal of Mr. Herbert. At that time I called his attention to the fact that the agents involved were charged with using a blackjack on the prisoner and then attempted to hug and kiss the prisoner's wife. To the charge of using the blackjack the agents attempted to blame their subordinate, their chauffeur, one Edward L. Boone. Boone, in turn, denied that he had used the blackjack and claimed the agents were trying to make him the goat. You will note that there is no denial of the fact that the man had been blackjacked by some one in the Prohibition Department and they were blaming each other, none of whom contended that the blackjacking was done in self-defense; and to the charge of attempting to hug and kiss the prisoner's wife the agents' defense was that they were just kidding and mixing a little fun with their work. You will note from this statement the character of men that the prohibition administrator of Maryland has working under him. Since then, the prohibition administrator has employed men who have been convicted of robbery and has retained a man who has been charged with murdering a man 73 years of age, and during the pending of the trial the man was kept in office notwithstanding the fact that the testimony showed at the trial of which he was acquitted that he had operated stills prior to his appointment in the department, and since his appointment has had interest in stills, and has been receiving graft from bootleggers. In that connection, I want to call your attention to my resolution No. 99, which I introduced on January 17. To show you further the character of men that he insists on having in his department, I want to call your attention to the case of the State of Maryland against Robert H. Beall, a stenographic report of which I have and am willing to give to the Committee on Rules, which will show that these men, in order to protect each other, have no respect for their oath of office, as was shown in this case. In that case, Beall was charged with striking a widow on the head with a bottle because she was crying out not to kill an alleged prisoner whom Beall was about to hit on the head with a bottle. Her screaming made Beall so angry that he deliberately threw the bottle out the window where the lady was standing thereby injuring her and caused her to be taken to the hospital.

The testimony of the witnesses in that case shows that there were three agents, one assistant, and two alleged prisoners. The lady positively identified Beall as being the one who threw the bottle, and this was corroborated by a disinterested witness. On the other hand, the testimony of the agent disclosed that Beall with another agent had come into the place and had the two boys in charge, and that they asked for an assistant. All of the agents positively testified that Beall did not throw the bottle, but upon cross-examination none of them were able to state Beall's position in the room. I want you to bear in mind that Beall with another agent went there first, and they asked for assistance when the other agent and assistant came in with the two prisoners—one was held by one agent and the other prisoner was about to attack the agent, not Mr. Beall—and while they all testified that Beall did not throw the bottle, none of the agents stated that Beall had any of the prisoners, nor were they able to tell just where he was located in the room, and the trouble occurred only in that one room. The question which arises is this: When Beall first went into the building and asked for aid that he and the other agent were having trouble, why did Beall permit the boys or men to attack an agent without him—Beall—assisting the agent who was being attacked. The true story is that the agents were not telling the truth, and under cross-examination they were unable to corroborate their testimony. A copy of this testimony I sent to Commissioner Doran, in reply to which on September 8, 1927, he said:

> I have read over the record personally, and it is my opinion that the facts as related by the various witnesses do not present a very clear picture of what actually occurred. I find upon inquiry that the entire matter has been transferred to the Federal court, and I am sure that you would not seek a final determination on a matter of this sort which is still pending in court.

I would like to know why, and I think the Members of the House should know why, Doctor Doran upon obtaining a copy of the testimony of all the parties interested, why he should make inquiry. It seems to me, and I am willing to permit the lawyers of this Congress to read over this record, and I venture to say that 90 per cent of them would say that these men committed perjury.

I do not want to make you think I am a fanatic on this question, Mr. Chairman. Some of you may think that my resolution requesting an investigation of Mr. Herbert's methods is prompted solely against the Volstead Act, but it is not. I do not know what the conditions are in other States, but I do know that the machinery conducted by the courts and the district attorney and the prohibition administrator for the district of Maryland is something that this Congress should inquire into. While it is true that on April 21, 1927, they all denied the terms of my open letter in which I stated as follows: "That I had recently noticed in the Baltimore press that the prohibition agents operating under Prohibition Administrator Herbert had been very active with their guns and blackjacks, and according to the inclosed clipping of the Baltimore News of April 21, 1927, Prohibition Administrator John F. J. Herbert sanctioned strong-arm methods." Even their action in order to protect an agent, who is charged with the murder of a 73-year-old farmer,

testimony showing that the agent was a bootlegger prior to his appointment and had received graft and was interested in bootlegging, in order to protect an agent of that type, what happens? Before the trial of this case, the combination who has to do with the enforcement of the law from the judge who heard the case, with the prohibition administrator and the superintendent of the Anti-Saloon League, both of whom were imported into Maryland, the superintendent of the Anti-Saloon League, I have been informed, in cases of this kind assists the district attorney in selecting the jurors in private. I am sorry to see that they have been able to use Judge Coleman in this matter—a man who had commanded the respect of the members of the bar and the public, which respect I fear he has lost when he permitted the Anti-Saloon League to have him put the gag on the newspapers. What did the judge do? About two weeks before the trial started Judge Coleman, of the United States District Court for the District of Maryland, called in the editors and the owners of all the Baltimore papers, and first having them agree that what transpired would be confidential, gave his views as to how he wished the trial to be reported.

He laid down the rule that no photographs were to be taken in or about the courthouse and that no pictures of the principal were to be printed during the progress of the trial, saying that if minor witnesses were photographed somewhere outside he had no particular objection. He further emphasized that the reporters were to avoid words such as "killers," "murderers," "shooting" in their description of testimony. He said that a calm tone must be followed in every account, and that no advance stories that the trial was going to take place should be published. The owners apparently gathered the impression that some punishment might be meted out to them if the wishes were disobeyed because the rules were generally followed.

When told, on Wednesday afternoon, February 15, 1928, by one reporter that photographs were being made outside the courthouse by the Washington News, the judge, in his private chamber, said that—

Anyone taking pictures in or about the courthouse, better watch out.

Why, it is getting so now that the press is unable to give you the facts as they see it or give you a picture of the man who is charged with the murder of the 73-year-old farmer. Things are getting rather strong, but, notwithstanding the ironclad methods of the courts, the district attorney, the prohibition administrator, and the outside influence of the importer from Ohio, the district attorney feeling that he will, perhaps, have to answer to his Maker sometime for defending agents for crimes committed, sanctions, not intentionally, the letter that I wrote on April 21, 1927, in that the agents were free with their guns and blackjacks when he said that he would write a letter to the prohibition administrator that he should call a conference of the agents and caution them regarding the use of their firearms. These are the words that were used by the district attorney: "Their job is an unpopular one and they can not be too careful. There are few cases where shooting is necessary, and, in view of the hostility toward their work, they should be watched." So you will see that Colonel Woodcock does not care to defend any more of them as he has done in the past, because he knows that the agents were not justified in killing. So I say, my friends, that while they deny and protest against my resolution, they unconsciously support my views that the agents who are enforcing this law in the State of Maryland and in the District of Columbia are men who use their guns and weapons too freely and are men who are untrustworthy.

On February 18 I called the attention of the district attorney to the testimony tending to show that Agent Brewer, who had been acquitted of murder, had been a bootlegger prior to his appointment, and since his appointment had been interested in stills and had received graft and requested him to advise me whether or not he would present those facts to the grand jury. While I have not received an answer from him I note from this morning's paper that he will not present the facts to the grand jury, nor will the Prohibition Unit dismiss such men. If such are the facts, how do you expect the American people to respect such a law?

I want to call your attention to the employment of a boy 17 years of age by the name of Stewart S. Shelton. It is true that they deny that they employ anyone under age, but the brother, Maurice Shelton, 19 years old, stated that he was employed as an undercover agent for the prohibition department and resigned January 15; that the prohibition agents employ boys without asking their age and their address. The agents here in Washington raided a home and destroyed some wine, the agents claiming that they had made a buy a few days previously. What right has an agent to destroy something that under the twenty-ninth section of the Volstead Act you are entitled to have and to make for your home use? Do not you believe that the agent should wait until a conviction before taking the law in his own hands and destroy something that law permits us to have? Is the agent to be sole judge and prosecutor? I want to say to the Members of the House that the facts presented by my resolution and the action of the judge and the district attorney in the Brewer case justifies this House to pass my resolution, because the judge's action by putting the gag on the newspapers two weeks prior to the trial, and the district attorney's statement after the acquittal of the agent, shows that there is something rotten in Denmark. So I trust that the Committee on Rules will see fit in recommending the passage of my resolution. [Applause.]

Mr. SIMMONS. Mr. Chairman, I yield 20 minutes to the gentleman from West Virginia [Mr. ENGLAND].

Mr. ENGLAND. Mr. Chairman and gentlemen of the House, on February 9 the Senate passed Senate Concurrent Resolution 10, requesting that the Interstate Commerce Commission transmit to Congress, on or before April 15, 1928, the following information, to wit: (a) Copies of all decisions, if any, handed down by it in the five years preceding the 1st day of April, 1928, in which its decisions as to the reasonableness of any rate or rates were in any sense influenced by the competitive advantage or disadvantage of the producers in one State, district, or section as compared with the advantage or disadvantage of the producers in another State, district, or section; (b) a full and complete citation of the section or sections of the interstate commerce act, as amended, and other acts under which the commission claims and believes it was granted the power to equalize prosperity among the producers of commodities; and (c) a statement of the clause or clauses, articles, or amendments of the Constitution under which it claims and believes the decisions of such character and purport were authorized or were implied.

This resolution contains a very pertinent inquiry and should be concurred in by this House without delay.

I desire to discuss especially the policy of the commission in rate making on lake cargo coal shipments.

THE LAKE CARGO COAL FREIGHT-RATE CONTROVERSY

About 30,000,000 tons of coal are sold annually from docks on the Great Lakes. This coal is transported by rail from competing districts in western Pennsylvania and eastern Ohio, known as the northern districts, and from West Virginia, eastern Kentucky, Virginia, and Tennessee, and known as the southern districts, to ports on Lake Erie, whence it is shipped to docks on the upper Lakes and thence transported over wide areas in Michigan, Wisconsin, Minnesota, and the two Dakotas.

Prior to 1911 the freight differential, or freight-rate advantage, favoring the Pittsburgh district over the southern districts was 9 cents a ton, and the rate advantage of the eastern Ohio district 12 cents a ton.

In 1910 the original Lake Cargo Freight Rate case was instituted by northern operators. It resulted in 1912 in the increase of the freight-rate advantage of the Pittsburgh district of 10 cents on each ton of lake coal, the differential being increased from 9 cents to 19 cents. This advantage remained with the Pittsburgh and other northern districts until 1917, when the Interstate Commerce Commission again increased the freight-rate advantages of the northern districts, widening the differential to 25 cents a ton on shipments to Lake Erie ports.

Mr. TILLMAN. Mr. Chairman, will the gentleman yield?

Mr. ENGLAND. I would prefer to finish my statement.

