of contracts connected with the prosecution of the war, and for other purposes," approved March 2, 1919, as amended; with amendment (Rept. No. 1098). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COLLINS: A bill (H. R. 12603) to establish and maintain a pecan experiment station at or near Newton, Miss.; to the Committee on Agriculture.

By Mr. HASTINGS: A bill (H. R. 12604) authorizing an advancement of certain funds standing to the credit of the Creek Nation in the Treasury of the United States to be paid to one of the attorneys for the Creek Nation, and for other purposes; to the Committee on Indian Affairs.

By Mr. KENDALL: A bill (H. R. 12605) to enable the Postmaster General to purchase and erect community mail boxes on rural routes and to rent compartments of such boxes to patrons of rural delivery; to the Committee on the Post Office and Post Roads.

By Mr. WOODRUM: A bill (H. R. 12606) to amend the salary rates contained in the compensation schedules of the act of March 4, 1923, entitled "An act to provide for the classification of civilian positions within the District of Columbia, and in the field services"; to the Committee on the Civil Service.

By Mr. TILSON: A bill (H. R. 12607) authorizing the Secretary of the Navy, in his discretion, to deliver to the custody of Naval Post 110 of the American Legion the bell of the battleship *Connecticut;* to the Committee on Naval Affairs.

By Mr. McLEOD: A bill (H. R. 12608) to provide for the issuance of suitable insignia to certain wounded war veterans, and for other purposes; to the Committee on Military Affairs.

By Mr. O'CONNOR of Louisiana: Joint resolution (H. J. Res. 258) authorizing the Secretary of War to lease to the New Orleans Association of Commerce, New Orleans Quartermaster Intermediate Depot Unit No. 2; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. LETTS: A bill (H. R. 12609) to extend the measure of relief provided in the employees' compensation act of September 7, 1916, to Robert W. Vail; to the Committee on Claims.

By Mr. MARTIN of Louisiana: A bill (H. R. 12610) for the relief of Leon Lilienfeld; to the Committee on Patents.

By Mr. PURNELL: A bill (H. R. 12611) granting an increase of pension to Mary Munsell; to the Committee on Invalid Pensions.

By Mr. WINTER: A bill (H. R. 12612) for the relief of E. W. Gillespie; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 12613) granting a pension to Margaret Kropp; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12614) granting an increase of pension to Sarah Martha Brady; to the Committee on Invalid Pensions.

PETITIONS, ETC.

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

6274. By Mr. BROWNING: Petition of citizens of Carroll County, Tenn., to increase the pension of Civil War veterans and widows; to the Committee on Invalid Pensions.

6275. By Mr. CRAIL: Petition of Masonic Club of Long Beach, Calif., in favor of the present national defense act; to the Committee on Naval Affairs.

6276. By Mr. DARROW: Petition of the Philadelphia Board of Trade, protesting against Senate bill 3508, to increase the number of members of the Federal Reserve Board; to the Committee on Banking and Currency.

6277. By Mr. O'CONNELL: Petition of the Illinois Chamber of Commerce, Chicago, Ill., with reference to section 611, "Collections stayed by claim in abatement," and two other subjects, "Evasion of surtaxes" and "Consolidated returns"; to the Committee on Ways and Means.

6278. Also, petition of the Harper Illustrating Syndicate, Columbus, Ohio, favoring the 1-cent rate of postage for 2-cent rate; to the Committee on the Post Office and Post Roads.

6279. Also, petition of the American Foundation for the Blind (Inc.), New York City, favoring the passage of the Hawes-Cooper bill (H. R. 7729); to the Committee on Interstate and Foreign Commerce.

6280. By Mr. THOMPSON: Petition of about 130 citizens of the fifth congressional district of Ohio, protesting against the passage of any measure that permits the use of corn sugar in food products and manufactured foods unless so labeled; to the Committee on Agriculture.

6281. By Mr. TIMBERLAKE: Petitions against Lankford bill (H. R. 78); to the Committee on the District of Columbia.

6282. By Mr. WINTER: Petition signed by the voters of Fremont County, Wyo., relative to higher pension rates for Civil War survivors; to the Committee on Invalid Pensions.

6283. By Mr. THURSTON: Petition of the Grand Army of the Republic, Post No. 173, Osceola, Iowa, unanimously favoring $72 per month pension for Civil War veterans, $125 for those requiring aid and attendance, and $50 per month for widows of Civil War veterans; to the Committee on Invalid Pensions.

6284. Also, petition of 10 citizens of New Market, Iowa, requesting the Congress to enact legislation increasing the pension of veterans and their dependents; to the Committee on Invalid Pensions.

SENATE

MONDAY, *April 2, 1928*

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

"One sweetly solemn thought
Comes to me o'er and o'er;
I am nearer home to-day
Than I've ever been before.

Nearer my Father's house,
Where the many mansions be;
Nearer the great white throne,
Nearer the crystal sea.

Nearer the bound of life,
Where we lay our burdens down;
Nearer leaving the cross,
Nearer gaining the crown.

But lying darkly between,
Winding adown through the night,
Is the silent unknown stream
That leads at last to the light.

Father, be near when my feet
Are slipping over the brink;
For it may be I am nearer home,
Nearer now than I think."

Let us pray. O Almighty God, who art found of those who seek Thee in loneliness, and whose portion is sufficient for the sorrowing souls of Thy children, remember in tender mercy the family and loved ones of him who has now fallen on sleep in the full strength of his glorious manhood. Thou only canst keep our feet from falling and our eyes from tears. Make us, therefore, ever mindful of the time when we shall lie down in the dust; and grant us grace always to live in such a state that we may never be afraid to die; so that, living and dying, we may be Thine, through the merits and satisfaction of Thy Son Christ Jesus, in whose name we offer up this our imperfect prayer. Amen.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of the proceedings of the legislative day of Friday last, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CHARLES H. NIEHAUS

The VICE PRESIDENT laid before the Senate the amendment of the House to the bill (S. 380) for the relief of Charles H. Niehaus, which was, on page 1, line 5, after the word "appropriated," to insert "and in full settlement against the Government."

Mr. EDGE. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were severally read twice by their titles and referred as indicated below:

H. R. 8423. An act for the relief of Timothy Hanlon; to the Committee on Finance.

H. R. 10327. An act for the relief of Charles J. Hunt; to the Committee on Indian Affairs.

H. R. 5897. An act for the relief of Mary McCormick;

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H. R. 7142. An act for the relief of Frank E. Ridgely, deceased; and

H. R. 10276. An act providing for sundry matters affecting the naval service; to the Committee on Naval Affairs.

H. R. 852. An act authorizing the issuance of a certain patent;

H. R. 8487. An act to adjudicate the claims of homestead settlers on the drained Mud Lake bottom, in the State of Minnesota; and

H. R. 10038. An act for the relief of Wilford W. Caldwell; to the Committee on Public Lands and Surveys.

H. R. 6360. An act for the relief of Edward S. Lathrop;

H. R. 8650. An act for the relief of C. S. Winans;

H. R. 8651. An act for the relief of Lynn W. Franklin;

H. R. 9411. An act for the relief of Maurice P. Dunlap;

H. R. 10932. An act for the relief of the widows of certain Foreign Service officers; and

H. J. Res. 147. Joint resolution for the relief of the estate of the late Max D. Kirjassoff; to the Committee on Foreign Relations.

H. R. 1627. An act for the relief of Abram H. Johnson;

H. R. 2530. An act for the relief of William H. Nightingale;

H. R. 2821. An act for the relief of John Heinzenberger;

H. R. 3170. An act for the relief of Franklin B. Morse;

H. R. 3892. An act for the relief of George W. Sampson;

H. R. 4204. An act for the relief of Thomas M. Richardson;

H. R. 4653. An act for the relief of Virgil W. Roberts;

H. R. 4687. An act for the relief of Albert Campbell;

H. R. 6152. An act for the relief of Cromwell L. Barsley;

H. R. 7230. An act for the relief of Charles L. Dewey;

H. R. 9334. An act for the relief of Morris J. Lang;

H. R. 9368. An act to authorize the Secretary of War to exchange with the Pennsylvania Railroad Co. certain tracts of land situate in the city of Philadelphia and State of Pennsylvania;

H. R. 9712. An act for the relief of Curtis V. Milliman;

H. R. 9722. An act for the relief of Allen Nichols;

H. R. 10139. An act for the relief of Edmund F. Hubbard; and

H. R. 10714. An act for the relief of T. Abraham Hetrick; to the Committee on Military Affairs.

H. R. 1529. An act for the relief of the heirs of John Eimer;

H. R. 1625. An act to carry into effect the findings of the Court of Claims in favor of Myron C. Bond, Guy M. Claflin, and Edwin A. Wells;

H. R. 2473. An act for the relief of Louie June;

H. R. 2658. An act for the relief of Finch R. Archer;

H. R. 3029. An act for the relief of Vern E. Townsend;

H. R. 4619. An act for the relief of E. A. Clatterbuck;

H. R. 4925. An act for the relief of John M. Savery;

H. R. 5944. An act for the relief of Walter D. Lovell;

H. R. 5981. An act for the relief of Clarence Cleghorn;

H. R. 6704. An act for the relief of Harry Pincus;

H. R. 6930. An act for the relief of E. C. Howze;

H. R. 7518. An act for the relief of the Farmers National Bank of Danville, Ky.;

H. R. 8034. An act for the relief of Carteret Street Methodist Episcopal Church South, of Beaufort, S. C.;

H. R. 8185. An act for the relief of the Great Western Power Co. of San Francisco, Calif.;

H. R. 8748. An act for the relief of James W. Bass, collector of internal revenue, Austin, Tex.;

H. R. 8807. An act for the relief of James O. Williams;

H. R. 9319. An act for the relief of the Glens Falls Insurance Co., of Glens Falls, N. Y.;

H. R. 9320. An act for the relief of the Home Insurance Co. of New York, N. Y.;

H. R. 9902. An act for the relief of James A. DeLoach;

H. R. 10192. An act for the relief of Lois Wilson;

H. R. 10502. An act for the relief of J. B. Holder; and

H. R. 10503. An act for the relief of R. P. Washam, F. A. Slate, W. H. Sanders, W. A. McGinnis, J. E. Lindsay, and J. T. Pearson; to the Committee on Claims.

CALL OF THE ROLL

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

The VICE PRESIDENT. The clerk will call the roll.

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

Ashurst	Capper	Gerry	Heflin
Barkley	Caraway	Gillett	Johnson
Bayard	Copeland	Glass	Jones
Bingham	Couzens	Goff	Kendrick
Black	Curtis	Gooding	Keyes
Blaine	Dale	Gould	King
Blease	Edge	Greene	McKellar
Borah	Edwards	Hale	McLean
Bratton	Fess	Harris	McMaster
Brookhart	Fletcher	Harrison	McNary
Broussard	Frazier	Hawes	Mayfield
Bruce	George	Hayden	Metcalf
Moses	Pittman	Smith	Tyson
Neely	Ransdell	Smoot	Wagner
Norbeck	Robinsin, Ark.	Steck	Walsh, Mass.
Nye	Sackett	Steiwer	Walsh, Mont.
Oddie	Sheppard	Stephens	Warren
Overman	Shipstead	Swanson	Waterman
Phipps	Shortridge	Thomas	Watson
Pine	Simmons	Tydings	Wheeler

Mr. GERRY. I desire to announce that the Senator from Washington [Mr. DILL] is necessarily detained on official business. I will let this announcement stand for the day.

The VICE PRESIDENT. Eighty Senators having answered to their names, a quorum is present.

COL. CARL L. ESTES—OUACHITA NATIONAL PARK

Mr. PHIPPS. Mr. President, I send to the desk a letter addressed to me by Secretary of the Interior Work, which I desire to have read. I ask the attention of the Senator from Arkansas [Mr. CARAWAY] to the letter.

Mr. CARAWAY. Mr. President, I wish to have the letter read, because I want to make a response to it.

The VICE PRESIDENT. The clerk will read, as requested.

The Chief Clerk read as follows:

THE SECRETARY OF THE INTERIOR,
Washington, March 30, 1928.

Hon. LAWRENCE C. PHIPPS,
United States Senate.

MY DEAR SENATOR: My attention has been called to charges made on the floor of the Senate that my conduct toward a caller was unbecoming a Government official. Am sorry that Senator CARAWAY made his statements from hearsay. I was present. These are the facts:

I recall that a few days ago a young man referred to my office did call, giving the name of Colonel Estes, of Texas, to discuss the proposed Ouachita National Park, to be located in that State. He appeared to be laboring under great excitement, came directly to my desk, and seated himself, as any caller may do. He announced that he wished to talk on the bill for this proposed park, to which I replied that "I believe I had already reported against it; that some of our officials had been down to look it over and reported that it was not of national-park proportions."

He replied with heat that Cammerer had been there and looked it over for a half a day, that he had lost his glasses, and the weather was foggy, and that he had lied. This I promptly met with the protest that "no one could charge an employee of this department with lying unless he was prepared to support it." I then called for the park official referred to, Mr. Cammerer, Assistant Director of the Park Service, to come to my office to make to us a report, a usual procedure when employees' actions are questioned.

Nothing of importance was said between us until Mr. Cammerer arrived, when I asked him about his inspection and to recite the important features of his findings. It seems that his visit at that time in the community with Colonel Greeley, of the Forest Service, was spent in conferring with those interested and adding to the knowledge he already had of the dimensions, boundary, and scenic features of the park. I then asked him to take Colonel Estes, who by that time had composed himself, to the bureau and go into the matter fully with him; again daily routine procedure in this department. We all arose and the colonel made profuse apologies for his manner of speech, which, of course, we accepted with the assurance that "this is not a personal controversy with me, and I have no personal feelings in the matter; but that door you see stands open all day, and anyone can come to my desk on any business, but I will not allow anyone to come in here and call the employees of this department liars without resenting it and demanding proof." The colonel then repeated his apologies, to which I replied, "Nothing personal with me; we will wipe the slate and start again from here."

The charge of substituting one report to the committee for another I know nothing at all about myself.

I specifically deny calling Colonel Estes a liar or using other offensive language, and that anyone should so charge astounds me. The Senator was misinformed.

Very truly yours,

HUBERT WORK.

Mr. CARAWAY. Mr. President, in the first place, my information was not hearsay. I had it direct from Colonel Estes himself, in the presence of a number of other gentlemen. In addition to that, I have from Colonel Estes a telegram, which I ask to have read.

The VICE PRESIDENT. The clerk will read, as requested.

The Chief Clerk read as follows:

[Telegram]

HARRISBURG, PA., *March 31, 1928.*

T. H. CARAWAY, of Arkansas,
United States Senate, Washington, D. C.:

Appreciate fact South has one Senator with nerve enough defend her citizens from insults. Everything you said was true and I stand ready to come to Washington at any time you might need me to back up

every statement you made relative to the interview between myself and the Secretary. One point should be made clear to you. Am disabled war veteran not wounded, cut all to pieces, not shot; tell you these things to keep record straight. On way to Texas but will return to Washington to back up your statement any time. Answer collect if you receive this.

CARL L. ESTES, *Tyler, Tex.*

Mr. CARAWAY. Mr. President, I send another telegram to the desk, and desire that it may be read.

The VICE PRESIDENT. The clerk will read, as requested.

The Chief Clerk read as follows:

[Telegram]

DALLAS, TEX., *March 31, 1928.*

Hon. THADDEUS H. CARAWAY,
United States Senator, Washington, D. C.:

Have just read a press dispatch of your denunciation of Secretary Works's treatment of Colonel Estes, a World War veteran, and hasten to congratulate you upon the stand you have taken. The Senate needs more red-blooded Americans like yourself. Hope you will go to the bottom of the affair and bring about full investigation of such disgraceful conduct and disregard for the rights of a private citizen by one so high in our Government. Sincere regards and best wishes.

Col. W. E. EASTERWOOD, Jr.,
President Ex-Service Men's Club.

Mr. PHIPPS. Mr. President, will the Senator from Arkansas yield to me?

Mr. CARAWAY. Yes.

Mr. PHIPPS. I desire to send to the desk a copy of a letter from a Mr. Grier, who was in the Secretary's office during the time of the occurrence of this episode.

Mr. CARAWAY. The Senator may put that into the RECORD when I am through.

Mr. PHIPPS. Certainly I shall do so when the Senator is through; but I had supposed the Senator had no other communication to present and was going to speak on the topic.

Mr. CARAWAY. Yes; I have quite a good deal yet to present. Mr. President, there seems to have been no doubt about what the subject of the conversation was when the incident occurred.

Mr. PHIPPS. Mr. President, would the Senator from Arkansas yield? I think, really, I would prefer to have the communication to which I have referred read now, as it is a statement of a gentleman who was present at the time of the interview, and it might affect the Senator's remarks, I thought.

Mr. CARAWAY. Not a bit. I know Colonel Estes and I know the Secretary of the Interior, and I believe Colonel Estes, so it would not be worth while now to have the statement referred to by the Senator from Colorado read.

Mr. PHIPPS. Does the Senator from Arkansas object to having this communication now read?

Mr. CARAWAY. The Senator from Colorado may read it in his own time if he pleases to do so. I desire to proceed until I shall have concluded with this matter.

Mr. PHIPPS. Certainly.

Mr. CARAWAY. The Senator is impatient to come to the Secretary's defense.

Mr. PHIPPS. Not at all.

Mr. CARAWAY. Mr. President, the subject of the controversy was evident, as both agree with reference to a report made by Mr. Cammerer. The facts are these about that particular report: The national-park area contains 131,000 acres of land, in round numbers. In one direction it is 45 miles across; the other way the distance is not so great. Mr. Cammerer went on that area and was there less than half a day, on a rainy, cloudy day. In addition to that, he lost his glasses. That was his inspection of this area, from which he made an elaborate report.

I know the route over which he is presumed to have gone. In the time he had he could not have crossed it one way. To show Senators that he did not, we have the statement of a gentleman who was with him. Here is Mr. St. John's statement:

It is unfortunate that a man of Mr. Cammerer's capacity for observation and knowledge of scenic beauty and of scenery in general had but half a day in which to see this area, and this was accentuated by the fact that the weather was thick, the clouds were hanging low on the mountains, and the visibility was very poor. After this short inspection, Mr. Cammerer stated that a second trip would be absolutely necessary before he would be able to report his findings, but he expressed much admiration for what he had seen. Mr. Cammerer did not return, and on June 7, 1926, signed with Colonel Greeley, who had never been there at all, an adverse report.

The ludicrous thing about it is that Mr. Cammerer said that the headwaters of the Arkansas River were in this area in Arkansas, while the river had no more tact than to rise in Colorado. He talked about what the weather reports showed, and he missed that more than 20 per cent; he talked about the rainfall, and he missed that entirely; but, when asked about it, he said it did not make any difference whether it rained or did not rain, or words to that effect. I have his own statement here and will quote from it.

Mr. WINGO asked him this question:

Can you point out anywhere in the United States a more distinctive flora and fauna than is in this particular area?

Mr. CAMMERER. Since you ask me, I think so. I think in the Yellowstone National Park.

Mr. WINGO. When you saw this area you spent half a day inspecting it on a foggy, rainy day. Do you say you have seen the flora and fauna and seen the scenery and falls and other things?

Mr. CAMMERER. Yes, sir.

When a man is willing to say that he examined 131,000 acres of land in a part of a half a day, and during a rainstorm, and when he had lost his glasses on the trip, I think the colonel had some right to treat with a little levity the statement which had been made.

Again he was asked this question:

Mr. WINGO. How many miles did you go on that half-day trip?

Mr. CAMMERER. The gentlemen in your home town were with me.

Mr. WINGO. I am asking you. How far did it seem to you?

Mr. CAMMERER. I do not know how many miles.

Mr. WINGO. Let us be candid about it. It was a foggy, rainy day, was it not?

Mr. CAMMERER. Part of the time.

Mr. WINGO. You were treated very courteously, and the local chamber of commerce sent representatives with you. They banqueted you and treated you nicely, and you did not want to hurt their feelings. You told them you would come back later, and then, without coming back, you made that report, and you did not know where the Arkansas River was on that foggy day. I simply want to test your credibility as a witness, without reflecting in any way upon your veracity. These gentlemen inform me that you traveled about 30 miles in a half a day's trip in the fog and rain.

Mr. MORROW. Will you answer a question?

Mr. CAMMERER. I would like to answer this question.

Mr. MORROW. Go on.

Mr. CAMMERER. The gentlemen were very fine; they were very delightful, warm-hearted people, and I respect them very highly. They were very enthusiastic over their scenic offerings in that area. But I went to every place that was shown to me as the best they had, particularly the Little Missouri River. By the way, in the report which was signed by Colonel Greeley and myself jointly, we took the Forest Service records as to rainfall, etc., naturally.

Mr. WINGO. Why did you not go to the official records?

Mr. CAMMERER. We did.

Mr. WINGO. I mean the official records of temperature and rainfall. The Forest Bureau does not keep such records, does it?

Mr. CAMMERER. I was not particularly concerned about how much or how little rain fell. I was concerned with the scenic values.

Mr. WINGO. Why did you put it in your report if you did not think it was worth while?

Mr. CAMMERER. Because it was a joint report, and Colonel Greeley thought that was important, and I stand by that report just as he does.

I will read a little more, Mr. President, because it is very interesting:

Mr. WINGO. You went down there and were in that area about half a day?

Mr. CAMMERER. Yes, sir.

Mr. WINGO. A foggy day, in the rainy season of the spring?

Mr. CAMMERER. I remember that it rained.

Mr. WINGO. You spent half a day there on that rainy, foggy day, and from the information you gained there within that time you signed this report with Colonel Greeley?

Mr. CAMMERER. I saw the best your people had to offer.

Mr. WINGO. Is not that what you signed the report on?

Mr. CAMMERER. I signed the report on what I saw and what my judgment was.

Mr. WINGO. The inspection you made is what you have stated here, and you signed the report on that inspection?

Mr. CAMMERER. I traveled through a portion of it in an automobile on our way from Hot Springs before I met these gentlemen.

Mr. WINGO. How near did you go to the Little Missouri Falls on the highway coming from Hot Springs to Mena?

Mr. CAMMERER. It was not so foggy and rainy but what we had a wonderful chicken dinner in the open.

I think that is interesting.

Mr. Cammerer later said:

We do not make adverse reports unless we see the areas concerned. This committee's records prove that.

I have called the attention of the Senate to the length of time he had to see it.

Here is what Mr. Cammerer said about what he did himself:

That night a heavy thunder storm made it seem as if no inspection could be made the following day, but in the morning it was, nevertheless, decided that the attempt should be made. Besides the Forest Service representatives mentioned above, Messrs. Peter McWilliams, R. R. St. John, and W. R. Sossamon, of Mena, guided the party. We followed the road from Mena through the portion marked in blue on Exhibit B, climbing Eagle Peak, about 1,800 feet in height, on horseback in order to get a glimpse of the surrounding country. Unfortunately, when we got to the top we were over a bank of clouds.

Then he said he had to hurry back to get his train.

I have a letter here from Representative SANDERS of Texas inclosing a telegram from Colonel Estes to him in which the colonel says—I will read it myself—

In view of Secretary Work's statement carried in to-day's papers that I misinformed Senator CARAWAY, of Arkansas, relative to the near fight we had when he cast a slur against Texas and Texans, I urge you to hasten to Senator CARAWAY and tell him that you know I told him the truth about the affair and what my reputation for truth and veracity is. Secretary Work should not be permitted to brand me as a liar in the eyes of the Nation. For your own information, I refer you to any banker, the chamber of commerce, or any clergyman in Tyler, concerning my truthfulness. I am on my way to Austin. Please wire me your action there in care of Governor Moody.

CARL L. ESTES.

Mr. SANDERS in his letter to me, dated April 2, 1928, says:

Pursuant to our telephone conversation just a few minutes ago, I am handing you herewith a telegram which I received from Col. Carl Estes. I know Carl Estes very well, and what he says may be relied upon. I would believe any statement that he would make. Mr. Estes lives in Tyler, Tex., and has the confidence and esteem of the people who know him.

The Governor of Texas, incidentally, had so much confidence in Colonel Estes that he made him a colonel on his staff and sent him here to represent the great State of Texas before a committee. He brought, as I put in the RECORD the other day, a letter of introduction to Secretary Hoover from one of the able citizens of Texas, a gentleman who is Mr. Hoover's campaign manager in Texas, extolling this young man very highly indeed. Mr. Hoover, through his secretary, made the appointment with Mr. Work. I will state again because, perhaps, there are Senators here who did not hear the previous statement, that Colonel Estes says this is what happened: When he walked in the Secretary said "Come in"; and he walked in and said "Good morning" or "Good afternoon," I do not remember which, but he greeted him. The Secretary said, "I know what you are here for, and I know all about Arkansas and Texas that I want to know." Colonel Estes then started to speak about the report and said he did not think it contained all the facts. Secretary Work said, "You are a liar; get out of my office." He now says he told him the door was open for him to come in, instead of to get out.

I am perfectly willing for the world to determine between Colonel Estes, who offered to die for his country when men were needed, and Doctor Work, who stayed in a place of safety and drew a salary from the Government during those times.

Mr. PHIPPS. Mr. President, I ask that the letter which I have sent to the desk may be read.

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

The Chief Clerk read as follows:

WASHINGTON, D. C., *March 31, 1928.*

Memorandum to the Secretary of the Interior.

On Wednesday, the 28th of March, I was in the office of the Secretary of the Interior, Doctor Work, and while waiting for my turn to talk to the Secretary I met Colonel Estes, of Texas, who was also waiting and was just ahead of me. The colonel appeared to be excited and very much disturbed over the way he alleged that he and his State had been treated by the Department of the Interior in the past and by an official of the department recently who had been to Texas to inspect a proposed site for a public park of some kind, stating that he had never met the present Secretary.

Colonel Estes was called to the desk of the Secretary, Doctor Work, and there engaged the doctor in a heated controversy regarding this official, and I heard him distinctly say that the official had lied in making a report. The abuse of this official was the subject that made me take notice of what he said.

Doctor Work told the gentleman that the particular official mentioned was "a man of high character and a trusted employee of the department, and he would not permit any accusation against him, and that he would have to be shown that he was a liar before he would believe it." Whereupon Colonel Estes began to retract the statements that he had made, and Doctor Work called the official in question to go into the matter thoroughly with Colonel Estes.

As Estes left Doctor Work's desk he repeatedly begged the doctor's pardon and apologized for the language he had used regarding the official who had made, as he said, the false report. Doctor Work accepted his apology; then called the writer over to talk to him. The Secretary used no disrespectful or improper language to the colonel at any time.

I was not asked to make this statement, but offered to do so in the interests of fair play.

(Signed) CLARK GRIER.

Mr. CARAWAY. Mr. President, just a minute. I presume that is the same man who signed this report on the Ouachita National Park.

Mr. PHIPPS. Mr. President, I think I can inform the Senator that it is not. The man who signed the report on the national park was Mr. Cammerer.

Mr. CARAWAY. No; Greeley signed it, too.

Mr. PHIPPS. This is Grier. This is a stranger, not connected with the department in any way.

Mr. CARAWAY. What is odd about it is that there was nobody in the office but Colonel Estes and Doctor Work when this conversation took place. Now, this alleged bystander pretends that he was present. Anybody who knows Colonel Estes, and says that Work would have called him a liar and then that Estes apologized for it, does not know Estes; and anybody that said that happened did not tell the truth; I do not care what his name is.

Mr. MAYFIELD. Mr. President, in my judgment an examination of the interviews and the telegrams in this unpleasant controversy will reveal that the statement of Secretary Work is untrue.

In the first place, as the Senator from Arkansas [Mr. CARAWAY] has said, no man living could denounce Col. Carl Estes, of Tyler, Tex., as a liar, and get away with it.

In the next place, Mr. Cammerer, whom Colonel Estes is supposed to have said lied in his report on the Ouachita Park matter, came in just a few moments after the controversy, escorted Colonel Estes to his office, and the two had a most pleasant conversation. Colonel Estes had been selected as the representative of eight Southern States to come to Washington and to review with the Secretary of the Interior the report that Mr. Cammerer had made on the Ouachita Park project. Colonel Estes said that he went into the Secretary's office, and the Secretary immediately said, "I know what you have come here to discuss. I know now all about the States of Texas and Arkansas that I care to know"; whereupon Colonel Estes said, "The report that Mr. Cammerer made on the Ouachita Park matter is untrue"; and then was interrupted by the Secretary before he could finish the statement and was invited out of his office.

I have known Colonel Estes for many years, Mr. President. He comes from one of the old-established families of Texas, a family that stands high in the esteem and affections of our people. The truth of Colonel Estes's statement in this matter can not be questioned for one moment.

The treatment accorded Colonel Estes by Secretary Work was unjustified, uncalled-for, shameful, and unworthy of one holding the high position of Secretary of the Interior.

Mr. BRUCE. Mr. President, when that statement was introduced by the Senator from Colorado I did not catch just who the affiant or the writer is. Who is he? Who is this bystander?

Mr. PHIPPS. Mr. Clark Grier, who was waiting in the office.

Mr. BRUCE. Who is he?

Mr. PHIPPS. I am not acquainted with the gentleman.

Mr. BRUCE. Exactly. Who vouches for him?

Mr. PHIPPS. I presume the Secretary of the Interior will vouch for him if he is asked to do so.

Mr. BRUCE. Apparently he does not do so. Apparently he was a stranger to the Secretary.

Mr. CARAWAY. He was not there, Mr. President.

Mr. BRUCE. We certainly ought to be put in a position to judge of the measure of his credibility.

Mr. PHIPPS. I do not see why we should indulge in surmises. I shall be pleased to ask the Secretary to furnish the Senator and the Senate with the desired information; but the Secretary of the Interior would not send a letter like this, which came to him voluntarily, without having faith in the man who sent it, it seems to me.

Mr. BRUCE. If the Senator intends to give any probative force to the statement, he certainly ought to bring forward somebody who can vouch for the credibility of the writer.

Mr. CARAWAY. And, if the Senator will yield to me, it will be observed that in the Secretary's letter he makes no mention

of anybody being present. If anybody had been present and heard what was said, the Secretary would have mentioned it. The Secretary knows there was nobody else there. I think the Senator from Georgia [Mr. GEORGE] can tell the Senate who Mr. Clark Grier is.

SENATOR BURTON K. WHEELER, OF MONTANA

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD two letters entitled "What national labor leaders think of Senator Wheeler."

The VICE PRESIDENT. Without objection, it is so ordered.

The letters are as follows:

INTERNATIONAL ASSOCIATION OF MACHINISTS,
OFFICE OF PRESIDENT,
Washington, D. C., March 19, 1928.

Subject: Senatorial-campaign information.

Officers and Members of International Association of Machinists, Lodges in States of Montana, Minnesota, Wisconsin, and North Dakota.

DEAR SIRS AND BROTHERS: I am herewith transmitting information which I deem of sufficient importance to place in the hands of our members throughout the above-named States.

I am sure that Brother Keating, manager of Labor, has furnished information which he believes to be absolutely reliable regarding the activities of the men connected with The Producers' News, of Plentywood, Mont. The Senators named in this memorandum stand among those who are foremost in their efforts to support labor's legislative program, and I trust that the statements which may be made through irresponsible agencies, attacking these well-known progressives, will fall on deaf ears. If our members can not afford to get out and go to the front for men like WHEELER, SHIPSTEAD, FRAZIER, and young ROB LA FOLLETTE, I am really in doubt as to the character of men that we could support. Every one of these men are outstanding characters and always in the front ranks, contending for the rights of the people, as against monopoly and the type of men who are connected with interests generally recognized as being inimical to the best interests of the people as a whole.

With best wishes, I am,

Fraternally yours,

A. O. WHARTON,
International President.

MARCH 13, 1928.

(Memorandum for Mr. Lovell)

In order to understand the telegram from the Producer's News, it is necessary to recite a little history.

The paper was established some years ago by a group of farmers and others, and finally drifted into the hands of Charles Taylor, who has pronounced radical leanings.

You will remember that early in 1924 Mahoney, of St. Paul, called a Farm-Labor conference, with the idea of forming a new party and nominating La Follette. It soon became apparent that the communists were in control of the proposition and La Follette issued a public statement repudiating the gathering. Nevertheless, it was held and attempted to do business. Taylor was chairman of that convention. I think it is quite fair to say that he is a communist or so close to the "reds" that he can not be distinguished from them.

The Progressives were so convinced that Mahoney was hooked up with the "reds" that when he came to our convention on July 4, 1924, we refused him a seat.

The whole bunch did what they could to injure La Follette and WHEELER during the 1924 campaign.

Two or three years ago "Paddy" Wallace joined Taylor in editing the Producers' News and for the last year or so he has devoted his energies to attacks on Senator WHEELER.

Wallace came to Washington about two months ago. We have evidence that he was in touch with Republican leaders and tried to get money to fight WHEELER. We are also told that he talked with Blair Coen, the man who was sent to Montana to "get" WHEELER and to Iowa to "get" BROOKHART.

Wallace also visited various Progressives, including myself. I tried to get him to be specific in his charges against WHEELER, but soon found that he had nothing except this proposition about leasing a power site on the Flathead Indian Reservation. That legislation was put through the Senate a few weeks ago, with Senator WALSH as its principal supporter.

At that time WHEELER said he would vote for the bill because he had been assured the Indians were anxious to have the site developed in order that they might get the revenue. La Follette led the opposition. He did not object to leasing the site, but he thought the Government was treating the Indians unfairly because it was taking 15,000 horsepower for the settlers on a reclamation project without adequate compensation to the Indians.

An examination of the debate will show that there was absolutely nothing to reflect on the integrity of either WHEELER or WALSH. No Senator even suggested such a thing, and the bill was passed with only a few Senators in opposition.

There is evidence indicating that Wallace endeavored to get in touch with Doheny for the purpose of securing money to fight WHEELER. A prominent citizen of Montana stated recently that he had been approached by Wallace and asked to introduce him to Doheny. When asked the object of the conference, he said Wallace declared that he thought Doheny should be interested in the campaign against WHEELER.

I am convinced, first, that the men who are running the Producers' News are a bunch of make-believe radicals who are in politics for the money they can make; and second, that the object of the campaign is to divert a sufficient number of Progressive votes from WHEELER to defeat him in November.

I am afraid this movement is not confined to Montana. I notice that Mahoney has called a conference for St. Paul on March 28 for the purpose of formulating policies for the Progressives in the Northwestern States. I think you will find that Taylor and "Paddy" Wallace will be at that conference and that an effort will be made to "frame" things so as to make it difficult to elect SHIPSTEAD, of Minnesota; FRAZIER, of North Dakota; LA FOLLETTE, of Wisconsin; and WHEELER, of Montana.