Mr. TILLMAN. But I find that I shall have to leave the Chamber very soon and the point that the gentleman is making is very important to my section of the country. I would like to ask a question right there.

Mr. ENGLAND. Very well.

Mr. TILLMAN. I live in the fruit belt in my State. Our people ship a great deal of fruit. They claim that there is such discrimination against them as the gentleman is pointing out here. Does the Interstate Commerce Commission ever attempt to answer these complaints? I have never been able to get anything from them. Has the gentleman been able to get any explanation as to why this discrimination is used by them against certain sections and certain shipments?

Mr. ENGLAND. I have not, personally. In fact, I do not believe that the Interstate Commerce Commission has any real policy that it follows. I am inclined further to believe that that is true, after hearing the testimony of Commissioner Esch before the Interstate Commerce Committee of the Senate.

Mr. TILLMAN. The gentleman is evidently striking an important matter there, because I know there are complaints of that character all over the country. It appears that the Interstate Commerce Commission will never give any intelligent reason why this discrimination is adopted.

Mr. ENGLAND. I have never heard any. I do not think any can be given.

Mr. ROBSION of Kentucky. Mr. Chairman, if the gentleman will yield, this is one of the reasons: It seems to me that the Interstate Commerce Commission is developing a policy of zoning this country. The freight-rate structure of the country was built up on the proposition of bringing about or inviting competition in the widest distribution of the products of the country. But their policy, it seems, is to zone this country, and if certain products are not within that zone the rates are such that you can not ship outside of that zone.

Mr. TILLMAN. Does the gentleman know of any reason that they have given?

Mr. ROBSION of Kentucky. No. The policy is wrong. This country was not built up on a policy of rate zoning throughout the country. I have noticed that they have developed a policy of zoning. If you have fruits in a certain section and it comes outside of a certain zone you can not ship your fruits.

Mr. TILLMAN. The gentleman does not indorse that policy?

Mr. ROBSION of Kentucky. I certainly do not. That policy has this further danger about it: It has the power to affect the transfer of prosperity from one section to another section, and to break down the industry of one section and to transfer its benefits to another section.

Mr. TILLMAN. That is exactly what it does, and that is why I think it is unfair.

Mr. ENGLAND. Manifestly so. In other words, it gives the commission the power to control the industry of various sections of the Nation, one section to the disadvantage of another, and thereby control the competitive markets of the various sections.

In 1922 the Pittsburgh and eastern Ohio operators returned for the third time to ask greater freight-rate advantages over southern competitors. In 1925 the commission dismissed the petition of the northern operators. Within six months it granted a reconsideration, and in 1927 gave to the Pittsburgh and eastern Ohio operators an additional freight-rate advantage of 20 cents a ton, making the differential favoring Pittsburgh 45 cents on each ton of the high-volatile fields of the southern districts and 60 cents a ton on the low-volatile Pocahontas and New River fields of southern West Virginia.

The increased advantages extended to the Pittsburgh and eastern Ohio coal operators on Lake cargo coal shipments since 1912 amounts to 400 per cent.

The gifted Senator from Pennsylvania had declaimed frequently on the Senate floor that the mines of Pennsylvania were idle because preferential freight rates had been accorded to the southern shippers. How any shipper of any commodity with an advantage in freight rates ranging from 9 cents to 60 cents could be injured by such an advantage I am unable to conceive. The assumption is not sustained either by logic or facts. If the southern mine owners had possessed during these years the same freight-rate advantages that have been given to the preferred operators of the Pittsburgh district, untold wealth would have flowed into those districts south of the Ohio River. The southern shippers have been forced to compete in these markets under very heavy disadvantageous freight rates.

While incapable of demonstrating to the normal mind, it appears that the Pittsburgh operators, supported by the great protected industrial and commercial interests of western Pennsylvania, have been able to convince the Interstate Commerce Commission that shrinkage in their tonnage in the Northwest has been due to unfavorable freight rates. They have termed the higher freight rates paid by the southern shippers as preferable, and the commission has ignored the fact that the northern districts have been working under local economic disadvantages and that freight rates have been the sole advantage possessed by these northern districts.

To overcome these economic troubles that the northern districts have waged continually for a number of years, the Interstate Commerce Commission has forgotten that it is an agency created for the regulation of railroad rates and has become thoroughly imbued that it is within its province to distribute the commerce of the country in accordance with its own will. To do so it applies the freight-rate advantage as a measure of destruction to those communities which have shown efficiency in production and raises the freight-rate standard to protect the inefficient.

It is an inescapable fact that the northern districts have suffered from economic handicaps, self-imposed, and that these economic ills have been increased rather than alleviated by continual mounting freight-rate advantages.

Under the 9-cent differential, from 1907 to 1911, the northern districts shipped 70.21 per cent of the Lake coal; under the 19-cent differential the Pittsburgh and eastern Ohio districts shipped 58.94 per cent of the Lake coal, and under the 25-cent differential the northern districts shipped 28.41 per cent of the Lake coal. After the freight-rate advantages of the Pittsburgh and eastern Ohio districts were increased by the Interstate Commerce Commission their shipments of Lake tonnage diminished.

There comes a time, however, when the more efficient producer can no longer survive under artificial and arbitrary freight rates that are made operative to protect the inefficient. When that point is reached the inefficient become the master of the markets, attaining their position through special privileges, and as such dominate these markets through the artificial monopoly created.

THE COMMISSION'S DESTRUCTIVE POLICIES

The power to tax is the power to destroy. Equally destructive is the power exercised by the Interstate Commerce Commission to impose unjust and burdensome freight rates on shippers, industries, and consumers. The exercise of the power by the commission to shift commerce from one producing community to another and regulate its disposal in the consuming markets has its origin in the authority vested by Congress, giving its agency discretionary control over freight rates.

By extending to the commission authority to regulate freight rates, this creature of the Congress has assumed the broad authority to give it the power of life and death over commerce and to allocate the markets of the Nation among the favored producers.

We have to look only at the pages of the RECORD of this body to find that public attention has been directed to the impeding dangers that follow prosecution of this policy. The commission has been honestly and sincerely condemned for this usurpation of power by the following of this policy. Large investments have been sacrificed and business enterprises have crumpled because the commission has seen fit to deny to producers a right to dispose of their products in free and open competition with other producers. It is an attempted restoration by the commission of the rebate system that Congress banished years ago. Viciousness of the rebate system to kill and cripple and destroy competition in the markets was recognized and it was outlawed. The policy of the commission to extend subsidies to favored shippers in the form of favorable freight rates is as reprehensible and as vicious as the rebate system that met with the disfavor of the American public. I recall that in a discussion of the decision of the commission in the western railroad cases almost two years ago that the Senator from Arizona [Mr. ASHURST] said:

> Capital is fearful, and is justly fearful, of making huge or considerable investments when the sword of Damocles is hanging over them and they do not know when it will fall.

In the colloquy during the same debate between the Senator from Ohio [Mr. FESS] and the Senator from Utah [Mr. SMOOT], the latter was as emphatic, and justly so, in his condemnation of the policy of the commission to build up one community at the expense of another. I recall that he said:

> I would like to submit a question to the Senator from Ohio. If he and his associates desired to begin business in some section of the country * * * would he like to make an investment and build up an industry, or an industrial center, knowing that at some time the question might arise as to whether his business was to be destroyed by a rate fixed by the Interstate Commerce Commission?
>
> I say to the Senator now that if the applications that have been made and will be made were supplanted by the Interstate Commerce Commission, as they have been in the past, the Senator's industrial center would be destroyed.
>
> What I want to see accomplished is this: I want the power taken from the Interstate Commerce Commission, or any other agency of the Government, to say: "I will build up this section of the country, I will destroy this section, by making rates that will do it."
>
> I want it distinctly understood by every American citizen, or anyone who desires to invest money in any part of this country, that he will not be discriminated against and that there shall be no power left in any agency of our Government to say hereafter that he shall be.

Commissioner John J. Esch wrote a dissenting opinion in this case that the Senator from Nevada [Mr. PITTMAN] declared was brutal and selfish. The Senator from Nevada discussed the policies of the commission at length tending to destroy our enterprises through arbitrary control of freight rates. The Senator said:

Whenever we start in to utilize the railroads of this country for the purpose of building up one place at the expense of another we get back to the old rebate system.

Look into the dissenting opinion of Commissioner Esch—as brutal and selfish a decision as a man ever wrote * * *.

We are to look after the railroads. We are looking after their welfare. It never occurred to him that he had the interest of the people of this country to look after.

It has been the attitude of some of the members of the commission that they were put there for the purpose of being general managers for the railroads, to get business for them, to make them pay.

The proposition is that instead of using our transportation facilities for the purpose of moving our products to markets in the cheapest possible way, we are continually disturbing ourselves to see whether this town or that is getting the best of it or the worst of it.

There never was any authority granted to the Interstate Commerce Commission to regulate railroads for making discriminations. You can not find a line in the act that ever was intended to give them the power of utilizing any regulating authority to restrict transportation in the interests of any community or against any community. That proposition has grown up through their legislative absorption of power. There is no question about that.

What we are trying to do is to fix a policy, a principle, not to interfere with the Interstate Commerce Commission. The Interstate Commerce Commission was constituted for the purpose of rate making and regulating the railroads. It was not appointed for the purpose of deciding whether West Virginia or Virginia or Pennsylvania shall have the Boston market. It was never intended that the commission should have the power to take into consideration market conditions and distances or should have the power to say that one coal mine shall ship its product to this market and another coal mine to another market; that the iron mines shall ship to some other market; that one city shall be great and that another city shall not be great. Or that we will move the Atlantic coast out to Chicago and we will move Chicago down to the Gulf.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

Mr. ENGLAND. May I have 10 minutes longer?

Mr. SIMMONS. I yield to the gentleman 10 minutes more.

The CHAIRMAN. The gentleman from West Virginia is recognized for 10 minutes more.

THE WALL STREET JOURNAL

Mr. ENGLAND. The Wall Street Journal has an editorial in the issue of February 10, 1928, under the caption of "Political rate making," which is of unusual interest to all who deal in commodities other than money and speculative securities.

Referring to the Robinson resolution which was adopted by the Senate on Thursday, February 9, 1928, by a vote of 68 to 1, it says:

When Congress creates a tribunal for the particular purpose of adjudicating private controversies and then attempts to interfere with the exercise of its informed and conscientious judgment, the least that can be said of the lawmakers is that they are poor sports. A much worse epithet might justifiably be used.

This is saying that when Congress enacts a law creating a commission and vests in that commission certain powers, the duty of the Congress is at an end, that it has no business to keep an eye on its creature or to pass upon its activities. Congress is made up of "poor sports," even worse, if it presumes to take notice of how its act, the statute, is being construed by the commission created to enforce it. The Senate is chided, unabashed, for even seeking information as to whether or not its interest in service to the people, as expressed in the law, is being carried out.

Referring to the Lake Cargo Coal Rate case, the defender of the Wall Street interests says:

Senator ROBINSON'S resolution was frankly aimed at the lake cargo coal rate situation, now pending before the commission for decision. Last summer the commission increased the spread between rates from the northern and southern fields to the lower lake ports from 40 to 60 cents a ton by reducing the northern rates 20 cents. This action may or may not have been sound. A minority of the commission opposed it as an effort to assist the northern operators to overcome the handicap of higher wages and more expensive mining conditions as an arbitrary interference with the play of natural and economic forces. The majority justified it as a recognition of relative railroad operating costs and as the making of a rate reasonable in itself.

This statement indicates that the writer of the editorial never read the opinion of either the majority or the minority, for it is evident from the opinion of the majority itself that it was intended, as stated by the minority, "to assist the northern operators to overcome the handicap of higher wages and more expensive mining conditions."

The Senate resolution simply calls upon the commission to report whether or not it construes the statutes as conferring upon it that power, the power to equalize industrial advantages, and, if so, to point out that part of the law which it so construes gives to the commission that power and authority.

The Senate evidently had in mind a clarification of the law, based upon whatever report the commission may make.

Again, the editorial says:

When railroads serving only the southern fields filed tariffs reducing their rates 20 cents the commission suspended their effectiveness pending investigation, which has not been concluded. A lot of nonsense has been talked about the action of the commission having cost coal consumers of the Northwest millions of dollars. It has, of course, done nothing of the sort. The question is merely whether the southern mine operators or the railroads serving them shall give up 20 cents a ton. One or the other will do it, since the southern producers will not retire from the lake trade. The only certain thing is that the consumers of the coal will not get the 20 cents.

Here the writer shows abysmal ignorance of the record in the Lake Cargo case or a willful intention to misrepresent the facts. The evidence of all parties, uncontradicted, was to the effect that before the reduction of the 20 cents in the northern rates, under the differential in effect since 1917, the lake coal market was the most keenly competitive coal market in this country, so keenly competitive that only a few cents difference in price was sufficient to switch contracts from one of these competing coal fields to the other. A sudden additional rate advantage of 20 cents a ton given to the northern fields puts them in a position to monopolize the market, for the southern producer, according to the uncontradicted evidence, had so reduced their prices that they were already selling, without profit or at a loss, and it was impossible for them to reduce further their prices. To monopolize the markets the northern operators had only to pass on to the consumer a few cents out of the 20 cents bonus and keep the balance.

The reduction in rates voluntarily made by the railroads serving the southern fields, which they were not only abundantly able to make but which they had to make in order to preserve their tonnage and revenues, placed the competing fields on the old basis of competition. The inevitable results would have been the lowering of coal prices, from all the fields, the full 20 cents a ton, a direct boon to the coal consumers in the Northwest. It is utter bosh to say, as this editorial does, that the coal consumer will not get the 20 cents. It could not be otherwise under the keenly competitive conditions existing.

In the recent Minneapolis hearings, consumers representing almost half of the lake cargo shipments testified that any reduction in freight rates accorded by the carriers and made operative by the commission would be reflected in the selling price of coal to the consumer. The sale price of coal in the northwestern market is determined by the price at the mine plus the freight rate. Any reduction in the freight rate, of course, is reflected in the price paid by the consumer. These consumers representing the copper, salt, cement, coke, paper, and public utility interests are more likely to know what will redound to their interest than the editorial writer of the Wall Street Journal whose main interest is the welfare of the Pittsburgh Coal Co. and the other producers of that preferred and privileged district and not the interest of the consumer, industrial or domestic, in the Northwest.

The Wall Street Journal is a devoted friend of the great financial and commercial interests that dominate the coal industry of the North. It has ever been solicitous about the welfare of the great interests that thrive in western Pennsylvania. There is a golden link that binds the mouthpiece of Wall Street to the Pittsburgh group. It believes that it was an economic blunder to develop the mines of West Virginia and the other southern districts and every decision of the Interstate Commerce Commission that increases the freight-rate advantages of the Pittsburgh district over the southern group of shippers meets with the applause of the Wall Street Journal.

It attempts in this editorial to say that the Congress is repenting the adoption of the Hoch-Smith resolution. That resolution, approved January 30, 1925, did not give to the Interstate Commerce Commission power and authority to divest one producing district of the markets it had gained and restore these lost markets to the inefficient producer that formerly dominated these same markets; it did not confer upon the Interstate Commerce Commission power and authority to say to the consumer of the Northwest that he should not purchase his coal except in those producing markets favored by the com-

mission and it did not give to the Interstate Commerce Commission power and authority to crush free and open competition and establish artificial monopolies under the guise of rate making and rate regulation.

The Hoch-Smith resolution was plainly an instrumentality to require the commission to give consideration to the plight of the farmer; to require the commission to investigate the rate structure under which different kinds of commodities were moving; to ascertain if one class of commodities was being moved or transported at rates that were discriminatory when compared with another class of commodities and to require the commission to make proper adjustments. The Hoch-Smith resolution never gave to the Interstate Commerce Commission such powers as it has assumed to strangle established industry or to build a favored community at the expense of a less favored community to suit the whims of a majority of the commission.

When the Hoch-Smith resolution was adopted by the Congress it was believed by those who were instrumental in securing its adoption that it would inure to the benefit of the farmer. The agricultural element of our population was asking for relief. They needed it. Prices for farm products were at a level that demanded consideration of the conditions confronted by the rural resident. The language of the resolution itself is an admission of the depression that existed in agriculture and the commission was directed in specific language to effect with the least practicable delay such changes in the rate structure as would promote freedom of movement of farm commodities.

Mr. Chairman, it is a far stretch of the imagination when the Wall Street defender of the Interstate Commerce Commission invokes the Hoch-Smith resolution as a responsible instrumentality for the policy of the rate tribunal to allocate the commerce of the Nation to favored communities or sections. This resolution was adopted in 1925, but prior to that time we find that the Interstate Commerce Commission had launched its policy of favoritism. Coal has not been the only commodity over which the commission has assumed jurisdiction and has arrogated to itself the powers of a special providence. Other sections producing other commodities, including fuel and foodstuffs, have suffered from these policies, the exercise of which are not even vested in the Congress, the creator of the Interstate Commerce Commission.

West Virginia, Mr. Chairman, is sick and tired of this mock rate regulation. Since 1912 the Interstate Commerce Commission has increased the freight-rate advantages of the Pittsburgh district 400 per cent over the mines of my district. They are not yet satisfied and threaten to ask additional increases. It is time to call a halt on any agency that uses its vast power to injure one district in order to extend greater advantages to a competing district. The Pittsburgh district claims to have been injured by freight rates that are higher from competing districts than from the Pittsburgh district. I am unable to comprehend how any shipper can be injured by a freight rate that is lower than the rate of his competitor. The omniscience of the majority of the Interstate Commerce Commission must be great, indeed. It has been the only body of trained mathematical experts that has been convinced and admits that lower freight rates possessed by a shipper are resulting in his loss of business.

I do not want to be understood in this address as impugning the integrity of the Interstate Commerce Commission; I am merely attacking the rate-making policy of the commission which is unsound and wholly unjustified under the present law. The history of the rate-making by the commission has been to favor one section to the detriment of another. This fact I do not believe will be questioned. Hon. John J. Esch, former chairman of the commission, is quoted as saying on November 5, 1927, as follows:

> One of the objects of making such reduction was to increase the differential as between these fields (that is, Pennsylvania and Ohio) and the fields of southern West Virginia, Virginia, eastern Kentucky, and Tennessee.

Why increase such differentials and punish the southern producers of coal? They have had an immense outlay of money in the way of properly equipping their mines with modern machinery in order to overcome, if possible, these outrageous differentials.

We are told that these operators and their miners must be penalized for their aggressiveness, and perhaps on account of the superiority of the coal in this southern territory.

Senator WILLIS, of Ohio, states in substance that such artificial aid was necessary in order that the Ohio mines might compete with this southern territory in the Lake cargo market. He is quoted as saying on November 14, 1927, as follows:

> I live in a town through which three trunk lines of railroad pass. For years I saw great trains of coal pass through this town for the Lake trade, with the knowledge that probably not one-tenth of that coal was mined in the State of Ohio. The chief reason was the very unfair advantage given to the coal producers of Kentucky and West Virginia.
>
> The decision of the Interstate Commerce Commission in the Lake Cargo case has, to some extent, mitigated the unfortunate and unfavorable circumstances by which we have been surrounded in Ohio.

He says—

> The unfair advantage given to the coal producers of Kentucky and West Virginia has operated against the coal producers of his State.

This, indeed, is an astounding statement in the face of the history of this case.

Fixing a wide differential in favor of his State to the disadvantage of Lake cargo shipments of the coal producers of Kentucky and West Virginia is the disadvantage to which Senator WILLIS refers.

If the commission under a fair and reasonable interpretation of the statute has the power to regulate rates to build up one section to the destruction of another, then Congress should clarify the laws under which it derives such powers, so that its rate-making policy will be confined to the reasonableness of the rate.

If the commission does not possess such authority—and I do not think it does under the present laws—then it should be required to readjust its rate making in compliance with a proper construction of the existing laws or a commission should be procured that will have a rate-making policy in accordance with the law and rules of reason. [Applause.]

Mr. GRIFFIN. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. FULBRIGHT].

The CHAIRMAN. The gentleman from Missouri is recognized for 10 minutes.

Mr. FULBRIGHT. Mr. Chairman and gentlemen of the committee, I desire to discuss briefly and in a general way a question about which I am much concerned and which, to my mind, is the outstanding problem that the statesmanship of this Congress is called upon to solve—the question of flood control.

In 1927 the Father of Waters, whose giant arms reach to the crest of the Alleghenies on the east and into the very heart of the Rockies on the west, including within their embrace approximately one-half of the Nation's land area, gathered together the waters from this vast territory and from the Canadian snows of the Northwest, hurled them in torrents toward the great trunk line to make the most gigantic flood yet recorded in the Mississippi Valley. In this immensity of aggregated waters the Nation stood appalled as the terrible destruction of life and property assumed proportions hitherto unparalleled.

Territory greater in area than that of all New England, the most fertile farm lands of the Nation, developed through generations of toil and at a staggering expense in money, was inundated, many lives were lost, homes swept away, millions in property destroyed, the telephone and telegraph rendered useless, trains on 3,000 miles of railroad were stopped, interstate commerce suspended, postal roads ruined, mails delayed, industry paralyzed, and misery and poverty visited upon thousands of once happy and prosperous homes.

It was a staggering blow to the whole country, and was so far-reaching in effect as to demonstrate to the business interests of the country and the general public that flood control in the Mississippi Valley is national in scope and that it is a problem of Federal responsibility.

The Secretary of Agriculture in his annual report states that it is his conviction that—

> Prevention of future disastrous floods is an imperative national problem.