I have suggested how they will proceed in Montana. In Minnesota Mahoney has been fighting SHIPSTEAD for years, claiming that he was not sufficiently "radical." I think you will find that Mahoney will insist on SHIPSTEAD running on the Farm-Labor ticket on a very radical program, and probably with some candidate for governor who is "red" or at least "pink."

In North Dakota the effort will be to convince the old Non-Partisan League crowd that FRAZIER is "slowing up" and that he has made his peace with the "interests." Similar tactics will be pursued in Wisconsin. I am not afraid of that State and I believe North Dakota is pretty safe.

EDWARD KEATING.

FLOOD CONTROL

Mr. RANSDELL. Mr. President, I hold in my hand a telegram from some of my very best friends in northeast Louisiana, near my home, concerning the recent action of the Senate in passing the flood control bill; and I am permitted to read this telegram, I will say, by your courtesy. It is as follows:

ST. JOSEPH, LA., *March 30, 1928.*

SECRETARY OF THE UNITED STATES SENATE,
Washington, D. C.:

Kindly read the following at the opening of the Senate to-morrow:

Be it resolved by the citizens of the parish of Tensas and State of Louisiana in mass meeting assembled, That the unanimous passage of the Jones flood relief bill through the Senate of the United States Congress has brought to the people of this parish, this State, and of the Mississippi Valley renewed hope and courage, and has stimulated them to greater and more earnest efforts in the future, believing that the enactment of this bill into a law by the House of Representatives of the United States Government, and its signature by our President will build up our country into one of the finest, most productive, most prosperous, and most beautiful sections of this Union; be it further

Resolved, That we feel a deep sense of gratitude to our Senators and to our Representatives in Congress and to each of them individually for their efforts in behalf of flood relief and do now in mass meeting assembled recognize our obligations to them and tender to them our deepest gratitude; be it further

Resolved, That without in any way lessening our gratitude and appreciation of the services rendered by all of our friends in Congress, we feel particularly grateful and under peculiar obligations to Senator JONES, Congressman REID, and to Mayor William Thompson, of Chicago. All of these gentlemen are far removed from this section, have no interest in it, and have shown a broad-minded spirit of justice in their handling of this question, and we desire to tender to them our special thanks and appreciation for their great services to us. We further desire to recognize the services rendered in behalf of flood relief by Mr. Schoeneberger and by Mr. Adams, of the State board of engineers, and by Mr. F. H. Schneider, the president of the board of commissioners of the fifth Louisiana levee district. These gentlemen have devoted their time, their ability, and their untiring efforts in our behalf, and we owe to them a debt of gratitude which we will long cherish; be it finally

Resolved, That the fair, just, nonpartisan, and broad-minded manner in which this question has been considered by the Senators of the Congress is indicative of the ability, generosity of heart, and bigness of mind which has tended to make our country the admiration and envy of the world.

W. D. NOBLE, *Chairman.*
JOSEPH T. CURRY, *Secretary.*

I wish to add that I indorse every word of that splendid memorial.

Mr. KING. Mr. President, in view of the statements contained in the telegram just read, and the misapprehension under which the writers apparently labor that there was a unanimous vote in favor of this measure which has evoked

such eulogies and which has brought upon those who supported it such panegyrics, I feel that it is only fair that I should state that I was opposed to the bill; that if I had had an opportunity to vote, I should have voted against it; and that, having had an opportunity to examine the measure more carefully since, my opposition to the bill still remains unchanged.

The VICE PRESIDENT. The telegram will lie on the table.

BLACK-LIST EXPOSÉ

Mr. BROOKHART. Mr. President, I am opposed to the unreasonable naval building program that has been announced in this country. We have some self-appointed patriots who blacklist those of us who have an idea on this question, and to some extent that situation has been exposed recently in Boston. I therefore ask unanimous consent that the article from the Washington Times, which I send to the desk, be read by the clerk.

The VICE PRESIDENT. Is there objection? Without objection, the clerk will read.

The Chief Clerk read as follows:

D. A. R. ACCUSED IN BLACKLIST EXPOSÉ

BOSTON, April 2.—A bitter controversy, started by charges that the Daughters of the American Revolution are "blacklisting" various individuals and organizations because of allegedly communistic or pacifistic leanings, to-day split Massachusetts members of the D. A. R. into two rival camps.

Mrs. Helen T. Bailie, of Cambridge, a leader of the faction which opposes the alleged "blacklisting," caused a sensation at a meeting of the Boston Ethical Society by declaring that two "extremely virulent" groups in Boston have made the D. A. R. and the American Legion "catspaw of a tremendous conspiracy to crush free thought, free speech, and even liberty itself."

"Blacklist factories," Mrs. Bailie charged, are unjustly stamping clergymen, welfare workers, and prominent educators as "undesirable, doubtful, and unfit to address patriotic gatherings."

HITS GOVERNOR'S WIFE

"The movement is being carried to absurd lengths," Mrs. Bailie said. "Even Mrs. Alvin T. Fuller, wife of the governor, could not speak at a D. A. R. meeting simply because she accepted an honorary membership in the International Garment Workers' Union, which has been blacklisted by the D. A. R."

SPREAD OVER COUNTRY

Prominent persons who have been "blacklisted," the speaker charged, included Bishop William F. Anderson, President Mary E. Woolley, of Mount Holyoke College, United States Senator BROOKHART, and Miss Maude Royden.

"These scurrilous and slanderous attacks upon honest citizens also have been made by black-list factories in Illinois, California, and other States," Mrs. Bailie charged. "Two such virulent groups in Boston are the Industrial Defense Association (Inc.) and the Massachusetts Public Interests League."

Others included in the list are the Rev. E. Talmadge Root, executive secretary of the Federation of Churches of Massachusetts; Dean Roscoe Pound, of Harvard Law School; Miss Anna Louise Strong, writer; Clarence Darrow, criminal lawyer; Rabbi Harry Levi, William Allen White, Rabbi Stephen S. Wise, David Starr Jordan, Felix Frankfurter, of the Harvard Law School; W. E. Du Bois, negro writer; Alfred Baker Lewis; the Rev. George Lyman Paine; Judge George W. Anderson; Norman Angell, political writer; Norman Hapgood; Frank P. Walsh; and others.

SOME ORGANIZATIONS

Organizations on the alleged "blacklist" submitted by Mrs. Bailie included the Young Men's Christian Association, the Young Women's Christian Association, the National Catholic Welfare Council, the National Child Labor Committee, the Wellesley College Forum, the Yale Liberal Club, the Radcliffe Liberal Club, the International Ladies' Garment Workers' Union, Council of Jewish Women, and more than a hundred others.

The factional fight in the D. A. R. here has centered around the big-Navy bill, with a minority claiming that all D. A. R bodies in the country were being lined up for a big Navy.

INTERMEDIATE CREDIT BANK, COLUMBIA, S. C.

Mr. BLEASE. Mr. President, I was notified by my secretary on Friday last, just the day before the Committee on Banking and Currency was to meet, to appear for a hearing, which I thought was for the purpose of seeing whether or not an investigation should be made of the Intermediate Credit Bank of Columbia, S. C. I presumed it was for the purpose of seeing whether or not an investigation was necessary. When I arrived at the meeting I presented the original matters which I had previously published in the CONGRESSIONAL RECORD, and I made a short statement. Congressman HARE, of South Carolina, made a short statement in reference to the matter, and then Eugene Meyer was presented to represent the administration. He stated that he had with him representatives from the Treasury Department and representatives from the Attorney General's department, the departments which I claimed, and yet claim, are shielding the people who are committing this wrong in the Columbia bank. Immediately it seemed to me that the hearing was for the purpose of giving the administration an opportunity to present in full its justification for the stealing, if there be stealing, that was going on in the Columbia bank; and that that committee was not going to do what I was asking that a special committee be appointed to do, to go into the merits of the matter and have witnesses before them from both sides.

During Meyer's statement I asked them to produce the records to substantiate his statement, and he replied that he had none. Therefore, when requested to leave my evidence with the committee, I refused to do so for obvious reasons.

I did not propose to be a party to a one-sided hearing, and I picked up my papers and said to the committee that all I wanted was a report; that I did not care whether it was favorable or unfavorable; that I would take care of the situation on the floor of the Senate; and I walked out of the room.

Mr. President, I held, and I still hold, that the Treasury Department is in full possession of evidence of the rascality that is going on in the intermediate credit bank at Columbia, S. C. I held, and I still hold, that Attorney General Sargent has in his hands to-day reports which will prove beyond a shadow of a doubt that there has been crookedness, if not straight-out stealing, going on in the intermediate credit bank in the city of Columbia.

When his men were down there investigating this matter, people who knew of this crookedness and knew of this rottenness at Beaufort, S. C., endeavored to get to them to make a statement and present the people's side of the matter. The investigators refused to hear them, I am informed. They investigated only what they wanted to investigate. They looked into only what would substantiate and uphold the rascality that was going on; and now a Republican committee, or at least a majority of that committee, is endeavoring to shield the people in this bank and to further conceal the actions of the Treasury Department and of the Attorney General's department in not making known even that which they have in their possession, and upon which they refuse to act.

I do not propose to go into any committee room, or any other kind of a room, and place all of the facts that I have in my possession in the hands of a committee which I believe is already inclined to shield these people on account of the Republican administration, when they refuse to give me any of their records or even to produce any of their records at the hearings, in order that I might have the opportunity to reply to them.

I have here the records which have been presented and published in the CONGRESSIONAL RECORD. I propose to file these records and take the receipt of the clerk of the Senate for them. I have other records which I do not propose to put in the RECORD until this committee, or a subcommittee, wants to hear the entire transaction. Then we will present the balance. But I do not propose to present it to Eugene Meyer, of whose conduct I can not in parliamentary language express my opinion. I would have to present it in pure, old South Carolina English, and it would not do to print in the RECORD my opinion of Eugene Meyer and those who are backing him up in this rascality. But the original letters which I have and the original proofs which I have that have been printed in the RECORD I propose to file with the clerk of the Senate to-day, and the chairman of the committee or anybody else can get them whenever they want them.

I ask permission to have printed, along with my remarks, an article from this morning's Charleston News and Courier.

The PRESIDING OFFICER (Mr. FESS in the chair). Is there objection?

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

[From the News and Courier, Sunday morning, April 1, 1928]

SENATOR BLEASE, DISGUSTED, QUITS COMMITTEE ROOM—BANKING AND CURRENCY GROUP MEET TO CONSIDER CREDIT RESOLUTIONS—HARE LENDS HIS SUPPORT—JUSTICE DEPARTMENT'S REFUSAL TO SUBMIT REPORTS ANGERS SOUTH CAROLINIANS

WASHINGTON, March 31.—Senator COLE L. BLEASE to-day walked out of a meeting of the Banking and Currency Committee of the Senate which had been called to hold a hearing on his resolution to investigate the Intermediate Credit Bank of Columbia.

Because the Department of Justice did not submit the reports of its special agents on the investigation which preceded the Beaufort bank trial the Senator refused to leave his own papers in directing the demand for an investigation by the Senate.

HARE SUPPORTS RESOLUTION

The Senator appeared in support of his resolution, as did Representative BUTLER HARE, and there were present also Chairman Meyer, of the Farm Loan Board, and a Mr. Donelson, of the Department of Justice. Congressman HARE supported the Blease resolution on the ground that it would establish the soundness of his own bill to credit the farmers of the Beaufort section with the money which was ultimately to have gone to the Columbia bank to their credit, but was allowed to lie on deposit with the Beaufort bank by agencies with which the farmers had to deal in order to secure credit from the Columbia bank.

Chairman Meyer, of the Farm Loan Board, said that the Department of Justice had investigated the situation and had found nothing to indicate that the Columbia bank or its officers were involved in any irregularities.

"PREVENT INVESTIGATION"

Senator BLEASE asserted that the Department of Justice had refused to furnish him the reports of its agents on this investigation. He declared that the Treasury Department and the Department of Justice were both trying to prevent the investigation for which his resolution provided. The Senator told the committee that he wanted a report to the Senate, whether for or against his resolution or without any recommendation at all he did not care, and that he (the Senator) would look after the matter on the floor of the Senate. Declaring that he had nothing more to say, the Senator picked up the papers which he had brought with him and departed. When Chairman NORBECK suggested that he leave the papers he emphatically refused to do so.

K. F. M.

Mr. BLEASE. Mr. President, I ask to have printed in the RECORD an article relating to the Federal farm-loan system and extracts from the Breeders' Gazette, of Chicago, Ill., and the Farm Leader, of Minneapolis, Minn.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matter referred to is printed, as follows:

HAS THE FEDERAL FARM-LOAN SYSTEM MADE GOOD?—COMMITTEE OF CANADIAN BANKERS, AFTER COMPREHENSIVE NATION-WIDE INVESTIGATION, REPORTS THE SYSTEM HAS MANY SHORTCOMINGS REQUIRING REMEDY

The Federal farm-loan system was put to the acid test as to its value to farmers, and the worthiness of the present method of administration, by a committee representing Canadian bankers, and after being weighed in the scales of justice and economy, condemned, much to the chagrin of those who write and speak biased propaganda in behalf of the system and its present staff of political bankers.

The committee representing the Dominion Mortgage and Investment Association not only found the present system wanting in several respects but returned home to appeal to their people not to duplicate north of the international boundary line the many errors which have characterized the 12-year trial at boosting farmers into prosperity via the political route.

The committee assumed that the system, inaugurated in 1916 and having functioned nearly 12 years, had been in existence sufficiently long and had had many opportunities to serve American agriculture through peace and war and afterwar crises to provide material for an unbiased test of its worthiness. Extracts from the report filed with the organization's head offices in Toronto provide some thoughts worth considering at this time, particularly in view of the fact that many of the Federal land banks, not to mention the heads of the Farm Loan Bureau, are now under fire:

"The operation of the Federal farm-loan system has been on a very large scale. At the end of 1920 (the first six years of its operation) the amount of loans outstanding was $427,637,629, despite which the agriculturist of the United States found himself in a deplorable condition. Two and a half years later—June 30, 1923—the advances by the system had reached $1,097,309,995. Meanwhile the condition of the farmer had not improved. The present loans outstanding are enormous compared with the sums the farmers have been enabled to repay under the blessings of this type of loan.

"From the addition to his financial obligations in the form of long-term mortgages, it would be, according to the authors of the system, reasonable to expect a decided improvement in the position of the farmer. When the rural-credit propagandists created public opinion which resulted in the decision of the United States Government to accede to their requests it was alleged that progress in agriculture was arrested by lack of and cost of credit facilities. That lack has been replaced by elaborate machinery and with a measure of state aid to which no parallel in history exists.

"The data indicate beyond doubt that the provision of credit in unprecedented measure and the extension of elaborate machinery has not brought about improvement in agricultural conditions in the United States. In addition to credit machinery, tariff adjustments, so as to exclude or hamper the marketing of agricultural products of Canada in the United States, were designed to assist in enabling the farmers of the larger country in meeting their obligations.

"J. B. Morman, economist of the Farm Loan Board, has told us, 'The purposes of credit are precisely the same in agriculture as in any other business or industry. By enlarging his credit a farmer expects to increase crop and livestock production and thereby improve his financial position.' Mr. M. B. Herrick, another authoritative spokesman for the extension of rural credit in the United States, says, 'Productive credit is that which is employed to stop a loss, effect an economy, or create something materially valuable.'

"Measuring results by these standards, what do we find?

"As to the increase in crop and livestock production, the latter is very largely contingent on the former. In Iowa, one of the foremost agricultural States, the volume of production in four years varied from 14.13 per cent to 28.58 per cent more than the decade before. But the mortgage debt increased by 187.5 per cent in the same 10 years. If we take all the States the result is largely increased debt, and, relatively speaking, a very slight increase in the value of farm products. It is all too obvious that the credit supplied has not been utilized for agricultural development but rather to replace existing debt and to provide for loss or improvident expenditures.

"The debt created, without corresponding increased volume of marketable production, now constitutes a serious problem in the United States. Of its seriousness Mr. Morman says: 'The amount of farm mortgage debt and its relation to the present and future profitableness of farming have become great national problems. During the decade 1910 to 1920, farm mortgage debt increased by $2,227,594,341, or 132 per cent. While this increase in debt from farm production is still more alarming, for usually a farmer has no other source of income except what his farm yields him. If the mortgage debt on a farm is large, the amount paid as interest will be correspondingly large. This is a drain on income. The question is whether farmers can redeem themselves from debt out of the net earnings from their farms. This is unquestionably the foremost rural credit problem now confronting the United States.'

"Mr. Morman has linked Canada with the United States as suffering in like degree from depressed agricultural conditions. While lower prices for products has been the cause of unprofitable agriculture in Canada, as in the United States, the increase in mortgage debt in the Dominion has been normal, while the increase in volume of production has been far greater, relatively, than that of mortgage debt.

"It may be observed here that in the active farm loaning fields of Canada—the Prairie Provinces—the lands taken over by lending agencies for nonpayment of principal or interest do not represent a debt of more than $10 per acre. The Federal Farm Loan Board has authorized loans in North Dakota that average $22.70 per acre. In volume or value of field production per acre, the Canadian provinces (just north of North Dakota), have some advantage as compared with that State, but in mortgage interest and tax liability they are relatively in a much more favorable position. In respect to other States the difference in volume of mortgage debt as compared with Canadian provinces becomes impressive as its significance is revealed by data of an official character which is available.

"As no experiment in farm finance like unto the politically operated Federal farm-loan system has been carried on along nation-wide scope in Canada, that would seem to be the reason why the debts of our farmers are comparatively light. The volume of production, the acreage under crop, and the value of the crop have increased more rapidly than the mortgage debt.

"A Government subsidy: The act under which the Federal farm loan was established in 1916 was, from the outset of this venture, a political experiment. At the outset the United States investor, generally speaking, looked upon the entire plan with disfavor, and even declined to buy farm-loan bonds in sufficient volume to make the system operative. On January 18, 1918, the Secretary of the Treasury hurriedly secured an amendment to the act, authorizing him to use $200,000,000 of Government funds with which to buy farm-loan bonds.

"This action marks the departure from the basic principle upon which the act was intended to operate—that is, cooperative. The American commission (1913) reported: 'It is the opinion of the commission that our American problem in rural credit should be worked out without Government aid. One of the great lessons learned in Europe is that in the long run the farmers succeed best where they help themselves. Whenever they become dependent on the Government, they keep looking to the Government for more aid. It is believed to be a correct general statement that rural credit is on the strongest basis in those countries where it has been developed most completely without Government aid. Even granting the great importance of agriculture, it is improper for all the people to be taxed in order to assist the prosperity of even a great class like the farming class.'

"On that subject President Wilson, in his first annual message, said: 'The farmers, of course, ask and should be given no special privileges, such as extending to them the credit of the Government itself. What they need and should obtain is legislation which will make their own

abundant and substantial credit resources available as a foundation for joint, concerted, local action in their own behalf in getting the capital they must use.'

"The Secretary of the Treasury, W. G. McAdoo, said with respect to a proposition to lend money for another private industry: 'Gentlemen, you ask us to stand for a proposition to lend money to private corporations or individuals upon the security of mortgages. Never on the face of the earth. Bills are referred to me asking * * * for raids upon the United States Treasury in the form of actual loans to be made by the Treasury, on this thing and that thing, farm loans, loans upon houses built by workingmen, etc. If we go into the money-lending business we will have to lend it to everybody; you can not discriminate under our system of government. Everybody must tap the Treasury till if you attempt any such resolution as this.'

"But the Federal Government did step in with liberal allowances when ordinary methods of financing seemed to lag. Some of the advantages have been repaid out of proceeds of bond sales made. The literature of the Federal Farm Loan Board would indicate that it does not yet realize that in the case of mortgage lending, especially on the long-term plan, the extent of the losses can not be gauged with reasonable accuracy until after a long period of experience.

GOVERNMENT SUBSIDY AND LAND CREDIT

"Reasons for tax exemption: It was urged by those responsible for the act that the feature of tax exemption of the bonds and securities issued was essential to the system in order that the bonds could be more readily sold, and therefore the farmer could be assisted quicker and more generously, and that helping the farmer was helping the community at large. But the cost to the Government of this feature was obviously not considered or emphasized, yet experience has demonstrated that the saving to the borrower is far less than the total in taxes that exemption costs the State, or transfers the debt to other taxpayers.

"From the investor's point of view, tax exemption only appeals to the very wealthy, since a taxable security bearing 6 or 7 per cent shows more real profit to a man with a small income than a tax-exempt bond bearing 4½ or 5 per cent; therefore, the advantage offered enables the wealthy to invest their money in a safe security showing a heavy net return equivalent to a taxable bond bearing 15 per cent. The ownership of these securities concentrates in the hands of those who otherwise would be liable for the heaviest taxes.

"To illustrate this point of the cost to the Government, a concrete example may be quoted from a speech by Hon. LOUIS T. MCFADDEN, chairman of the Committee on Banking and Currency of the House of Representatives:

"'To show the small benefit of these loans to the borrower and the great benefit to the bondholder, assume that Peter Smith borrows $10,000. He gives a mortgage for $10,000. He receives $9,500 in cash, and $500 in bank stock, on which he assumes a double liability, making his entire liability $10,500. He pays $550 a year interest, or 5½ per cent, on $10,000. He only has the use of $9,500, but he hopes that when the loan is paid off in 34½ years that the settlement will show a profit on the bank stock. Smith could have borrowed that $10,000 at 6 per cent from a private investor and had the use of the entire $10,000, and assumed no liabilities, by paying $600 a year. He would not have run the risk of losing on the liability of $500 on his bank stock, either. But if everything turns out all right and the bank pays dividends for 34½ years, Smith will save $50 the first year!

"'Now, take the other side of the case and see what the American taxpayers lose through the deficit in the National Treasury because of the tax-exemption of this $10,000 worth of bonds that were sold to furnish the money for Smith's loan. Over 200 individuals and corporations receiving incomes of more than $1,000,000 a year are subject to an income tax of 77 per cent on the excess above a million income. On $10,000 of 5 per cent farm-loan bonds, the income is $500 a year. The income tax of 77 per cent on $500 is $385. This owner of tax-exempt bonds makes $385 a year because he is not required to pay that amount into the National Treasury. To offset this loss to the National Treasury, Peter Smith hopes to make $50. Here is a net loss of $335 a year that Smith's neighbors and other citizens of the country must pay to make up the deficit in the National Treasury caused by this tax exemption on the Smith bonds.

"'It would save $335 to the taxpayers annually if the bondholders were required to pay legal taxes and Smith was given a donation of $50 from the National Treasury. But these bonds may run for 20 years, so you may multiply this sum by 20, which makes a staggering sum lost by the National Treasury because Peter Smith and all the other farmers were allowed to dip into the tax-exemption feature.

"'The unexpected effect of this law increasing taxes has been to automatically reverse the action of the tax-exemption section of the farm loan act. Instead of benefiting the poor farmer it most benefits the very rich bondholder at a ratio of more than 7 to 1.'

"Free use of mails: The Federal farm-loan system and other systems enjoy free use of the United States mails. From the inauguration of the system in 1916, the entire country has been flooded with literature for propaganda purposes. The advantage of the farm loan system as compared with that of private institutions has been persistently urged in this literature, and some very fantastic claims have been made as to the advantages of the system. A great deal of matter which appears in these publications has a political flavor and is obviously intended to create a favorable impression with respect to the particular party in power at the time the publications are issued and distributed.

"Land inflation: That the operations of the Federal farm-loan system would result in inflation of land values, or, at any rate, made it possible for land speculators to profit by inducing land transactions, is apparent. Farm owners in many cases sold out at abnormal prices and retired on the proceeds, while others sold what they had and bought larger areas in the expectation of values continuing to rise, both in respect to land itself and to the commodities produced from it. These operations were facilitated by the generous loans made by the Federal land banks. At the time the belief that land values and prices of farm produce would remain high was encouraged by the propaganda of the Federal farm-loan system.

"Congressman Fordney, of Michigan, was amongst a number who viewed the situation differently. In the House of Representatives, he said: 'Thoughtful and careful people everywhere counsel economy in living and caution about investment in this time (1919) of high taxes and inflated prices. The Treasury Department urges us all to save money to buy thrift stamps and help pay the war debt. The Federal Farm Loan Board takes exactly the opposite view. They urge people to borrow money to place mortgages on their farms. With the aid of traveling lecturers, Chautauqua speakers, special newspaper writers, and others, farmers are told that Federal farm-loan mortgages never have to be paid off, or that they pay themselves off! Many are led into borrowing money for land speculation or to invest in automobiles and nonproductive improvements.

"'One of the popular phrases of these mortgage promoters is: "The farmer is learning that the dollar is a thing to be spent and not something to be hoarded." I know that they have loaned money on farms in the country at much above the value of the property, and that the Government will never get the money back. It is a fraud. I know a piece of land that sold for $3 an acre, and the Federal land bank loaned $15 an acre on it, and it would not sell to-day for $5 an acre; and that is the kind of loans they are getting sometimes. The loans made by the Federal land banks are such loans that prudent bankers and experienced money lenders will not make. Those responsible for the system encouraged the farmer to borrow extensively, being desirous of proving its value by the number of loans and the amount loaned. In some cases where the borrower was a thrifty farmer, benefit was derived, but in the majority of cases the money so obtained was used for unproductive purposes.'

"Pyramiding of debt.—The correctness of these forecasts was well founded, as is evidenced by a study of the conditions that have existed in recent years. In the United States the volume and value of the production show increases in 1920 over 1910 of 20.89 per cent, and 63.07 per cent, respectively, whereas land values increased 117.61 per cent. While volume and value of production remained about stationary, or practically so, during the four years, 1920–1924 inclusive, mortgage debt increased rapidly. On owner farms it amounted to $4,003,767,192 in 1920, and $6,214,222,263 in 1923. In the latter year it was 260 per cent greater than in 1910, as compared with an increase in production of only 17.07 as to volume and 54.14 as to value. Debt has increased enormously while value of and volume of production have shown but a nominal change.

"The State of Iowa, which ranks high from an agricultural standpoint, is shown as having a mortgage debt on owner-operated farms at the end of 1910 of $204,242,722, and this had risen by 1920 to $489,816,739. The increase in the 1920 debt as compared with that of 1910 is 139.82 per cent. Similarly, in the case of Nebraska, another important agricultural State, the debt increased in the 10-year period, according to census figures, from $62,373,472 to $168,507,859 in 1920.

"In the State of Iowa the volume of production in 1923 was 21.27 per cent greater than in 1910, but the mortgage debt had increased 187.82 per cent. While the volume of production has remained practically stationary in recent years—approximately a 25 per cent increase, as compared with 1910—the value of farm products was approximately 75 per cent greater. The mortgage debt, however, increased at a much more rapid rate than either the reputed value of the land, the value of the product, or the volume of production.

"In the United States agricultural production represented, in volume, an increase of only 17.07 per cent of 1910. In comparison with this, the debt of farmers increased 260 per cent. Now compare this with the experience in Canada where the mortgage debt increased, according to mortgages outstanding of the chief lending agencies, about 25 per cent, and production increased 104 per cent. Obviously, under the credit facilities provided farmers of Canada (private interests), production has increased more rapidly than in the United States (under political banking), and the farmers' debt in Canada has not increased nearly so rapidly as it has in the United States.

"Promotes landlordism: We have given attention to the effects of the Federal farm-loan system upon agriculture and production since the operation of the system. It is apparent that this great increase in farm debt was largely the result of lending by the system under the

auspices of the Federal Government. It was based upon the German plan. That plan was not intended to be of benefit to the operating farmers but rather to the land owners of that country. It has its origin in a general effort to rehabilitate the fortunes of landlords. It was successful in this respect, but it can not be said that the German farmer, rack-rented as he is, is in a position at all comparable with that of the agriculturists of the North American Continent.

"It is to be hoped that the landlord system, as it exists in Europe, will not take root here in Canada, as it is now liable to do if lending of the kind that is taking place in the United States continues. The tenant class, it is regrettable to observe, is steadily increasing, and that tendency is being accentuated by the farm-loan system of lending which has been adopted nationally. The cause appears to be the granting of large loans to landowners rather than to those who actually live on and produce from the land."

THE GOVERNMENT IN BUSINESS—VIEWS OF A FARMER STOCKHOLDER IN THE FARM-LOAN SYSTEM

When Congress took the round-about-face position of removing the farm-loan system from the control of the rightful owners and turned the enormous assets represented by the capital stock of the 12 Federal land banks into the control of the political appointees on the governing and supervising board, who work through their appointees in the banks, the United States Government then and there set forth upon a banking business without parallel in the experience of nations. Nowhere else in history has a government first enacted a system of finance for a particular class of people upon the promise that when they have subscribed to the capital stock a sum equal to that first advanced by the Government to capitalize the system that it would be turned over to them, the farmer owners, and then turned around and by an amendment to the fundamental act withdrawing from those property owners their property rights, vesting this in the hands of political appointees. It is not strange that the Federal farm-loan system to-day stands as the one outstanding failure of government in business.

Surely this has not been progressing to the present stage without recognition on the part of those in authority that it is not in keeping with American principles, as established 150 years ago by the First Congress, and to-day part and parcel of the fundamental laws of the country.

As recent as November 17, 1927, President Coolidge, in his Union League address at Philadelphia, said:

"We have always held very strongly to the theory that in our country at least more could be accomplished for human welfare through the encouragement of private initiative than through Government action. We have sought to establish a system under which the people would control the Government and not the Government control the people. If economic freedom vanishes, political freedom becomes nothing but a shadow.

"It has theretofore been our wish that the people of the country should own and conduct all gainful occupations not directly connected with Government service. When the Government once enters a business it must occupy the field alone. No one can compete with it. The result is a paralyzing monopoly."

It is very evident that those in authority of the Federal farm-loan system have neglected to advise the President of the current method of management of this politically administered farm-loan system, though many farmers did, upon the recent appointment of members to the Farm Loan Board, very emphatically advise the Chief Executive of their dislike of those same appointees, and of the shunting aside of property rights.

However, the promises of Government operation made early in the above-quoted paragraphs of the President's remarks have been very fully realized in the language which he later used. Who can doubt that "economic freedom vanishes, political freedom becomes nothing but a shadow," is true of the great farm credit system which politicians have endeavored to build? More than 1,000,000 American farmers who have gone into debt under this plan now find themselves possessed of stock in banks in which they are unable to vote, because politicians operate those same banks; the same farmers are now assuming liabilities to the extent of 10 per cent of their loans to safeguard a system operated by politicians who are—many of them—still experimenting in the art of banking.

Wholesale foreclosures, with most unfortunate results to the farmers, are now in progress throughout the United States. An official of the United States Department of Agriculture recently estimated that these have become greater than $5,000,000, and that three times as many loans should now be foreclosed, probably will be forclosed during 1928. Is this the hopeful, the helpful child Congress created only 12 years ago—is this the blessing in disguise which political banking promises those who are determined that politicians shall operate the land banks?

There is another side of the Government operation of land banks to be considered which promises in the near future to become a national scandal in keeping with many unholy unearthings which have so recently characterized the present and former administrations at Washington.

The crux of this problem is the method by which political bankers hope and expect to repay to bondholders the money which the investors loaned to the politicians to, in turn, loan to farmers, when the farms upon which the money was loaned have been foreclosed, are abandoned, and are not even returning sufficient funds to pay the annual taxes, not to mention interest on investment or principal sum. In solving this problem, the political bankers are sure to point a new way to private bankers, namely, how to make money grow where there is no activity or income.

The failures of the Federal farm-loan system, nor the criticism of its administration, could not have been more emphatic or glaring had the most foolish among farmers been responsible for its administration in the past 10 years. It is doubted if there exist anywhere farmers who would have gone ahead in so foolhardy a manner as have many of the politicians who have, from time to time, been placed in charge. Surely, the farmer-owners as managers of their own banks, could have devised a method of operation of farms which have loans upon them upon which farmer-operators can not meet the obligations, that would have been a great improvement over the system adopted by the Washington administrators of shoving the helpless farmer off his land.

The principle of the Federal farm-loan system may be right, but its policy of Government operation of that which belongs to some one else is a glaring indictment of every one who has been connected with it. It is to be hoped that Russia, India, Egypt, or Canada will never adopt a plan of banking which extends to farmers the promise of golden days, and after they have entered its portals, paid for their stock with money which they have borrowed and upon which they pay interest annually, will then take away from them their banks and place them in the hands of "changing" politicians.

No one wishes to deny the entire propriety of a high degree of public regulation and supervision. When, however, this regulation and supervision ceases to be merely regulatory and supervisory and undertakes, as have the political appointees of the Federal farm-loan system, to conduct the business which the farmer really owns and has paid for—the land banks—that is a grave and dangerous principle upon which to operate, and can lead only to ultimate dissatisfaction, and, unless corrected in time, to destruction and national scandal.

Continuity of policy and familiarity with the background of any business enterprise are essentials to success. The names of the men who have acted during the past 12 years as members of the Farm Loan Board comprise a list so long as to read like the roll of the Legion of Honor. Yet, had these political appointees served only their stated time, but a few would have served in this capacity in the same length of time. Officials who come and go with the shifting winds of popular favor, having neither long experience (if any experience), nor fundamental knowledge of the banking business, can not be expected to furnish the same type of management as that which has been and is so notably successful in the interest of private enterprise. Very few of the men who have served in the past 12 years on the Farm Loan Board, and as few in the 12 Federal land banks, have had even a "speaking acquaintance" with either agriculture or banking. Almost without exception their only qualification has been a strong political "pull." What sane financier would endeavor to successfully operate a banking institution, no matter how small its field of endeavor, with executives of that type? Yet, this is a great nation-wide system, operating in 48 States and Territories beyond the sea, by men of little or no actual knowledge of the demands of agriculture, or how to best meet them. Too often the truth has been that the only interest of the officials has been, "When is pay day?"

Such is the fruit of Government operation of a great banking system. Losses are being made which are enormous, and little is being done to stop the leak in the dike. It seems now to be a matter of "letting the Government or the farmer pay the bill," but later on, when the big pay day really comes round, it will be a most surprising financial transaction, which threatens to overshadow any recent investigation held in Washington.

[Extract from the Breeders' Gazette, Chicago, Ill.]