In the report of the Secretary of War for 1927 he says:

> By far the most important of the flood-control projects under the War Department is that relating to the Mississippi River and its tributaries. The control of floods on the Mississippi River involved interstate problems of such magnitude that the Federal Government was inevitably drawn into the matter. Waters from 31 States and the Provinces of Canada put into the Mississippi. Were it not for the protecting levees the higher floods would overflow about 30,000 square miles of the rich alluvial bottom, a territorial area greater than that of many of our States.
>
> Under conditions which prevailed in the early stages of the settlement of the Mississippi Valley the overflowed area was not covered to any great depth with water, as the floods were free to spread out on all sides. As the country became more settled and more populous, however, the people of the valley undertook the building of protecting dikes or levees in order to keep their lands free from overflow. As greater

and greater areas were protected by levees the consequent restriction of the flood waters necessarily resulted in higher water levels. This in turn called for higher and stronger levees. The local interests continued the unequal struggle to the limit of their resources. Their aggregate expenditures before receiving any assistance from the Federal Government were over $100,000,000.

In 1879 the United States took formal cognizance of the gravity of the situation and of the national interests involved by the organization of the Mississippi River Commission. Since that year the Federal Government has participated in the cost of the work—to a greater extent during the past 10 years than was formerly the case. * * * It is now evident that the country is faced with the necessity of adopting a new and enlarged project for flood control on the Mississippi River with a broader conception of the national interest in the problem.

General Jadwin in his report says:

The control of the Mississippi River has developed from a local problem to a national problem.

The Secretary of Commerce in his report to the President at Rapid City, S. Dak., in July, 1927, says:

There is no question that the Mississippi River can be controlled if a bold and proper engineering plan is developed. It is not possible for the country to contemplate the constant jeopardy which now exists to 1,500,000 of its citizens or the stupendous losses which the lack of adequate control periodically brings about. Furthermore, flood control means the secure development of some 20,000,000 acres of land capable of supporting five to ten millions of Americans. The costs of such work, if spread over 10 years, would be an inconsiderable burden upon the country. It is not incompatible with national economy to prevent $10 of economic loss by the expenditure of $1 of Federal outlay. In the face of their great losses and their present destitution I do not see how the people along the river can contribute much more than the maintenance of the central works after they have been constructed.

In an article appearing in the Magazine of Business, November, 1927, he is quoted as saying:

Adequate flood control is bound to be a national problem. One of our first obligations is the development of a comprehensive plan for the permanent solution of this problem and to provide funds for its execution.

In an address before the Mississippi Valley Association at St. Louis, Mo., in November, 1927, he said in part:

The most important event in our national life during the past year has been one which bears directly upon the development and control of our great rivers; that is, the Mississippi flood. Sad and heartrending as it has been in its human aspects, severe and discouraging as have been the economic losses, it at least serves to bring home to the American people the increasing dangers to a growing population which lurk in our great streams if they be not adequately controlled.

I have little need to dwell upon the causes of the great flood and its destruction. But there is an aspect of the flood that has, perhaps, not been sufficiently emphasized. The destructivity of this flood was partly due to the rapidly increasing settlement of the flood area. This increase will continue, and such dangers to our country will increase as the years go on unless we establish adequate controls. The great Delta of the Mississippi River, which in reality extends from Cairo to the Gulf, has been for untold centuries the spillway for our interior rivers. They spread their annual floods over these richest of alluvial lands for 1,000 miles long and from 20 to 150 miles wide. With the pressure of population our people have, more especially in the past quarter of a century, invaded the flood region. With courage and resolution they have overcome the swamp and forest; they have converted it into homes and productive farms. And in so doing they have forced the river in flood time to confine itself to its own channel.

I need not recount to you that with the unprecedented volume of water of this year these barriers crumpled up and the river spread itself again over its old flood area. Some 750,000 of our people were compelled to flee their homes in jeopardy of their lives. Damage to their farms and villages amounted to hundreds of millions.

Such a flood 25 years ago would have wrought far less destruction, simply because there were fewer people and less property in its track. If we look into the future but a quarter of a century, we can envisage even far greater dangers than those past. We may not have so great a flood again for many years to come. But the richness of these soils and the pressure of our growing people will some day see 5,000,000 or 10,000,000 of them settled under these levees. No one can contemplate these millions of our fellow citizens living in such jeopardy without adequate and final protection.

I believe the whole of the United States is unanimous in that we must undertake some engineering works as will give security, not only now but for the future. Our people have arrived at this conclusion because of their warm sympathy for the welfare of their fellow citizens. But viewed from the more narrow point of view, the destruction of property is the loss of the entire Nation; it is not solely the loss of individual sufferers. The loss of several millions of acres of crops in this flood deprived the American people of just that much goods which they might have otherwise consumed or exported, and again, every worker and every farmer in our country to some degree was a loser through the decreased buying power of flood sufferers themselves. Every investor in railways and industry in the South lost something.

I am sure President Coolidge wants to be fair and is sincere in his desire to see ample protection accorded the people in the Mississippi Valley, but he places a false construction upon the question when he refers to flood control in this great territory as a reclamation problem. In his message to Congress he said:

It is the land of this region that is to be benefited. To say that it is unable to bear any expense of reclamation is the same thing as saying that it is not worth reclaiming.

The major portion of this territory has long since been reclaimed. Through the untiring efforts and undaunted courage of these patriotic people, and at an enormous expense, this great valley has been developed into the greatest agricultural and food-producing section of the Nation.

Perhaps the Panama Canal represents the crowning glory of American engineering skill. Yet I doubt if that achievement demanded larger heroism and tenacity of purpose, the exercise of greater determination to triumph over nature in the face of almost insuperable obstacles, more patience and endurance, than has the conquest of the region of which we speak and in which our people work and live. Through their efforts it became a veritable paradise whose cities, towns, hamlets, and homes were beehives of hospitality; rich with the honeycombs of smiles and welcomes. A land fanned by the balmy zephyrs of southern seas, clothed with the gorgeous sheen of the most fragrant flowers, and vocal with the silvery melody of nature's choicest songsters. But the floods came destroying the achievements of a century and leaving in its wake death, destruction, and despair. To control these floods is not to reclaim but to protect that which we have already developed. The Mississippi River and its tributaries are national assets, Government owned and Government controlled. Why should not the expenses be a Government responsibility?

As a matter of common defense it is essential that this great valley be protected from the ravages of destructive floods. Its people have never shirked responsibility or failed to respond when duty called. In times of peace it has been one of the greatest wealth-producing and food-producing sections of the country.

In times of war it has furnished man power and fed the armies. When the call was made in the World War the boys from the farm, the workshop, and the factory, from every section of the Nation responded. Upon the battle fields of France they turned apparent defeat into victory for the allied armies and won the plaudits of the world.

Had America's greatest peace time disaster, the 1927 flood, befallen us at some critical period during that great war how different would have been the story, how changed might have been the results, of what magnitude might have been the perils of this Republic. The war demonstrated to the country how essential it is to our general welfare that this great valley be protected. The flood demonstrated to us the great dangers and the false sense of security under which we had labored in the past. If commerce is to be encouraged, the general welfare of the country promoted, if we are to provide for our common defense and human life is to be preserved, the Federal Government should no longer delay in assuming its full responsibility in flood control of the Mississippi River and its tributaries.

It is to be hoped that the ardor manifested by the great leaders of the country in their expressions as the floods subsided, revealing its path of destruction and desolation, may not have weakened with the lapse of time. Let there be no further delay. The people of the valley are in suspense. Faith in Congress is the only thing that is preserving the morale. Let us meet the responsibility and meet it quickly. The whole country will approve our action. Flood control is a problem to be wrestled with by experts, but may I make this suggestion: That whatever plan may be adopted it should be broad enough in scope as to include the tributaries; complete protection can not be afforded otherwise and justice can not be met with less.

Before concluding I want to register my protest against the Jadwin plan as applied to southeast Missouri. Section 125, page 29, of the Jadwin report on flood control, as transmitted by the President of the United States in his message of December 8, 1927, together with a letter from the Secretary of War, provides as a part of said plan to create a flood way in southeast Missouri, in New Madrid and Mississippi Counties, by setting back about 5 miles of the west bank of the Mississippi River levee from Birds Point, opposite Cairo, to St. Johns Bayou, just east of New Madrid, a distance of 70 miles by river below Cairo, to lower the present river bank levee to the extent of 5 feet, and including in said flood way approximately

160,000 acres of the best agricultural land in southeast Missouri, perhaps three-fourths of which is under cultivation, a greater portion thereof held by small landowners, the same being in a high state of cultivation, and having been developed by a remarkable drainage system, constructed by the people of that community at their own expense, and in which the savings of a lifetime in developing farms and building homes have been expended. In carrying out this program it is intended to protect the people of the city of Cairo, Ill. According to many engineers of experience, such a program would be of little, and, perhaps, no protection to Cairo, and would only tend to lull the people of that city into a false sense of security. Of course, we all want to protect Cairo, but we believe that American engineering skill can develop a plan just as economical, that will protect Cairo and save southeast Missouri.

The lands in southeast Missouri affected by this plan carry a heavy bonded indebtedness for drainage and levee purposes, which, with the mortgage indebtedness thereon, have almost, if not quite, reached the point of confiscation. The total bonds and coupons issued in New Madrid County for drainage and levee purposes amount to $7,488,487.33. The total amount in Mississippi County is $3,681,909.67. The total for the nine counties in southeast Missouri affected by the flood is $54,536,142.19. The total amount of bonds paid up to July 1, 1927, was $9,017,814.19. Total amount of coupons paid was $14,069,716.37. Bonds unpaid, $21,113,594.14. Coupons unpaid, $10,335,107.49. The total property damage, as estimated by the Mississippi Flood Control Association as a result of the flood of 1927, was as follows:

Mississippi County	$515,500
New Madrid County	802,078
The total for the nine counties affected was	7,691,265

In addition to the indebtedness above referred to these counties have a large outstanding bonded indebtedness created for the purpose of building roads and the damages to the roads that had been constructed in this territory was enormous. A heavy mortgage indebtedness also exists in this territory as is true of all farming sections throughout the country. The interest installments on the bonds of many of the improvement districts in the flood territory are delinquent. Taxes on much of the land involved are delinquent and to impose additional taxes, or other financial obligations, on the local communities that have been the victims of floods from navigable-controlled streams and thereby rendered unable to pay past due interest installments on bonds and delinquent taxes would be an outrage.

Great drainage projects have been undertaken and completed by the people of southeast Missouri at their own expense; in fact, we find in this territory one of the greatest drainage systems in America. The proposed plan would obstruct the outlets for a number of the canals which have been constructed and destroy to a great extent the system heretofore completed. It has been estimated by competent engineers that it would cost approximately $1,500,000 to make the necessary changes in the drainage system in southeast Missouri should the Jadwin plan be carried out. This additional burden would be imposed upon these unfortunate people. According to the proposed plan the local districts in southeast Missouri would be required to furnish the right of way for the new levee proposed, cut down the old levee to the extent of 5 feet, all at their own expense, pay all damages that might result from the prosecution of the plan, and pay 20 per cent of the cost of construction of all new levees. Local communities are unable financially to consider such a proposition. Not only that, it is glaringly unfair.

In a letter by Mr. M. G. Barnes, chief engineer Illinois waterway construction, directed to Hon. William F. Mulvihill, supervisor Illinois waterway construction, Mr. Barnes says with reference to the Jadwin plan as applied to southeast Missouri:

> It has been estimated that the setting back of these levees will cost upwards of $20,000,000. If local authorities are to pay the cost, what local authorities shall it be—the State of Illinois, which is directly benefited by such action, but is not in any way damaged by the setting back of the levees, or shall the cost be assumed by the State of Missouri, where the taking of land and damaging of other land occurs? The proposed expenditure is for the benefit of Illinois and the damage is in the State of Missouri. Illinois may well set up in court that it should not pay for this damage, inasmuch as her rights were originally encroached upon and this new action is, in a measure, an attempt to remedy the damage already done. Missouri, on the other hand, may say that the remedy does great damage to the interests of her people and does not benefit them, and moreover they may set up that some other remedy may protect Illinois citizens at a lower cost. * * *

I might say that if this plan were carried into execution a vast territory in southeast Missouri, west of the proposed new levee, would be left in as unfortunate, if not in a more perilous condition, than it is to-day. I speak of the territory in the St. Francis and Black River Basin. According to the report of the Mississippi Flood Control Association the property damage to Dunklin County alone in this basin, by reason of the 1927 floods, amounted to $3,078,910. In Butler County the estimated damage was $271,300. In Stoddard County $1,985,350. Their levees are broken and destroyed. Bonds can not be sold for future protection. Many schools are closed. Nine successive floods visited these people in 1927, and it is difficult to picture the deplorable situation that exists. Local communities have continued the unequal struggle to the limit of their resources and to the point of exhaustion. Any plan that is adopted should provide for the protection of this basin.

The counties in southeast Missouri affected by the floods are in as high a state of development as any section of the country, densely populated, filled with schools and churches, interlaced with railroads and has perhaps more mileage of State and Federal highways than any other farming section of its size in the Mississippi Valley. Conditions in this territory are illustrative of what is true of many tributaries and demonstrates that the great trunk-line waterway and its tributaries should be considered as one vast flood-control problem.

As suggested in the beginning it is one of the greatest problems that confronts us. It offers an opportunity for the engineering profession to demonstrate man's ability to do a vaster work in conquering the forces of nature than has heretofore been accomplished. Somewhere a genius is waiting, and when Congress acts, and it should act quickly, another Goethals will be found to guide the engineering skill of America to a successful solution of this great problem. [Applause.]

Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD, and yield back the balance of my time.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to revise and extend his remarks. Is there objection?

There was no objection.

Mr. SIMMONS. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HOOPER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bill (H. R. 11133) making appropriations for the government of the District of Columbia, and other activities chargeable in whole or in part, against the revenues of such District, for the fiscal year ending June 30, 1929, and for other purposes, had come to no resolution thereon.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Craven, its principal clerk, announced that the Senate had passed with amendments a bill of the following title, in which the concurrence of the House of Representatives was requested:

H. R. 10635. An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1929, and for other purposes.

TREASURY DEPARTMENT AND POST OFFICE APPROPRIATION BILL

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 10635), making appropriations for the Treasury and Post Office Departments, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Illinois asks unanimous consent to take from the Speaker's table the bill (H. R. 10635), making appropriations for the Treasury and Post Office Departments, disagree to the Senate amendments, and ask for a conference. Is there objection?

There was no objection; and the Speaker appointed as conferees on the part of the House Mr. MADDEN, Mr. THATCHER, and Mr. BYRNS.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled a bill and joint resolution of the following titles, when the Speaker signed the same:

H. R. 9280. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River approximately midway between the city of Owensboro, Ky., and Rockport, Ind.; and

H. J. Res. 156. Joint resolution authorizing the President to accept the invitation of the British Government to appoint delegates to the Eighth International Dairy Congress, to be

held in Great Britain during June-July, 1928, and providing for an appropriation of $10,000 for the payment of the expenses of the delegates.

LEAVE OF ABSENCE

Mr. LAMPERT, by unanimous consent (at the request of Mr. SCHNEIDER), was granted leave of absence for one week, on account of illness in his family.

SPEECH OF THE LATE HON. CHAMP CLARK

Mr. HAMMER. Mr. Speaker, I ask to do what others of my colleagues have done—printing as a part of my remarks an address delivered by Champ Clark, then Speaker of this House, at the Washington Press Club, to the newly elected Members of Congress on March 16, 1916. This speech was printed the next day in the CONGRESSIONAL RECORD as extension of remarks by Hon. THOMAS BELL, of Georgia, who has himself been a Member of this House 24 years. It has been reprinted by other Members.

The SPEAKER. The gentleman from North Carolina asks unanimous consent to have reprinted in an extension of remarks a speech made by former Speaker Champ Clark. Is there objection?

There was no objection.

Mr. HAMMER. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following:

THE MAKING OF A REPRESENTATIVE

REMARKS OF CHAMP CLARK AT THE WASHINGTON PRESS CLUB RECEPTION, THURSDAY, MARCH 16, 1916

[Printed in CONGRESSIONAL RECORD, March 17, 1916]

It is a high honor to be a Representative in Congress, if for only one term, and with the number of terms the honor increases in geometrical rather than in arithmetical proportion. A Member's usefulness to his country should increase in the same proportion. A man has to learn to be a Representative just as he must learn to be a blacksmith, a carpenter, a farmer, an engineer, a lawyer, or a doctor.

"Poeta nascitur non fit"—a poet is born, not made—says Horace; but Congressmen—that is, useful and influential Congressmen—are made largely by experience and practice.

The old Charlotte district in Virginia knew this and kept John Randolph, of Roanoke, in the House till he became a great national figure. Then the Old Dominion sent him to the Senate and General Jackson sent him to St. Petersburg. There are sporadic cases of similar action in other districts.

It is an unwise performance for any district to change Representatives at short intervals. A new Congressman must begin at the foot of the class and spell up. Of course, the more brains, tact, energy, courage, and industry he has the quicker he will get up. If he possesses these qualities, and if his constituents will keep him in the House, he is as certain to rise as the sparks are to fly upward. No human power can keep him down. It is only fair and rational to assume that every Representative's constituents desire to see him among the "top-notchers."

Let us take the present House and see how long the men who hold the high places have served. I can not name all, but will cite a few as samples.

Mr. Speaker Cannon is serving his fortieth year. He holds the record, or, in pugilistic parlance, "he holds the belt," for length of service in the House in our entire history. In several Congresses he was chairman of the great Committee on Appropriations and then was Speaker eight years, only one man—Henry Clay—having been Speaker longer.

I am serving my twenty-second year; Minority Leader Mann is serving his twentieth year; Mr. Kitchin, chairman of Ways and Means, his sixteenth; Mr. Fitzgerald, chairman of Appropriations, his eighteenth; Mr. Moon, chairman of the Post Office and Post Roads, his twentieth; Mr. Jones, chairman of Insular Affairs and "father of the House," his twenty-sixth; Mr. Flood, chairman of Foreign Affairs, his sixteenth; Mr. Hay, chairman of Military Affairs, his twentieth; Mr. GLASS, chairman of Banking and Currency, his sixteenth; Mr. Adamson, chairman of Interstate and Foreign Commerce, his twentieth; Mr. Stephens, chairman of Indian Affairs, his twentieth; Mr. Slayden, chairman of the Library, his twentieth; Mr. Henry, chairman of Rules, his twentieth; Mr. Lever, chairman of Agriculture, his sixteenth; Mr. Padgett, chairman of the Navy, his sixteenth; Mr. Lloyd, chairman of Accounts, his twentieth; and Mr. Sparkman, chairman of Rivers and Harbors, his twenty-second. There are other big chairmanships, but these will suffice to show that as a rule the big places go to old and experienced Members, for most of the men who rank close to the chairmen are old timers. The same thing holds good with reference to members of the minority. As an illustration, Messrs. GILLETT and COOPER, who are serving their twenty-fourth year, are the ranking Republicans on Appropriations and Foreign Affairs, almost certain to be chairmen thereof should the Republicans ever again have a majority in the House, as in that event, in all probability, Mr. Mann will be Speaker, unless he is nominated for President next June.

Go through the whole list and you will find, with few exceptions, that the men of long service have the high places.

New England and the cities of Philadelphia and Pittsburgh have understood the value of long service all along, and, having elected a fairly good man to Congress, they keep him in the harness.

The Member of longest consecutive service is called "the father of the House." Five Philadelphians in immediate succession bore that honorable title—Randall, Kelley, O'Neill, Harmer, and Bingham. Then it went to Mr. Dalzell, of Pittsburgh. When General Bingham announced the death of General Harmer, his immediate predecessor as "the father of the House," he stated that the five Philadelphia "fathers of the House" had served a total of 147 years, and he served 8 or 10 years after making that interesting statement.

In the second and third Congresses in which I served, Maine, with only four Members, had the Speakership and the chairmanship of the great Committees on Ways and Means, Navy, and Public Buildings and Grounds—a most remarkable circumstance, giving the Pine Tree State an influence in the House and the country out of all proportion to her population and wealth. These four men—Reed, Dingley, Boutelle, and Millikin—each served in the House 20 years or more. Other States might profit by her example.

No man should be elected to the House simply to gratify his ambition. All Members should be elected for the good of the country.

The best rule, it seems to me, is for a district to select a man with at least fair capacity, industrious, honest, energetic, sober, and courageous, and keep him here so long as he discharges his duties faithfully and well. Such a man will gradually rise to high position and influence in the House. His wide acquaintance with Members helps him amazingly in doing things.

I can speak freely on the subject without violating the proprieties, for my constituents have kept me here 22 years, and for 20 years have given me nominations without opposition, for all of which favors I thank them from the bottom of my heart. Their generous action and unwavering friendship have enabled me to devote all my time to the public service. I have not been compelled to spend any portion of my time in "mending my fences." My constituents have attended to that. God bless them!

One other thing. I do not know what committee assignments you new Members secured. If they are good, you are to be congratulated. If bad, do not be cast down. No congressional tenderfoot ever had poorer assignments than I had—Claims and Old Pensions—but I never complained or kicked. I went to work as though those committees suited me exactly. Here is an illustration of what may happen and how luck plays an important part. I was next to top Democrat on both Foreign Affairs and Patents for eight years—never advanced a peg so far as committees went. Just when, at the beginning of the ninth year on those two committees, I was about to become top Democrat on Foreign Affairs, Hon. John Sharp Williams, then minority leader, assigned me to the foot of Ways and Means, and at the end of four years, through the happenings of politics in five different States, I jumped from the foot to the head of the Democratic minority on Ways and Means. So it may be with you. Events over which you have no control may advance you more rapidly than you dream of or hope for. My advice is this: "Whatever your hands find to do, do it with your might."