IS THE FARM LOAN ACT SATISFACTORY?—FEDERAL SYSTEM OF RURAL CREDITS CREATED BY THE LAW HAS FAILED OF ITS BEST RESULTS BECAUSE FARMERS HAVE NOT HAD ENOUGH TO DO WITH ITS ADMINISTRATION

The recent difficulties under which the Federal farm-loan system has been laboring, in its presently organized paternal branch of our Government, instead of the system the fathers of the system dreamed of perfecting, and farmers for 40 years have striven to secure, demonstrates that we have had more than a sufficient amount of this type of organization. It illustrates well the fact that Government control in farm finance is no more satisfactory than Government control of other branches. Had the Federal farm-loan system been originally organized as the fathers of the system planned, instead of as poli-

ticians desired, a far different story could be written of it to-day. The patriots have ever cried: "God give us men," but the politicians, not content with that, worship at the shrine of "Give us offices to fill." Thus we note that men who could not speak as representatives of our farmers have been holding a dominant position in the Federal farm-loan field, and have spoken their own personal opinions as representing farmers, whereas farmers knew nothing about their plans. The present situation is an illustration of the consequences of outside domination.

The Federal board was headed for its first two and a half years by a private banker. He selected private bankers as his aides. The various district land banks are manned by essentially private bankers or else mild agriculturists. In a few instances actual farmers do hold sway, but these are so few as to be marked. The Federal farm loan act specifies clearly that none save actual farmers may borrow through the district Federal land bank; had patriotism instead of politics dictated the same act's wording, actual farmers rather than private bankers would officer it.

The Federal farm loan system was planned along modern American political lines, under the dictation of private farm-mortgage banking leaders, and not along the perfected and successful rural credit lines of Europe. Here the politicians hold the balance of power and dictate, while over there the men who advance the collateral security, purchase the capital stock and make possible the system, manage it. In order to be a democratic institution, our Federal farm-loan system must be placed in the hands of American farmers and removed from the dictation of politicians and private bankers.

Congress, without any "ifs" or "ands," enacted a bill advancing $300,000,000 to the railroads, and permitted the railroad operators and managers to purchase such rolling stock as they might desire, without red-tape dictation and inefficient leadership. Are the railroads more vital than food-producing farms? Both are essential, and both have men in the ranks capable of managing their own business without outside aid. Neither requires paternalism, but both are in their present plight because of an overabundance of it. Had the politicians left agriculture and transportation alone, and permitted those in each field to attend to their own affairs, both would be in a more stable position now.

Government supervision is one thing, but Government dictation and domination are quite another. The land banks should be placed upon the same basis of supervision as national and State banks.

The decision farmers should make right now is that they themselves should have the entire control of the operation of these various cooperative financial systems, without governmental dictation or more of the "kind uncle" advice which characterizes the administration of a Federal bureau. American farmers have themselves supplied the unquestionable credit facilities warranting the millions of farm loans; farmers have themselves subscribed to the capital stock of the 12 land banks, and it naturally follows that, being actual owners, they should themselves operate these banks. There is no sound logic for further clogging of this farmers' cooperative machine with red tape.

Time and experience have demonstrated fully in the 12 districts that each has one or more localized problems quite different from any other. To illustrate: While the Middle West was experiencing the so-called land boom other districts were not, yet the Farm Loan Board put into immediate force certain rules which limited the same districts from adequately financing farmers' needs, in comparison with what the fundamental farm loan act promised farmers or the security offered by farmer applicants.

Again, early in the operation of the system it was discovered that California citrus growers were holding their land values as high as $1,500 to $3,000 per acre. The board put into force rules governing the operation of all banks which have resulted in great hardship to fruit growers of other sections whose land values are but a fraction of those of the Golden State. In other words, to safeguard the system in a dozen Pacific coast counties, the fruit growers of 48 States were made to suffer.

The point I desire to impress is that in a farmer owned and controlled land-bank system each of the dozen land banks would be able to remove the present cumbersome conditions and at once have a more elastic and pliable system. Each of the land banks could formulate rules and regulations adapted to the individual and local conditions existing in their districts, rather than be forced to adopt and enforce cut-and-dried, ready-made rules placing hardships upon the multitude in order to keep the minority within bounds.

The appreciation of the officials of 4,000 national farm-loan associations of the country runs high for the urgent need of some immediate remedy for present conditions, if the system is really to serve farmers as it should and as it was originally intended that it should. It is obviously impossible to secure any set of members of a Federal board who would make rules and regulations in Washington that would meet the requirements of the great body of farmers. Can we not determine a superior way of permitting the men who are actually on the land and in the farm-loan field to work out their own salvation along sound banking lines, in no way lessening the value of the farm-loan mortgages, but by several degrees advancing the service of the system?

Senator CHARLES CURTIS, of Kansas, has presented a plan which possesses considerable merit. Describing it, he recently said:

"Under the syndicate arrangement adopted for selling farm-loan bonds it looks as if brokers get the premiums and that the land banks are getting no particular advantage from the tax exemptions of their securities. Would it not, therefore, be better to let the farmers themselves manage these banks exactly as the law intends? The only change necessary for this would be to give the farmers the entire responsibility for the system and oblige them to operate on their own unquestionably good credit.

"This is the secret of the soundness and success of innumerable borrowers' banks of various kinds, among which failures are rarer than among ordinary banks. The 65,000 cooperative credit societies, with 15,000,000 members and a $7,000,000,000 annual business, are based on this idea of using their own credit and of imposing upon members a liability that is either unlimited or else severe enough to be felt. The cooperative bank with unlimited or limited liability has proved its worth wherever tried, in country, town, or city, for encouraging thrift and extending credit in large and small amounts.

"The same idea prevails in all true building and loan associations among the 7,269 with 3,853,612 members and $1,769,142,175 assets in the United States. Any member getting a loan must subscribe for shares up to its full amount. His payments are made not on the mortgage but on the shares. When the shares mature he may turn them in and have his debt canceled. The maturing of the shares depends upon his payments and also upon the association's profit and loss. All his credits could be wiped out by a loss; consequently he is liable to the full amount of his mortgage. Profits would hasten the extinction of his debt, and he is as deeply interested as are nonborrowing members. As a result, these associations can operate even on savings with safety, although borrowers share in the management.

"The Landschafts, founded 150 years ago, are composed entirely of borrowers. They now number 23 with some $1,000,000,000 worth of bonds, and none of them ever defaulted an obligation. The borrowers elect all the officers and appraisers, every one of whom must be a borrower. The borrowers' payments go into a sinking fund, in which the cash on hand, together with the unpaid principal of the loans, must equal outstanding bonds. If this fund becomes impaired in the old Landschafts any member may be assessed without limit for the deficiency. In some of the newer Landschafts the liability is limited to the mortgage or some portion of it. But the basic idea is that all the borrowers have the direct management, use their own credit, and assume liability large enough to be felt."

Under the Federal farm loan act, as it is now administered, appointments of appraisers are made by the Farm Loan Board, upon the recommendation of the district land bank. The farmers who have subscribed to the capital stock of these land banks have not been taken into consideration, with the natural result that many appraisers are not adapted to their work, and farmer-borrowers have been forced to endure hardships because of this shortsighted policy. In one or more instances appraisers who are identified actively with private banking interests making farm mortgages have been employed in the farm-loan service. Their reports have been responsible for rejecting a large percentage of farmer-applicants from the system's service. This has been continued despite the fact that section 3 of the act provides that no appraiser shall be employed thus engaged in private banking. Here lies an important reason why farmer-owners, who guarantee the system against liability to the extent of 10 per cent of their loans, should themsleves select the men who make the reports on the loans, and not outside men, who have not one cent involved in the system.

Myron T. Herrick, who probably is the real father of the present rural-credit system, is much in favor of the farmers themselves operating their banking system. "If the farmers had a bank of their own," advises Mr. Herrick, "they could exchange its notes secured by their agricultural or livestock paper running for six months or less for Federal reserve bank notes, and thus they could convert such paper into Government obligations which can be used in transactions with individuals in this country the same as money. The great majority of farmers have the best of characters, with property and wealth-producing power out of which the soundest credit and the highest financial standing could be created.

"The banks know all this. Indeed, most of the funds which they own and are using for other industries came from agriculture. Their total resources are approximately $34,600,000,000. The farmers produce an annual crop worth more than $20,000,000,000, or more than 55 per cent of the total bank resources. These figures indicate a moral duty of the banks to render more service than they now give to farmers. For what would become of the banks if they should be deprived of the annual agricultural production which is represented by paper passing through them, or which has been transferred permanently to them? The farmers in the aggregate have accumulated $60,000,000,000 of wealth, or one-fourth of the Nation's wealth. This and their annual income are more than enough to supply their own banking and financial needs, if they should mobilize the credit value of these stupendous

resources. But this mobilization can be accomplished only by forming banks of their own.

"With such banks the farmers would have first the use of the wealth they create, and avoid much of the necessity of mortgaging farms and all the losses coming from forced sales of their crops. Moreover, they would add strength to their already existing associations and save the interest they now pay in borrowing from outside sources. They would also help all other industries, because the farmers' needs would be for short terms, in most cases extending no longer than from harvest to harvest, when their returns, increased by the resulting improvement, would mingle again with the general banking power and swell its volume. Perhaps $10,000,000,000 would have been added to this power if farmers in their organizations, splendid though some of them are, had not done the very reverse of what the best cooperative farmers in other countries did, who began by forming banks."

[Extract from Farm Leader, Minneapolis, Minn.]

WRECKING A COOPERATIVE LOAN SYSTEM—HOW THE FARM LOAN BOARD WIPED OUT ORIGINAL SPLENDID PROVISIONS OF THE FEDERAL FARM LOAN ACT

In the last issue the Leader told the story of how the farmers have been prevented to date from controlling and managing the Federal land banks, although the original law provided for such control. Congress, the political boards of directors of the land banks and the Federal Farm Loan Board, through a trick, have prevented the original cooperative plan of organization of the banks from being carried out. It should have been carried out long ago. Under the permanent plan of organization for the banks, provided for in the law and constituting a pledge to and contract with the farmers, the farmer borrowers of the banks long before this should be in control through their electing six of nine permanent directors for each bank.

But the Federal board to date has been able to keep its dictatorship of the banks, to the exclusion of farmer management, only because of the trick put over on the farmers.

Have the farmers failed to apply for land-bank loans? No; the land banks have rejected and are rejecting applications for hundreds of millions of dollars in loans.

Each land bank is supposed to have the right to issue as many bonds as necessary to take care of its applications for loans, without dictation of the Federal board or without regard to the other land banks. But the policy of the Federal Farm Loan Board has apparently been to put on the brakes and keep the Government rural credit system from developing as rapidly as it should or as it could. This has played into the hands of private money lenders. And now they want to prevent the management of the banks from being put in the hands of the farmers themselves, so that the farmers can not develop the system where the political management so miserably failed!

INTERMEDIATE CREDIT BANK, COLUMBIA, S. C.

Mr. NORBECK. Mr. President, I desire to make a brief reply to the remarks of the Senator from South Carolina [Mr. BLEASE]. Some time ago the Senator introduced a resolution calling for an investigation of the Federal land bank located in his State, or, more particularly, the intermediate credit department of this bank. About the same time there was introduced in the House by Congressman HARE, of South Carolina, a bill, the effect of which would be to have the Government reimburse the customers of a certain defunct State bank in the amount of $600,000 or $700,000, which said customers lost on account of the failure of this bank, located at Beaufort, S. C. It seems that a large number of loans had been made by the intermediate credit bank to farmers and planters in the vicinity of Beaufort and that repayment of some of these loans had been made through this bank, which is now closed, and that said bank had not remitted to the intermediate credit bank at Columbia, S. C.

Charges of gross irregularities have been made as to the management of this failed bank. Criminal prosecutions have been conducted by the Department of Justice, and I think some of the parties connected with the failure have been convicted.

Some of those who suffered losses claim that the intermediate credit bank was more or less responsible for the conditions existing in said State bank. But the statements made before the Committee on Banking and Currency were so indefinite, and even conflicting, that the committee was unable to pass judgment on the matter.

This meeting of the committee had been called especially for the purpose of considering this resolution. The author of same was given the opportunity to make the opening statement, which he did. He laid upon the desk a large number of papers and said, "Here is my proof." Before we got very far along with the hearing the Senator from South Carolina did just what he has told you he did—he picked up his papers and left the room, leaving the committee without any of the evidence.

Congressman HARE, the author of the House bill above referred to, for the relief of the customers of said bank, was next heard by the committee. He impressed me as a sincere man trying to be helpful, but he was not in complete possession of all the necessary facts.

The only action so far taken by the committee on the Blease resolution is a request to the Federal Farm Loan Board to make a report on this whole matter, in order that the undisputed facts may be known to the committee.

I want to say to the Senator from South Carolina that I am delighted now to know that the evidence he has will be made available to the committee. I can assure him that it will be read carefully and that action by the committee will not be delayed.

Mr. BLEASE. Mr. President, I wish to say to the Senator from South Dakota that I have filed with the Secretary of the Senate all the records of which he has spoken. They are now in the hands of the Secretary of the Senate.

TREATMENT OF MILITARY PRISONERS DURING THE CIVIL WAR

Mr. SIMMONS. Mr. President, my attention has been called to an article appearing in the Boston Evening Transcript, of Wednesday, March 21, in which there is discussed a subject around which has raged considerable historical controversy. The Boston newspaper prints a statement with reference to the controversy by Capt. Samuel A. Ashe, a Confederate officer and eminent historian, lawyer, and newspaper editor of Raleigh, N. C., who, although more than 80 years of age, is still vigorous and active, both in body and mind. The Transcript refers to Captain Ashe's statement as being "a plain and temperate statement from a southern man." I think the information given in this newspaper article should be preserved in some permanent way, and I therefore request unanimous consent that this article from the Boston Evening Transcript may be printed in the CONGRESSIONAL RECORD.

The PRESIDING OFICER. Is there objection?

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

THE NOMAD

This is not in any sense a controversial column, and the little story here given about the inscription on a Civil War soldier's gravestone at St. Albans, Vt., was not admitted with any controversial intention. But it has called out the following plain and temperate statement from a southern man, and under all the circumstances it is entirely fair that this statement shall be respectfully presented and the matter dropped there. It is Mr. S. A. Ashe, a Confederate officer and a well-known lawyer, business man, former newspaper editor, and historical writer, of Raleigh, N. C., who writes to the Nomad:

"The northern people," he says, "have been led astray by misstatements about the South. Certainly there may have been excesses on either side, but the South has been unjustly stigmatized for alleged improper treatment of prisoners who had surrendered to the honor of their captors. That is an error. As to the death of prisoners, if we institute a comparison we will find that relatively more died at the North than at the South. On July 19, 1866, Secretary Stanton reported that 26,246 southern boys had died in northern prisons and 22,246 northern boys had died in southern prisons, while there were 270,000 of the latter and 220,000 southern soldiers taken prisoners. And this disparity is greatly increased when we consider the varying circumstances. At the North there was no want of provisions or medicines. At the South there was a want that could not be filled. It was with this knowledge the North ceased exchanging prisoners—as a war measure—to burden the South with the care of its many prisoners. There might have been a mutual parole, without exchange. Grant paroled 30,000 Confederates at Vicksburg who were never exchanged. That might have been continued.

"When the summer of 1864 was coming on, Mr. Ould, the Confederate commissioner of prisoners, sought to make purchases from the United States authorities of needed medicines. He offered gold, cotton, tobacco, any price, for the medicine, and the medicine to be dispensed by United States surgeons. It was to be for the use of United States prisoners alone. That offer was refused. Then in the summer disease broke out at the principal stockade at Andersonville. It was ascribed to the German prisoners not being accustomed to corn bread. The disease became a pestilence. Steps were hurriedly taken to remove all the well men, but that took time. On July 10 the prisoners held a great meeting and appointed a committee of five to proceed to Washington and to represent conditions and beg for an exchange of prisoners. This committee met with no favor at Washington. Deaths multiplied. In August, Mr. Davis made an offer to President Lincoln that if the United States would send transportation to Savannah he would send to their homes 10,000 or 15,000 Union boys. There was at first no answer.

"The pestilence was like a visitation of the yellow fever. September and October passed. No transportation. At length, on November 19, the United States vessels began to arrive. In the meantime there died, on September 11, among thousands of others, James Partridge Brainerd,

of St. Albans, Vt. On this monument it is recorded that he died 'entirely and wholly neglected by President Lincoln, and murdered with impunity by the rebels, with thousands of our loyal soldiers by starvation, privation, exposure, and abuse.' The misconduct here ascribed to the rebels, by his friends at home is an erroneous statement; he died, doubtless, for the want of medicines.

"Had the vessels been promptly sent, this young soldier would probably have been sent home. But the delay was fatal to him and others. Mr. Davis filled the United States ships with Federal prisoners—5,000 sick men and 8,000 well men—and they were sent to their homes. Certainly, it was terrible at Andersonville, but as deplorable as it was, there was nothing to bring to a southern Christian a blush of shame. 'The True Story of Andersonville' has been told by a Michigan officer, who was there, Lieut. James Madison Page, Company A, Sixth Michigan Cavalry, who gives his testimony as to the facts. He says: 'The reader may expect in this account only the plain, unvarnished tale of a soldier. He hopes that it will satisfy the lovers of truth and justice.' While his account is a woeful experience, yet it appears that the southerners did everything they could do mitigate the situation and conditions. It was a calamity, a visitation of a pestilence."

CONDITIONS OF UNEMPLOYMENT

Mr. SHIPSTEAD. Mr. President, on March 6 the Senate passed a resolution asking for a report on the problem of unemployment and 17 days later the Secretary of Labor presented a report to the Senate, which has been debated in the Senate, has been commented on in the press and, because of certain statements relative to that report having been made which are erroneous, no one else having called the attention of the erroneous statements made and based upon that report, I shall take a few minutes to call the attention of the Senate to the same.

Estimates of unemployed in the United States have been made in the Senate all the way from 1,000,000 to 5,000,000. The newspapers seem to take for granted the report of the Secretary of Labor, showing an increase of unemployment since 1925 amounting to 1,800,000 persons, in round numbers, and that part of the report of the Secretary of Labor seems to have been accepted as the total number of unemployed persons in the United States at the present time.

In order to understand the error of this conclusion listen to this paragraph in the report:

> That the shrinkage in the volume of wage earners, including manufacturing, transportation, mining, agricultural, trade, clerical, and domestic groups, figured on the basis of those employed in 1925, is revealed to be 7.43 per cent. Applying this percentage to the total number of employees of 1925 gives a shrinkage between the average of 1925 and January, 1928, of 1,874,050 persons.

In the next paragraph the Secretary of Labor states:

> In making 1925 the base of 100, it is understood that whatever there may have been of unemployment in that year is ignored.

I call the attention of the Senate to the fact that the figure or number 1,870,000 does not represent, on the basis of the report of the Secretary of Labor, the true number of unemployed persons in the United States at the present time. The figure merely represents the increase in unemployment or the decrease in employment since the year 1925.

Because there has been so much speculation and debate upon what might be estimated to be the present number of unemployed persons in the United States, I call the attention of the Senate to the fact that the Department of Labor has compiled from year to year the unemployment statistics. We have them compiled by the same statistician, Mr. Stewart, who is well known and has been well known for very many years as a very reliable statistician. For instance, we find that the peak of employment was in the first half of 1920. In his Monthly Labor Review for the month of March, 1926, on page 113, we find, taking monthly average 1923, 100 as par, that employment stood at 116 in the first half of 1920. There was a constant decrease, always figured on 1923, 100 as the base. There was a decrease for 1923, a decrease for 1925, and a decrease for 1928. On page 146 of the Monthly Labor Review for 1928 we find that on the same number as par, 100, employment stood at 84.2, a shrinkage in employment or an increase in unemployment from 1920 to 1928 of more than 32 per cent. We find in the same report that employment in 1925 was 8.8 per cent below 1923; that is to say, the employment shrinkage from 1923 to 1925 was greater even than the shrinkage from 1925 to 1928.

A little computation will show how many wage earners are included in the 8.8 per cent employment shrinkage between 1923 and 1925. Commissioner Stewart said in his report, issued by the Secretary of Commerce, that the shrinkage between 1925 and 1928 was 7.43 per cent, and that that shrinkage meant a decrease of employment of 1,874,000 persons. Assuming this basis to be correct, and I think it is correct, because I do not question the Department of Labor's own statistician, the shrinkage of 8.8 per cent would mean a two years' decrease of 2,219,690 for the period from 1923 to 1925.

Thus we have the official data of the Department of Labor that the decrease in the number of wage earners employed amounts to 1,874,050 as compared with 1925, which, in turn, was 2,219,600 below 1923. Therefore, comparing 1928 with 1923 as the semipeak of employment, the total shrinkage for the five-year period is 4,093,650.

But in order to arrive at a full estimate of unemployment we have got to go back to the peak of employment when approximately all wage earners were presumed to hold jobs, and that, according to the Secretary of Commerce and the statistician of the Department of Labor, was in the first half of 1920.

The Monthly Labor Review for March, 1926, which carries Table 7 back to the employment peak in 1920, shows the general index of employment and finally the total in manufacturing industries on page 113, and now we find that on the basis of 1923 as par 100, employment in the first six months of 1920 ran as follows: January, 116.1; February, 115.6; March, 116.9; April, 117.1; May, 117.4; June, 117.9; an average of 116.8 as the 1920 peak. Thus the United States Department of Labor reports that unemployment between first half of 1920 and 1923 suffered a shrinkage of approximately 16.8 per cent.

Commissioner Stewart tells us that he applies the shrinkage percentage in the manufacturing industries as the approximate percentage of employment shrinkage in all wage-earning industries. So let us do the same. If a shrinkage of 7.43 per cent means a decrease of 1,874,050 wage earners, a shrinkage of 16.8 per cent, as Senators may readily compute, means a decrease of 4,237,420 wage earners.

So here we have the complete record, based on the official employment tables of the Labor Department, showing the progressive shrinkage in volume of wage-earning employment from the high peak of employment in the first half of 1920 down to 1928, as follows:

From the peak in 1920 down to 1923, a shrinkage of 16.8 per cent, or 4,237,420 wage earners.

From 1923 down to 1925, a shrinkage of 8.8 per cent, or 2,219,600 wage earners.

From 1925 down to January, 1928, a shrinkage of 7.43, or 1,874,050 wage earners.

So the total shrinkage from the 1920 peak down to 1928, as officially reported by the Labor Department, is approximately 32.6 per cent, or 8,331,000 wage earners.

Now, some of the wage earners of 1920 have died, but others have been born and the native-born workers have yearly increased. Their ranks have been increased by immigration at the rate of about 250,000 a year, so Secretary of Labor Davis tells us. On the other hand, some of the wage earners have set up in business for themselves or become employing capitalists.

But before we leave this chapter of the report, let us recapitulate the index data officially reported in statistical Table 7 of the Bureau of Labor Statistics.

Bear in mind that all the data I have here quoted from Table 7 uses the same par base 100 for 1923. In the report to the Senate the department used 1925 as the base 100, but in its official monthly report to the public the Bureau of Labor Statistics, of which Commissioner Stewart is chief, has used for three years 1923 as the base 100. It makes no difference in the result, for one basis is readily converted into another, but for the sake of clearness and uniformity it is safer to use a common denominator, and so 1923 as reported in the official monthly bulletin is employed as the base 100 for all the data here cited.

And here is the index record running back from January, 1928, to the employment peak in 1920, using for all dates 1923 as 100:

Employment index for—	
January, 1928	84.2
1925 average	01.2
1923 average	100.0
First half 1920	116.8
Total employment shrinkage, 1920–1928	32.6

And this means, according to the computations of the United States Labor Department, a shrinkage in number of employed wage earners of over 8,000,000.

I said, Mr. President, in the beginning that I used the report of the Secretary of Labor and the reports of his department back to 1920 to carry out his report to its ultimate conclusion, in order that we might have something upon which to base an estimate of the unemployment in the United States at the present time. I am not this afternoon going to take up the time of the Senate by going into any of the causes or the reasons for this vast amount of unemployment of people in the United States as revealed by the statistics and reports of the Depart-

ment of Labor itself; undoubtedly there are many reasons; but I want to call one reason to the attention of the Senate, so that those who have time and are interested may investigate. That reason is the tremendous exportation of capital from the United States during the last six or seven years to build up the industries of Europe. Of course, labor-saving machinery has had something to do with it.

Mr. SIMMONS. Mr. President——

The PRESIDING OFFICER (Mr. McNARY in the chair). Does the Senator from Minnesota yield to the Senator from North Carolina?

Mr. SHIPSTEAD. I yield.

Mr. SIMMONS. I do not know that I understood the Senator's final estimate of the unemployed existing at this particular time. Did he make any estimate?

Mr. SHIPSTEAD. I did not make an estimate. I have only taken the reports of the Department of Labor from 1920 down to the present time, showing the gradual progressive decrease in the number of persons employed in the United States from year to year.

Mr. SIMMONS. The Senator from Minnesota, then, has expressed no opinion as to what is the present number of the unemployed in this country?

Mr. SHIPSTEAD. On the face of facts presented by the Department of Labor the result of this computation leads to the belief that there are in the neighborhood of about 8,000,000 persons unemployed in the United States at the present time.

Mr. SIMMONS. At this time?

Mr. SHIPSTEAD. At this time, if the figures, statistics, and reports of the Department of Labor are worth anything, and I have no reason to doubt their accuracy.

Mr. SIMMONS. The Senator is aware of the fact that the senior Senator from Utah [Mr. SMOOT], quoting, I believe, from the Department of Labor a few days ago, estimated that there are only about 1,800,000 unemployed at that time, while I estimated that at least 4,000,000 were unemployed. The other day a gentleman read to me—for I myself do not read much—from a magazine, the name of which I do not quite remember, but I think it was the Nation, issued one day last week, in which an estimate of something over 6,000,000 was made as the number of unemployed at the present time. I will see if I can find that article. I have had a telephone message sent to the gentleman who presented it to me with a view of finding the article.

Mr. WAGNER. The name of the magazine to which the Senator from North Carolina refers is, I think, the New Republic.

Mr. SIMMONS. Probably it was the New Republic; I do not remember exactly what publication it was; but it was some publication brought to my office by a gentleman who read to me a statement from it with reference to unemployment, estimating the number of unemployed to be something over 6,000,000.

Mr. SMOOT. Let me read to the Senator from North Carolina just what the Secretary of Labor stated in his report.

Mr. SIMMONS. Is the Senator from Utah referring to a statement different from the one that he read the other day?

Mr. SMOOT. The figures in the report I put in the RECORD the other day.

Mr. SIMMONS. Is this something additional?

Mr. SMOOT. The statement I made was based upon report of the Department of Labor. This is what the Secretary stated in his letter of transmittal.

Mr. SIMMONS. Pardon me. Before the Senator reads that statement I wish to ask, does the Secretary of Labor state something different from what he stated in his report?

Mr. SMOOT. No; I do not think so. This is from the letter transmitting the report:

> The census of 1920 showed 42,000,000 of our people are wage earners or otherwise gainfully employed. Of these, 23,348,692 have been found to be at present employed on either a wage or a salary basis. By the most careful computation methods available, Commissioner Stewart finds that the actual number now out of work is 1,874,050.

That is what the Secretary of Labor said.

Mr. CURTIS. Mr. President, I do not want to interrupt the debate, but to-day is Calendar Monday, and we have not as yet concluded the order of petitions and memorials. I hope Senators will let us finish the morning business.

Mr. SIMMONS. But this is a very important matter that we are talking about right now.

Mr. CURTIS. I said I would not interrupt the discussion, but I do not want it to extend any longer than necessary.

Mr. WAGNER. There is nothing more important.

Mr. SIMMONS. As the Senator from New York suggests there is absolutely nothing more important than to ascertain what is the extent of unemployment in this country.

Mr. CURTIS. We could talk here a week and not settle that question.

Mr. SIMMONS. But we can discuss it, Mr. President. We could not discuss anything more vital.

Mr. CURTIS. I demand the regular order.

Mr. SIMMONS. What is the regular order?

The PRESIDING OFFICER. The regular order is the presentation of petitions and memorials.

Mr. SIMMONS. I supposed that we had concluded that order.

The PRESIDING OFFICER. We have not as yet concluded the morning business. The presentation of petitions and memorials is in order.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a letter in the nature of a petition from the Chamber of Commerce of Pittsburgh, Pa., praying for the enactment of legislation providing for a 1-cent rate on third-class mail matter, which was referred to the Committee on Post Offices and Post Roads.

Mr. WALSH of Massachusetts presented petitions of citizens of Holyoke and Woodville, and sundry other citizens, all in the State of Massachusetts, praying for the prompt passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

Mr. BRUCE presented a petition of sundry citizens of Baltimore, Md., praying for the passage of legislation granting increased pensions to Civil War veterans and their widows, which was referred to the Committee on Pensions.

He also presented a petition of sundry citizens of Baltimore, Md., praying for the passage of legislation to curb alleged unfair and destructive trade practices of chain stores, stating that by selling highly advertised items below cost they create an impression of cheapness and prices which undersell their neighbors, etc., which was referred to the Committee on the Judiciary.

Mr. SIMMONS presented a memorial numerously signed by sundry citizens of Winston-Salem, N. C., remonstrating against the passage of legislation providing for compulsory Sunday observance in the District of Columbia, which was referred to the Committee on the District of Columbia.

Mr. COPELAND presented petitions of sundry citizens of Rochester and New York City, all in the State of New York, praying for the passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

Mr. FRAZIER presented the petition of the Farmers Educational and Cooperative Union of McHenry County, signed by O. T. Haakenson, of Barton, and 92 other citizens, in the State of North Dakota, praying for the passage of the so-called McNary-Haugen farm relief bill with the equalization fee provision retained therein, which was ordered to lie on the table.

Mr. McLEAN presented a petition of sundry citizens of Winsted, Conn., praying for the passage of legislation granting increased pensions to Civil War veterans and their widows, which was referred to the Committee on Pensions.

He also presented letters and papers in the nature of memorials from the Connecticut Chautauqua (Inc.), of Bristol; the Woman's Christian Temperance Unions of Waterbury, Thomaston, Norwich, Danielson, and Gilford; and Everyman's Bible Class, of Norwalk, all in the State of Connecticut, remonstrating against adoption of the proposed naval building program, which were referred to the Committee on Naval Affairs.

He also presented letters and papers in the nature of petitions from the Connecticut Chautauqua (Inc.), of Bristol, and the Woman's Christian Temperance Unions of Waterbury and Danielson, in the State of Connecticut, praying for the passage of the so-called Burton resolution, being House Joint Resolution 183, prohibiting the exportation of arms, ammunitions, and other implements of war to any nation engaged in war, etc., which were referred to the Committee on Foreign Relations.

He also presented letters and papers in the nature of petitions from the Woman's Christian Temperance Union of New Milford; the Young Men's Christian Association of Hartford; the American Association of University Women of New Haven; the Connecticut Chautauqua (Inc.), of Bristol; the Society of New Thought and the Seminary Foundation, both of Hartford; the Travelers' Club, of Danbury; the School Committee of Westport; the National Council of Jewish Women of Hartford; the Quinnatissette Grange, of Thompson, and sundry citizens of Bridgeport, Cromwell, and Milford, all in the State of Connecticut, praying for the passage of the so-called Gillett resolution,

requesting the President to consider further exchange of views with the signatory nations regarding reservations of the United States relative to its adherence to the Permanent Court of International Justice, which were referred to the Committee on Foreign Relations.

SALARY OF MARSHAL OF SUPREME COURT

Mr. BLAINE submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8725) entitled "An act to amend section 224 of the Judicial Code," having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the amount proposed to be inserted by said amendment, insert "$5,500"; and the Senate agree to the same.

JOHN J. BLAINE,
CHARLES W. WATERMAN,
H. D. STEPHENS,
Managers on the part of the Senate.

GEO. S. GRAHAM,
L. C. DYER,
HATTON W. SUMNERS,
Managers on the part of the House.

Mr. BLAINE. I ask unanimous consent for the immediate consideration of the report.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the report?

Mr. CURTIS. Let me ask, will it lead to debate?

Mr. BLAINE. I presume it will not.

Mr. SMOOT. Will the Senator explain what the effect of the adoption of the conference report will be?

Mr. BLAINE. Mr. President, the bill which has been in conference has reference to the salary of the marshal of the United States Supreme Court. His salary at present is $4,500, having been fixed at that rate, as I recall, in 1912 or 1914. The House bill proposed to amend the law by providing for a salary of $6,000 per annum. The Senate amended the House bill by striking out $6,000 and inserting $5,000, and also by striking out the last clause in the House bill relating to the power of the Chief Justice to fix the salaries of subordinates of the marshal in accordance with salaries paid to employees occupying similar positions in the House of Representatives. As I have said, the Senate struck out that provision in the House bill for the reason that it would be utterly impossible to classify the subordinates in the office of the marshal of the United States Supreme Court on the same basis as employees of the House of Representatives. The Chief Justice could make an attempt to comply with the law as nearly as he could, but the Senate Committee on the Judiciary felt that the Chief Justice ought not to be placed in a position where he must, in fixing those salaries, in the very nature of things, disregard such a provision. So the Senate struck that provision out. The House conferees concurred in that action; and on the salary proposition the conferees fixed the salary at $5,500 per annum instead of $4,500 per annum, which is the present salary.

Mr. SMOOT. All the bill will do, then, if it shall become a law, will be to increase the salary of the marshal of the United States Supreme Court from $4,500 to $5,500?

Mr. BLAINE. That is correct.

The PRESIDING OFFICER. The question is on agreeing to the report.

The report was agreed to.

REPORTS OF COMMITTEES

Mr. NORBECK, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 333) authorizing the sale of certain lands near Seward, Alaska, for use in connection with the Jesse Lee Home, reported it without amendment and submitted a report (No. 655) thereon.

He also, from the Committee on Banking and Currency, to which was referred the bill (S. 3685) to amend the War Finance Corporation act, approved April 5, 1918, as amended, reported it without amendment and submitted a report (No. 656) thereon.

Mr. ODDIE, from the Committee on Public Lands and Surveys, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 3375. An act to amend sections 23 and 24 of the general leasing act, approved February 25, 1920 (41 Stat. L. 437), (Rept. No. 657); and

H. R. 465. An act to authorize the city of Oklahoma City, Okla., to sell certain public squares situated therein (Rept. No. 658).

Mr. NYE, from the Committee on Public Lands and Surveys, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 5545. An act granting certain lands to the State of California (Rept. No. 659);

H. R. 6993. An act authorizing the Secretary of the Interior to sell and patent certain lands in Louisiana and Mississippi (Rept. No. 660);

H. R. 9118. An act for the relief of William C. Braasch (Rept. No. 661); and

H. R. 10483. An act to revise the boundary of a portion of the Hawaii National Park on the island of Hawaii in the Territory of Hawaii (Rept. No. 662).