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. SIMMONS. Mr. Speaker, I ask unanimous consent that the general debate on the District of Columbia appropriation bill, H. R. 11133, be limited to two hours and a half, two hours to be controlled by the gentleman from Pennsylvania [Mr. CASEY] and 30 minutes to be controlled by myself.

The SPEAKER. The gentleman from Nebraska asks unanimous consent that the general debate on the District of Columbia appropriation bill be limited to two hours and a half, two hours to be controlled by the gentleman from Pennsylvania and 30 minutes to be controlled by himself. Is there objection?

There was no objection.

ADJOURNMENT

Mr. SIMMONS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 20 minutes p. m.) the House adjourned, pursuant to the previous order, until to-morrow, Wednesday, February 22, 1928, at 11 o'clock a. m.

COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for Wednesday, February 22, 1928, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON APPROPRIATIONS

(10 a. m.)

Navy Department appropriation bill.

COMMITTEE ON INDIAN AFFAIRS

(10 a. m.)

To provide for the purchase of land, livestock, and agricultural equipment for the Alabama and Coushatta Indians in Polk County, Texas (H. R. 5479).

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. COLTON: Committee on Elections No. 1. A report on the contested-election case of W. H. Clark *v.* Hays B. White, sixth district of Kansas (Rept. No. 717). Referred to the House Calendar.

Mr. UNDERHILL: Committee on the District of Columbia. H. R. 10869. A bill amending section 764 of Subchapter XII, fraternal beneficial associations, of the Code of Law for the District of Columbia; without amendment (Rept. No. 718). Referred to the House Calendar.

Mr. BLANTON: Committee on the District of Columbia. H. R. 10147. A bill to provide a complete code of insurance law for the District of Columbia (excepting marine insurance as now provided for by the act of March 4, 1922, and fraternal and benevolent insurance associations or orders as provided for by the act of March 3, 1901), and for other purposes; with amendment (Rept. No. 719). Referred to the Committee of the Whole House on the state of the Union.

Mr. SINNOTT: Committee on the Public Lands. H. R. 11020. A bill validating certain applications for and entries of public lands; without amendment (Rept. No. 720). Referred to the Committee of the Whole House on the state of the Union.

Mr. PERKINS: Committee on Coinage, Weights, and Measures. H. R. 11078. A bill to provide for the coinage of medals in commemoration of the achievements of Col. Charles A. Lindbergh, and for other purposes; with amendment (Rept. No. 721). Referred to the Committee of the Whole House on the state of the Union.

Mr. PERKINS: Committee on Coinage, Weights, and Measures. H. J. Res. 192. A joint resolution to provide for the coinage of a medal in commemoration of the achievements of Col. Charles A. Lindbergh; without amendment (Rept. No. 722). Referred to the Committee of the Whole House on the state of the Union.

Mr. PEERY: Committee on Interstate and Foreign Commerce. S. 797. An act granting the consent of Congress to the J. K. Mahone Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River at or near Wellsburg, W. Va.; with amendment (Rept. No. 723). Referred to the House Calendar.

Mr. WYANT: Committee on Interstate and Foreign Commerce. S. 1498. An act to extend the time for the construction of a bridge across the Chesapeake Bay, and to fix the location of said bridge; with amendment (Rept. No. 724). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 10566. A bill granting the consent of Congress to the city of Peoria, Peoria County, Ill., to construct, maintain, and operate a free highway bridge across the Illinois River at or near Peoria, Ill.; without amendment (Rept. No. 725). Referred to the House Calendar.

Mr. ROBINSON of Iowa: Committee on Interstate and Foreign Commerce. H. R. 10658. A bill authorizing the Interstate Bridge Co., its successors and assigns (or his or their heirs, legal representatives, and assigns), to construct, maintain, and operate a bridge across the Missouri River at or near Decatur, Nebr.; with amendment (Rept. No. 726). Referred to the House Calendar.

Mr. WYANT: Committee on Interstate and Foreign Commerce. H. R. 10707. A bill authorizing the Point Marion Community Club, of Point Marion, Pa., its successors and assigns, to construct, maintain, and operate a bridge across the Monongahela River at or near Point Marion, Pa.; without amendment (Rept. No. 727). Referred to the House Calendar.

Mr. COOPER of Ohio: Committee on Interstate and Foreign Commerce. H. R. 10756. A bill authorizing the State of Indiana to construct, maintain, and operate a toll bridge across the Miami River, between Lawrenceburg, Dearborn County, Ind., and a point in Hamilton County, Ohio, near Columbia Park, Hamilton County, Ohio; without amendment (Rept. No. 728). Referred to the House Calendar.

Mr. HOCH: Committee on Interstate and Foreign Commerce. H. R. 10806. A bill authorizing the city of Atchison, Kans., and the county of Buchanan, Mo., or either of them, to construct, maintain, and operate a toll bridge across the Missouri River at or near Atchison, Kans.; without amendment (Rept. No. 729). Referred to the House Calendar.

Mr. MAPES: Committee on Interstate and Foreign Commerce. H. R. 11026. A bill to provide for the coordination of the public-health activities of the Government, and for other purposes; with amendment (Rept. No. 733). Referred to the Committee of the Whole House on the state of the Union.

Mr. YON: Committee on the Public Lands. S. 2021. An act extending and continuing to January 12, 1930, the provisions of "An act authorizing the Secretary of the Interior to determine and confirm by patent in the nature of a deed of quitclaim the title to lots in the city of Pensacola, Fla.," approved January 12, 1925; with amendment (Rept. No. 734). Referred to the Committee of the Whole House on the state of the Union.

Mr. ZIHLMAN: Committee on the District of Columbia. H. R. 9346. A bill to fix the salaries of officers and members of the Metropolitan police force, and the fire department of the District of Columbia," with amendment (Rept. No. 735). 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. FROTHINGHAM: Committee on Military Affairs. H. R. 3170. A bill for the relief of Franklin B. Morse; with amendment (Rept. No. 730). Referred to the Committee of the Whole House.

Mr. JOHNSON of Illinois: Committee on Military affairs. H. R. 4687. A bill to correct the military record of Albert Campbell; with amendment (Rept. No. 731). Referred to the Committee of the Whole House.

Mr. COLTON: Committee on the Public Lands. H. R. 10038. A bill for the relief of Wilford W. Caldwell; without amendment (Rept. No. 732). 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. 11172) granting a pension to Charles R. Fischer, 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. COMBS: A bill (H. R. 11264) granting the consent of Congress to the Randolph Bridge & Terminal Co., a corporation, its successors and assigns, to construct, maintain, and operate a railroad bridge across the Missouri River near Randolph, Mo.; to the Committee on Interstate and Foreign Commerce.

By Mr. ENGLAND: A bill (H. R. 11265) authorizing Cabin Creek Kanawha Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Kanawha River at or near Cabin Creek, W. Va.; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 11266) authorizing the Nitro Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Kanawha River at or near St. Albans, Kanawha County, W. Va.; to the Committee on Interstate and Foreign Commerce.

By Mr. CARSS: A bill (H. R. 11267) authorizing the Board of County Commissioners of Itasca County, Minn., to construct, maintain, and operate a free highway bridge across the Mississippi River at or near the north line of section 35, township 144 north, range 25 west; to the Committee on Interstate and Foreign Commerce.

By Mr. BLAND: A bill (H. R. 11268) for the improvement of Monroe Bay and Creek, Va.; to the Committee on Rivers and Harbors.

By Mr. DICKINSON of Missouri: A bill (H. R. 11269) to amend the World War veterans' act, as amended; to the Committee on World War Veterans' Legislation.

By Mr. DYER: A bill (H. R. 11270) to adjust the salaries of criers and bailiffs of the United States district courts; to the Committee on the Judiciary.

By Mr. GOODWIN: A bill (H. R. 11271) to abolish the national-origins method of determining quotas under the immigration act of 1924; to the Committee on Immigration and Naturalization.

By Mr. JACOBSTEIN: A bill (H. R. 11272) to amend the World War veterans' act, 1924, as amended; to the Committee on World War Veterans' Legislation.

By Mr. McSWAIN: A bill (H. R. 11273) to amend section 127a, national defense act, as amended, and approved June 4, 1920; to the Committee on Military Affairs.

Also, a bill (H. R. 11274) to aid and encourage educational work in the several States and Territories; to the Committee on the Post Office and Post Roads.

By Mr. MERRITT (by request): A bill (H. R. 11275) to retard the extermination of migratory game and legitimate sport by the reduction of bag limits and open seasons; to the Committee on Agriculture.

By Mr. LEAVITT (by request): A bill (H. R. 11276) to authorize an appropriation from tribal funds to pay part of the cost of the construction of a road on the Crow Indian Reservation, Mont.; to the Committee on Indian Affairs.

By Mr. PORTER: A bill (H. R. 11277) to amend the act entitled "An act for the reorganization and improvement of the Foreign Service of the United States, and for other purposes," approved May 24, 1924; to the Committee on Foreign Affairs.

By Mr. SHALLENBERGER: A bill (H. R. 11278) providing for the construction of certain works in the State of Nebraska; to the Committee on Flood Control.

By Mr. SUTHERLAND: A bill (H. R. 11279) authorizing the Postmaster General to establish a uniform system of registration of mail matter, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. WARREN: A bill (H. R. 11280) to authorize the appriation of an emergency relief fund to be expended by the Secretary of Agriculture in the repair of highways and bridges damaged or destroyed by floods; to the Committee on Roads.

By Mr. YON: A bill (H. R. 11281) to authorize the disposition of certain public lands in the State of Florida; to the Committee on the Public Lands.

Also, a bill (H. R. 11282) to amend an act granting pensions and increase of pensions to certain soldiers and sailors of the war with Spain, the Philippine insurrection, or the China relief expedition, to certain maimed soldiers, to certain widows, minor children, and helpless children of such soldiers and sailors, and for other purposes, approved May 1, 1926; to the Committee on Pensions.

By Mr. EVANS of California: A bill (H. R. 11283) for the apportionment of Representatives in Congress; to the Committee on the Census.

By Mr. KENT: A bill (H. R. 11284) for the relief of certain officers of the Dental Corps of the United States Navy; to the Committee on Naval Affairs.

By Mr. CRAMTON: A bill (H. R. 11285) to establish Federal prison camps; to the Committee on the Judiciary.

By Mr. EDWARDS: A bill (H. R. 11286) to establish a farm relief and finance corporation to aid in the orderly marketing, control, and handling of surplus agricultural products, and for other purposes; to the Committee on Agriculture.