Mr. BAYARD, from the Committee on Claims, to which was referred the bill (S. 1648) for the relief of Oliver C. Macey and Marguerite Macey, reported it without amendment and submitted a report (No. 663) thereon.

He also, from the same committee, to which was referred the bill (S. 1499) for the relief of Harry C. Saxton, reported it with an amendment and submitted a report (No. 664) thereon.

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

H. R. 5075. An act for the relief of W. J. Bryson (Rept. No. 665); and

H. R. 5923. An act for the relief of Sanitarium Co., of Portland Oreg. (Rept. No. 666).

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

S. 1486. An act for the relief of the owners of the schooner *Addison E. Bullard* (Rept. No. 667); and

H. R. 9112. An act for the relief of William Roderick Dorsey and other officers of the Foreign Service of the United States, who, while serving abroad, suffered by theft, robbery, fire, embezzlement, or bank failures losses of official funds (Rept. No. 668).

Mr. BRATTON, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 9829) to extend the provisions of the act of Congress approved March 20, 1922, entitled "An act to consolidate national forest lands," reported it with amendment and submitted a report (No. 669) thereon.

Mr. SHIPSTEAD, from the Committee on Foreign Relations, to which was referred the bill (H. R. 10884) to amend the act entitled "An act to carry into effect provisions of the convention between the United States and Great Britain to regulate the level of Lake of the Woods concluded on the 24th day of February, 1925," approved May 22, 1926, reported it without amendment and submitted a report (No. 670) thereon.

Mr. COUZENS, from the Committee on Education and Labor, to which was referred the joint resolution (S. J. Res. 89) designating May 1 as child health day, reported it with amendment and submitted a report (No. 671) thereon.

He also, from the same committee, to which was referred the bill (H. R. 279) to amend section 8 of an act entitled "An act to incorporate the Howard University in the District of Columbia," approved March 2, 1867, reported it without amendment and submitted a report (No. 672) thereon.

Mr. McNARY, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 10563) extending the provisions of the recreational act of June 14, 1926 (44 Stat. L. 741), to former Oregon & California Railroad and Coos Bay Wagon Road grant lands in the State of Oregon, reported it without amendment and submitted a report (No. 673) thereon.

Mr. GOODING, from the Committee on Public Lands and Surveys, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 142. An act to add certain lands to the Idaho National Forest, Idaho (Rept. No. 674);

H. R. 144. An act to add certain lands to the Challis and Sawtooth National Forests, Idaho (Rept. No. 675); and

H. R. 6056. An act to provide for addition of certain land to the Challis National Forest (Rept. No. 676).

Mr. WALSH of Montana, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 4125) for the relief of Holger M. Trandum, reported it without amendment and submitted a report (No. 677) thereon.

Mr. BORAH, from the Committee on the Judiciary, to which was referred the bill (H. R. 343) to amend section 128, subdivision (b), paragraph 1, of the Judicial Code as amended February 13, 1925, relating to appeals from district courts, reported it without amendment and submitted a report (No. 678) thereon.

Mr. CAPPER, from the Committee on Claims, to which was referred the bill (S. 764) for the relief of J. F. Nichols, reported it with amendments and submitted a report (No. 679) thereon.

He also, from the same committee, to which was referred the bill (S. 2697) for the relief of Hattie M. McMahon, reported it without amendment and submitted a report (No. 680) thereon.

Mr. DALE. From the Committee on Civil Service I report back favorably and unanimously, with amendments, the bill (S. 1727) to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, and acts in amendment thereof, approved July 3, 1926, and I submit a report (No. 681) thereon.

ENROLLED BILL AND JOINT RESOLUTIONS PRESENTED

Mr. GREENE, from the Committee on Enrolled Bills, reported that on March 31, 1928, that committee presented to the President of the United States the following enrolled bill and joint resolutions:

S. 716. An act to exempt American Indians born in Canada from the operation of the immigration act of 1924;

S. J. Res. 30. Joint resolution to provide for the expenses of participation by the United States in the Second Pan American Conference on Highways at Rio de Janeiro; and

S. J. Res. 113. Joint resolution to amend subdivisions (b) and (e) of section 11 of the immigration act of 1924, as amended.

EXPENSES OF COMMITTEE VISITING STONE MOUNTAIN UNVEILING

Mr. FESS. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably, without amendment, Senate Concurrent Resolution 13 and ask unanimous consent for its immediate consideration. I call the attention of the Senator from Utah [Mr. SMOOT] to the concurrent resolution.

The PRESIDING OFFICER (Mr. JONES in the chair). Is there objection to the immediate consideration of the resolution?

The concurrent resolution (S. Con. Res. 13) submitted by Mr. SMOOT March 20, 1928, was considered by unanimous consent and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That all necessary expenses incurred by the committee of Congress consisting of 5 Senators and 10 Members of the House appointed by the Vice President and the Speaker to represent the Congress of the United States at the exercises at Atlanta, Ga., on April 9, 1928, incident to the unveiling of a portion of Stone Mountain by the Stone Mountain Confederate Monumental Association, be, and they are hereby, authorized to be paid one half out of the contingent fund of the House of Representatives and the remaining half out of the contingent fund of the Senate.

IRON GATES IN WEST EXECUTIVE AVENUE, DISTRICT OF COLUMBIA

Mr. FESS. Mr. President, I ask the attention of the Senate for just a moment to a request which I desire to submit. Our late lamented colleague, Senator Willis, had a bill on the calendar in which he was very much interested. I call the attention of the Senator from Washington [Mr. JONES] to it. I should like to have that bill, being House bill 359, considered at this time. I am sure it will lead to no debate.

Mr. KING. Let the bill be reported.

The PRESIDING OFFICER (Mr. MCNARY in the chair). The Senator from Ohio asks unanimous consent for the immediate consideration of a bill, the title of which will be stated.

The LEGISLATIVE CLERK. A bill (H. R. 359) authorizing the presentation of the iron gates in West Executive Avenue between the grounds of the State, War, and Navy Building and the White House to the Ohio State Archeological and Historical Society for the memorial gateways into the Spiegel Grove State Park, which was reported from the Committee on Public Buildings and Grounds with an amendment.

Mr. JONES. Mr. President, as I understand the Senator, the bill simply disposes of the gates themselves without interfering with the piers.

Mr. FESS. That is correct.

Mr. JONES. I have no objection.

Mr. KING. Mr. President, may I inquire of the Senator from Washington whether the District Committee—who have had that matter before them for a number of years, as I recall—have concurred in the proposition that those gates might be removed?

Mr. JONES. I do not remember that the matter has ever come before the District of Columbia Committee.

Mr. KING. It has been before the Senate, and my recollection is that it was under measures that were reported by the District Committee.

Mr. JONES. I do not think this bill has ever gone before the District Committee; at least, I do not remember it. I know that it has been before the Senate, and the bill was amended during the last Congress upon my objection. I insisted that whatever action was taken should be confined simply to the iron gates themselves without interfering with the pillars. I have no objection to this bill, because I understand that that is what this bill does.

Mr. FLETCHER. Mr. President, has it been found that there is no need at all for the gates?

Mr. FESS. At the last session Congress passed an authorization to take down the gates. That was authorized. No provision was made for the disposition of the gates. It was just a matter of junking them. It was the request of President Harding in his lifetime that these gates be sent to Spiegel Grove, the home of General Hayes, who was president of the Archeological and Historical Association at the time of his death. This home has been gived to the State, or to the Archeological Association, and these gates are to be placed at one of the entrances of the park. All that this bill is for is not to take down the gates—that has been authorized—but to assign them to the Spiegel State Park, without expense to the Government.

Mr. FLETCHER. They really are not used now?

Mr. FESS. No; not at all.

Mr. KING. Mr. President, I was not aware of the fact that the removal of the gates had been authorized.

Mr. FESS. Yes; it has been authorized.

Mr. KING. I took a position heretofore in opposition to it. I think those gates ought to be preserved there. Aside from any historic value they may have, I think the gates are necessary.

Mr. FESS. Taking them down has already been authorized in a former Congress, but no disposition was made of them. This bill simply authorizes the superintendent of Public Buildings and Public Parks to assign them to the Spiegel Grove State Park, without expense, of course, to the Government. There is an amendment to that effect.

Mr. KING. Mr. President, I shall not object to the consideration of the bill; but if this were a proposition de novo for the purpose of taking down the gates, I should oppose it, because I think it is a mistake, and I think some persons will live to regret their action in permitting those gates to be taken down and removed from the city.

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

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Public Buildings and Grounds with an amendment, on page 2, line 1, after the words "White House," to insert "*Provided*, That no expense shall be incurred by the United States," so as to make the bill read:

Be it enacted, etc, That the Director of Public Buildings and Public Parks of the National Capital is hereby authorized and directed to deliver to the Spiegel Grove State Park, Fremont, Ohio, the iron gates now hanging in West Executive Avenue between the grounds of the State, War, and Navy Building and the White House: *Provided*, That no expense shall be incurred by the United States.

The amendment was agreed to.

The bill was reported to the Senate as amended and the amendment was concurred in.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILLS INTRODUCED

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

By Mr. WAGNER:

A bill (S. 3850) authorizing the Secretary of War to award the Congressional Medal of Honor to William Heineman; to the Committee on Military Affairs.

By Mr. SACKETT (by request):

A bill (S. 3851) for the relief of James E. King and Nannie L. King; to the Committee on Claims.

By Mr. TYDINGS:

A bill (S. 3852) for the relief of William Guy Townsend; to the Committee on Naval Affairs.

By Mr. MOSES:

A bill (S. 3853) granting a pension to Mary Greenwood (with accompanying papers); to the Committee on Pensions.

By Mr. DALE:

A bill (S. 3854) granting a pension to Hattie Spenard (with accompanying papers); to the Committee on Pensions.

By Mr. METCALF:

A bill (S. 3855) granting an increase of pension to Mary L. Gilligan (with accompanying papers); to the Committee on Pensions.

By Mr. HALE:

A bill (S. 3856) granting a pension to Mary H. Whitney (with accompanying papers);

A bill (S. 3857) granting an increase of pension to Leonice T. Holmes (with accompanying papers); and

A bill (S. 3858) granting an increase of pension to Helen M. French (with accompanying papers); to the Committee on Pensions.

By Mr. THOMAS:

A bill (S. 3859) granting a pension to Greta J. Lundstrom; and

A bill (S. 3860) granting an increase of pension to Amanda Dickerson; to the Committee on Pensions.

By Mr. McKELLAR:

A bill (S. 3861) granting a pension to Clarence Queen; to the Committee on Pensions.

A bill (S. 3862) authorizing J. T. Burnett, his heirs, legal representatives, and assigns to construct, maintain, and operate a bridge across the Mississippi River; to the Committee on Commerce.

By Mr. BLEASE:

A bill (S. 3863) for the relief of the Ladies Ursuline Community of Columbia at Columbia, S. C.; to the Committee on Claims.

By Mr. MAYFIELD:

A bill (S. 3864) to create a new division of the District Court of the United States for the Northern District of Texas; to the Committee on the Judiciary.

By Mr. BRUCE:

A bill (S. 3865) for the relief of the Sanford & Brooks Co. (Inc.) (with an accompanying paper); to the Committee on Claims.

By Mr. BLAINE:

A bill (S. 3866) authorizing the appointment of H. P. Milligan as a major of Infantry in the Regular Army; to the Committee on Military Affairs.

By Mr. PINE:

A bill (S. 3867) to extend certain existing leases upon the coal and asphalt deposits in the Choctaw and Chickasaw Nations to September 25, 1932, and permit extension of time to complete payments on coal purchases; and

A bill (S. 3868) authorizing an advancement of certain funds standing to the credit of the Creek Nation in the Treasury of the United States to be paid to one of the attorneys for the Creek Nation, and for other purposes; to the Committee on Indian Affairs.

By Mr. McNARY:

A bill (S. 3869) for the relief of Warren Construction Co.; to the Committee on Claims.

By Mr. FLETCHER:

A bill (S. 3870) to amend an act entitled "An act in reference to writs of error," approved January 31, 1928; to the Committee on the Judiciary.

By Mr. COPELAND:

A bill (S. 3872) for the relief of Edward and John Burke (Ltd.); to the Committee on Claims.

By Mr. WALSH of Montana:

A bill (S. 3874) authorizing appropriation of funds for construction of a highway from Red Lodge, Mont., to the boundary of the Yellowstone National Park near Cooke City, Mont.; to the Committee on Post Offices and Post Roads.

By Mr. SHEPPARD:

A bill (S. 3875) providing a salary for the referee in bankruptcy for the Pecos division, western judicial district of Texas; to the Committee on the Judiciary.

By Mr. FLETCHER:

A bill (S. 3877) granting an increase of pension to Mary B. Preston; to the Committee on Pensions.

AMENDMENT OF COTTON FUTURES ACT

Mr. RANSDELL. Mr. President, I introduce a bill in the nature of an amendment to the cotton futures act, which will define and prohibit manipulation, prevent bucket shops, and also place the supervision of all contract markets under a joint commission composed of the Secretary of Agriculture, the Secretary of Commerce, and the Attorney General of the United States.

The cotton futures act, popularly known as the Smith-Lever Act, was passed during the first administration of President Wilson, and corrected the more flagrant abuses from which the American cotton industry suffered up to that time. Several minor changes, principally affecting grades, have been made in the text from time to time, but to all intents and purposes the law is the same as when originally enacted, and it does not meet some of the abuses that have developed in the trade since that date.

The grain futures law, enacted by Congress about eight years after the passage of the Smith-Lever Act, was a decided step in the direction of Federal supervision and control of exchanges dealing in futures, and the amendment which I now propose would enlarge the scope of the cotton futures act by incorporating those regulatory features of the grain law which have met the general approval of the farmers and country merchants.

The prevention of corners and manipulation of prices of cotton is the principal thing aimed at in this amendment, and the hearings conducted by the Senate Committee on Agriculture in recent years have clearly shown that there is a genuine demand among all branches of the cotton trade for legislation along this line, and that the better element of the exchanges favor it.

I have been careful in framing this amendment to preserve the identity of the existing cotton futures law, the Smith-Lever Act, and believe that if it is enacted this bill will correct the abuses that have developed in recent years in trading on cotton-futures exchanges, and meet the wishes of those members of the cotton industry, including the farmers, who are demanding additional legislation of a constructive character along these lines.

The bill (S. 3871) to amend the act of August 11, 1916, known as the United States cotton futures act, as amended, by investing transactions in cotton for future delivery with a public interest, providing a commission to supervise cotton-futures exchanges, defining and prohibiting manipulation, and for other purposes, was read twice by its title.

Mr. RANSDELL. I move that the bill be referred to the Committee on Agriculture and Forestry.

The motion was agreed to.

WORLD WAR VETERANS' RELIEF ACT

Mr. WALSH of Montana introduced a bill (S. 3873) to amend chapter 10, title 38, of the Code of Laws of the United States of America, entitled "World War veterans' relief act," which was read twice by its title.

Mr. WALSH of Montana. Mr. President, I am a little uncertain whether the bill ought to go to the Committee on the Judiciary or the Committee on Finance. I ask the attention of the chairman of the Committee on Finance. It relates to proceedings to enforce the claims of veterans under the veterans' relief act.

Section 445 of chapter 10, title 38, the United States Code provides:

> In the event of disagreement as to claim under a contract of insurance between the bureau and any person or persons claiming thereunder an action on the claim may be brought against the United States either in the Supreme Court of the District of Columbia or in the District Court of the United States in and for the district in which such persons, or any one of them resides, and jurisdiction is conferred upon such courts to hear and determine all such controversies.

A claim was presented and held before the bureau for some considerable time, and eventually was rejected; and suit was brought under the provisions of this section. The Government of the United States pleaded the statute of limitations of the State of Arizona against the claim. The plea was overruled by the district court. The cause went to the Circuit Court of Appeals for the Ninth Circuit, by which court the judgment was reversed, and it was held that the statute of limitations of the State of Arizona was applicable and would prevent any recovery under the act. Worse than that, it was held that the statute of limitations began to run not from the time when the claim was rejected by the bureau but from the time when the claim accrued, and that period had elapsed.

The bill provides that no statute of limitations of any State shall apply to actions brought under this act, but that the statute of limitations throughout the Union shall be six years from the time of the disagreement by the bureau. It seems to me quite appropriate that the bill should go to the Committee on the Judiciary; but all of these measures have been treated by the Committee on Finance, and I am perfectly willing to defer to the judgment of the chairman of that committee.

Mr. SMOOT. Mr. President, there is a special subcommittee of the Finance Committee to handle all legislation affecting the Veterans' Bureau, but it seems to me the proposed amendment might just as well go to the Judiciary Committee as to the Finance Committee. If the Senator desires the bill to go

to the Judiciary Committee, I shall not object at all, and if it goes to the Finance Committee we will give it consideration.

Mr. WALSH of Montana. I did not know there was a special subcommittee dealing with that particular matter, but if that is the case I will ask that the bill be referred to the Finance Committee.

Mr. SMOOT. Just as the Senator prefers.

Mr. JONES. I will say to the Senator that I introduced a bill along the same lines a few days ago, and that bill went to the Finance Committee.

The PRESIDING OFFICER. The bill will be referred to the Committee on Finance.

Mr. WALSH of Montana. I ask that the opinion of the circuit court of appeals to which I have made reference be incorporated in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

United States Circuit Court of Appeals for the Ninth Circuit

United States of America, plaintiff in error, *v.* Sidney B. Sligh, defendant in error. No. 5260

Upon writ of error to the United States District Court of the District of Arizona

Before Gilbert, Rudkin, and Dietrich, circuit judges

Rudkin, circuit judge: This was an action on a war-risk insurance policy in the sum of $10,000, payable in case of death or total permanent disability in monthly installments of $57.50 each. The monthly installments accruing on and after April 26, 1920, have already been paid, so that the recovery here sought is for the monthly installments accruing between December 4, 1918, the date of alleged total permanent disability, and April 26, 1920. One of the defenses interposed was the statute of limitations of the State of Arizona, which provides that there shall be commenced and prosecuted within four years after the cause of action shall have accrued, and not thereafter, actions upon a judgment or decree of any court rendered without the State or upon an instrument in writing executed without the State. (Ariz. Rev. Stat. par. 713.) The court below found specially that the policy was not made or executed in the State of Arizona; that the present action was not commenced until March 9, 1925; that the defendant had pleaded the statute of limitations of the State; and that more than four years had elapsed after the accrual of the cause of action set forth in the complaint and before the commencement of the action. Notwithstanding this finding, judgment was given for the plaintiff. On this record two questions are presented for consideration: First, is the statute of limitations of the State of Arizona applicable? and second, if applicable, is the cause of action barred?

The parties concede that there is no Federal statute of limitations applicable to this class of cases, and if there is any limitation at all it must be therefore found in the laws of the forum. The rule, of course, is well settled that statutes of limitations do not run against the Government unless expressly named therein, but it seems to be equally well settled that the Government, when sued with its consent, may claim the benefit of such statutes, whether expressly named therein or not. "Statutes of limitations may, according to the general rule, be pleaded for the benefit of the State or Government, when sued with its consent in its own courts, although it is not expressly named in the statutes, and although, where it is a plaintiff, its prerogative of sovereignty protects it from the use of such a plea against it." (37 C. J. 714; Stanley *v.* Schwalby, 147 U. S. 508; State *v.* Ralston, 105 N. E. 54; McRae *v.* Auditor Gen., 109, N. W. 1122; Cowles *v.* State, 20 S. E. 384; Baxter *v.* State Wis. 454.)

In the Schwalby case (19 S. W. 264) the Supreme Court of Texas denied the benefit of the State statute of limitations to the United States, but in Stanley *v.* Schwalby, supra, the judgment was reversed on writ of error, the court saying:

"It is obvious that the ground of exemption of governments from statutory bars or the consequences of laches has no existence in the instance of individuals, and we think the proposition can not be maintained that because a government is not bound by statutes of limitation, therefore the citizen can not be bound as between himself and the Government." (See also Porto Rico *v.* Emanuel, 235 U. S. 251.)

The statute of limitations has long since ceased to be looked upon as an unconscionable defense. A century ago Mr. Justice Story, said:

"It has often been matter of regret in modern times that, in the construction of the statute of limitations, the decisions had not proceeded upon principles better adapted to carry into effect the real objects of the statute; that instead of being viewed in an unfavorable light as an unjust and discreditable defense it had received such support as would have made it, what it was intended to be, emphatically a statute of repose. It is a wise and beneficial law, not designed merely to raise a presumption of payment of a just debt from lapse of time but to afford security against stale demands after the true state of the transaction may have been forgotten, or be incapable of explanation by reason of the death or removal of witnesses. It was a manifest tendency to produce speedy settlements of accounts and to suppress those perjuries which may rise up at a distance of time and baffle every honest effort to counteract or overcome them." (Bell *v.* Morrison, 1 Pet. 350–358.)

By the legislation under which the policy in question was issued the Government authorized insurance running into untold millions, and we find nothing in that legislation to justify the conclusion that in all litigation arising out of the insurance thus authorized Congress intended to deny to the Government a defense open to every other debtor and to every wrongdoer. We are of the opinion, therefore, that the statute of limitations of the State of Arizona is applicable in the absence of some controlling Federal statute.

The next question is, Is the cause of action barred by that statute? The act authorizing the insurance, and its several amendments, provides that in the event of disagreement as to a claim under the contract of insurance between the bureau and any beneficiary or beneficiaries thereunder, an action on the claim may be brought against the United States either in the Supreme Court of the District of Columbia or a district court of the United States in and for the district in which such beneficiaries, or any of them, reside. (40 Stat. 410; 43 Stat. 612.) The defendant in error contends that the cause of action did not accrue because of this provision until there was a disagreement between the bureau and the beneficiary, while the plaintiff in error contends that it was the duty of the beneficiary to present his claim in order that a disagreement might be brought about, and that if he failed to do so within the period of the statute of limitations his right of action is barred. This latter contention, we think, must be sustained. The cause of action arises out of the contract of insurance and not out of the disagreement.

"Where plaintiff's right of action depends upon some act to be performed by him preliminary to commencing suit, and he is under no restraint or disability in the performance of such act, he can not suspend indefinitely the running of the statute of limitations by delaying the performance of the preliminary act; for it is not a policy of law to put it within the power of a party to tell the statute of limitations. (37 C. J. 953.)

"But when some preliminary action is an essential prerequisite to the bringing of a suit, and such action rests with the claimant, he can not defeat the operation of the statute of limitations by failure to act or by long and unnecessary delay in taking the antecedent step. It is not the policy of the law to permit a party against whom the statute runs to defeat its operation by neglecting to do an act which devolves upon him in order to perfect his remedy against another. If this were so, a party would have it in his own power to defeat the purpose of the statute in all cases of this character." (17 R. C. L. 756.)

The rule thus stated is supported by the great weight of authority, and we find nothing to the contrary in Ainsworth *v.* Lipshon (196 Pac. 1028), decided by the Supreme Court of Arizona. The rule has also the approval of the Supreme Court. This was the basis of the decision of the Supreme Court of Kansas in Bauserman *v.* Charlotte (26 Pac. 1051), and in referring to that decision in Bauserman *v.* Blunt (147 U. S. 647) the court said: "That decision was evidently deliberately considered and carefully stated, with the purpose of finally putting at rest a question on which some doubt had existed; it is supported by satisfactory reasons, and it is in accord with well-settled principles; and there is no previous adjudication of that court to the contrary." In the same case the Supreme Court further said: "In the absence of express statute or controlling adjudication to the contrary, two general rules are well settled. First, when the statute of limitations has once begun to run, its operation is not suspended by a subsequent disability to sue. Second, the bar of the statute can not be postponed by the failure of the creditor to avail himself of any means within his power to prosecute or to preserve his claim."

In the present case there could, in the nature of things, be no disagreement until the beneficiary prosecuted his claim to the bureau, and if he can withhold his claim indefinitely and at pleasure he can thus deprive the Government of the benefit of the statute of limitations.

There is much force in the contention that the defendant in error was not totally and permanently disabled during the period for which a recovery is sought, but that question we need not consider.

The judgment of the court below is reversed and the cause is remanded for further proceedings not inconsistent with this opinion.

Filed March 5, 1928.

By PAUL P. O'BRIEN, *Deputy Clerk.*

Indorsed: Opinion.

F. D. MONORTON, *Clerk.*

COLORADO RIVER BASIN

Mr. KING. Mr. President, I introduce a bill asking for the appointment by the President of a commission to make a complete survey and investigation of the potentialities of the Colorado River. I think we ought to have a dispassionate and an exhaustive report about the Colorado River before we seek to appropriate $125,000,000, or any other amount. I therefore introduce this bill, authorizing the President to name a commis-

sion of he character indicated. I shall not ask for its consideration now, and I shall not ask that it be referred, but ask to have it lie on the table.

The bill (S. 3876) to authorize the President to investigate the potential utilization of the water resources of the Colorado River Basin was read twice by its title and ordered to lie on the table.

FORTY-FOUR-HOUR WEEK FOR GOVERNMENT PRINTING OFFICE EMPLOYEES

On motion of Mr. SHIPSTEAD, the Committee on Education and Labor was discharged from the further consideration of the bill (S. 2440) to provide that four hours shall constitute a day's work on Saturdays throughout the year for all employees in the Government Printing Office, and it was referred to the Committee on Civil Service.

SECTION 3207 OF THE REVISED STATUTES

Mr. FLETCHER submitted an amendment intended to be proposed by him to the bill (S. 3487) to amend section 3207 of the Revised Statutes, as amended by section 1030 of the act approved June 2, 1924, which was referred to the Committee on Finance and ordered to be printed.

CLAIMS OF SETTLERS, LAKE COUNTY, FLA.

Mr. FLETCHER submitted an amendment intended to be proposed by him to the bill (H. R. 5695) authorizing the Secretary of the Interior to equitably adjust disputes and claims of settlers and others against the United States and between each other arising from incomplete or faulty surveys in township 19 south, range 26 east, and in sections 7, 8, 17, 18, 19, 30, and 31, township 19 south, range 27 east, Tallahassee meridian, Lake County, in the State of Florida, which was referred to the Committee on Public Lands and Surveys and ordered to be printed.

HALF HOLIDAYS FOR CERTAIN GOVERNMENT EMPLOYEES

Mr. McKELLAR submitted an amendment intended to be proposed by him to the bill (S. 3116) providing for half holidays for certain Government employees, which was ordered to lie on the table and to be printed.

OKFUSKEE COUNTY, OKLA.

Mr. PINE submitted an amendment intended to be proposed by him to the bill (H. R. 7011) to detach Okfuskee County from the northern judicial district of the State of Oklahoma and attach the same to the eastern judicial district of the said State, which was ordered to lie on the table and to be printed.

CLAIM OF MARY S. HOWARD ET AL.

Mr. BRUCE submitted an amendment intended to be proposed by him to the bill (S. 3331) for the relief of Mary S. Howard, Gertrude M. Caton, Nellie B. Reed, Gertrude Pierce, Katie Pensel, Josephine Pryor, Mary L. McCormick, Mrs. James Blanchfield, Sadie T. Nicoll, Katie Lloyd, Mrs. Benjamin Warner, Eva K. Pensel, Margaret Y. Kirk, C. Albert George, Earl Wroldsen, Benjamin Carpenter, Nathan Benson, Paul Kirk, Townsend Walters, George Freet, James B. Jefferson, Frank Ellison, and the Bethel Cemetery Co., which, with the accompanying paper, was referred to the Committee on Claims and ordered to be printed.

PRESIDENTIAL APPROVALS

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that the President had approved and signed the following acts and joint resolution:

On March 29, 1928:

S. 3007. An act to authorize the Secretary of the Interior to issue a patent to the Bureau of Catholic Indian Missions for a certain tract of land on the Mescalero Reservation, N. Mex.;

S. 3343. An act for the relief of the Arapahoe and Cheyenne Indians, and for other purposes; and

S. 3355. An act to authorize the cancellation of the balance due on a reimbursable agreement for the sale of cattle to certain Rosebud Indians.

On March 30, 1928:

S. 1279. An act to authorize the Commissioners of the District of Columbia to compromise and settle certain suits at law resulting from the subsidence of First Street east, in the District of Columbia, occasioned by the construction of a railroad tunnel under said street; and

S. 3387. An act to authorize the Secretary of War to lend War Department equipment for use at the Tenth National Convention of the American Legion.

On March 31, 1928:

S. J. Res. 113. Joint resolution to amend subdivisions (b) and (e) of section 11 of the immigration act of 1924, as amended.

FLOOD CONTROL

Mr. THOMAS. Mr. President, last week, in the consideration of the flood control bill, I made some suggestions to the effect that the bill did not offer very much hope for the tributary States. I desire at this time to submit an editorial from the Daily Oklahoman, printed in my State, upon the subject matter, and ask that it be read.

The PRESIDING OFFICER (Mr. FESS in the chair). Without objection, the editorial will be read.

The Chief Clerk read as follows:

NOTHING BUT A PROMISE

In the Mississippi flood control bill passed by the Senate Wednesday there is nothing in the world for Oklahoma but future promises and high taxation. The State will help pay the cost of lower Mississippi flood prevention. It gets nothing in the way of flood control and flood prevention for itself. It gets a mere paper promise that at some uncertain day of the uncertain future some Washington bureau will make a survey of the flood-imperiled lands of this State.

The lower Mississippi will gain protection in the immediate future. The Senate bill appropriates money to curb the mighty river from Cairo to the sea. And unquestionably that protection is fully deserved and sorely needed. There is no question at all about that. But two dozen valley States that sorely need protective measures are left entirely out of consideration and dismissed with the promise that at some indefinite time a survey of their needs will be undertaken.

The Senate vote in favor of the bill passed Wednesday was unanimous. Not a vote was lifted against the bill's inequities; not a vote was cast against it. Senators who have fought for a more equitable and effective measure were strangely quiescent when the roll finally was called. All joined in supporting a measure burdensome to all the States and beneficial to exceedingly few.

DUTY ON CARILLONS

Mr. FLETCHER. Mr. President, some time ago I introduced a bill providing for the repeal of the duty of 50 per cent on carillons. At that time I made some comment to the effect that these bells could be heard some 20 miles. It seems that I was in error about that; and one of the manufacturers of bells in this country, the Meneely Bell Co., which has a foundry at Troy, N. Y., rather took me to task about some things I said at that time, and insists that I ought to correct the RECORD.

I do no want to do anybody any injustice, or misrepresent the situation at all, and would not do it knowingly. I find that my information about the carrying power of these bells was in error; that probably 3 or 4 miles is as far as they can be heard. I do not see that it is very material; but I also made some comment, based upon the information I had, about bells of the kind I was commenting on not being manufactured in this country. Mr. Edward Bok proposes to erect in Florida some 62 bells to go in this carillon—a magnificent thing, a beautiful thing, all in the public interest—and I felt that it was not right to call on him to pay a duty of 50 per cent on such bells that he was going to present to the public.

Mr. SMOOT. Forty per cent.

Mr. FLETCHER. I think it is 50 per cent. I think the Senator will find that that is the case. At any rate, we insist that bells of that character are not manufactured in this country. The Meneely Bell Co. claim that they can make bells perhaps of the same kind, but I doubt very much if they can make them of the proper tone. However, in justice to them, I ask to have inserted in the RECORD the letter which they wrote me, dated January 30, and also a copy of the reply. I referred the letter to Mr. Bok, and I ask to have inserted in the RECORD his reply of February 25, hoping that may straighten matters out as far as it can be done at this time.

The PRESIDING OFFICER. Without objection, the letters will be printed in the RECORD.

The letters are as follows:

TROY, N. Y., *January 30, 1928.*

Hon. DUNCAN U. FLETCHER,
United States Senate, Washington, D. C.

DEAR SENATOR FLETCHER: When some months ago you introduced a bill for the remission of duty on a set of bells to be imported for an estate in Florida, I thought you might have done so "by request," thus passing no opinion on its merits. But upon reading in the CONGRESSIONAL RECORD of the 16th instant your recent reference on the floor of the Senate to that measure, I realized that you believed in it and the supporting document that you presented at the time of its introduction.

The RECORD quotes you as having said that such combinations of bells are not made in this country and can be heard some 20 miles.

I must challenge the accuracy of your information on those two features. The supporting document accompanying your measure states that a carillon "possesses substantially all the tones and half notes through a range of two to four octaves," and elsewhere in the same

document a carillon is described as "containing all the semitones of the chromatic scale." I hand you herewith an illustration of a set of 20 chromatically attuned bells of American manufacture that was installed in a church two years ago, and if you will visit our foundry we shall be glad to show you our stock patterns, from which you might choose a set of 50 or 60 bells or more.

Reference to your dictionaries will make plain to you that "carillons" and "chimes" are identical. "Carillon" is merely the French word for "chime." The difference is the same as that between "chapeau" and "hat"—in name only.

As to the carrying power of foreign-made sets of attuned bells, let me again refer you to the document supporting your measure, in which you will find the statement that a carillon imparts its sound "within a radius of at least a quarter of a mile," and that it is "heard under favorable circumstances for blocks away." European-made sets of attuned bells are notoriously lacking in carrying power, being cast very thin and primarily intended for use in congested European cities where carillons (chimes) are so numerous that the tones of powerful bells would overlap into the adjoining parishes. It is no uncommon thing for Americans founders to be employed for the purpose of correcting the attunement and attempting to increase the carrying power of tone of foreign-made bells that have been installed in this country.

Had the purchaser of the bells whose measure you have sponsored employed bell musicians to hear and contrast attuned sets of bells of high-priced American manufacture with those of any European make, he would have learned that the best-attuned bells in the world are produced in America.

As I have pointed out to you that your recent remarks on the carrying power of European-made bells were not in accordance with the statements set forth in the document supporting your measure, and as the inclosed literature conclusively shows that large combinations of bells are made in this country, I appeal to your fairness to have this letter read on the floor of the Senate for the benefit of your colleagues who heard what you said about bells a few days ago. I would also request that you have the inclosed article from the Churchman, which gives a description of bells from the standpoint of an American founder, printed as a Senate record and made a part of the documentary evidence on bells which originally accompanied the introduction of your measure.

I am, dear Senator, yours very truly,

WM. R. MENEELY,
President Meneely Bell Co.

FEBRUARY 25, 1928.