By Mr. PORTER: Joint resolution (H. J. Res. 211) to amend public resolution 65, approved March 3, 1925, authorizing the participation of the United States Government in the international exposition to be held in Seville, Spain; to the Committee on Foreign Affairs.

By Mr. FISH: Joint resolution (H. J. Res. 212) providing that in all civil-service examinations for appointment to positions under the Federal Government or the District of Columbia honorably discharged soldiers, sailors, and marines shall have five points added, and all such soldiers, sailors, and marines who because of disability are entitled to pension under the pension laws or to compensation under the World War veterans' act, 1924, shall have 10 points added, and for other purposes; to the Committee on the Civil Service.

By Mr. WHITE of Colorado: Concurrent resolution (H. Con. Res. 21) requiring scientific study of values and relative values by the Bureau of Standards; to the Committee on Coinage, Weights, and Measures.

By Mr. CELLER: Resolution (H. Res. 119) that the President authorize the heads of all departments and bureaus to speed up the execution of plans for Government building and construction; to the Committee on Labor.

MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

By Mr. ALDRICH: Memorial of the Legislature of the State of Rhode Island, requesting action on the part of the Government to improve the East Harbor and channel from the sea thereto at Block Island, R. I.; to the Committee on Rivers and Harbors.

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. 11287) granting an increase of pension to Louisa Donnelly; to the Committee on Invalid Pensions.

By Mr. BUTLER: A bill (H. R. 11288) for the relief of Lieut. Commander W. L. Culbertson; to the Committee on Naval Affairs.

By Mr. DAVEY: A bill (H. R. 11289) for the relief of Katherina Kautz and Fred. G. Kautz, heirs of the estate of Christian F. Kautz, deceased; to the Committee on Claims.

By Mr. DE ROUEN: A bill (H. R. 11290) to provide for a survey of the Lake Charles Deep Water Channel, La., with a view to maintaining same, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. FISHER: A bill (H. R. 11291) granting a pension to Abe Erlich; to the Committee on Pensions.

By Mr. HICKEY: A bill (H. R. 11292) granting an increase of pension to Mary A. Grubb; to the Committee on Invalid Pensions.

By Mr. HOGG: A bill (H. R. 11293) granting an increase of pension to Dorothy J. Edgar; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11294) granting an increase of pension to Mary A. Schell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11295) granting a pension to Bertha M. Freeze; to the Committee on Pensions.

Also, a bill (H. R. 11296) granting an increase of pension to Mary A. Strawn; to the Committee on Invalid Pensions.

By Mr. KADING: A bill (H. R. 11297) granting an increase of pension to Esther Ostrander; to the Committee on Invalid Pensions.

By Mr. KEARNS: A bill (H. R. 11298) granting an increase of pension to Adelaide Durrum; to the Committee on Invalid Pensions.

By Mr. KENT: A bill (H. R. 11299) to grant accrued pension to Mary L. Christman; to the Committee on Pensions.

Also, a bill (H. R. 11300) granting a pension to Sadie Stepp; to the Committee on Pensions.

By Mr. McLAUGHLIN: A bill (H. R. 11301) granting a pension to Wesley H. Crockett; to the Committee on Pensions.

By Mr. MONAST: A bill (H. R. 11302) granting an increase of pension to Elvira M. Barnefield; to the Committee on Invalid Pensions.

By Mr. MONTAGUE: A bill (H. R. 11303) for the relief of Georgia L. Washington; to the Committee on Claims.

By Mrs. LANGLEY: A bill (H. R. 11304) granting a pension to Lillie Witt; to the Committee on Pensions.

Also, a bill (H. R. 11305) granting a pension to Arthur Lynch; to the Committee on Pensions.

Also, a bill (H. R. 11306) for the relief of Henry M. Hutchinson; to the Committee on the Civil Service.

By Mr. LEATHERWOOD: A bill (H. R. 11307) granting a pension to Mary Ann Webb; to the Committee on Pensions.

By Mr. LOZIER: A bill (H. R. 11308) granting an increase of pension to Amanda E. Bailey; to the Committee on Invalid Pensions.

By Mr. PEERY: A bill (H. R. 11309) to provide for the appointment of Ensign Preston G. Locke, Supply Corps, United States Navy, as an officer of the line of the Navy; to the Committee on Naval Affairs.

By Mr. REECE: A bill (H. R. 11310) granting a pension to Roe Simerly; to the Committee on Pensions.

Also, a bill (H. R. 11311) granting a pension to Charles Brown; to the Committee on Pensions.

Also, a bill (H. R. 11312) granting a pension to Sexton Pierce; to the Committee on Pensions.

Also, a bill (H. R. 11313) granting a pension to Walker Cooper; to the Committee on Pensions.

Also, a bill (H. R. 11314) granting a pension to Susan M. Hammond; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11315) granting a pension to Roderick R. Burrow; to the Committee on Pensions.

Also, a bill (H. R. 11316) granting an increase of pension to Evaline Jenkins; to the Committee on Invalid Pensions.

By Mr. ROBINSON of Iowa: A bill (H. R. 11317) granting an increase of pension to Lizzie S. Williams; to the Committee on Invalid Pensions.

By Mr. STOBBS: A bill (H. R. 11318) granting an increase of pension to Eliza H. Raitt; to the Committee on Invalid Pensions.

By Mr. SWICK: A bill (H. R. 11319) granting an increase of pension to Marie C. Frazier; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11320) granting an increase of pension to Virginia Black; to the Committee on Invalid Pensions.

By Mr. UNDERHILL: A bill (H. R. 11321) to allow credits in the accounts of certain disbursing officers of the United States Veterans' Bureau; to the Committee on Claims.

By Mr. VINSON of Georgia: A bill (H. R. 11322) granting an increase of pension to Clark Brown; to the Committee on Pensions.

By Mr. WHITE of Colorado: A bill (H. R. 11323) for the relief of N. Maxey Tabor; to the Committee on the Public Lands.

By Mr. WOLVERTON: A bill (H. R. 11324) granting an increase of pension to Rebecca Lindsay; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11325) granting an increase of pension to Sarah Comstock; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11326) granting an increase of pension to Ida Custis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11327) granting an increase of pension to Mary A. Evans; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11328) granting an increase of pension to Emma L. Myers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11329) granting an increase of pension to Mary E. Hurley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11330) granting an increase of pension to Mary Boylen; to the Committee on Invalid Pensions.

By Mr. HUGHES: Resolution (H. Res. 118) to increase the salaries of the employees of House of Representatives; to the Committee on Accounts.

By Mr. SMITH: Resolution (H. Res. 120) to provide an assistant clerk to the Committee on Irrigation and Reclamation; to the Committee on Accounts.

PETITIONS, ETC.

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

4260. By Mr. BACHMANN: Petition of Mrs. Hugh R. Wilson and 84 other citizens of Wheeling, W. Va., protesting against the Lankford compulsory Sunday observance bill; to the Committee on the District of Columbia.

4261. Also, petition of the International Molders' Union of North America, Local No. 364, Wheeling, W. Va., favoring the Cooper-Hawes bill (H. R. 7729 and S. 1940); to the Committee on Labor.

4262. By Mr. BURTON: Resolutions of members of Friends Chapel Monthly Meeting, Vermillion Quarterly Meeting of the Society of Friends, opposing the ambitious program for an immense increase in naval construction; to the Committee on Naval Affairs.

4263. By Mr. CANFIELD: Petition of Misses Angeline and Maggie Webster and 85 other citizens of Sunman, Ind., protesting against the passage of the Sunday observance bill, known as House bill 78; to the Committee on the District of Columbia.

4264. By Mr. CARSS: Petition of Hubert S. Reinarz and 19 other residents of Gemmell, Minn., urging immediate steps be taken to bring to a vote a Civil War pension bill proposed by the National Tribune; to the Committee on Invalid Pensions.

4265. By Mr. CHALMERS: Resolution indorsing the passage of the Morgan bill (H. R. 15487), which provides for increase in pensions of the aged widows of Civil War veterans and makes some increase to the old veterans; to the Committee on Invalid Pensions.

4266. By Mr. COCHRAN of Pennsylvania: Petition of Frank Gilbert, mayor of Sharon, Pa., and 119 other residents of Sharon, advocating increase of pensions for Civil War veterans and their widows; to the Committee on Invalid Pensions.

4267. By Mr. COLE of Iowa: Petition of C. L. Pitzer, of Cedar Rapids, Iowa, and 84 other signers, residents of Cedar Rapids, Iowa, protesting the passage of House bill 78, or any compulsory Sunday bills that have been introduced; to the Committee on the District of Columbia.

4268. By Mr. COMBS (by request): Petition advocating a measure carrying the following provisions: $72 per month for every Civil War survivor, $125 per month for every Civil War survivor requiring aid and attendance, and $50 per month for every Civil War widow; to the Committee on Invalid Pensions.

4269. By Mr. CRAIL: Petition of sundry citizens of Los Angeles County, Calif., protesting against immigration; to the Committee on Immigration and Naturalization.

4270. Also, petition of sundry citizens of Los Angeles County, Calif., protesting against the passage of the Brookhart motion picture bill (S. 1667); to the Committee on Interstate and Foreign Commerce.

4271. Also, petition of sundry citizens of Los Angeles County, Calif., for House bill 500 and Senate bill 777, for the relief of the permanently disabled emergency officers of the World War; to the Committee on World War Veterans' Legislation.

4272. By Mr. DENISON: Petition of various citizens of Jackson County, Ill., urging that immediate steps be taken to bring to a vote a Civil War pension bill; to the Committee on Invalid Pensions.

4273. By Mr. EATON: Petition of 45 residents of Somerset County, N. J., against House bill 78; to the Committee on the District of Columbia.

4274. By Mr. ENGLEBRIGHT: Resolution of Vallejo Typographical Union No. 389, Vallejo, Calif., indorsing Senate bill 1605; to the Committee on Naval Affairs.

4275. By Mr. GALLIVAN: Petition of William A. Henry, 19 Juliette Street, Dorchester, Mass., recommending early and favorable consideration of House bill 10644, which provides for increases in salaries for the personnel of the customs service; to the Committee on Ways and Means.

4276. By Mr. GOODWIN: Petition by M. B. Hagen and 21 other residents of Hopkins, Minn., in favor of an increase in the pension for the Union veterans of the Civil War and the widows of such veterans; to the Committee on Invalid Pensions.

4277. Also, petition of Mrs. M. Walter and nine other residents of Hinckley, Minn., in opposition to the provisions of House bill 78, the Lankford Sunday observance bill, being enacted into law; to the Committee on the District of Columbia.

4278. By Mr. GRIEST: Petition of Washington Camp, No. 209, Patriotic Order Sons of America, Columbia, Pa., urging restriction of immigration, strengthening of naturalization laws, and registration of aliens; to the Committee on Immigration and Naturalization.

4279. By Mr. HADLEY: Petition of a number of residents of King County, Wash., protesting against the Lankford Sunday closing bill; to the Committee on the District of Columbia.

4280. Also, petition of residents of Langley, Wash., protesting against the Lankford Sunday closing bill; to the Committee on the District of Columbia.

4281. Also, petition of residents of Snohomish, Wash., and vicinity, protesting against the Lankford Sunday closing bill; to the Committee on the District of Columbia.

4282. Also, petition of residents of Mount Vernon, Wash., protesting against the Lankford Sunday closing bill; to the Committee on the District of Columbia.

4283. Also, petition of residents of Hadlock, Wash., protesting against the Lankford Sunday closing bill; to the Committee on the District of Columbia.

4284. By Mr. HAUGEN: Petition of four citizens of Allamakee County, Iowa, protesting against the enactment of House bill 78, or any other national religious legislation which may be pending; to the Committee on the District of Columbia.

4285. By Mr. HUDSON: Petition of citizens of Ingham County and Detroit, Mich., protesting against the enactment of the proposed billion-dollar expansion program of our Navy and urging armament reduction and the cultivation of good will and confidence among all nations; to the Committee on Naval Affairs.

4286. Also, resolution of Capitol Methodist Association, of Lansing, Mich., representing 40 churches in the county of Ingham, State of Michigan, protesting against the enactment of the proposed naval expansion program; to the Committee on Naval Affairs.

4287. Also, petition of citizens of the sixth congressional district of Michigan, protesting against the passage of House bill 78, commonly known as the compulsory Sunday observance bill; to the Committee on the District of Columbia.

4288. Also, petition of citizens of Lansing, Mich., urging the enactment of higher rates of pensions for the veterans of the Civil War and for their widows; to the Committee on Invalid Pensions.

4289. By Mr. FRENCH: Petition of 152 citizens of Coeur d'Alene, Idaho, protesting against enactment of House bill 78, or any compulsory Sunday observance legislation; to the Committee on the District of Columbia.

4290. By Mr. KINDRED: Resolution by the Association for the Protection of the Adirondacks, opposing the so-called McNary-Woodruff bill (S. 1181) in so far as it relates to the State of New York, and protesting that the policy of the bill would be an invasion of the rights of the State; to the Committee on Agriculture.

4291. By Mr. KNUTSON: Petition signed by Mrs. F. E. Haskin, of Philbrook, Minn., and others, protesting against compulsory Sunday observance legislation (H. R. 78); to the Committee on the District of Columbia.

4292. Mr. McKEOWN: Petition of H. L. Gilbert and other citizens of Wewoka, Okla., protesting the passage of compulsory Sunday observance law; to the Committee on the District of Columbia.

4293. By Mr. MANLOVE: Petition signed by 144 citizens of Joplin, Mo., including George H. Davenport, protesting against the Lankford compulsory Sunday observance bill; to the Committee on the District of Columbia.

4294. Also, petition signed by 17 citizens of McDonald County, Mo., including J. F. DeGroat and Miles A. Elliff, protesting against the Lankford compulsory Sunday observance bill; to the Committee on the District of Columbia.

4295. Also, petition signed by 74 citizens of Nevada, Mo., including A. G. Hoover and Earl Dickson, protesting against the Lankford compulsory Sunday observance bill; to the Committee on the District of Columbia.

4296. Also, petition signed by 58 citizens of Newton County, Mo., including Mr. and Mrs. F. S. Hardiman, A. Whipple, and W. M. Melton, protesting against the Lankford compulsory Sunday observance bill; to the Committee on the District of Columbia.

4297. Also, petition signed by 42 citizens of Nevada, Mo., including George Osborn and F. J. Maxwell, protesting against the Lankford compulsory Sunday observance bill; to the Committee on the District of Columbia.

4298. Also, petition signed by 38 citizens of Carthage, Mo., including Mrs. Hugh Root, Mrs. S. I. Barton, and Mrs. P. E. Vance, protesting against the Lankford compulsory Sunday observance bill; to the Committee on the District of Columbia.

4299. Also, petition signed by 74 citizens of Carthage, Mo., including Mrs. Fred Barnard and L. L. Stanley, protesting against the Lankford compulsory Sunday observance bill; to the Committee on the District of Columbia.

4300. By Mr. MARTIN of Massachusetts: Petition of Maud E. Codding and 19 other residents of Mansfield, Mass., protesting against the so-called compulsory Sunday observance bill; to the Committee on the District of Columbia.

4301. By Mr. MORROW: Petition of citizens of Santa Fe, Socorro County, and Roswell, N. Mex., protesting against House bill 78, compulsory Sunday observance for the District of Columbia; to the Committee on the District of Columbia.

4302. By Mr. O'CONNELL: Petition of the Waterman Fountain Pen Co., New York, N. Y., favoring the passage of the Cuban parcel post bill (H. R. 9195); to the Committee on Ways and Means

4303. Also, petition of the International Association of Policewomen, favoring the passage of Senate bill 1907 and House bill 6664; to the Committee on the District of Columbia.

4304. By Mr. RATHBONE: Petition by voters of Chicago, Ill., urging that immediate steps be taken to bring to a vote a Civil War pension bill in order that relief may be accorded to veterans and their widows; to the Committee on Invalid Pensions.

4305. By Mr. REID of Illinois: Petition from citizens of Kane County, Ill., in behalf of legislation for Civil War veterans and their widows; to the Committee on Invalid Pensions.

4306. By Mr. ROMJUE: Petition of Roy H. Campbell, Charles M. Fore, et al., of Wayland, Mo., to bring to a vote a Civil War pension bill carrying the rates proposed by the National Tribune; to the Committee on Invalid Pensions.

4307. By Mr. SELVIG: Resolution of Clinton Emmerson and 13 adult citizens, of Detroit Lakes, Minn., protesting against the passage of House bill 78; to the Committee on the District of Columbia.

4308. Also, resolution of Gudvangen Lodge, No. 316, Sons of Norway, Fosston, Minn., favoring the repeal of the national-origins clause of the present immigration act; to the Committee on Immigration and Naturalization.

4309. Also, resolution of Brage Lodge, No. 75, Sons of Norway, Fertile, Minn., favoring the repeal of the national-origins clause of the present immigration act; to the Committee on Immigration and Naturalization.

4310. By Mr. THURSTON: Petition of 79 citizens of Osceola, Iowa, protesting against House bill 78, or the compulsory Sunday observance bill; to the Committee on the District of Columbia.

4311. By Mr. SWICK: Petition of Mrs. W. L. Daubenspeck and 21 other residents, of Fairview Boro, Pa., in support of a bill providing pensions of $72 per month for every survivor of the Civil War, $125 per month for every Civil War survivor requiring aid and attendance, and $50 per month for every Civil War widow; to the Committee on Pensions.

4312. Also, petition of Ashley H. Hill and 72 other residents, of New Castle and Lawrence County, Pa., in support of a pension bill for Civil War veterans and their widows, providing $72 per month for every Civil War survivor, $125 per month for every Civil War survivor requiring aid and attendance, and $50 per month for every widow; to the Committee on Pensions.

4313. By Mr. WARE: Petition protesting against passage of House bill 78, by citizens of Campbell County, Ky.; to the Committee on the District of Columbia.

4314. By Mr. WATSON: Resolution passed by the Clerical Brotherhood of the Protestant Episcopal Church of the diocese of Pennsylvania, in opposition to a big naval program; to the Committee on Naval Affairs.

4315. By Mr. WELSH of Pennsylvania: Petition against compulsory Sunday observance legislation; to the Committee on the District of Columbia.

4316. By Mr. WHITE of Colorado: Petition of sundry citizens of Denver, Colo., advocating the early enactment of pending legislation to increase the rates of pension to veterans of the Civil War and their widows; to the Committee on Invalid Pensions.

4317. By Mr. WYANT: Petition of Irwin Council, No. 44, Junior Order United American Mechanics, 500 members, favoring legislation to extend quota restrictions on immigration from Mexico, West Indies, and countries of Central and South America, and also reduction of total quota immigration to a maximum of 80,000 per annum; to the Committee on Immigration and Naturalization.

4318. Also, petition of B. F. Isenberg, of Huntingdon, Pa., favoring passage of a bill to make the battle field of Bentonville, N. C., a national park; to the Committee on Military Affairs.

4319. Also, petition of Philadelphia Chamber of Commerce, favoring passage of Cuban parcel post bill (H. R. 9195); to the Committee on Ways and Means.

4320. Also, petition of Virginia division, Travelers Protective Association of America, favoring passage of House bill 5588; to the Committee on Interstate and Foreign Commerce.

4321. Also, petition of Dixie Post, No. 64, Veterans of Foreign Wars, indorsing Senate bill 2303 and House bill 8560; to the Committee on Pensions.

4322. Also, petition of Associated Pennsylvania Constructors, protesting against policy of United States Engineer Corps as applying to Government construction work; to the Committee on Military Affairs.

4323. Also, petition of Women's International League for Peace and Freedom, disapproving of naval appropriations bill; to the Committee on Appropriations.

4324. Also, petition of Mrs. William M. Glass, member of executive committee of agricultural extension work of Westmoreland County, Greensburg, Pa., favoring passage of the Capper-Ketcham bill; to the Committee on Agriculture.

4325. Also, petition of the Merchants' Association of New York, favoring passage of House bill 8557; to the Committee on Interstate and Foreign Commerce.

4326. By Mr. ZIHLMAN: Petition of Charles T. Reese, of Trego, and numerous other residents of Washington County, Md., protesting against the enactment of House bill 78, or any compulsory Sunday observance bill; to the Committee on the District of Columbia.

4327. Also, petition of Mrs. Carl Brown, of Sandy Spring, and 27 other citizens of Montgomery County, Md., protesting against the enactment of House bill 78, or any other bill enforcing the observance of Sunday; to the Committee on the District of Columbia.

4328. By Mr. WILLIAM E. HULL: Petition of A. L. Johnson and others, protesting against the passage of any compulsory Sunday observance bill for the District of Columbia; to the Committee on the District of Columbia.

4329. Also, petition of Grace Wolfinger and other residents of Smithsburg, Md., protesting against the enactment of any compulsory Sunday observance bill; to the Committee on the District of Columbia.

SENATE

WEDNESDAY, *February 22, 1928*

The Senate met at 11 o'clock a. m.

Rev. Joseph R. Sizoo, D. D., pastor of the New York Avenue Presbyterian Church, in the city of Washington, offered the following prayer:

God of our fathers, God of the ages, our God, we thank Thee that in times of crises when the resources of man shrivel the resources of God unfold. On this day of days we pause to acknowledge again that guidance in the affairs of our lives.

We bless Thee for the heritage of one whom we have always called the Father of our Country. We can not exalt him always above praise or blame, but we can exalt ourselves by living out the forces he set in motion. Unto that end give us courage in waiting and patience by all high resolves, so that through our