DEAR SENATOR FLETCHER: This is the first I knew of two Meneely concerns, and the mix up is, to my mind, perfectly justifiable—of a family with such an uncommon name as Meneely choose to quarrel or have a disagreement, and each founds a separate works for the making of a specialized product as bells, in the same city, it may be clear to them, but they should not be surprised if the lay public becomes confused. All I have ever heard is of a Meneely firm in Troy that makes bells of a certain weight, but I never knew there were two opposing firms.

They may make good chimes of a certain weight, but I do not know of a single carillon of any number of bells they have ever made.

I am truly sorry there seems such a poor chance to get the bill out of the committee. It is discouraging when one wants to do a beautiful thing for the American people to find a refusal on the part of the Government to give that support to which he is really entitled. It is not the sort of stimulant that urges him on, while that is exactly what the Congress should do—to encourage men who want to do something for the people.

Very cordially yours,

EDWARD W. BOK.

THE CALENDAR

The PRESIDING OFFICER. The morning business is closed. The calendar under Rule VIII is in order.

Mr. WALSH of Massachusetts. Mr. President, I should like to ask the Senator from Kansas [Mr. CURTIS] if we can not begin where we left off the last time the calendar was called?

Mr. CURTIS. That can be done only by unanimous consent. I think, as we have only 15 minutes left to consider the calendar, that is a good suggestion. So I ask unanimous consent that we consider unobjected bills on the calendar, beginning where we left off at the last call of the calendar.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the consideration of the calendar will begin with Order of Business 580, Senate bill 2679.

CONTINUED SERVICE OF OFFICERS WHOSE TERMS HAVE EXPIRED

The bill (S. 2679) to limit the period for which an officer appointed with the advice and consent of the Senate may hold over after his term shall have expired was considered as in Committee of the Whole.

The bill had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and to insert:

That an officer of the United States who has been appointed, by and with the advice and consent of the Senate, for a definite term, but who, under the act fixing such term or under any other act of Congress, is to hold office until his successor is appointed and qualified, shall not continue in office beyond the end of the next session of the Senate commencing after his definite term has expired; except that any such officer who, on the date of the approval of this act, has continued in office beyond the end of such session of the Senate, shall cease to hold office on the date of the approval of this act.

SEC. 2. After the approval of this act no person shall be eligible for appointment to fill a vacancy in any office happening during the recess of the Senate, if the nomination of such person to such office has once been rejected by the Senate. Any appointment made in violation of the provisions of this section shall be void.

Mr. JONES. Mr. President, I should like a brief explanation of that bill. I have not had time to read it.

Mr. KING. Mr. President, this bill was unanimously reported from the Committee on the Judiciary. A similar measure was prepared, and I think introduced, at the last session of Congress, but not reached. It grows out of this situation, which I will state very briefly:

A number of statutes applicable to Alaska and Hawaii and other places provide that various officials, marshals, judges, and so on, may hold office indefinitely—that is to say, until their successors are elected and qualified—and there is no limit to the time their terms may run.

It is felt, in view of conditions which have arisen, that there ought to be a limitation. A situation was developed which challenged the attention of the committee. A person was appointed, his successor was named but not confirmed, and the official holds on indefinitely. The Department of Justice takes the position that in a proper construction of the statute a person may hold for life, unless his successor shall have been named in the meantime, and qualified.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

Mr. BRUCE. Mr. President, I am sorry to object, but I do not approve of this bill on principle. It is not a meritorious bill, in my judgment, and I think it involves what would prove to be a very unfortunate alteration of policy. I feel bound to object.

Mr. KING. Mr. President, I am sure that if the Senator understood he would take a different view; but, of course, if he objects, it will have to go over.

The PRESIDING OFFICER. The bill will be passed over.

OHIO RIVER BRIDGE AT AUGUSTA, KY.

The bill (H. R. 5721) authorizing E. M. Elliott & Associates (Inc.), its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River at Augusta, Ky., was considered as in Committee of the Whole.

Mr. BARKLEY. Mr. President, I desire to offer an amendment to the bill. I move that wherever the words "E. M. Elliott & Associates (Inc.)" appear in the bill the words "J. C. Norris, mayor of the city of Augusta, Ky., his successors and assigns," be substituted.

Mr. SMOOT. Mr. President, will the Senator explain why he offers that amendment?

Mr. BARKLEY. Because the people in Augusta, Ky., who are behind this proposition, and desire to have the bridge constructed, have decided to proceed in the name of the mayor of the city. They think it will procure an advantage to the local community in the construction of the bridge, and they have therefore asked me to offer the amendment. It is the friends of the bill who have agreed to the proposal.

Mr. SMOOT. There is no other amendment intended to be proposed?

Mr. BARKLEY. No; that is all.

Mr. FLETCHER. Does that mean "J. C. Norris as mayor"?

Mr. BARKLEY. Yes.

Mr. FLETCHER. Should it not read "as mayor"?

Mr. BARKLEY. "As mayor"; yes.

Mr. DALE. The bill has passed the House of Representatives, granting the authority to build this bridge to certain other parties. Do they consent to this change?

Mr. BARKLEY. I have no information from E. M. Elliott himself. I will state that the whole matter has been gone into by the author of the bill in the House, and he has communicated with the parties in the matter interested in the bridge, and they have all agreed that this substitution should be made.

Mr. DALE. What I had in mind was why the authority was not given to other parties, as the Senator requests, and then let them settle it. Why is it taken away from the parties to whom it was granted by the House?

Mr. BARKLEY. I will state to the Senator that my information is that E. M. Elliott has obtained the consent of Congress to build numerous bridges, that he is somewhat of a promoter, and that he has used the consent of Congress, granted to him, to make money out of it himself and to assign the permits, and that the people who are interested in this bridge no longer desire to deal with him or to have him interested in this bridge proposal.

These facts have all been developed since the bill passed the House. The amendment is offered at the request not only of the Member of the House who introduced the bill but of the people in Augusta who are interested in this bridge, who have learned some facts about this man Elliott.

Mr. DALE. Mr. President, I am sorry, but I think I shall have to object to the consideration of this bill until I can have another day's consideration of it.

The PRESIDING OFFICER (Mr. JONES in the chair). Objection is made, and the bill will be passed over.

Mr. BARKLEY subsequently said: Mr. President, I ask unanimous consent to return to Calendar 600, House bill 5721.

The PRESIDING OFFICER. Is there objection?

Mr. DALE. Mr. President, I withdraw my objection.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Commerce with an amendment, on page 5, line 17, to strike out "2" and insert in lieu thereof "4."

The amendment was agreed to.

The PRESIDING OFFICER. The Senator from Kentucky offers an amendment, which the clerk will state.

The CHIEF CLERK. The Senator from Kentucky proposes that wherever "E. M. Elliott & Associates (Inc.)" appears in the bill, the language "J. C. Norris, as mayor of the city of Augusta, Ky., his successors and assigns," be substituted.

Mr. WALSH of Massachusetts. Mr. President, I do not want to object to the consideration of the bill, but I want to ask the Senator if I understood him correctly to state the man mentioned in this bill has come to Congress and gotten the consent of Congress for the construction of bridges for the purpose of getting contracts later from municipalities, States, or counties to build bridges?

Mr. BARKLEY. Information has been developed in connection with some bridge bills that have been passed that certain persons have taken advantage of the consent of Congress to speculate on the permits received, and to sell them to municipalities and private corporations. It is to avoid that very situation that I ask that the mayor of the city of Augusta, as mayor, the city of Augusta being primarily interested in the construction of this bridge, be substituted for the name which now appears in the bill.

Mr. WALSH of Massachusetts. I have no objection, but it seems to me that the system involves legislative scandals, private individuals coming to Congress and getting bills through both branches, and through committees, for the purpose of using the congressional acts to enrich themselves by getting contracts.

Mr. BARKLEY. I think the Seantor is correct about that. It is to avoid that very situation that I ask that the name of the mayor be substituted.

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

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ALPHA NEWELL

The bill (S. 140) for the relief of Alpha Newell was announced as next in order.

Mr. McNARY. Mr. President, at the request of the Senator from California, I desire that the bill may go over for the day.

The PRESIDING OFFICER. The bill will be passed over.

BOULDER DAM

The bill (S. 728) to provide for the construction of works for the protection and development of the lower Colorado River Basin, for the approval of the Colorado River compact, and for other purposes, was announced as next in order.

Mr. SMOOT. That can not be passed to-day.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF INTERSTATE COMMERCE ACT

The bill (S. 1263) to amend section 4 of the interstate commerce act was announced as next in order.

Mr. GOODING. I ask that this bill may go over without prejudice. It can not be considered under the five-minute rule.

The PRESIDING OFFICER. The bill will be passed over.

REVOLUTIONARY CANNON DONATION

The bill (S. 805) donating Revolutionary cannon to New York State Conservation Department was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the Secretary of War, in his discretion, is hereby authorized to deliver to the order of the New York State Conservation Department five Revolutionary cannon stored in the Watervliet Arsenal at Watervliet, N. Y., and marked "W. A. 60," "W. A. 61," "W. A. 62," "W. A. 63," and "W. A. 64": *Provided*, That the United States shall be put to no expense in connection with the delivery of said cannon.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

PRIVATE CONDUIT ON LINCOLN ROAD NE.

The bill (S. 2542) for the construction of a private conduit across Lincoln Road NE., in the District of Columbia, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia be, and they are hereby, authorized to grant permission to Trinity College to lay a conduit for the transmission of power from their power house under and across Lincoln Road NE., between Michigan Avenue and Fourth Street, in the District of Columbia, into and upon the property of Trinity College, which is located on both sides of Lincoln Road, under the regulations and subject to the limitations prescribed in the act entitled "An act regulating permits for private conduits in the District of Columbia," approved May 26, 1900.

SEC. 2. That Congress reserves the right to alter, amend, or repeal this act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

WINFIELD SCOTT

The bill (H. R. 4115) for the relief of Winfield Scott was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

HARRIET K. CAREY

The bill (H. R. 4117) for the relief of Harriet K. Carey was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

W. LAURENCE HAZARD

The bill (H. R. 4116) for the relief of W. Laurence Hazard was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

TWENTY-THIRD INTERNATIONAL CONGRESS OF AMERICANISTS

The joint resolution (S. J. Res. 97) authorizing the President to appoint three delegates to the Twenty-third International Congress of Americanists, and making an appropriation for the expenses of such congress was announced as next in order.

Mr. SMOOT. Let that go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

Mr. BINGHAM subsequently said. Mr. President, I was unavoidably absent from the Chamber a moment ago when Senate Joint Resolution 97 was passed over. I ask unanimous consent that we go back to that.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Connecticut?

Mr. SMOOT. Before I withdraw my objection to it, I want to say to the Senator that there is no report with the joint resolution, and I would like to have him explain what is really intended to be done by the measure, and what expense would be attached to it, whether the $5,000 would be sufficient, or whether there would be an item in the deficiency appropriation bill to cover additional expenses.

Mr. BINGHAM. Mr. President, I shall be very glad to explain. The International Congress of Americanists, an organization consisting of those interested in the history of aboriginal America, in Indian lore, and archæological remains, has met in different countries for many years past. We have always had delegates at the congresses, and in whatever country the congresses have been held the government of the country has recognized the congress, has made appropriations for

it, and has treated our delegates with great courtesy and hospitality. This year it is to be held in New York City.

With regard to the appropriation, the amount of $5,000 will be ample to cover the needs. I can say to the Senator that there will be no effort to secure any additional funds for it whatsoever. The congress is accustomed to paying most of its expenses, and this is merely a small amount to enable us to return hospitality which our delegates have for many years received in foreign countries.

Mr. SMOOT. Does the Senator remember how many countries participate in these Congresses?

Mr. BINGHAM. There are generally from a hundred to a hundred and twenty-five visiting delegates, besides those who are locally interested. Of course, being in New York, the members of the New York Historical Society, the American Museum of Natural History, and others interested in like enterprises in connection with anthropology, ethnology, and archæology will be present.

Mr. FLETCHER. How many countries will be represented?

Mr. BINGHAM. Practically every country in America and in Europe will be represented. All persons interested in the prehistoric life of America, its monuments, and the development of the Indians, will follow its proceedings with interest.

Mr. BRUCE. Mr. President, I suggest that the name "Americanists" is an entirely inappropriate designation. That is usually associated with the "Know Nothings" in the history of the country.

Mr. BINGHAM. May I say to the Senator from Maryland that I think that name is due to the fact that the congress had its origin in France and this title is a literal translation of the French title. Being translated into English it becomes "International Congress of Americanists." "Americanists" are those primarily interested in prehistoric America and the aborigines of the Western Hemisphere.

Mr. BRUCE. I desire to withdraw any objections which I may have seemed to offer to the bill in which the Senator from Connecticut is so interested. I hope that the measure may be passed.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution (S. J. Res. 97) authorizing the President to appoint three delegates to the Twenty-third International Congress of Americanists, and making an appropriation for the expenses of such congress.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

The PRESIDING OFFICER. The preamble has been reported with an amendment, which will be stated.

The amendment to the preamble was, in line 4, before the word "races," to insert the word "aboriginal," so as to read:

Whereas the Twenty-third International Congress of Americanists will be held in New York City during the week beginning September 17, 1928, for the consideration of (1) the aboriginal races of America and their relationship to other peoples, (2) the archæological remains found in America and time relations as revealed by them, (3) the habits and customs of the various groups of American Indians and questions of the origin and distribution of these in the Old and New Worlds, (4) the native languages of America, (5) the early history of America, especially in regard to its discovery and early settlement, and (6) geographical and geological questions, especially as related to human activities: Therefore be it

Resolved, etc., That the President is authorized to appoint three delegates to represent the United States at the Twenty-third International Congress of Americanists, to be held in New York City during the week beginning September 17, 1928.

SEC. 2. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $5,000, to be paid by the Secretary of State to the proper officials of such Congress as the contribution of the United States toward defraying the expenses of such congress.

The amendment was agreed to.

The preamble as amended was agreed to.

TAXES IN THE DISTRICT OF COLUMBIA

The bill (S. 3178) to provide an additional method for collecting taxes in the District of Columbia, and for other purposes, was announced as next in order.

Mr. SMOOT. Just a moment.

Mr. WALSH of Massachusetts. Is that the bill on which the Senator from Colorado [Mr. PHIPPS] spoke the other day?

Mr. SMOOT. No; it is not. I asked for a moment because I had that very question in mind.

Mr. WALSH of Massachusetts. What is this bill? Let it be reported.

The PRESIDING OFFICER. The clerk will read the bill.

The Chief Clerk read the bill.

The PRESIDING OFFICER. The bill is recommended by the commissioners and has a unanimous report from the committee.

Mr. BRUCE. It was very carefully considered.

Mr. WALSH of Massachusetts. I have no objection.

Mr. BLAINE. I do not believe there has been any explanation of this bill. I have not had time to look into it, and I would like to have some one tell what the bill would do. I may have no objection to its consideration.

Mr. CAPPER. Mr. President, the bill was introduced by the Senator from Colorado [Mr. PHIPPS], who is thoroughly familiar with the purposes of it. I think probably it would be well to have the bill go over until the Senator from Colorado can be present.

The PRESIDING OFFICER. The bill will be passed over.

SENATOR THOMAS J. WALSH'S SUMMARY OF OIL SCANDAL

Mr. WHEELER. Mr. President, I ask unanimous consent to have printed in the RECORD an article appearing in the New York Times of April 1, 1928, by my colleague [Mr. WALSH], in which he sums up the oil scandal.

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

SENATOR WALSH SUMS UP THE OIL SCANDAL—THE MAN WHO HAS HAD A LEADING PART IN THE PROTRACTED INVESTIGATION TRACES STEP BY STEP THE DEVIOUS COURSE OF THE CONTINENTAL TRADING CO., WHICH HE TERMS "A SHAMEFUL STORY"

(The oil scandal grows in magnitude far beyond the implications of the sensational disclosures of four years ago. The first stage of investigation by a Senate committee brought out circumstances connected with the leasing of naval oil reserves to Harry F. Sinclair and E. L. Doheny. The second and present stage of the investigation inquires into the affairs of the Continental Trading Co. and the disposal of its profits. In this article, the first that he has written for publication, Senator WALSH of Montana, a leading member of the investigating committee, pieces together the evidence that has been brought out bit by bit since the affairs of the mysterious Continental Trading Co. were brought to light.)

By THOMAS J. WALSH, a Senator from Montana

WASHINGTON.

The revived inquiry into the scandals connected with, or incidental to, the leasing of the naval oil reserves has been characterized by sensational developments rivaling in public interest those at which the country was aghast when first the iniquity of the main transaction was laid bare.

Though the energetic representatives of the press have faithfully chronicled the disclosures as they were made and interpreted with substantial accuracy what was told to the committee, indicating the significance of each item of testimony of consequence, their stories were necessarily piecemeal in character. A connected narrative of the extraordinary transactions of which the committee has been told ought to be of general interest.

It should be borne in mind that though the Continental Trading Co. came into existence contemporaneously with the initiation of the negotiations leading to the leasing of the reserves, there was no inkling of its birth or evanescent career until after the labors of the committee were suspended in the year 1924 to await the determination of the courts on the principle of law upon which Harry F. Sinclair based his refusal to answer questions propounded to him.

The Continental Trading Co. was incorporated November 16, 1921, and began its business life next day. On November 30, 1921, E. L. Doheny made his celebrated "loan" to Fall, and in the last week of that year Sinclair visited the Secretary of the Interior at his ranch at Tres Rios, then expanded by the acquisition of the adjacent Harris property, a deal that excited the suspicion of his neighbors, who knew that Fall was "broke."

DISCOVERY OF THE LIBERTY BONDS

The mysterious Continental Trading Co. came to light in the course of the preparation of Atlee Pomerene and Owen J. Roberts for the trial of the suit of the Government brought at Cheyenne, Wyo., to cancel the lease of the Teapot Dome. Prowling around among the records of the banks in which Fall had accounts in the West a reference was found to 3½ per cent Liberty bonds, the numbers of which were noted.

Through the Treasury these were traced to the Continental Trading Co., for whom they had been purchased with others aggregating $3,080,000 face value by the New York branch of the Dominion Bank of Canada. It was then developed that of the bonds so acquired $230,500 worth, face value, were delivered by Fall's son-in-law to a bank at Pueblo, Colo., the avails going in part to liquidate obligations to the bank from a company the stock of which was owned jointly by Fall and his son-in-law, in part to pay off Fall's personal debts, and the remainder to the credit of his account.

Inquiry revealed that the Continental Trading Co. was organized, as stated, in 1921 by one H. S. Osler, of Toronto, Canada, all others con-

nected with the institution being clerks in his law office, and that it had dissolved in 1923. The story of its entrance into the business world was told by ex-Senator Thomas, of Colorado, practicing law at the capital. He was called to New York by Col. A. E. Humphreys, a client, whose home was likewise at Denver, to assist in drafting a contract for the sale to the Sinclair Crude Oil Purchasing Co. and the Prairie Oil & Gas Co. by companies controlled by Humphreys of 33,333,333 barrels of oil, a part of the product of a rich field opened up by Humphreys in west Texas.

Conferences were held by Thomas, Humphreys, and his son, on the one side, and Harry F. Sinclair, Robert W. Stewart, and Henry M. Blackmer, associated with the Sinclair Crude Oil Purchasing Co., and James E. O'Neil, the managing head of the Prairie Oil & Gas Co., on the other. The stock of the Sinclair Crude Oil Purchasing Co. is owned, the one-half by the Sinclair Consolidated Co., dominated by Sinclair, and the one-half by the Standard Oil Co. of Indiana, of the board of directors of which Stewart then was and still is the chairman. Blackmer was at that time the strong man in the Midwest Refining Co., all of the stock of which was then and still is owned by the Standard of Indiana. [The resignation of H. M. Blackmer as a director in the Midwest Refining Co. was announced by the chairman of the Board at Denver on March 28.] O'Neil directed the business of the Prairie Oil & Gas Co.

The negotiations terminating in an agreement, Thomas was about to write the contract from notes taken by him during the conference when he was told that the Continental Trading Co. was to be named in the contract as the purchaser. There naturally arose a question as to the financial responsibility of that company, but all misgivings were stilled by the assurance that its obligation would be guaranteed by the two companies who throughout the negotiations were spoken of as the purchasers.

THE CONTRACT SIGNED AND SEALED

The contract having been drafted, there then appeared, for the first time, the Toronto lawyer who the day before brought the Continental Trading Co. into being and who, as president of that company, signed and sealed it.

The vendor companies became bound through the signature of Humphreys, and the guarantee indorsement was executed by O'Neil for the Prairie Oil & Gas Co. and by Sinclair and Stewart, purporting to act as directors of the Sinclair Crude Oil Purchasing Co., though they were not in fact such—a circumstance of no consequence, seeing that the transaction was subsequently ratified by the board of directors of that company.

Further information was secured by counsel representing the Government in the litigation, civil and criminal, that while the Continental Trading Co., by its contract heretofore referred to, guaranteed as stated, acquired the right to have from Humphreys 33,333,333 barrels of oil at $1.50 per barrel, it on the same day contracted to sell to the guaranteeing companies at $1.75 per barrel, O'Neil signing for the Prairie Oil & Gas Co., Sinclair and Stewart for the Sinclair Crude Oil Purchasing Co.

Deliveries were made under the contracts until June 1, 1923, when the contract of the Continental with the Humphrey companies was transferred to the guaranteeing companies, they paying for it $400,000.

The profits theretofore realized—25 cents per barrel—being thus swelled, the Dominion Bank of Canada, to which remittances were made, bought with the avails from time to time under directions from Osler 3½ per cent Liberty bonds to the amount of $3,080,000. These, under directions from the same source, were by the bank, after taking out 2 per cent, which went to the credit of Osler, evidently his commission, divided into four packages, each containing an equal amount, and delivered to him.

THE BONDS TRACED

It was established at the trial at Cheyenne of the suit to cancel the Teapot Dome lease that the bonds heretofore referred to as having been delivered to the Pueblo bank for Fall were among those thus acquired by the Continental Trading Co. The Dominion Bank kept no record of the numbers of the bonds purchased by it, but it did note the brokerage firms through which they were bought and their identity was established by their records.

The foregoing constitutes in outline the sum of the information at the command of the Government, either at the trial at Cheyenne or at the criminal trial of Fall and Sinclair in the District of Columbia, halted in consequence of the "shadowing" of the jury by Burns detectives employed by Sinclair.

There was no direct evidence on either trial concerning how the bonds came into the possession of the son-in-law of Fall, who turned them over to the Pueblo bank, nor regarding the source from which he obtained them. In both instances he declined to testify on the ground that his evidence might tend to incriminate him.

An effort was made to take the testimony of O'Neil and Blackmer, who had fled to France, when it seemed likely they would be called as witnesses, under letters rogatory issued to the courts of that country; but they, too, declined to testify and, strangely, compulsory process can not be resorted to in that Republic against recalcitrant witnesses.

In like manner an attempt was made to compel Osler to relate the story of the evanescent life of the Continental Trading Co., but he took refuge in the plea of privilege of counsel. Persisting in his refusal to answer, he was committed for contempt, his plea being overruled. He sued out a writ of habeas corpus, but again was adjudged not to be protected by the rule that counsel can not be forced to disclose confidential professional communications. From the judgment thus rendered against him he appealed and departed on a lion hunt to South Africa. Meanwhile Judge Kennedy, sitting at Cheyenne, denied a motion of the Government for a continuance until the deposition of Osler could be taken, and the effort to get his testimony proved abortive.

COLONEL STEWART DEPARTS

Such light as Col. Robert W. Stewart could shed upon the shady transaction, in view of the part he had in the negotiations leading up to the contracts, was likewise sought by counsel for the Government, but he had important business in South America about the time the trial was coming on and left for an unknown destination before the subpœna could be served upon him. It might be added that Sinclair did not offer himself as a witness at Cheyenne and was not examined. Obviously, being under indictment at the time, his testimony could not be compelled.

Notwithstanding the failure to close up the gap referred to, the Circuit Court of Appeals for the Eighth Circuit and the Supreme Court of the United States, reversing the decree of Judge Kennedy dismissing the Government's bill, held the facts hereinbefore narrated, with others brought to light by the Senate Committee on Public Lands, to be indicative of fraud and corruption in the lease, and held that Fall, in executing the same, was a "faithless public officer."

Here begins the story of the revived investigation undertaken pursuant to a resolution of the Senate directing the Committee on Public Lands and Surveys to continue the work that remained suspended for four years, and particularly to inquire into the disposition of the bonds purchased by the Continental Trading Co.

Reference has been made to the refusal of Everhart, Fall's son-in-law, twice to testify on constitutional grounds. If he was in peril of prosecution at all it was because he might be suspected of participation in the crime for which Sinclair and Fall stood indicted—namely, conspiracy to defraud the United States—though he had never been formally charged with that or any other crime in connection with the oil leases. Nor was there any purpose to proceed against him. However, the court on both occasions perhaps properly sustained his plea.

STATUTE OF LIMITATIONS INVOKED

Prior to 1921 the statute of limitations as to all offenses against the United States not capital was three years. Shortly after his taking office Attorney General Daugherty represented that gigantic frauds, criminal in character, had been perpetrated during the war by or through the connivance of trusted officers of the Government who would be likely to escape punishment through the running of the statute, it being impossible within the brief period of the statute, owing to the complicated nature of the transactions and the iniquity of the conspirators, to unravel the tangled web sufficiently to permit the framing of indictments. He asked that the period be extended in the case of conspiracies to defraud the United States to six years and Congress promptly complied.

It is well known that the great hue and cry came to naught. No official of the Government not altogether petty was ever put upon trial. None such was ever indicted save one, and he was discharged on a demurrer, but the statute served as a screen to protect the associates of Daugherty caught red-handed in the most stupendous piece of thievery known to our annals or, perhaps, to those of any other country. Secretary Wilbur has estimated the net value of the leased reserves at $1,000,000,000.

EVERHART TELLS HIS STORY

Congress took advantage of the interruption of the Fall-Sinclair trial in Washington to repeal the Daugherty Act of 1921, thereby cutting away the immunity of Everhart, who, being called before the committee on the resumption of its hearings, testified frankly that he got from Sinclair the bonds he turned over to the bank at Pueblo, together with others to the amount of $2,500 which he put into the hands of Fall in Washington, where he came at the instance of the latter from the West.

There was some pretense that the bonds represented the purchase price of one-third of the stock of the Fall-Everhart Tres Rios Land & Cattle Co., whose ranch property was to be turned into a club, a sort of riding and hunt club, but so shallow was this fable that its details need not be dwelt upon. The testimony so loosed will be available at the trial before Justice Bailey to be entered upon again during the present month.

The futile efforts of the committee to wring information from the dummy directors of the corporations involved need not detain us. Blackmer and O'Neil were and are still abroad subject to a penalty of $100,000 for failing to respond to a subpœna to attend the criminal trial in the District of Columbia, a law to that effect having been enacted to enforce their appearance. Stewart's presence was secured, however, after the committee had enlisted the aid of John D. Rocke-

feller, jr., to induce him to cut short a round of activities in Habana and to postpone a contemplated trip to Mexico.

Though correspondence coming into the hands of the committee disclosed that he and Blackmer were associated in the negotiations for the purchase of the Humphreys oil from the beginning, and he was present at their culmination, as stated, he professed no knowledge of the incorporation of the Continental Trading Co. or participation therein, and could offer no reason why his company was not able to buy at $1.50 as well as the Continental Trading Co., particularly when it was unknown and had no credit, so that the ultimate purchasers had to guarantee its contract to buy.

STEWART'S DEFENSE

Stewart was present and participating, according to the testimony of Thomas Humphreys, jr., and Beaman Dawes (interested because his company, the Pure Oil, was a stockholder of the Humphries companies), when the agreement was actually entered into by which the Prairie Oil & Gas Co. and the Sinclair Crude Oil Purchasing Co. was to get the oil for $1.50. He stolidly insisted that some one told him he could not get the oil for less than $1.75 and that it was a good buy at that price, though he knew some one was getting a "commission" of 25 cents. He protested that he had never made a penny out of the transaction, but declined to tell what he knew about what disposition was made of the bonds.

Arrested by order of the Senate to answer to a charge of contempt, he sued out a writ of habeas corpus which was, after hearing, quashed, and he is now at large pending an appeal from the order remanding him to the custody of the Sergeant-at-Arms of the Senate. Meanwhile he has been indicted for his refusal to answer and stands in peril of a jail sentence, like that imposed upon Sinclair for a like offense.

Not all the witnesses holding places with the companies involved, however, suffered from amnesia, though that affection was most extraordinarily general among them.

The gentleman who succeeded O'Neil as chairman of the board of the Prairie Oil & Gas Co., long associated with him, told an amazing story of having been called, in the year 1925, by O'Neil to Montreal, whither, obviously avoiding the United States, he had secretly come from France, ill and expecting to die. He conveyed to his friend the intelligence that he had made a profit out of the transactions of the Continental Trading Co. amounting, with accrued interest, to $800,000, which he asserted he considered and had always considered belonged to the Prairie Oil & Gas Co.

He gave the messenger so summoned an order on his son in New York to deliver to the bearer bonds to the amount above indicated for that company, which was done, and the bonds were taken to the office of the company at Independence, Kans., where they now are in the possession of an affiliated company.

BLACKMER CREPT TO CANADA

Another actor in the drama, Henry M. Blackmer, anticipated the discovery by the committee of the whereabouts of his share of the loot by sending his attorney to tell about it. He, too, cautiously crept to Canada, where he summoned his counsel to tell him that, as in the case of the O'Neil bonds, none of the coupons on his had been cashed except those maturing in December, 1922, and June, 1923, and that they were held intact to the amount of $763,000 in New York.

This was done because he had some misgivings about a claim that might be made thereto by either the Midwest Refining Co. or the Standard of Indiana, with the directing head of the latter of which he had been associated in the transaction through which the bonds had been acquired, and of the former of which he was himself the directing officer at a salary of $50,000 or more. In his case it was apparently the promptings of prudence that brought him from his sanctuary, not of conscience, as in the case of O'Neil.

Neither volunteered any information concerning the disposition of the remainder of the bonds, O'Neil indicating quite clearly to his intimate friend, on announcing his purpose to surrender, that he did not desire to be questioned concerning details. It is known, however, that Sinclair participated in the distribution, seeing that Fall got $233,000 worth of the bonds from him, in addition to $25,000 more not identified as Continental bonds, said to have been turned over as a loan in the summer of 1922, about the time that he and Sinclair started on a trip to Russia in connection with an oil concession which the latter got or hoped to get from the government of that country.

TURNED OVER TO HAYS

It was further developed at the original hearing that he had turned over to Will H. Hays, for the Republican National Committee, about December 3, 1923, $75,000 in bonds, which at the later inquest were shown to be Continental bonds. That gentleman, who had been chairman of the committee mentioned prior to and during the campaign of 1920, and who became Postmaster General on the incoming of the Harding administration in March, 1921, felt impelled, though he had retired from both positions in the fall of 1923, to help raise funds to meet the large deficit resulting from a somewhat liberal course of spending in that campaign.

He left the impression, if he did not actually state when on the stand in 1924, after much prodding, that the contribution had been made by Sinclair in cash, but another witness revealed that what the committee received were bonds in the amount above indicated, which were converted and applied to the liquidation of an indebtedness at the Empire Trust Co.

On the renew hearing Mr. Hays voluntarily appeared—whether he had an acute sense that the facts would otherwise be divulged is a matter of speculation—and told the committee that Sinclair had further turned over $185,000 in bonds, in the nature of a loan, to be "used" by the committee in taking care of the debt.

HOW THE BONDS WERE USED

Pressed for an explanation as to how the bonds were to be "used," Mr. Hays was indefinite and unintelligible, but it was anticipated that in some way the delivery of them would, to that extent, serve to permit the statement to be made to the committee, then about to assemble, that the debt had been "provided for," it being understood that from moneys to be raised by nation-wide solicitation Sinclair was to be repaid.

Of the bonds so "loaned" Hays told that $60,000 was sent to Fred W. Upham, treasurer of the committee, at Chicago, and $25,000 to John W. Weeks, then Secretary of War, and $50,000 delivered to John T. Pratt, a wealthy New Yorker, a member of the "Standard Oil group." Pratt subscribed $50,000 on the receipt of the bonds on November 28, 1923, toward the fund to lift the indebtedness, remitting by check to Upham, but afterwards was prevailed upon by Hays to return either the bonds he received or an equal amount, which Hays then turned back to Sinclair, together with $50,000 more, which, according to Hays, was never "used."

Interrogated as to what Upham was to do with the bonds sent to him, Hays professed ignorance, but denied specifically that it was understood that he was to distribute them around among trustworthy Republicans in the city of Chicago and take from them checks for the avails, giving to the transactions the character of subscriptions from the recipients, respectively.

PATTEN CONFIRMS A THEORY

Information coming to the committee to the effect that that was just what was done was confirmed by the testimony of James Patten of that city, a retired grain speculator of advanced years, who got $25,000 of the bonds from Upham and subscribed for an equal amount. Patten took the bonds but, reflecting on the matter, his sense of decency revolted and he grew angry at being thus approached, but stilled his conscience by donating an equal amount to a hospital. Other Chicagoans were shown to have subscribed similarly.

Meanwhile the custodians of the papers and effects of Pratt, who died during the summer of 1927, placed in the hands of the committee, among other papers relating to the transaction in which he figured, a small slip of paper on which were memoranda in pencil in his handwriting, intended to serve as a record of the same, in the lower right-hand corner of which were four names—"Weeks," "Andy," "Butler," and "du Pont."

Senator COLEMAN DU PONT got from Hays the $75,000 in bonds which went toward discharging the obligation at the Empire Trust Co., of which DU PONT was an officer. Weeks had been the recipient of bonds, and so it was a reasonable inference that "Andy," presumably Andrew W. Mellon, Secretary of the Treasury, and Senator William M. Butler, chairman of the Republican National Committee, had some part in the transaction.

Being called they both asserted that Hays had tendered bonds to them, to the former $50,000 and to the latter $25,000, but that they had declined to accept them, though Secretary Mellon, who was told the bonds were provided by Sinclair, made a contribution in the amount of the bonds sent him.

Neither of them manifested any resentment such as stirred Patten, nor did either rebuke Hays, or counsel him to return the bonds to Sinclair, or make any effort to dissuade him from "using" the bonds, nor did either take any steps to prevent his "use" of them. Moreover, at the outset of its work the committee sought the aid of the Treasury and had been assured by the Secretary that the Secret Service of his department would give the committee all possible assistance. It responded and was collaborating with the committee in its efforts to trace the bonds, though neither had had any information touching the connection of the Secretary with any of them.

MELLON'S RETURN OF THE BONDS

Hays, recalled, explained his failure to mention his effort to get Mellon and Butler to take the bonds by saying that he felt called upon only to tell about how the bonds were "used." He added that the bonds tendered to Mellon—actually he had them for a week or 10 days—were the $50,000 worth he had said on his earlier appearance never were "used" and were turned back to Sinclair. Presumably the $25,000 which Butler refused went to Weeks.

Sinclair having recovered $100,000 of the $185,000 worth "loaned," "glancing an eye of pity on his (Hays's) losses" through speculations in Sinclair stock, generously released Hays from any obligation

arising out of the "loan" of the stock by making a further contribution to the debt fund of $85,000, or $160,000 in all, a sum which no other contributor approached—not even Andrew W. Mellon, reputed to be one of the richest men in America, whose total contribution has been noted.

Reference was made at the outset to the singular circumstance that the organization of the Continental Trading Co. and the initiation of Sinclair's activities on the one hand and the preliminaries to the leasing of the naval oil reserves on the other occurred simultaneously. An even more striking coincidence in respect to time as between these two enterprises is disclosed. The date of the delivery of the bonds by Sinclair to Hays is fixed by the date of Pratt's check to Upham and the receipt of the brokerage house to which the bonds he got were delivered for sale as November 28, 1923.

FURTHER PROOF OF THE DATE

The time is further fixed by the date of the application of the avails of the bonds that went to du Pont by the records of the Empire Trust Co., showing that the proceeds thereof were received by it December 3, 1923. At that very time the facts were being unfolded before the Senate committee, from which the inference was all but inescapable that Fall had been bribed to issue the leases.

On November 30, 1923, the so-called New Mexico witnesses were examined, having been subpœnaed perhaps a week before—Clayton, the county treasurer of Fall's county, who told that he had not paid his taxes for 10 years prior to the summer of 1922, when they were liquidated; Carl Magee, who testified that Fall had told him some time prior to 1921 that he (Fall) was "broke"; other citizens who testified that conditions had been hard in the cattle business, in which Fall was engaged, and that every cattleman in that county was broke; Fall's neighbor, Harris, who had just sold his ranch to the former for $94,000 cash, and Johnson, the ranch foreman, who testified to extensive and costly improvements on Fall's place. So significant was this testimony that his friends on the committee, Senators SMOOT and Lenroot, telegraphed Fall at once that he ought to come on without delay to explain.

SINCLAIR'S NEED OF FRIENDS

This synchrony suggests at once that the extraordinary sum yielded up at that critical time by Sinclair was not altogether voluntarily donated, and that either hope or fear, if not gratitude, stimulated his generosity and accentuated his devotion to the principles of the Republican Party. In the predicament in which he found himself at that juncture he stood in dire need of friends at court.

The committee was directed to resume its work because of a widespread belief that the fund accumulated by the Continental Trading Co., which had been denounced by the Supreme Court of the United States as a fraudulent institution, was to be devoted, and, perhaps, had been devoted, to corrupt uses of one form or another, seeing that some of it had been shown to have been so employed.

It seems now, however, to have been the ill-gotten gains of a contemptible private steal, the peculations of trusted officers of great industrial houses, pilfering from their own companies, robbing their own stockholders, the share of the boodle coming to one of the freebooters serving in part as the price of the perfidy of a member of the President's Cabinet. It is a shameful story, for which, happily, our annals furnish no parallel.

FARM RELIEF

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, Senate bill 3555.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3555) to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities in interstate and foreign commerce.

Mr. FLETCHER. Mr. President, may I ask the Senator from Oregon if he would be willing to lay aside the unfinished business until we complete the call of the calendar?

Mr. McNARY. Mr. President, I would go a great distance to please the Senator from Florida. I am going to yield the floor to the Senator from Indiana [Mr. WATSON] to enable him to make a speech on the unfinished business, because of his desire to leave the city, and for that reason I must insist on proceeding with the unfinished business.

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

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Barkley	Bruce	Fletcher	Hale
Bayard	Capper	Frazier	Harris
Bingham	Caraway	George	Harrison
Black	Copeland	Gerry	Hawes
Blaine	Couzens	Gillett	Hayden
Blease	Curtis	Glass	Heflin
Borah	Dale	Goff	Johnson
Bratton	Edge	Gooding	Jones
Brookhart	Edwards	Gould	Kendrick
Broussard	Fess	Greene	Keyes
King	Nye	Shipstead	Tydings
McKellar	Oddie	Shortridge	Tyson
McLean	Overman	Simmons	Wagner
McMaster	Phipps	Smith	Walsh, Mass.
McNary	Pine	Smoot	Walsh, Mont.
Mayfield	Pittman	Steck	Warren
Metcalf	Ransdell	Steiwer	Waterman
Moses	Robinson, Ark.	Stephens	Watson
Neely	Sackett	Swanson	Wheeler
Norbeck	Sheppard	Thomas	

The PRESIDING OFFICER. Seventy-nine Senators having answered to their names, a quorum is present. The Senator from Oregon [Mr. McNARY] is entitled to the floor.

Mr. McNARY. I yield to the senior Senator from Indiana.

Mr. WATSON. Mr. President, I desire to address myself somewhat briefly to the pending measure. I shall confine my remarks this afternoon to a discussion of the equalization fee, and that alone, reserving until a later time in the debate some observations on the general aspects of the measure.

It is my deliberate judgment that no farm legislation will be of present practical value to agriculture in this country unless it provides a method of taking care of staple crop surpluses and one that will be effective in two ways: First, to regulate the available supply in the interest of a fair and stable price; and, second, to afford producers the advantage of existing or future tariffs.

In my judgment the only sound way of doing this necessary thing is by means of an equalization fee to pay the costs of the proposed control of crop surpluses. No other practical means short of direct or indirect Treasury subsidy has been proposed to stabilize and protect our staple surplus crops. It matters not whether we have a Republican tariff or a Democratic tariff, the principle is the same—the cost of managing the surplus so as to make any tariff effective on a surplus crop in its domestic market must be met either by the benefited commodity, as this measure through the equalization fee proposes, or by direct or indirect Treasury subsidy. There is no other practical way.

Therefore, I desire to say to the Members of the Senate, and particularly to those who in the past have opposed this measure, that to deny the farmers the McNary-Haugen bill with the equalization fee is to deny them the benefits of the protective system. And let me warn you that any Member of Congress or any executive officer assumes a grave responsibility, indeed, when he takes the position that farmers should be denied an opportunity to enjoy our American standards of living, and alone of all our major groups must be submerged to levels prevailing in less fortunate lands. We boast of our high standards of living, but they will not long prevail in our cities or industrial communities if the farmers are denied an equal opportunity to enjoy them.

II

The opposition to surplus-control legislation has picked the equalization fee as the vital point in this legislation, and special efforts have been made to eliminate such a provision from any bill that may be passed by Congress.

One by one the other objections which for four years have been urged against farm relief legislation have been abandoned. The most unreasoning opponent no longer denies that the condition of agriculture is desperately bad; and all but a few concede that there is nothing in present conditions and tendencies which promises relief. Only a negligible number any longer deny that the agricultural situation justifies constructive aid by the Government.

The plain and simple terms of this measure supported by representative farm organizations have silenced, if they have not convinced, the partisans who have been shouting "price fixing," "subsidy," and "Government in business," but every opponent of this legislation now joins in the chorus of opposition to the equalization fee. The entire controversy, in Congress and out of it, over farm legislation has finally resolved itself into this proposition from the opposition: "Any farm legislation within reason, provided it contains no equalization fee."

It is singular and, I believe, significant, that this fire now centered against the equalization fee comes not from farmers, but from those who a year or so ago were opposing any kind of farm-relief legislation. In the last analysis, the farmers will pay the equalization fee, and they are here advocating it, not opposing it.

The reason for all this is obvious. The fee is the crux of the whole situation. Surplus-control legislation without the equalization fee would be unworkable and ineffective, unless we are to turn to direct or indirect Treasury subsidy, which the farmers do not want, the country will not support, and which, in short, is unthinkable.

III

Opposition to the equalization fee has been voiced many times in Congress, in personal discussions, and in the press, yet one will have difficulty in recalling more than three definite reasons

for opposition to it. It is argued that it is unconstitutional; that farmers do not want it; and that the fee would be difficult to collect and would require an army of collectors.

As to whether or not the fee is constitutional the Supreme Court probably will be called upon to decide, since able lawyers differ on this question as they have done on all major pieces of national legislation. In my opinion, there are abundant precedents and sound grounds upon which the courts may rest a favorable judgment, but it is not my intention to embody a brief on the constitutionality of the measure in these remarks. The committee report on this bill contains a painstaking and comprehensive study of the constitutional phase which Members of this body would do well to read.

For my part, at this time I want to discuss the practical rather than the legal principle of the equalization fee. This principle is as old as government itself. It is that all beneficiaries of an undertaking shall contribute ratably toward paying the cost. It is new in name only. I can see no difference in its practical effect between the principle involved in the equalization fee and those prevailing in the usual and accepted custom of corporations in their ordinary activities, or the principle employed in local improvements under paving districts, drainage districts, or irrigation districts, or the principles accepted in the Federal reserve act and the transportation act.

Under the provisions of the Federal reserve act every national bank is required to be a member of the Federal reserve bank in whose district it is located, and is required to subscribe to the capital stock of its Federal reserve bank in a sum equal to 6 per cent of its paid-in capital stock and surplus. Only one-half of the amount of this subscription, however, is required by law actually to be paid in, the remainder being subject to call when deemed necessary by the Federal Reserve Board. In addition, every member bank of the Federal reserve system is required to maintain reserve balances with its Federal reserve bank. These are compulsory exactions imposed upon national banks by act of Congress. The national bank that fails or refuses to join the Federal reserve system forfeits its charter.

PARALLEL CASES

Under the transportation act, the Interstate Commerce Commission is directed to prescribe just and reasonable rates in order that carriers may earn a fair return upon the capital invested, and provision is made for disposition of amounts received in excess of what is fixed as a fair return. This likewise is a compulsory exaction.

In both the Federal reserve act and the transportation act Congress has employed the principle of requiring contributions to be made under certain circumstances for a purpose which is conceived to be in the interest of the contributors. I am merely seeking to establish these as practically analogous to that provision of the McNary-Haugen bill which requires a ratable contribution to be made by the beneficiaries for the regulation and control of interstate and foreign commerce which this measure seeks to establish. I do not here assert a precise legal analogy, but rather a practical one, between the equalization fee in the pending bill and the stock-subscription requirement of the Federal reserve act or the recapture clause of the transportation act. The question which the courts must at last decide is whether Congress has the power to regulate commerce in the manner provided in this measure; and if Congress has that power, then whether the equalization fee is necessary to such regulations; and, finally, if it be admitted that Congress has the power, and that the equalization fee is essential to its exercise in this manner, then whether the equalization-fee principle contravenes to an unjustifiable extent any other provisions of the Constitution, such as the due-process clause of the fifth amendment.

My personal judgment is that on these points the courts will hold with the majority of Congress, which has expressed its belief that it has the power to enact this legislation.

It is claimed, as a second reason for opposition to the bill, that farmers themselves do not want it. To me it is significant that during all of the years of hearings and debates during which the various surplus-control proposals have been considered by Congress, not one single responsible farm organization, through its properly designated officers, has appeared before the Committee on Agriculture in either House of Congress in opposition to the equalization fee in the bills. On the contrary, representatives of practically all of the responsible farm organizations and cooperative associations handling widely grown staple crops believe in it.

It is true that the officers of the National Grange favor the debenture plan, which is an indirect subsidy, in that it would convert import duties into export bounties, thus directly lessening the revenues of the Government, but the grange has carefully refrained from going on record in opposition to the equalization-fee plan. On the contrary, upon at least one occasion in the past the duly authorized representative of this organization testified before the committee of another body in favor of the McNary-Haugen proposal.

ANOTHER CHARGE REFUTED

As to the third charge, that the collection of the equalization fee will be difficult or impossible, I believe it can be demonstrated that it would be a simple matter.

The bill provides (sec. 8, par. (c)) that—

> Under such regulations as the board may prescribe, there shall be paid, during a marketing period for any agricultural commodity and in respect of each marketed unit of such commodity, an equalization fee upon one of the following: The transportation, processing, or sale of such unit. The equalization fee shall not be collected more than once in respect of any unit. The board shall determine, in the case of each class of transactions in the commodity, whether the equalization fee shall be paid upon transportation, processing, or sale. The board shall make such determination upon the basis of the most effective and economical means of collecting the fee with respect to each unit of the commodity marketed during the marketing period.

Paragraph (d) of the same section provides that—

> The board may by regulation require any person engaged in the transportation, processing, or acquisition by purchase of any agricultural commodity—
>
> (1) To file returns under oath and to report in respect of his transportation, processing, or acquisition of such commodity, the amount of equalization fees payable thereon, and such other facts as may be necessary for their payment or collection.
>
> (2) To collect the equalization fee as directed by the board and to account therefor.

Paragraph (e) provides that—

> The board, under regulations prescribed by it, is authorized to pay to any person required to collect such fees a reasonable charge for his services.

This last provision should remove all doubt as to the willingness of any agency to collect the fee. The procedure can best be shown by outlining a few examples of how the fee might be collected on a few commodities in the manner provided in the bill; that is, upon transportation, processing, or sale.

TRANSPORTATION

In the case of cotton the board might find that the "most effective and economical means of collecting the fee" would be upon "transportation." The amount of the fee would have been determined and published as a certain amount per pound or per bale, which amount could be collected without expense or difficulty by the transportation company along with the freight charge. The carriers would be required to remit the amount of fees collected directly to the board, which would deposit the remittance in the stabilization fund for cotton. The farmers would know the amount of the fee, and it would be reflected in their price, just as is freight, but the labor and the expense of collecting the fee in this manner would be very little.

In case cotton is delivered by wagon or truck direct to the mills, or to market for export without intervening handling by a common carrier, the equalization fee could be collected on "sale" under the regulations prescribed by the board. In other words, the regulations of the board might provide that in all cases when cotton was moved by common carrier the fee should be collected on "transportation," otherwise the collection should be upon the "sale" as defined in the measure.

PROCESSING

In the case of wheat the board might find that "the most effective and convenient means of collecting the fee" would be upon "processing." After the amount of the fee had been determined and published, the board might by regulation require that the millers remit the fee on the quantities of wheat processed by them. The amount of the fee collected would be remitted to the board at required intervals, and the amount collected on each bushel would be reflected in the farmer's price just as is the freight. It is apparent that if the fee is collected upon "processing" in the case of wheat, such quantities as are imported from abroad would be subject to the fee on the same basis as domestic wheat.

The export market takes the largest part of the wheat that enters commerce but is not milled. It has been argued that since it might be impossible under the Constitution to collect the fee upon the last sale for export, it might be that the exported wheat would escape payment of the fee, and that this would increase relatively the amount of the fee collected upon processed wheat. But on close examination this apparent in-

equity disappears, since it becomes evident that exporters would have no advantage over flour-exporting millers, even if the former paid no fee and the millers did, because both would be exporting under contract with the board, and in its payment of costs and losses upon the exports, under the terms of the respective marketing agreement, the board would, of course, take into account the fact that the cost of the flour exports included the fee paid, while the cost of the grain exports did not, and settlement would be made on that basis.

In the case of livestock, since we export but few live animals, the fee could be collected almost exclusively upon "processing," while any inequity between the exporter of live animals and the exporter of animal products would be prevented in the settlement under the marketing agreements, just as in the case of the wheat miller and exporter.

SALE

Tobacco may be used to illustrate the case where "sale" might be found "the most effective and economical means" of collecting the fee. Every buyer of tobacco is registered and numbered and is required to make a report to the Treasury Department each month showing the number of pounds and the kind of tobacco he has bought during the month. After the amount of the fee had been determined and published, each buyer could be required to remit the amount of the fee, as directed by the board, for all the tobacco purchased during the preceding month. The money could be remitted either to the Treasury, to be turned over to the board, or to the board directly as required. At the end of the operating period the board would have received the amount of the fee from every pound of tobacco purchased without setting up any new machinery of any kind.

IV

It is still contended by some of the opponents of this legislation that the job could be done by voluntary action through cooperative associations without Government intervention.

Theoretically the banks of the country could have cooperated in the control of their credit resources and brought stability without Federal legislation, but actually the task was impossible and Congress by the device of the Federal reserve act created a plan of stabilization and compelled national banks to provide ratably the capital necessary to operate it.

Theoretically it was possible for the many railroad corporations to set up by voluntary action agencies necessary to equalize railroad returns. Actually effective voluntary cooperation was impossible. Hence, by the device of the transportation act Congress provided the necessary supplement to voluntary action. If I cared to occupy the time of the Senate at length, these examples might be extended indefinitely to prove that when the public good can not adequately be served by voluntary action, it has been the settled policy of our Government to provide by legislation the means to the desired end. Frequently it is nothing more than a device by which the minority may be required to conform. The device varies with the subject matter. It was compulsory stock subscription in the case of the Federal reserve act; it was compulsory pooling of excessive earnings and distribution thereof of the transportation act.

It may be argued that it is possible for all cotton growers, for example, to cooperate in withholding the unneeded portions of their crops from the market in years of large production and in feeding it back again as needed, but actually such a thing is impossible, as has been demonstrated in many cases.

The same is true of all other agricultural commodities that may be widely grown. All farmers never will join cooperative associations, just as all national banks would never voluntarily join the Federal reserve system, and just as all railroad corporations would not voluntarily surrender a portion of their earnings for the benefit of other roads.

A fraction of a group will not voluntarily assume the entire cost of a service to the entire group and continue to bear that cost indefinitely. Quite a number of farmers' cooperatives in the United States have undertaken to stabilize markets by carrying seasonal surpluses over into the next year; but in every case the effort has failed, and in some cases the cooperative itself has been wrecked, because, even in cases where the act of the cooperatives resulted in a substantial benefit to all the producers, the outsiders escaped the costs, and thus benefited relatively more than did the members themselves.

V

The leading farm organizations and cooperative associations of the country tell us they believe they will be able to do the job with the aid of the device suggested, since the equalization fee would compel all the producers of a commodity, whether or not members of a cooperative association, to pay from the benefits received their share of the cost of the stabilization of the commodity. These cooperatives tell us frankly that they can not accomplish the desired results without the equalization fee.

Congress, by the enactment of the Capper-Volstead Act of 1922, and the act of 1926, to create a division of cooperative marketing, as well as by numerous other acts, such as the rural credits act of 1923, looking toward better credit facilities for cooperatives, has recognized the principle of cooperative marketing.

The President upon every appropriate occasion has expressed sympathy with the development of cooperatives and has voiced the hope that the problem might be solved by them. In his message to the Seventieth Congress he said:

> The main problem which is presented for solution is one of dealing with the surplus production. * * * Price fixing and subsidy will both increase the surplus instead of diminishing it. Putting the Government directly into business is merely a combination of subsidy and price fixing aggravated by political pressure. * * * The Government can * * * assist cooperative associations and other organizations in orderly marketing and handling a surplus clearly due to weather and seasonal conditions. * * * While it is probably impossible to secure this result at a single step, and much will have to be worked out by trial and rejection, a beginning could be made by setting up a Federal farm board or commission of able and experienced men in marketing, granting equal advantages * * * to the various agricultural commodities and sections of the country, giving encouragement to the cooperative movement in agriculture, and providing a revolving loan fund at a moderate rate of interest for the necessary financing. * * *

The McNary bill provides exactly that. As losses and costs of stabilizing farm commodities must be paid out of stabilization funds for each commodity, there will be need for periodical or occasional replenishment. Funds for that purpose would be provided by the particular commodity benefited through the operations made possible by the equalization fee. Under no conceivable circumstances can loans only, whether by the Government or by some other agency, accomplish this purpose.

If agriculture is to enjoy its most favorable markets under fair price conditions, it is essential that it be placed in position to control supply and to feed it out to the markets in response to demand. Our farmers may produce more of some crops than the domestic demand will absorb at a fair price if all of it is thrown into the home market. Yet there are markets abroad that need what we have to sell. To be sure, their prices are fixed by production costs lower than ours. The problem is to sell in such markets abroad and still maintain an independent domestic market that is related to our home cost of production; or, as in the case of cotton, to influence the world's price through the control of surpluses in strong hands close to the growers in this country.

That the large industries have found a way to engage in export trade without permitting the price for the portion sold in export to influence adversely the price at home is not denied.

The late Judge Elbert H. Gary, of the United States Steel Corporation, in the last annual report of that corporation published before his death, explained quite frankly that steel export prices are not permitted to establish domestic prices when he said:

> Prices received in 1926 were fairly stable throughout the year, with, however, a downward tendency. Prices obtainable in the foreign markets, and to some extent for domestic tonnage in markets bordering on the Atlantic, Gulf, and Pacific coasts of the United States, were, however, relatively low, owing to the severe competition of European manufacturers, whose labor cost in production and transportation cost in delivery were materially less than that of the mills in the United States. As a consequence, the direct profit results from the export business as a whole were not fully compensatory for the proportion of capital invested and employed in the business.

This is simply one illustration of the manner in which industrial organization, assisted by protective legislation, disposes of its output to its own advantage. Farmers in the United States help pay the bill. At the same time, they lack an equivalent power to dispose of their output in a manner which would enable them to bring the domestic prices on their products up to a fair relationship with the things they have to buy.

VI

It is unthinkable that we should refuse farmers an opportunity to protect their home market, or, if and when loans can not accomplish the desired result, that we must resort to Government subsidy for 30,000,000 people. The farmers do not want a subsidy. The very suggestion is distasteful to the American mind, and it offers a spectacle of 30,000,000 of people when in need reaching their hands into the Treasury, and suggests the time when another group, in similar straits, may demand a dole also—and they will not be denied if the precedent is once established.

Any plan of subsidy compels an involuntary contribution or "equalization fee" to be paid by the whole people, since it

draws from the Public Treasury, as contrasted with the McNary bill, which would secure its contribution or "equalization fee" from the particular growers benefited.

We must recognize that the very nature of our Government is rooted in our respect for property rights. No group of our citizens have been more ardent in their loyalty to this principle than the farmers. To put them upon the dole system might mean, and I believe it would mean, the beginning of the end of their respect for the property rights of other groups. To deny them this legislation with the equalization fee is to deny them admission into the protective system. I repeat, it matters not in principle whether we have a Republican or a Democratic tariff.

They offer to pay the cost of the experiment themselves out of the benefits they expect to receive; and as it is conceded that all new legislation is experimental, why should they be denied the right to make this experiment?

Mr. SMITH. Mr. President, before the Senator takes his seat I should like to ask him one question in reference to the principle involved in this bill.

I can understand how wheat, which has to meet the competition of the world, could be benefited by virtue of a tariff on wheat when, through the processes of this bill, the Government shall cooperate with the cooperative associations to control the price, directly or indirectly, and in the case of whatever surplus is exported abroad to meet the competition of the world the difference between what it sells for here and the loss that is sustained in the export shall be made up by the equalization fee. I can understand that thoroughly, and how it might and perhaps would benefit the wheat grower. The same thing might be true of those who are engaged in the animal industry.

In regard to cotton, however, the great American monopoly, I have studied carefully to see in what respect, other than controlling the surplus, to which I will call attention in just a minute, the equalization fee could operate—it might be there nominally—for the reason that seventy-odd per cent of all the world's cotton is produced in America, and 90 per cent of all the spinnable cotton, as it is known to the spinners, is produced in this country; so that whatever price is fixed in America fixes the world's price.

There is no cotton, broadly speaking, that comes in competition with American cotton. The only thing that competes with American cotton is American cotton. That paradox can be explained on the ground that during periods of excess production and very low prices Europeans buy in large quantities, and it has been the case that when the price rose in this country at the beginning of the production of another crop that cotton has been reexported to this country at a profit. American cotton has been brought back to America from the Old World. Even then, however, American cotton is fixing the world's price for cotton; and if by any means, by this bill or any other device, the producer is able to control his surplus, we need not have any equalization fee, for the reason that the minute you establish an American price you have established a world's price for cotton.

That is not true of wheat. It is not true of any other farm product that is made in quantities equal to or in excess of American production; and I was thinking that perhaps the bill would be more readily accepted by those producing cotton if the so-called equalization fee, as it is really not necessary, were given some other terminology, or if an explanation were placed in the bill that would indicate that no tax should be imposed other than the interest that would be essential upon the money devoted to removing the surplus from the market, because there could be no loss unless the surplus was bought at a price which, joined to a subsequent crop that was made, would be lower than the money advanced to take care of the surplus; and I do not think any business man would permit such an exigency as that to arise.

Mr. SIMMONS. Mr. President——

Mr. McNARY. Mr. President, will the Senator let me make just one statement? If the Senator has studied the bill, as I assume he has, he knows that the equalization fee for cotton applies only in the event that there is a surplus in excess of orderly marketing, for the purpose of steadying the flow to the foreign world, and, therefore, maintaining a higher world price.

Mr. SMITH. Yes.

Mr. McNARY. It is not a tax in any sense any more on cotton than it is on wheat.

Mr. SMITH. No.

Mr. WATSON. It is purely a withholding proposition to feed it in as the market demands.

Mr. SMITH. Yes; but there is this distinction: If we have a certain amount of wheat in this country, and if there is a tariff on wheat—which there is—undoubtedly, through the proper organization of this machinery, you can fix an American price that is equal to the tariff, but you can not fix a world price; and the difference between the exported wheat and the domestic wheat sale, which is the measure of the tariff, would be lost in the export wheat. Therefore, you have an equalization fee to reimburse the Government for whatever loss might be entailed in the price of the export wheat, which, joined to the excess price that the American millers would pay, might and perhaps will show a profit. That is not true of cotton, however, because the export cotton is going to bear identically the same price that the domestic cotton does, for the reason that it has no competitor. It does not have to meet any world price. The American price is the world's price.

Mr. McNARY. Mr. President, that is true; but is not this a fact that accompanies the Senator's argument: If the American supply is orderly distributed to the world's market, it would have a tendency to stabilize the market?

Mr. SMITH. Oh, to be sure; and that is the distinction I am making.

Mr. WATSON. That is all there is to it as far as cotton is concerned. It is a withholding process so far as cotton is concerned.

Mr. SMITH. Not meeting competition.

Mr. WATSON. Taking the surplus off the market and feeding it in as the market demands.

Mr. SMITH. And the only expense would necessarily arise from the interest and whatever fee it would be essential to contribute for the upkeep of the machinery; but so far as paying an equalization fee is concerned, there is going to be nothing to equalize. You have got to equalize the foreign price for wheat with the domestic price; and, when you have brought them together, whatever difference there is the farmer will pay. He must pay it under the terms of this bill.

Mr. WATSON. Why, certainly.

Mr. SMITH. To illustrate, suppose we had 2,000 bushels of wheat, and that we consumed a thousand and exported a thousand. Under the present system the domestic price is the world price, and the farmer gets no benefit of any tariff. The domestic price is the world price. Suppose we were to put into effect a tariff of 50 cents a bushel, and the domestic man paid $1.50 a bushel for the domestic wheat and the export wheat brought a dollar. The 2,000 bushels of wheat—let us say it was a dollar a bushel—would bring $3,000, whereas sold in the world market it would bring only $2,000. So that the farmer has gotten for the 2,000 bushels $3,000—that is, he sold his domestic wheat for $1.50 a bushel, exported for $1. He has made by that proposition. The equalizing fee that he would have to pay would be $500. So that he would make $500, because he would have to equalize the price, domestic and foreign. Not so with cotton, because the domestic price would be the foreign price.

I do not believe we would export any other thing except wheat and corn, but the difference between the world price and the domestic price is going to be what you have to equalize.

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

Mr. SMITH. I yield.

Mr. GOODING. Does not the Senator believe that cotton will occupy a more favorable position in this bill if it becomes a law than the wheat growers' product, because he will stabilize the world's price, and the wheat grower can not do that?

Mr. SMITH. There is much fear about it not appealing to the farmers on the ground that they will have to pay a tax—an equalization fee—at the gin or on the railroad. In the case of wheat, as I explained a moment ago, I do not think many of them see the point that is involved in the protective tariff on wheat. We export about one-third of our wheat crop, or did for a while. I think it is higher than that now. Whatever amount we export the farmer will be guaranteed the domestic price plus the tariff. He is supposed to get that for all his wheat.

Mr. WATSON. But he does not.

Mr. SMITH. To illustrate, suppose we raise 2,000 bushels, and ship a thousand bushels, with the tariff 50 cents a bushel; fixing the price at $1.50 a bushel will not mean the farmer will get $1.50 a bushel for 2,000 bushels; he will get $1.50 per bushel for the thousand bushels used domestically.

The farmer has to pay the difference. He does not get $1.50 for 2,000 bushels; he gets only $1 for 1,000, and he equalizes that price by paying the difference between the domestic price and the export price. That is the theory of this bill.

I used an illustration a moment ago, saying that we exported as much as we consumed domestically. You would have to

double the price in this country in order for the farmer to get any material benefit if he sold in the world's competitive market. But that is not true of cotton, because we have a monopoly of that, and the only benefit that would come to us—and when I say "only" I do not mean it in any disparaging sense—would be by the formation of an organization that would take the surplus off the market and hold it for the lean years, and distribute it as the world needed cotton, at a price that would at least reflect a reasonable profit to the producer. But I do not believe that we ought to incorporate in the bill, so far as any commodity that sets the world's price is concerned, what we would term an "equalization fee." There is nothing to equalize. The moment you fix a price on American cotton you fix a price for the world. It has no competitor, none anywhere, and what is grinding not only the cotton grower but the wheat grower is the fact that he has no say so in his market. I make the statement that the price is not fixed in this country at all; it is fixed abroad. There is the monstrous proposition of this proud American people producing a world necessity, cotton, which has no substitute, and yet Liverpool fixes the price every morning of the American production.

The same is true of wheat. The foreign market fixes the price, and I am going to support this bill on the general principle that the American farmer can not be any worse off; he has to look up to see the bottom now, and though it may be a mistake, it may not work out right, I am going to join forces with those who I believe are sincere, and attempt to legislate some plan by which the American farmer may be able to get into the picture with some degree of prosperity, and revive some hope to the rapidly despairing element that feeds and clothes us.

Mr. McNARY. Mr. President, I welcome the Senator into the ranks of the supporters of the bill. I am very glad he made that remark. I welcome his support this year.

I want to present, in one word, the situation as I believe it affects cotton, and if the Senator will agree with me, perhaps there will be no difference whatsoever with respect to that commodity.

We must agree that the 60 per cent of cotton we use moves into foreign markets and therefore receives a world price. If there is any machinery by which that cotton can be marketed in an orderly way through the season, which would effect at least an increase in the world price, it would be reflected in the domestic price. Consequently the purpose of the equalization fee, as applied to cotton, is to collect a fee—we will say one-fifth of a cent a pound, which would be $1 a bale, and in a production of 18,000,000 would be $18,000,000—which would be used to withhold for the purpose of orderly marketing the surplus that was depressing the world's market. That is the theory, an indisputable theory, in my opinion, entirely workable and feasible, one that would react in a higher price for cotton if we employ the method which the Senator himself has said ought to be understood.

Mr. SMITH. The Senator has stated the case clearly. It is not an equalization fee, but a sum collected, or a reserve fund gathered, for the purpose of preventing the dumping of the surplus on the market to the detriment of the other portion of the crop.

I will have something more to say about the bill, unless it should pass as the flood control bill did; but I want to say that the hearings we are having now, in the probe into the slump in the price of cotton, are bringing out facts sufficient to astound any man, information not only as to the marketing of that product but typical of the marketing of all staple farm products.

The orgy of speculation, the violent fluctuations of wheat and cotton, indicate how the producer is absolutely at the mercy of the speculative element. It is clearly evident that if the agricultural interests of this country are to be put on a footing with the manufacturing industries of the country, somewhere, somehow, by some kind of organization, the farmer must be able to hold his products and market them when they reflect a reasonable profit to him.

So long as the buyer of cotton and wheat and other farm products has the privilege of fixing the price, all our work is in vain. Until and unless the producers of the different agricultural products of this country are enabled, through their own initiative or by the aid of the Government, to so organize themselves that they can calculate the cost of machinery, the taxes, the overhead, all incidental expenses that go into the producing of the article, and then realize the reimbursement on the sale—until that is accomplished agriculture will never be other than what it is to-day. It is idle to talk about it.

If this bill shall be a step in the direction of enabling the farmers, through proper organization, to have a measure of control over the production and the prices of their products, within reasonable limits, we will have accomplished that for which agriculture has been waiting all these years, and I believe there was never a more propitious time for such a step than now, with the facilities for transportation and the facilities for communication and getting knowledge to them that we have now.

The farmers of this country in every market center should have provision for radio broadcasting, by which every day intimately and particularly the conditions of the market and the demands may be broadcasted to them. I believe that is one facility we ought to insist should be available for the agricultural interests of this country, under their own control, and I hope this bill will be a step in the direction, not of the Government permanently marketing and controlling farm products, but granting to the farmers the facilities by which they can organize themselves, as the protective tariff did for manufacturing, not in the same direction and not, perhaps, by the invocation of the same principle, but at least extending the powerful credit of all the people to enable those who feed and clothe us to be protected.

Mr. BARKLEY. Is it not contemplated by the bill that before the board acts in any case the initiative must be taken by those who speak for the growers of whatever crop is involved? The board could not of its own initiative simply levy the equalization fee in order to accumulate the funds to take care of some imaginary surplus that might exist in the future. The emergency must arise, as I understand it under the terms of the bill, to such an extent that those who speak for the farmers will apply to the board for a declaration of the operating period.

Mr. BORAH. The board might act upon its own motion.

Mr. McNARY. Mr. President, the Senator from Idaho is right. The old bill provided that before the board could act it must consult a large number of cooperatives and farm organizations. There was a provision written in the old bill that if in any section of the country a particular commodity was raised where 50 per cent was not represented by cooperatives, there should be a county assembly. That suggestion was made by the Senator from North Carolina.

Mr. SIMMONS. Yes; by a separate amendment.

Mr. McNARY. It was one of the items that offended the Attorney General. In the bill now before us we are proceeding upon the assumption that the board is not going to abuse its power. No bill was ever written into law that attempted to say what the board must do on all particular occasions, nor could we write such a stupid measure. In this case the board, having general power to act as in all matters of wise legislation, can proceed on their own motion, but the language is that they shall confer with cooperative organizations and farm groups and the advisory council before a marketing agreement is entered into.

The practicability of the plan is simple. The board, having these general powers, no broader than contained in hundreds of bills that have proven satisfactory from a legislative and administrative standpoint, and being composed of rational and reasonable men, would consult the advisory council and farm groups and organizations raising the particular commodity in relation to which agreements are about to be entered into, and if in their judgment it is the part of wisdom that the marketing agreement should be entered into which would finally invoke the equalization fee, that would be done, and only in a case of that kind.

Mr. GOODING. Mr. President, I am sure it would be helpful if the author of the bill would proceed in explanation of its provisions. I am sure he is going to answer all these questions and give the Senate a complete understanding of the terms of the bill. Then we can proceed to debate it.

Mr. BROOKHART. Mr. President, I would like to have an opportunity to ask the Senator from Indiana [Mr. WATSON], who opened the discussion, some questions before he leaves, as I understand he is compelled to do.

Mr. ROBINSON of Arkansas. Mr. President, before we leave the immediate subject matter under consideration—that is, under what conditions the board will begin operations in a given commodity—I desire to say that I understand that under the pending bill, as under former bills, the board must find "that there is or may be during the ensuing year a domestic, national, seasonal, or year's total surplus in excess of the requirements for the orderly marketing" of the commodity to be dealt in; so that in no event may the board operate in a commodity until it finds that there is either a surplus in excess of domestic requirements or one in immediate prospect.

Mr. McNARY. Mr. President, the Senator from Arkansas is quite right, but there are still two other findings to make. That, however, is not the point that was raised, I may say to the distinguished Senator from Arkansas. It was what forces must operate before the board will start a marketing agreement or

period. In the old bill, may I repeat, it was started upon the advice of the advisory council and of a substantial number of cooperative associations in farm organizations. It was held by the Attorney General in his opinion to the President of the United States that that was a delegation of legislative power. Consequently, in this bill we have overcome that constitutional objection by providing that the board may on its own motion start a marketing agreement after it makes these three findings of fact.

There is also a suggestion in the bill that the board should consult the advisory council and also cooperative associations and farm organizations.

It is true that the board may initiate operations on its own motion, but it must find three facts, as suggested by the distinguished Senator from Arkansas [Mr. ROBINSON]. What are they? Namely, one, that there is a surplus above orderly marketing or above the requirements of domestic consumption. Two, can the board through local and cooperative associations handle this proposition or are the associations unable to assume that responsibility? Three, is the particular commodity adapted to a marketing agreement by reason of its physical characteristics or the manner of processing? When the board shall make the three findings which I have just mentioned it may enter into marketing agreements with cooperative associations.

Mr. ROBINSON of Arkansas. And it must make those findings public?

Mr. McNARY. Absolutely, as a condition precedent to operation.

Mr. ROBINSON of Arkansas. I cited that provision of the bill to show that, after all, arbitrary power is not vested in the board by this bill, but that the board must proceed in an orderly manner to determine the necessity for operation before there is any basis for its dealing in a commodity.

Mr. BORAH. But what I have in mind, Mr. President, is what is clearly stated in the bill. The jurisdiction of the board did not obtain under the old bill until certain parties had manifested their desire that it should act. Under the pending measure the jurisdiction of the board would obtain whenever the board wished to act.

Mr. ROBINSON of Arkansas. No; but only when the board finds the existence of facts defined in the proposed law to justify action.

Mr. BORAH. That is what the board proceeds to do after jurisdiction is obtained, but, in the first instance—that is to say, with reference to acquiring jurisdiction, the board may take jurisdiction whenever it gets ready to do so.

Mr. ROBINSON of Arkansas. It may enter upon an investigation, but unless it finds the facts referred to by the Senator from Oregon [Mr. McNARY] to exist it has no authorization under the proposed statute to proceed.

Mr. McKELLAR. If the Senator from Arkansas will look at line 20, on page 10 of the bill, he will see that the board has publicly to declare its findings; it not only has to declare its findings but it has to publish them.

Mr. BORAH. It has publicly to declare them, but the fact that those findings shall be publicly declared does not place any restraint upon their action. Those interested may read the findings, but the board is not restrained in any way by that fact, and nobody can take an appeal from the board.

Mr. McNARY. Of course, after the board finds these facts to exist, I repeat it may upon its own motion start an operation; there is no doubt about that. I do not proceed upon the theory, however, that the board is going to abuse that power. The board is given these powers for the purpose of helping agriculture, and any man who stands on this floor and assumes the bill to be bad because the administrator might abuse his power will never be found voting for the bill.

Mr. ROBINSON of Arkansas. Will the Senator from Oregon yield to me?

Mr. McNARY. I yield.

Mr. ROBINSON of Arkansas. Unless that power shall be given to the board the probability is that there will be no effective operation under the provisions of the bill.

Mr. BORAH. Mr. President, I did not assume that the bill was bad because of that fact; I merely undertook to state the provisions of the bill.

Mr. HARRIS. I am quite willing to vote for anything that the western Senators think will help the producers of wheat.

Mr. SIMMONS. So am I.

Mr. HARRIS. I can understand how the bill might help them a great deal because of the protection given wheat, while the cotton producers would not be benefited in the same way. I should like, however, to ask the Senator from Oregon a question. The Senator from North Carolina has referred to an 18,000,000-bale cotton crop which we may have any year——

Mr. SIMMONS. Which we had last year.

Mr. HARRIS. And he has referred to the small amount that would be collected from an equalization fee, and he stresses that point. Suppose we should have an 18,000,000-bale cotton crop this year. I should like to know from the Senator from Oregon exactly how the equalization fee on cotton would be collected and how much it would be.

Then I should like to ask the Senator another question. Suppose there should be a slump, as there was last year, which would involve a loss of a hundred million or two hundred million dollars in the price of cotton, and there was only an equalization fee of a dollar a bale, amounting in all to $18,000,000, how would the farmer be protected from great loss? Suppose, furthermore, that the following year there should also be a loss. I am not asking the questions in the way of criticism; I am asking for information. I am anxious to do anything to help the farmers, but taxing him does not help.

Mr. McNARY. I gave in a very brief way my impression of that general subject a few moments ago in discussing the question of the Senator from North Carolina [Mr. SIMMONS].

Mr. HARRIS. I did not happen to be in the chamber at the time.

Mr. McNARY. If the Senator will bear with me and let me fashion my own remarks in my own way I will come to that some time during the debate; but this afternoon I promised myself, at least, that I would discuss, rather informally, the bill as distinguished from its predecessors. I should like first to do that before going into other phases of the bill having to do with its administrative application.

Mr. HARRIS. I will be glad to have the Senator answer the question in his own time.

Mr. McNARY. I appreciate the courtesy of the Senator.

Mr. President, I propose briefly to discuss the pending measure. I am not unmindful of the observation that is sometimes made that a Senator who speaks on his own bill is, perhaps, filibustering against its passage. I think that is true in a general way, and I would not speak upon this bill if it were not for the fact that it contains some provisions that are new and which were not found in the bills of similar nature which we have considered heretofore.

I do not know of anything I could say that would throw any particular light upon the old bills and the controversies that have waged about them during the years 1926 and 1927. During those two sessions of the Senate I spoke quite at length upon the bills which had the same general purpose, though perhaps omitting some refinements and changes that are in the pending measure.

The committee has prepared at great length a report, which in my opinion sets forth all of the changes in a very clear way; and I recommend to the Members of this body the reading of that report.

I shall not discuss the general question of agricultural depression. That subject has been discussed every year we have had this bill up for consideration. It is a condition which now obtains, and is universally acknowledged.

The President, in various messages and speeches, has declared that there is a farm problem. I only desire to cite two witnesses in this regard who I think will offer indisputable evidence that there is a farm problem.

I refer to the United States Chamber of Commerce and the National Industrial Conference Board. After collaboration and a study of this problem for a great many months, in December of last year, in a report by Mr. Charles Nagel, the chairman, they said:

> The evidence is clear that American agriculture has undergone a prolonged and trying readjustment to postwar conditions, in the course of which those engaged in it have suffered seriously in their relative economic prosperity in comparison with those engaged in other fields. On the human side, it has been deprived of the energy, experience, and knowledge of many thousands of farmers who have lost their resources and have been persuaded or compelled to leave the farm for other occupations, while the land resources of the Nation have been impaired by neglect and wasteful exploitation under the pressure to which those who remained on the farm have been subjected.

I cite these two great organizations as showing that there is a farm problem; and for that reason I do not desire further to discuss the subject.

I think, Mr. President, all agree that the one great problem is the problem of the surplus, and how to deal with it.

Whenever there is a surplus, it is an economic adage that that surplus fixes the price for the whole commodity; and, inasmuch as it is necessary for the producers of the country to sell this surplus in foreign markets, it naturally follows that the price obtained by the American producer is the world price; and so long as we are working and living under a protective tariff, it is not fair to the farmers of the country to be compelled to sell

their whole product on the foreign-price level, and buy that which they need and must have in a protected market. That is one of the cardinal principles and one of the foundation stones upon which this measure is built, as were all of its predecessors.

It is true this bill differs from some of the bills which have been here before. There are far-reaching changes, but they are all addressed to the same problem and are built upon the same general principles. I think it might be well for me at this time to discuss one of the radical changes that have been made, and yet it is not so radical in substance as it appears to be from a general, cursory reading of the bill.

In this bill there are two separable remedies. We have first adopted the remedy of loaning money to cooperative organizations for the purpose of promoting the orderly marketing of farm products, or to loan them money for the purpose of acquiring the surplus products and selling them or making such disposition of them as in their judgment seems best. This provision was in the last bill, but not precisely in the same form. Such a scheme, complete in itself, has been advocated by the Secretary of Agriculture, Mr. Jardine. We have been told by him that that remedy would be effective, and during a cycle of a great many years—I think he used a period of five—the losses would perhaps be quite absorbed by the gains.

I have never been so hopeful an advocate of this plan proposed by the Secretary of Agriculture. I have thought we needed a more heroic scheme. I have believed, however, that the loaning of money to cooperative organizations might, when the surplus was small, or as it affects some commodities, be efficacious. I still entertain that belief; but I am not one of those who advocate the theory that the whole job can be done by the loaning of money.

I know it will be said that the farmers have received too much money; in other words, that the money they have borrowed has been too easily obtainable. That situation and statement does not apply to the plan set forth in this measure. Here we propose to loan up to $250,000,000 from a revolving fund to cooperative organizations that are willing to borrow the money to withhold a surplus until there is a time of famine or scarcity, and then market it.

What would be the advantage in that procedure to the association? It would be simply that the members would not pay the equalization fee, and they probably would sell the product at a profit which would inure to the benefit of the members of the cooperative organization.

I want to say to some of my friends who are very much interested in this proposition, and perhaps a little skeptical, that I do not believe that remedy could apply effectively to the surplus of wheat in the ordinary year; but if there is a small surplus of other products which might occur to your own imagination at this time, I can see how a temporary or seasonal surplus, or even a year's surplus, might be handled through the borrowing of money at 4 per cent to withhold the producers' products until there was a season when it could be sold at an advantageous price. The same provision was in the bill last year, practically in the same form that it is in this bill, with the exception that while authority was given to the board last year to make loans to cooperative associations of the same amount of money in quantity at the identical rate of interest, this year there must be a finding by the board that they are unable to handle the surplus because the cooperatives will not undertake it by borrowing the money, or are unable to do it. We simply make that one of the necessary findings for the purpose of indicating to those who have attempted to say the problem could be solved by the loaning of money that an honest effort was made to handle it in that fashion. Then, if the board finds that the cooperatives are not interested in borrowing the money for that purpose, or that they are unable to loan the money they have borrowed, the board, with the other two findings, can start a marketing operation.

That is the difference between last year's provision regarding loans and this year's provision regarding loans.

There has been some misunderstanding about that provision. I did not know it until to-day, but some of the Members of the Senate told me they had telegrams and letters criticising this particular change. It is a change, but it is a change for the better. It is an honest effort made by the board through the loaning of money to handle the surplus problem; and, let me repeat, I am not deceiving myself when I say that I do not think the whole of the problem can be solved in that fashion. There are certain surpluses that will be too large for that purpose, but there are surpluses of certain commodities in certain years and in certain seasons and sections that, in my judgment, can be handled in that manner. I challenge anyone who has studied this bill and the plan to demonstrate that it is not a practical, businesslike proposition.

Mr. President, one of the criticisms of President Coolidge last year, when this bill was sent to him, was that Congress was playing favorites with certain agricultural commodities. Because we enumerated in the vetoed bill five basic commodities—namely, wheat, corn, cotton, hogs, and tobacco—it was said that we were not in sympathy with the producer who raised other agricultural commodities, and therefore that the bill was not fair to agriculture generally. That was also the comment of the Attorney General in his criticism of the bill to President Coolidge. This year we have tried to be sympathetic to all and generous to every producer of agricultural commodities; and in the declaration of policy found in section 1, and throughout the bill, reference is made to all agricultural commodities. Nothing can be broader than that, and I hope it will satisfy the President.

On that subject I may say that in the last few days criticisms have reached my office that perhaps that is too broad. It was said that we were not broad enough before. We may be too general now. My very esteemed and able friend, the senior Senator from New York [Mr. COPELAND], has brought to me complaints from the apple growers. I have received from other Senators, from the growers of apples and fresh fruits and vegetables protests running from the State of Washington to New York and into Virginia.

I can see how easy it would be to misunderstand that this bill carried nothing but an equalization fee, because practically all the discussion of this bill has been on the equalization fee; and the group of producers who believe that whenever the board attempted to operate under this bill it would operate for the purpose of levying a fee upon some commodity. I can see, as my friend the able Senator from Indiana [Mr. WATSON] said, that the equalization fee is the heart of the covenant, or, I might say, article 10 of the league. It has its useful purpose, but the bill is not dependent upon the equalization fee. It is made better, in my opinion, by its inclusion. Consequently, when the apple grower from the State of Washington, or the pear grower, or the potato grower from the State of Idaho, or the sugar-beet producer from Utah heard about this bill and the equalization fee, he thought that it applied to fruits and vegetables. In my opinion, it does not apply at all. There is one finding, No. 3, which is necessary before the board can enter into marketing agreements: The board must find that the product is adaptable to the purposes of the bill, which would mean the equalization fee in part; that physically it is suitable for purposes of that kind in the way of its preparation, its durability, its processes. Those are facts which the board must find before they are authorized to enter into one of these market agreements.

Anyone who knows the instability and want of durability of fresh fruits and vegetables knows that they do not come within the definition of the finding of the board.

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

Mr. McNARY. I gladly yield.

Mr. COPELAND. Suppose the vegetables or fruits were put into cans; what would then be the attitude?

Mr. McNARY. I can not speak for the board, of course. That brings about a very different situation. They would then be susceptible to the terms of the bill, and come within the folds of its language, I would say. If a product is canned, its preservability becomes apparent. If there is a surplus of canned goods, and in the judgment of the canner or the producer of canned products he desires the opportunity to take off the surplus and enter into a contract whereby the surplus of canned goods would be withheld until a season where it could be sold at a more advantageous price, it is my judgment that the board could operate on canned goods.

I am in this difficulty, as the Senator must be; this is new legislation, and I do not know what the board would do. I know what I would do if I were a member, and I am giving the Senator the distinction I would make between canned goods and preserves by reason of the processes and fresh vegetables and fruits.

Mr. COPELAND. I have had in mind to offer an amendment at this point to exclude fruits and vegetables, because it stands to reason that they are perishable; but when they are put into cans they become really manufactured products, and I do not believe it would weaken the bill at all if there were an amendment which would exclude fruits and vegetables when they are processed.

Mr. McNARY. I would not commit myself as to what my attitude would be with respect to the amendment. The Senator has an undoubted right to offer an amendment. I would in

no sense feel offended. I do not think the measure applies. I am quite certain it does not apply to a product such as he mentions. The board certainly would not operate without first being encouraged to do so by the producers of this commodity. It was made general, I may repeat, only because the President criticized the bill before for not being sufficiently broad, and it would not hurt the bill in any way if those commodities were taken without its operation.

Mr. COPELAND. Of course, the Senator knows my sympathy for the bill, and I would not seek to present any amendment that would weaken it, but I can see how we might even include rope, or something made from hemp or cotton, some manufactured article which came originally from an agricultural product. So I do think we might have an amendment to the bill which would exclude fruits and vegetables, because, in the first place, they are perishable, and then, if they are put into permanent form, they become manufactured products. So I think that change might be made without weakening the general principle which the Senator has in mind.

Mr. McNARY. I thank the Senator. That section of the bill which refers to the Federal farm board has been changed particularly from the bill that was vetoed last year. In that measure, the Members of the Senate will recall, the members of the board were to be appointed from those who had been recommended to the President by the so-called nominating committee. The Attorney General, in his opinion given to President Coolidge, held that that deprived the President of an undoubted constitutional right—namely, that he had the right freely to exercise his choice in appointing the members of the board, subject to the advice and consent of the Senate.

In order to conform to the general practice which obtains in the fashioning of legislation, this bill provides that the President, unrestricted, without any hamper at all, shall be permitted to appoint the board.

The vetoed bill provided that nominations should be made by farm organizations to the President, whose power to appoint was limited to the list of such nominee. In the present bill there is no limitation or restriction upon the President's power to appoint the board members. He would be entirely responsible for the men named.

This change in the method of appointing the board overcomes one of the objections which the President stressed in his veto, and upon which the Attorney General's opinion as to the unconstitutionality of the former bill quite largely rested. For example, the Attorney General wrote:

> One provision of the act which is plainly in violation of the Constitution is that which limits the President in his appointments of members of the board to select in each district one man from a list of three submitted by a nominating committee.

The President in his veto message said:

> That appears to be an unconstitutional limitation on the authority of the President.

The President in his message also referred to what he called a fact, or perhaps a tendency, that if through the operation of the measure agricultural prices were advanced or price levels were increased, there would be excessive planting or breeding. Some of us, in discussing a similar bill at a former session, disagreed with that theory, but inasmuch as it is a very hard problem to solve, there is a provision in the bill on that very subject to which I shall refer. This bill carries a provision authorizing the suspension of operations with any commodity whenever an abnormal increase in planting or breeding contrary to the board's advice as to a sound program resulted from the marketing agreements.

I do not know how effective that provision would be. No one, perhaps, unless he has the power of prophecy, would hazard even a guess. I have never been a devotee of the theory that because you increase the price of cotton or wheat or standardize the price and prevent violent fluctuations, which do more, perhaps, than low prices to ruin the farmer, there would be excessive planting, but if the board should exercise a helpful and guiding influence upon the producers of the various commodities, and an excessive planting of crops or breeding of livestock should result in an abnormal increase in production, which was against their program, they have authority under this bill not to operate upon that particular commodity to relieve them from their distress—that is, a penalty, plus the other penalty, which I have always thought was a wholesome one, namely, the application of the equalization fee, which increases as the crop surplus increases and decreases as the surplus decreases. So if by the application of the equalization fee there would be a surplus so large as to absorb the benefits, that in itself would be a deterrent to further overproduction that was not thought to be sufficiently powerful to influence the farmers in their planting program. Hence this other provision has been inserted in the bill; that is, in case of excessive planting or breeding, the board can refuse to operate on the given commodity.

I might digress to observe that in all matters of this kind we can not be perfect in our language. There may be provisions in the measure that would prove to be, from the result of experience, not feasible, but it occurs to me, as one who has had a little practical experience in that field, that with a deterrent of this kind, based not upon an arbitrary rule, but one which would be persuasive from the standpoint of study and experience to the agriculturalist, the board itself could render a great service in that field.

Mr. OVERMAN. Mr. President, the Senator may reach the point in his address, but for fear he does not I want to ask him how this new bill meets the objections of the President in his veto message as to the constitutionality of the equalization fee?

Mr. McNARY. Mr. President, I am so fond of the Senator that I would like to refer to that subject now, but I am sure he will pardon me if I defer discussion until a later moment or a later day.

Mr. OVERMAN. Certainly.

Mr. McNARY. Permit me to suggest to the Senator that he read the splendid argument in the committee's report, not made by the chairman or any member of the committee but by the advisory council which so ably represents the United States Senate. I think if he has any misgivings about the constitutionality of the equalization fee, in view of the refinements in the declaration of policy—and it is based entirely upon the power of Congress to operate whenever interstate or foreign commerce is affected—he will be very willing, indeed, to resolve all doubts in favor of the constitutionality of the bill.

There is one thing we must keep in mind on that—and I shall digress for only a moment; I had not intended to at all—there is no more orderly way, in my opinion, to regulate the flow of commerce than by such an organization as is set up in this export surplus bill. There is nothing, in my opinion, that will help more to stabilize commerce than the orderly marketing of agricultural products, and if there is some function, some machinery, created by Congress, based upon the commerce clause of our Constitution, that will prevent the glutting of markets and the overpacking and stocking of market agencies and the transportation system, so that commerce will flow in a smooth, even stream throughout the year—I repeat, there is nothing, in my opinion, that will more clearly and positively carry out the declarations intended by the fathers in the constitutional provision involved in the commerce clause of the Constitution.

Two years ago Senator Cummins, one of the ablest lawyers who perhaps ever occupied a seat in this body, made a speech on the constitutionality of a bill similar to this, based upon the commerce clause of the Constitution. That bill did not as clearly indicate the foundation upon which it rested as this bill does at this time. That is one of the improvements, in my opinion, clearly brought about by this bill, that it is based entirely on the commerce clause of the Constitution and not at all upon any clause appertaining to taxation or revenue.

Proceeding, I promise to conclude in a few minutes. This bill eliminates the State convention scheme which was criticized by the President last year in the veto message. It may be recalled that there was a provision inserted in the bill to the effect that when less than 50 per cent of the producers of an agricultural commodity did not belong to a cooperative association they would call a State convention to determine whether the board should be advised to invoke the equalization fee.

The Attorney General, in his communication to the President of the United States, criticized that as a delegation of power from Congress to outside agencies. The bill now before us eliminates the State conventions altogether and then permits the board to operate on its own motion, intimating, however, that they should receive advice from the advisory council, cooperative organizations, and associations of producers.

Also the President criticized the provision in the bill which permitted the issuance of receipts to those who deliver their cotton to agencies prescribed by the board. The President said, and it is true, that cotton is the only commodity where receipts were given, and those receipts meant simply that if the equalization fee was in excess of the benefits, the money should be returned to the farmer who made the deposit of his cotton. The President argued, perhaps correctly, that no other agricultural commodity was given the same advantage as cotton. It was a small advantage, in my opinion, a mere bagatelle, difficult to identify. But the pending bill in all cases provides that if there is an excess estimate of equalization fee over the cost and charges, it shall go back to the stabilization fund.

Mr. President, there is an entirely new provision in the bill which I shall mention at this time, and that is the clearing house and terminal markets association. This provision was not found in the bill last year nor its predecessor which came before the Senate in 1926. This provision has the sanction of those who are engaged in the handling of vegetables and fruits. It is thought that they should have agencies of this type to help them under certain conditions. I am not speaking now of any transaction that might be operated through the equalization fee. I am speaking about the agencies which borrow money from the equalization fund.

Section 6 of S. 3555 authorizes the board to "assist in the establishment of and provide for the registration of clearing-house associations adapted to prevent gluts or famines in any market for, and to reduce waste incident to the marketing of," any agricultural commodity. It further provides for assistance in establishing "terminal market associations adapted to maintain public markets in distribution centers for the more orderly distribution and marketing" of any agricultural commodity. Only cooperative associations are eligible for membership in such clearing house or terminal marketing associations.

This section is intended to provide a way in which the board can assist producers of perishable commodities like fruit and vegetables, whose nature does not readily adapt them to operations under marketing agreements as provided in section 7. It is felt that such clearing houses can substantially improve conditions under which perishable crops are marketed, by coordinating the activities of shippers for the purpose of preventing gluts in one market while there is an undersupply elsewhere—a condition that frequently develops now.

It was not the intention of the framers of the bill to suggest that fruit and vegetables, on account of their physical nature, should come within the terms of the equalization fee. It is the desire only that those agencies shall be helpful in the orderly marketing of their fruits and vegetables to prevent gluts and famines, which always bring about a violent fluctuation in prices.

Mr. FLETCHER. Mr. President, may I ask the Senator a question?

The PRESIDENT pro tempore. Does the Senator from Oregon yield to the Senator from Florida?

Mr. McNARY. Yes.

Mr. FLETCHER. What tax or burden is imposed on the fruit and vegetable growers? The general provisions of the bill do not refer to perishables, but here is a provision with reference to marketing, and they have the idea that there is some tax or burden attached to them and that they get no corresponding benefits.

Mr. McNARY. May I repeat to my friend from Florida what I just said? It was not the purpose of the committee, it is not the belief of the committee, and it is not the belief of the chairman of the committee that any of the vegetables or fruits would come under the provision which provides for the levying of any equalization fee. I think that is very clear to the Senator. There is a provision that money can be loaned to cooperative associations, but those cooperative associations have no marketing agencies and clearing houses in the large cities, and it is thought that when they were loaned money to handle their product if they could establish those agencies in the cities under the beneficial influence of the bill and obtain the money which it is provided shall be loaned it would help gluts in certain markets and famines in others.

Of course, there is nothing in the bill that compels or makes mandatory that the clearing houses and marketing agencies should be established, but the authority is given to establish them. They may not do it. The cooperatives may not want those instrumentalities, but if it is found to be practicable—and I am assuming the board which operates the terms of the bill is going to be an intelligent board and in sympathy with the farmer—then they can do it.

Recommendations for such a provision as this have been made from time to time in recent years. The agricultural conference on agricultural legislation, appointed by President Coolidge in 1924, submitted to him a report which was embodied in his special message transmitted to the Sixty-eighth Congress on January 26, 1925. The report of this conference as set forth in the President's message contained the following recommendation:

> The great perishable industry of the country representing the producers of vegetables, fruits, and grapes is at the present time faced with many great problems. For the most part this industry represents an unorganized group of producers searching for opportunity to solve their problems of distribution through contact with their terminal markets. For such purpose, in addition to those mentioned above, the following is recommended:
>
> Cooperative marketing organizations under application to Federal authority may have the right to create clearing houses for the purpose of eliminating the oversupply or undersupply in various consuming markets without interference with the restraint of trade laws. Such clearing houses have the right to freely interchange information upon the volume of the available supplies of their commodity.

A similar provision appears in a bill prepared for the Secretary of Agriculture in the Department of Agriculture, and somewhat widely circulated last summer. I presume this was the so-called Jardine plan. That provision read:

> The board shall, upon request from producers and/or distributors, assist cooperative marketing associations and/or independent dealers in forming commodity clearing-house associations for the purpose of minimizing losses in the distribution of perishable agricultural commodities which can not be economically processed or stored in their unprocessed form for any substantial length of time. Such clearing-house associations shall be operated under rules and regulations approved by the board and shall direct the movement of the commodity to market. They shall utilize the Market News Service and other facilities of the United States Department of Agriculture as far as possible.

Section 6 in the pending Senate bill differs from the suggested section in the so-called Jardine bill in that the Senate bill applies only to cooperative associations. It is recognized that the clearing-house section will be applicable particularly to fruits, vegetables, and other perishable commodities. The term "perishable" was omitted at the suggestion of representatives of the fruit and vegetable associations who were apprehensive that if the application of the section were specifically limited by the use of the term "perishable," some confusion might arise as to what such a clearing-house or terminal-market association might be able to do with fruit and vegetable by-products that were dried or canned or otherwise processed for safe storage and handling.

In the last agricultural appropriation bill, which passed the Senate a few days ago, nearly $700,000 is carried for the purpose of the marketing news service. These agencies could be helped by the employment of that provision of the bill and these instrumentalities to assist the farmers in finding a market for their fruit and vegetables whenever there was a glut or famine, or whenever there was a seasonal or sectional difficulty in the marketing of the commodities. It was thought by the committee that this provision would be very helpful to the farmers and producers of these particular commodities.

Starts have been made in the direction of clearing houses in many parts of the country, and this section merely directs the board to assist cooperative associations in their further development. The assistance which might be given under this section is not financial, but advisory and educational in nature. Financial assistance through loans would be available to such associations under the terms and conditions set forth in section 5.

There is another provision, section 5, which was in the bill last year, to which I wish to refer briefly. I only refer to it because, while there is no substantial change in the provisions, yet it is somewhat refined to meet the conditions which I think are more clearly set forth.

Section 5, in subdivision (c) of paragraph (2), would authorize the board to make loans to a cooperative association for the purpose of furnishing the association with "funds to be used by it as capital for any agricultural credit corporation eligible for receiving discounts under section 202 of the Federal farm loan act, as amended."

The section 202 referred to authorizes intermediate credit banks to discount for or purchase from any agricultural credit corporation notes given to secure loans made in the first instance for "any agricultural purpose, or for the raising, breeding, fattening, or marketing of livestock." Under regulations prescribed by the Federal Farm Loan Board, an agricultural credit corporation is required to have unimpaired paid-in capital and surplus equal to at least $10,000.

Such an agricultural credit corporation would be a valuable adjunct to a cooperative association. It would make production and marketing credit from the intermediate credit banks available to agricultural producers for periods of time adapted to their needs, and at a minimum rate of interest.

In order to establish such an agricultural credit corporation, and get it going, a cooperative association, under the terms of this provision in section 5, would be able, if it could supply collateral that would be acceptable to the board, to borrow the $10,000 necessary to serve as capital for the agricultural credit corporation.

The insurance feature is practically the same as the insurance provisions contained in the bill which passed the Congress last year. There have been some amplifications of the provision. In

a word, it simply provides, and I think it is particularly applicable to cotton, that any commodities traded in upon an exchange in sufficient volume to establish a basic price could be insured against price decline during the period in which sales take place will not be less than the period when the deliveries were made. This provision was in the bill last year and was brought to the committee by those interested in the production of cotton. I do not claim to have any personal knowledge of insurance matters, but those with whom I have discussed the matter have thought it a very practical provision and one which would work a considerable benefit to the producers of cotton. It might be possible that it would not work, but that again is for the board to determine. The provision is in the bill, which we believe is wisely to be administered by the board, and is similar to a provision in the bill last year.

I have hastened over the provisions as well as I could in an effort to be brief and yet as clear as I could possibly make myself. I think this generally sets forth the differences between the bill as vetoed and the bill as now before the Senate for consideration.

Of course, the objection which the President urged and which was so stoutly supported by the Attorney General, the equalization fee, is still in the bill.

Mr. BROOKHART. Mr. President——

Mr. McNARY. Mr. President, will the Senator from Iowa permit me to conclude? Then I shall be glad to yield.

The equalization fee is held in reserve pending the application of another remedy, but it is still there. However, the situation, as I view it, under the pending bill is different from that under the bill of last year. If the court should determine that the equalization fee collides with the Constitution of the United States the board could function under the insurance contract, the loan, the marketing agency, and clearing-house provisions; it could exert its influence so far as breeding and seeding programs are concerned; it could collect and disseminate knowledge which the board is given power to do. So, Mr. President, while the court would be determining the constitutionality of the equalization fee the board could be functioning, in my opinion, greatly to the advantage of agriculture.

If wise men, such as the Secretary of Agriculture, say that the loan plan is sufficient to bring agriculture back to its parity with other industries, it can be found in the bill. If we require a remedy more calculated to meet the situation and more heroic in character we can fall back upon the equalization fee. Therefore I say to those who voted against a measure similar at the last session, because they doubted the constitutionality of the equalization fee that they can find comfort and hope in the fact that the board may do much for the farmers while the court is determining the constitutionality of the equalization fee.

I have never been able absolutely to satisfy myself as to the constitutionality of the equalization fee, but I have always felt that it was constitutional. I believe this bill comes nearer to satisfying the requirements of our fundamental law than the one which was vetoed in the last Congress. I think it will be clear, Mr. President, to any one who will study the measure that being based entirely upon the commerce clause of the Constitution and designed to assist the orderly marketing of agricultural products, that no court will find it competent to declare the measure unconstitutional.

Mr. ROBINSON of Arkansas. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Oregon yield to the Senator from Arkansas?

Mr. ROBINSON of Arkansas. I thought the Senator from Oregon had concluded.

Mr. McNARY. I shall conclude in just a moment. I am sure that Senators are all anxious for me to quit and I shall do so in just a moment.

Mr. ROBINSON of Arkansas. No, indeed. I have been very much instructed by the Senator's address, but I thought he had finished his remarks for the time being.

Mr. McNARY. I have about concluded. At another time, Mr. President, perhaps I shall again speak upon the bill; but I hope that, inasmuch as a similar measure was discussed at two former sessions of the Senate and was passed by a good majority at the last session, we may, after brief consideration, come to a final vote. I do not believe anything that I have said to-day—others may be more fortunate—will in any way influence Senators in casting their votes, but in closing I urge those who may not have read the report to do so, and I ask those who may have felt that the proposed act is unconstitutional to remember that there are two remedies provided. If one shall fail the other will be equal and whole unto itself. If the first remedy, the loan provision, will do the work, well and good. If it shall not, we can fall back on the larger remedy, and if that be found unconstitutional and the loan features will not satisfy the demand of agriculture to be placed on an equality with other industry, then in the fullness of time and the wisdom of Congress we shall seek another remedy. In the meantime, however, I ask Senators to give this measure their cordial consideration.

Mr. COPELAND. Mr. President, I send forward to the desk two amendments which I intend to propose to the pending bill, and I ask the attention of the Senator from Oregon [Mr. McNARY] for just one moment. I thank him for his very clear exposition of the bill. Of course, I am concerned, as the Senator knows, about the attitude of the fruit and vegetable growers. So I am suggesting an amendment to the bill on page 10, line 19, after the words "as authorized by this section," to insert the words '*Provided*, It is not a fruit or vegetable in its natural state or processed."

Then I offer another amendment, to insert the word "nonperishable" before the word "agricultural" wherever it appears in the bill.

I ask that the amendments may be printed and lie on the table.

The VICE PRESIDENT. The amendments will be printed and lie on the table.

FUNERAL EXPENSES OF THE LATE SENATOR FERRIS

Mr. FESS. From the Committee to Audit and Control the Contingent Expenses of the Senate I report favorably without amendment Senate Resolution 185, and ask unanimous consent for its present consideration.

The resolution (S. Res. 185) submitted by Mr. COUZENS March 30, 1928, was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed by the Vice President in arranging for and attending the funeral of the Hon. Woodbridge N. Ferris, late a Senator from the State of Michigan, upon vouchers properly approved.

GRAND ARMY OF THE REPUBLIC MEMORIAL DAY SERVICES

Mr. NORBECK. I ask unanimous consent for the present consideration of the bill (S. 3791) to aid the Grand Army of the Republic in its Memorial Day services, May 30, 1928. I make this request because I have been urged to do so by the clerk to the Committee on Pensions, who called me on the telephone and stated that the chairman of the committee, the junior Senator from Indiana [Mr. ROBINSON] would be out of the city for several days. The bill provides an appropriation of $2,000 to aid the Grand Army of the Republic in its Memorial Day exercises, the explanation for the legislation being that only a few hundred members of that organization remain in the District of Columbia and the immediate vicinity, and there are 38,000 graves to be looked after. Their funds became exhausted last year, and they are making this request.

The VICE PRESIDENT. Is there objection to the request of the Senator from South Dakota?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the sum of $2,000 be, and the same hereby is, appropriated to aid the Grand Army of the Republic (Inc.) in its Memorial Day services, May 30, 1928, and in the decoration of the graves of the Union soldiers, sailors, and marines with flags and flowers in the national cemeteries in the District of Columbia and in the Arlington National Cemetery in Virginia.

SEC. 2. That said fund shall be paid to the quartermaster of the Grand Army of the Republic, department of the Potomac, for disbursement.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

THE WORLD COURT—ADDRESS BY HON. DAVID J. LEWIS

Mr. ROBINSON of Arkansas. Mr. President, Hon. David J. Lewis, who was formerly a Member of the House of Representatives and who later served as a member of the United States Tariff Commission, on the 28th day of January, 1928, delivered to the Pennsylvania Society of New Jersey, at Newark, N. J., an interesting address on the subject of the World Court. I ask unanimous consent to have that address printed in the RECORD.

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

Mr. Toastmaster, ladies, and gentlemen, I feel that there is a singular appropriateness to the occasion in the subject we are now to con-

sider. It was William Penn who was first, I believe, to propose the establishment of "a great court of arbitration."

Perhaps I can not develop our great subject in any way so well as by relating my own experience. In my boyhood, working in the coal mines of Pennsylvania, I came under the influence of a Quaker, Mr. Joseph Harrison, an extraordinary man, who made me a pacifist. He made it seem strange to me that governments organized to prevent private wars should claim the privilege of waging public wars, should make themselves the only exception to the rule of peace and order. But when the *Lusitania* was sunk I at once became a militarist, and could think only of punishing the transgressor. A pacifist—a militarist; I was both of these conflicting things at one and the same time.

This conflict of ideas and feelings challenged me. Which was wrong? Was either right—the pacifist or the militarist within me? About this time we had a recess of Congress, and I took the perplexing problem up for examination de novo and without prejudice, as I shall ask you to do to-night.

THE RESPONSIBLE CAUSE OF WAR

Mr. President, eventually I made this discovery. The Quaker was right in principle; but his philosophy demanded an institution—the familiar institution of government. I could be a pacifist in Cumberland, it had this institution—a government which clearly defined my rights and my neighbor's duties—and, if disputes arose between us as to the facts or the law, we had courts to adjust them without bloody encounters. I could be a pacifist in Maryland; it, too, had these courts. I could also be a pacifist in the great interstate community we call the United States; for it, too, had its laws defining rights and duties and courts to settle disputes.

But there was one community in which I could not be a pacifist; it was the community of nations, where nations meet and have their human controversies, for, though it had had the laws from the time of Grotius and Vattel, it had no courts to decide disputes. The community of nations was living under the rule of anarchism, not law; in that community we were not citizens, but anarchists, because before the war it had no court to decide the disputes which lead to war. You ask what is the cause of war. Well, the causes of controversies between nations which when not settled by diplomacy may lead to war, are legion, and their occurrence inevitable. But the final cause of war, the responsible cause is the failure to have a court with jurisdiction to decide such controversies.

PEACE AND ORDER INSTITUTIONAL PRODUCTS

My friends, peace and order in this world are not natural gifts at all, but institutional products; only those communities enjoy peace and order that have instituted courts to decide disputes. Even when men purpose the same things in life they think so differently, their methods of accomplishment are so various that not even in a community of saints could peace and order be long maintained without this institution. But why the rule of anarchism in the international community alone when government was elsewhere universal? Why this gap in government? The answer is that governments have been built by the sword and because no conqueror's sword was long enough or strong enough to build a world government. This gap was left for the reign of anarchism where governments cease at their own respective boundaries or at the ocean's edge.

A COURT OF NATIONS

Do the nations need a court? Do they, like individuals, have controversies which may lead to bloodshed in the absence of a court to determine them? Let the facts speak. The United States is a peace-loving nation, but it has had four foreign wars, a war to each generation, to decide its controversies. The direct, audited losses in the late war were $200,000,000,000, exceeding the total wealth even of the United States before the World War.

Our railways, 250,000 miles in extent, cost twenty billions. They could therefore have been destroyed and rebuilt ten times with the direct costs of the war. And the continuing burden—well, more than 75 per cent of our national taxation represents past wars or preparations for threatened or possible wars. The mobilized soldiers, the killed, the wounded, the total casualties were—but I can not state their value. One drafted soldier alone, the British scientist Mosley, who at the age of 27 had discovered and developed a physical table of the elements which supplanted the famous chemical table of Mendeleef and was said to be the only living man who might have calculated the orbits of the electrons within the atom, was slain by a Turkish bullet before he could be recalled to the laboratory. So I give figures, not values, here:

Total mobilized	65,038,810
Killed	8,543,515
Wounded	21,219,452
Prisoners and missing	7,750,919
Total casualties	37,499,386

Oh, the agony; oh, the responsibility of statesmen. If the Gladstones and the Clevelands, if the Bismarcks and the Crispis, the Blaines and Carnots had done their duty in their generation this unspeakable woe should not have been. It was Huxley who once declared that if these needless miseries were not to be stopped he was not sure that he "would not regard it as a great blessing if some kindly comet should strike the planet and sweep the human race with all its anguish from the face of the earth."

THERE IS A COURT

But the Great War brought many changes. The proudest monarchs of Europe are no more: Muscovite, Hapsburg, and Hohenzollern empires have gone and seven or eight republics have come, and a court of nations with them. It is the Permanent Court of International Justice—and permanent, and international, and just may it ever be, even as our own Supreme Court. The international community is no longer callously abandoned to the rule of force and anarchy.

The community of nations, like all other communities, now has a court, a court set up by men destined to be reverenced in history with the authors of our own Constitution, and chief among them is a former Secretary of State, the Hon. Elihu Root, perhaps the most gifted since Daniel Webster. This court is firmly established; it is functioning satisfactorily; and 48 of the world's sovereign powers have given it their allegiance. After the holocaust, wisdom did come to the earth's rulers; and as Germany pledged its allegiance in its dawn as a Republic "the morning stars sang together and the sons of God shouted for joy."

THE WORLD COURT AND THE AMERICAN SENATE

Ladies and gentlemen, the World Court came into being on September 14, 1921, and at once met with the approval of the peoples and responsible statesmen of the world. President Harding gave it his approval, and the Hon. Charles E. Hughes, our Secretary of State, drafted the provisions for our adherence. They provided—

(a) That the adherence should not imply any legal relation to the league.

(b) That the United States should participate in the election of judges.

(c) That the United States should pay its share of the expense of the court's maintenance.

(d) That the statute of the court should not be amended without the consent of the United States.

The Hughes provisions were statesmanlike and carried no implication of design to cripple the functioning of the court itself.

In both Democratic and Republican conventions this court was approved. A third convention said nothing of the court. It proposed instead "public referendums on peace and war." Its leaders seemed to think that an umpire was not necessary in a baseball game between Cumberland and Hagerstown, forsooth, but that if disputes arose between the teams referendums to the bleachers would suffice. The Senate got the Hughes draft in February, 1923. It delayed action until January, 1926, nearly three years, so that a vote of cloture had to be taken, the first for 50 years. Meanwhile the House of Representatives had approved our entry by a vote of 303 to 28.

Now, what was done to the Hughes treaty in the Senate? You know that on a treaty a vote of two-thirds is required. This is almost tantamount to saying that treaty legislation can be had only by unanimous consent. But the bitter-enders were there with their old Wilson vendetta. The nonpolitical public little understands the range or intensity of "personal politics" in the Senate. Wilson was dead; that is, what was not immortal in Wilson was dead, but his Senate enemies were not all dead. And—

"Double, double toil and trouble;
Fire burn and cauldron bubble."

The bitter-enders had imbibed deeply of the witches' broth. They professed to be in favor of a world court but not of this court. Could they be placated by reservations? Probably. To placate them the following reservations were added:

(1) That the United States might withdraw from the court at any time.

This sounds ominous. Please remember this reservation. I shall refer to it again.

(2) That the court shall not render any advisory opinion without the consent of the United States in any case in which the United States has an interest or claims an interest.

Several American States, notably Massachusetts, provide in their constitutions that the legislature, in case of doubt, may call on its supreme court for an advisory opinion as to the validity of proposed legislation. Now, out of 21 cases tried by the World Court, 14 cases were advisory. Some 56 nations of the world through the league have recourse to the court in this way. And its advisory jurisdiction is of momentous importance. Only recently it has, perhaps, prevented armed measures between Great Britain and Turkey. As left by the Senate, the court was not permitted to determine when the United States had an interest, nor were any means provided for informing the court when we claimed an interest. Thus, the court's whole advisory jurisdiction, about two-thirds, might be held up or paralyzed. The United States is not now bound by the court's advisory decisions, and it would have sufficed in all reason to have provided that the United States should continue as now unbound on entering the court by any advisory opinion unless it was a party to the case. But this course, forsooth, would have left the court's jurisdiction unimpaired. Moreover, it would have failed to give certain members of the Committee on Foreign Affairs of

the Senate a meddling vetoing power over the constitutional operations of the League of Nations.

Now, suppose the foregoing reservation was accepted and we had become a member of the court, could an American mother press her boy to her breast and say: "You shall not be gassed on the battle field as was your father." Note well the next Senate reservation.

(4) Recourse to the court for the settlement of difference between the United States and any other State can be had only by agreement thereto through general or special treaties concluded between the parties in dispute.

That is, although we have entered the court, and taken our place there, as a member with the other sovereign powers, yet this court can not be called on by the President or by the other party, though also a member, to hear and determine the merits of the controversy, though it threatened war. The Senate must first, by a two-thirds vote, pass another treaty with the other country before the President can submit the case to the court.

Consider, gentlemen, thanks to Secretary Root and Secretary Bryan, that we have now 36 treaties of arbitration with different countries negotiated when no such tribunal existed. This was the great defect which Secretary Root and Secretary Hughes sought to remedy by our adherence to the World Court. These 36 countries are members of the court which is to be a city of refuge from war. Now, a court is, of course, something sui generis. Need I say that it is a judicial tribunal having authority to hear and decide disputes between parties accepting its jurisdiction. Our own Supreme Court has just such jurisdiction between the 48 sovereign States and no State can prevent its functioning by a refusal to present its case. If it could, with such recalcitrancy the Union itself would shortly perish. Yet this is exactly what this reservation means. We have pledged our faith to have our controversies with other members disposed of by judicial decision, and we have entered the World Court and they have entered it for that purpose, yet it can not proceed with the hearing, because the President is prohibited by this reservation from presenting our case.

It is well known that the President by his initiative can involve us in war, but he is denied by this reservation a like initiative to keep us out of war, as McKinley might have done in the case of Spain. When faced with war, the President can not say: "Peace be with us; we have agreed that law not war, judges not generals, justice not poison gas, shall decide our controversies. We are both members of the Permanent Court of International Justice for that purpose. Let the court judge between us." He would have first to submit a new treaty to the Senate Committee on Foreign Affairs, something he could have done had we not already entered the court. Perhaps eventually, if and when the committee pleased, this treaty might come out of the committee into the open Senate, and if and when the Senate by a two-thirds vote permitted, the case in dispute might go to the World Court. Incredible, you say!

But how, in what state, with what reservations would such Senate treaty submittal go to the court? In the light of the foregoing reservations who can say that conditions and question-begging reservations would not be attached making its acceptance by the court impossible? And so one-third of the Senate, sustained by a yellow press, might boggle us out of the court and into a war by preventing the World Court from hearing the dispute. Summarizing these reservations: We enter the World Court but refuse to give it jurisdiction to decide any of our controversies; at the same time we are demanding the privilege of vetoing the court's jurisdiction to decide controversies between other nations through its advisory opinions. Think of a controversy between France and Germany. The World Court is being asked to decide it by an advisory opinion. Think of the Senate Committee on Foreign Affairs cogitating as to whether the United States Senate shall let the court go on. Can you think of a parallel in judicial history?

SUBSEQUENT HISTORY

Gentlemen, the subsequent history of the subject is a sequel to the futility of the Senate's action. The other court members did the United States the honor of meeting in international conference to consider the reservation. They invited—yes, requested—our Government to send representatives to aid them. This it curtly declined to do. Forced to a one-sided consideration, the conference at length reluctantly concluded that all the reservations should be accepted; but advised our Government that if they "did not work out well," the 48 other members reserved the right to withdraw their acceptances by a two-thirds vote. And here we have the final hitch; mark you, the Senate had reserved the privilege to withdraw from the court at any time with or without reason. The other 48 countries say: "Very well. We accept all of your reservations. But if as many as two-thirds of us find your reservations 'do not work out well,' we also reserve the privilege of withdrawing our acceptance of them." The reply of our Chief Executive was: "Oh, no; the Senate would not hear to that." Now, I ask you, can one characterize an attitude so unreasonable? And there, sir, the Hughes treaty rests, a foundling in some archive of the Government, the Chief Executive declining to take or advise action or to express an opinion on the merits of the situation.

"Can it be that the people of the United States do not care whether or not anything is done to make it possible to outlaw war?" asked Senator Root with reference to our entry into the court. Well, the Senator is very advanced in years. It may be the lot of this illustrious man to lead his people within sight only of the promised land. But his work is imperishable.

ENTRY BY ACT OF CONGRESS

Yes, gentlemen, the work is imperishable. It has passed the Red Sea, it has come out of the wilderness; 48 countries have acclaimed it—all except Russia, Mexico, Turkey, and the United States; it stands, in principle, approved by the House of Representatives, and, though, as was the case in getting our Constitution adopted, recalcitrancy aided by remissness in high places may delay adherence by a few countries, they can not prevent its holy triumph. There is another gateway through which the measure may pass, a gateway not barred by cabals of irresponsible recalcitrants taking advantage of the two-third rule in treaty ratification in the Senate. Entry, genuine entry, under reasonable conditions can be effected by a resolution of Congress—without a treaty—when the two-thirds rule in the Senate will not apply. Congressional action is as competent to determine our international relations as a Senate treaty, and this method has been frequently employed during the century and a half of our national life. Recently Senator BURTON, after a full investigation, reported to the House of Representatives:

"It seems clear that by resolution originating in the House adherence to the world court could be secured by legislation."

There are many examples of such action by Congress where action by the treaty method had failed in the Senate under the two-third rule. Texas, an independent republic, was seeking to enter the Union. The treaty failed to secure a two-third vote in the Senate. A resolution was then introduced, secured a majority in both Houses, was signed by the President, and Texas was admitted to the Union to remain forevermore. More recently a peace treaty with Germany failed to secure a two-third vote in the Senate.

In this case too, a resolution passed by a majority vote in each House and signed by the President was necessary to fix our peace relations with the second largest republic in the world. May God forstay the day when our destiny shall depend on two-third rule legislation. There probably would be no Senate, no United States at all, had a two-third vote been required in each State to ratify the Constitution. Do you know that of the 13 original States, in only 7 was a two-third vote secured for the Constitution? While adoption required nine States, Massachusetts, New York, yea even Virginia, adopted it only by close votes. I say again may God forstay the day of two-thirds vote absolutism. It is almost as impracticable as government by unanimous consent.

A VOICE. "What would our relations be if we entered the World Court and did not enter the league, what would they be compared with nations that entered the league."

Mr. LEWIS. Well, sir, let me give you an illustration. Suppose Virginia had declined to enter the Union. And I may say that the wisdom of Washington barely prevailed by a vote of 89 to 79 over the fiery pessimism of Patrick Henry, and would not have prevailed had there been party interests to oppose it; well suppose Virginia had proposed instead of entering the Union to submit any controversy it might have with the other States, to the Supreme Court for decision, in order to avoid war; or suppose Virginia had refused to accept even the Supreme Court; roughly, this will give you a picture of the United States in the World Court, and not in the league or as not in either World Court or league. The picture unnerves me—I tremble to think of the fate of the North American Continent. The parallel is rough and fails at important points, of course.

SOVEREIGN RIGHTS AND DUTIES

But rights, rights, certain rights may be jeopardized if we enter the court, we are told—not by Taft, not by Root, not by Hughes, not by Wilson. By whom? Well, if humanity be divided into those who do things and those who have to be pushed out of the way while things are being done, these objectors fall into the second class. When pressed for a specification they talk hazily of sovereign rights. But what are sovereign rights? Just where and when is the United States sovereign? Well, it is sovereign over territory, over land and water, as to which it has the exclusive right to make laws and to apply them through its own courts. It is sovereign in the great interstate community of our 48 States, sovereign in Hawaii, the Philippines, Porto Rico, and Alaska, and sovereign over 3 miles of the oceans which wash their shores. But on the high seas it is not sovereign, because the jurisdiction of its courts does not apply to other peoples there. There we do have rights, but not exclusive rights, and such rights can not be sovereign; they are international rights we share but equally with all other countries which only an international court can protect. And it is to secure, and to effectuate, these rights that the Permanent Court of International Justice is organized. But I have lost patience with the man who talks only of rights. I want to hear from the man who thinks also of duties. There are no real rights without corre-

sponding duties with institutions providing for their discharge. It was duties that built Cumberland and Newark. It is duties that make it safe to ride on the Baltimore & Ohio Railroad, duties that fed and schooled us as children and secured for us the blessings of civilization. Rights, rights were not lacking when the *Lusitania* went down; rights, rights that have never been doubted. Five hundred women and children, vainly struggling in the waves, their white faces looking upward to heaven, are asking the Sovereign of the universe to grant them a protection and a justice denied them by sovereigns on earth. Sovereign rights: Why mock their spirits with such fallacy and cant?

FAITH AND LAW

A warless world. A court to take the place of poison gas in adjusting disputes between nations! It is only a dream, says the pessimist, only a dream. Well, my friend, the trouble with the pessimist is that he dreams just as much as any other dreamer, but he always dreams nightmares. Thoughtful men know that in human affairs a reasonable faith is necessary, and should not be denied to agencies like courts to secure world as well as domestic peace and order. I think it was Turgot, the encyclopedist, who said that he never admired Columbus so much for discovering America as for going out to look for it on the faith of an opinion. I speak only of the faith we grant to our banking, railway, and other industrial organizations, and to our courts. Suppose the framers of our Constitution had lacked this faith; suppose James Wilson, suppose Franklin, suppose the Keystone State had lacked this faith to enter the Union under the Constitution, what would be our lot to-day? Gentlemen, it is not the fool who grants this faith; it is the fool who refuses to grant it.

Let us be frank with ourselves! We must stand for law or stand for anarchism in the international community; and if for anarchism there, what shall be said to the discontented or disorderly elements at home? Personally I consider the institution of government the greatest of human blessings. Without it the strong and cunning would trample their fellows beneath their feet, especially the unorganized workers. If we want law and order in the community of nations, we must be willing to vest the necessary authority for that purpose in the appropriate institutions. Nor should we heed the false suggestion that in thus extending our faith we are stretching and, perhaps, impairing our patriotism. This would be a most serious consideration if true. The love of a man for his country is more than a duty; it ennobles his whole nature. It is related that Daniel Webster, in the last days of his illness at Marshfield, directed that the flag be unfurled to the breezes outside his window, and that at night a lantern be hung near to illuminate it, so that his prayer as uttered in the Senate might be fulfilled.

"When my eyes shall be turned for the last time to behold the sun in heaven, may I not see him shining on the broken fragments of a once glorious union, on States discordant, belligerent, or drenched it may be in fraternal blood. Let their last feeble and lingering glance rather behold the ensign of the Republic, still full high advanced, its trophies streaming in their original luster, not a stripe erased, not a single star obscured."

And what, pray you, inspired this sublime feeling? Think you Massachusetts would have done it alone? Was it not the Washingtonian federation of sovereign States organized to "insure domestic tranquility"? And do not the 48 countries now gathered around the World Court to insure the peace of the world constitute such a union? Would Webster have been more a patriot if Massachusetts had refused to enter the Union? Am I less a loving husband and brother because I love the State of Maryland? Does my loyalty to Maryland suffer because I love the flag which Webster loved? No, no—it is sophistry, a monstrous sophistry they offer. They little understand, indeed, the divine properties of love; how it increases, deepens, and strengthens as it widens in application; and Mr. Toastmaster, if ever my humble being expands to those dimensions, "not wholly unworthy their Almighty Architect," it is when I behold these 48 sovereign countries of the world, including now the Republic of Germany, advancing majestically to pledge their high allegiance to this court of world peace as its ensign rises from the waves which engulfed the *Lusitania*. Noble men and women will not deny their reverence and loyalty to that ensign. It represents the promise of our Father in fulfillment. The sword now has been beaten into the ploughshare. For "He doth keep His covenants." The hills and the valleys may pass away. The Alleghany Mountains may sink to the molten center of the earth. The "Alps and Andes may come and go like rainbows." But "His word endureth forever."

NOTE:

J. T. Barnett: International Agreements Without the Advice and Consent of the Senate, Yale Law Journal, November and December, 1905.

J. B. Moore: Treaties and Executive Agreements, Political Science Quarterly (September, 1905), Volume XX, page 385.

S. B. Crandall: Treaties, Their Making and Enforcement (second edition, 1916), Chapters VIII and IX, pages 102–140.

Congressman BURTON: World Court Report., No. 1569—Sixty-eighth Congress, second session, February 24, 1925.

EXECUTIVE SESSION

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened.

RECESS

Mr. CURTIS. I move that the Senate take a recess until 12 o'clock noon to-morrow.

The motion was agreed to; and (at 4 o'clock and 27 minutes p. m.) the Senate took a recess until to-morrow, Tuesday, April 3, 1928, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 2, 1928

FOREIGN SERVICE OFFICER

Thomas S. Horn, of Missouri, now a Foreign Service officer of class 8 and a consul, to be also a secretary in the Diplomatic Service of the United States of America.

PROMOTION IN THE REGULAR ARMY

To be major

Capt. George Sheppard Clarke, Infantry, from February 24, 1928.

[NOTE.—Maj. George Sheppard Clarke was nominated March 2, 1928, and confirmed March 20, 1928, under the name of George Stanley Clarke. This message is submitted for the purpose of correcting an error in the name of nominee.]

UNITED STATES DISTRICT JUDGE

Frank H. Norcross, of Nevada, to be United States district judge, district of Nevada, vice Edward S. Farrington, retired.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 2, 1928

POSTMASTERS

ALABAMA

Margie Gardner, Aliceville.
Virgil B. Huff, Brundidge.
Scottie R. Wester, Center.
David P. Woodall, Hillsboro.
John E. Buzbee, Jasper.
Jethro D. Dennis, Marion.
Phil B. Payne, New Market.
Annie R. Sherrer, Phenix City.
Glenn E. Guthrie, Townley.

FLORIDA

Hettie B. Spencer, Dade City.
Robert F. Persons, Fort White.
Sallie Brook, Graceville.

INDIANA

George W. Owen, Poseyville.

MONTANA

Margaret B. Whetstone, Cut Bank.
George H. White, Oilmont.

NEBRASKA

Myron A. Gordon, Stratton.

NEW HAMPSHIRE

Lauriston M. Goddard, Ashland.

NEW YORK

Leon Pralatowski, Cold Spring.
Earl G. Fisher, Massena.
Le Roy Smith, White Plains.
Albert C. Bogert, Yonkers.

TENNESSEE

Lon McCaleb, Dyersburg.

TEXAS

Annie K. Turney, Alpine.
James W. Render, Bardwell.
Francis O. Drake, Donna.
Robert F. Myers, Ferris.
Amos E. Duffy, Matagorda.
Ruth Young, Mount Calm.
James A. Gray, Pecan Gap.
Tolbert Hannon, Richmond.
Luther Bowers, Seagoville.
Lawson B. Fulgham, Voth.

VIRGINIA

William R. Sparks, Clinchco.
Hattie C. Barrow, Dinwiddie.

HOUSE OF REPRESENTATIVES

MONDAY, *April 2, 1928*

The House met at 12 o'clock noon.

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

Again, O God, we take Thy holy name upon our lips; again we thank Thee for the riches of Thy mercy and again we look up for the helpful consciousness of Thy presence. Our prayer is that we may not only be industrious, but that we may love industry; not only do the right things, but may enjoy the right things; not only pure, but that we may love purity. By the cords of infinite love bridge the pathless distance that stretches between Thee and Thy children. We praise Thee for all that Thou hast made. Oh, how wonderful for us to take some work of Thy creation and make it a little better and worthier; to make some human life wiser and happier. Oh, there is no other greatness. We thank Thee that Thou hast called us to be colaborers with Thee. If any have suffered the wrongs of injustice, let there be some forgotten place, where no paths lead, and there in silence may all be buried; flood their hearts with peace, and evermore help them to hold their course to Thee. Amen.

The Journal of the proceedings of Saturday last was read and approved.

JOINT RESOLUTIONS AND BILL PRESENTED TO THE PRESIDENT

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that on March 31, 1928, they presented to the President of the United States, for his approval, joint resolutions and a bill of the following titles:

H. J. Res. 217. House joint resolution providing for the remission of duties on certain cattle which have crossed the boundary line into foreign countries;

H. J. Res. 253. House joint resolution authorizing certain customs officials to administer oaths; and

H. R. 9831. An act authorizing J. E. Turner, his heirs, legal representatives, or assigns, to construct, maintain, and operate a bridge across the Ocmulgee River at or near Fitzgerald, Ga.

DESIGNATION OF SPEAKER PRO TEMPORE FOR TO-MORROW

The SPEAKER. The Chair designates the gentleman from Connecticut [Mr. TILSON] to preside as Speaker pro tempore to-morrow.

WASHINGTON GARDNER

Mr. HOOPER. Mr. Speaker, I ask unanimous consent to address the House for five minutes.

The SPEAKER. The gentleman from Michigan asks unanimous consent to address the House for five minutes. Is there objection?

There was no objection.

Mr. HOOPER. Mr. Speaker and gentlemen, on Saturday, March 31, 1928, the Hon. Washington Gardner, for 12 years a Representative from the third district of Michigan, died at his home in Albion, Mich. Mr. Gardner was born February 16, 1845, on a farm in Morrow County, Ohio, but for the greater part of his life lived in Michigan and for 39 years in the city of Albion.

He was a soldier in the Union Army. He took part in the Battles of Corinth, Stone River, Shiloh, Chickamauga, Chattanooga, Mission Ridge, and Resaca, and was severely wounded in the latter engagement.

He studied theology and later studied law, was admitted to the bar in 1876, and practiced for a time in Grand Rapids.

He was appointed by Governor Rich as secretary of state of Michigan to fill a vacancy, and was afterwards elected for two terms to that office.

In 1898 he was elected to Congress, and for 12 years he faithfully and ably represented our district in this Hall. In the second term to which he was elected he became a member of the Appropriations Committee and served in that capacity during the rest of his term.

He left the House in 1910, but great honors were still in store for him. He became the national commander of the Grand Army of the Republic, and later, in 1921, was appointed by President Harding to the office of Commissioner of Pensions, which office he filled until he was incapacitated by a serious accident.

Mr. Gardner was one of the finest, strongest, and ablest men whom it was ever my privilege to know. He was a splendid orator; he had a fine figure and presence; but beyond that and beyond all he was a patriot to his very core.

I know personally that one of the finest things in his life was to witness during his service in Congress the growing spirit of friendship and reconciliation between the North and the South. His service as a soldier did not lessen, but rather intensified his love for the whole Nation.

While here he was a friend and confidant of Presidents McKinley, Roosevelt, and Taft. When he returned to private life he went back to his home city of Albion rich in the splendid recollections of public service nobly performed. He died there having the love, confidence, respect, esteem, and admiration of all who knew him.

During his later years he was totally blind, but he bore that great affliction with the same cheerfulness and with the same courage with which he had been battling for his country in the days of its adversity.

The example of Washington Gardner will be a beacon for young men in the community in which he lived for many a year to come. His services to his Nation will not be soon forgotten.

So when a good man dies for years beyond our ken,
The light he leaves behind him lies upon the souls of men.

[Applause.]

LEAVE TO ADDRESS THE HOUSE

Mr. McCLINTIC. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent to address the House for 10 minutes. Is there objection?

Mr. LAGUARDIA. Reserving the right to object, this is the day for the Consent Calendar, and many Members are here to get their bills through.

Mr. TILSON. Can not the gentleman wait until to-morrow?

Mr. McCLINTIC. I would like to speak this morning to answer an attack made on the Naval Committee, which I think ought to be replied to.

Mr. TILSON. The trouble with that is that it may give rise to controversy. Somebody else may wish to answer it. This is consent day, and many bills that are not passed on this day can not be passed at all. I dislike to refuse the gentleman, but I wish he would wait until to-morrow. I shall try to see that he has such time as he needs. To-day is a special day and should be used for the special purpose only.

Mr. McCLINTIC. I have always yielded to the suggestions of my good friend from Connecticut.

Mr. TILSON. If the gentleman will renew his request to-morrow, I shall make no objection.

Mr. McCLINTIC. Very well.

THE JUDICIAL CODE

Mr. DYER. Mr. Speaker, I present a conference report on the bill (H. R. 8725) to amend section 224 of the Judicial Code, for printing under the rules.

CONSENT CALENDAR

The SPEAKER. The Clerk will call the Consent Calendar.

BRIDGE ON HOOPA VALLEY RESERVATION, CALIF.

The first business on the Consent Calendar was the bill (H. R. 441) to authorize an appropriation to pay half the cost of a bridge and road on the Hoopa Valley Reservation, Calif.

The Clerk read the title of the bill.

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

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, is any provision made for the United States Government obtaining a return of the amount of money that it contributes for a construction of a bridge?

Mr. LEA. There is not, so far as this bridge is concerned.

Mr. LAGUARDIA. I see that the bridge may be amortized and then converted into a free bridge. If it is going to be amortized and the State gets a return of its contribution——

Mr. CRAMTON. This is not a toll bridge.

Mr. LEA. I do not understand that there is any provision with reference to amortization.

Mr. CRAMTON. If the gentleman will yield, this is not to be a toll bridge.

Mr. LEA. No; this is to be a free bridge.

Mr. CRAMTON. It is to be a free bridge from the beginning.

Mr. LAGUARDIA. Will the gentleman object to inserting the word "free" in line 5 on page 1?

Mr. LEA. None whatever.

Mr. LAGUARDIA. With that understanding, I shall withdraw my reservation of objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That an appropriation of $35,000 is hereby authorized out of any money in the Treasury not otherwise appropriated, to pay half the cost of the construction of a bridge and approaches thereto across the Trinity River within the Hoopa Valley

Indian Reservation, Calif., and for the construction of a road leading over said bridge from the Weitchpec Road on the north to the public highway at the south line of said reservation, including the cost of surveys, plans, estimates, and specifications, and other necessary expenses connected therewith, on condition that the State of California or the county of Humboldt furnish an equal sum; and under rules and regulations prescribed by the Secretary of the Interior, who shall also approve the plans and specifications therefor: *Provided*, That before any money is spent hereunder, said State or county shall agree, in writing, to maintain the bridge and road without expense to the United States or the Indians.

Mr. LAGUARDIA. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: Page 1, line 5, after the article "a," insert the word "free."

The amendment was agreed to.

Mr. CRAMTON. Mr. Speaker, I offer two or three amendments, which I send to the desk.

The Clerk read as follows:

Amendments offered by Mr. CRAMTON: Page 1, line 3, after the word "of," where it occurs the first time, insert the words "not more than"; in line 5, after the word "pay," insert the words "not more than"; in line 7, strike out the words "for the construction"; and on page 2, in line 2, after the word "furnish," strike out the words "an equal sum" and insert in lieu thereof the words "the balance."

The amendments were agreed to, and the bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting a statement by the gentleman from California [Mr. LEA] as to the contributions by the State and county in respect to bridges on this reservation. It is because of these liberal contributions that I have withdrawn my objection to the bill.

The SPEAKER. Without objection, it is so ordered.

The matter referred to is as follows:

IN RE H. R. 441

HOUSE OF REPRESENTATIVES OF THE UNITED STATES,
Washington, D. C., March 29, 1928.

Hon. LOUIS C. CRAMTON,
House of Representatives.

DEAR MR. CRAMTON: I have personally been over the roads on Hoopa Reservation, which I have visited a number of times.

The proposed bill calls for an equal division of the costs. The object of the bridge is to connect the east and west sides of the river on the reservation. The object of the money to be used on the road is principally to connect with the new road at the south line of the reservation. The hospital, school, and general headquarters of the reservation are on the west side. Over half the population, including the school children, are on the east side.

The proposed road and bridge is not a part of the State highway system of roads in California. The State highway runs east and west through the State about 8 miles south of the reservation.

The county has spent money on Hoopa Reservation roads:		
Klamath Bridge, Hoopa-Weitchpec	$28,500	
Assistance on Hoopa-Weitchpec road	6,000	
Trinity River Bridge	10,000	
On reservation		$44,500
The county also helped build the road on the reservation leading to Hoopa from the southwest, but I do not know at what expense.		
Roads to the reservation line:		
Willow Creek to reservation	$50,000	
Redwood Creek to reservation	20,000	
Bridge over Redwood Creek	4,400	
Total		74,400
Grand total		118,900

The Klamath Indian Reservation connects with Hoopa on the north and runs down the Klamath River a mile on each side. The State has recently built a bridge on that reservation on the State highway costing probably a million dollars without thought of requesting a contribution. The county built the only road running from the coast to the north line of the reservation, about 40 miles, including a bridge across Klamath River at Martin's Ferry on the Klamath Reservation without any contribution by the Government.

The expense of the State highway from the coast, which is the first thick white settlement running within 8 miles to the south of the reservation, will cost $600,000 or more. That road is, of course, for the benefit of the whites, but it affords the best way out for these Indians. The county spent $50,000 to reach the reservation from the highway. This bill proposes to divide the expense of connecting up on the reservation.

The construction of this bridge will save the agency from operating a ferry in wintertime and from constructing a temporary bridge each summer.

Sincerely yours,

CLARENCE F. LEA.

UNIFORM RETIREMENT DATE

The next business on the Consent Calendar was the bill (H. R. 10288) to provide for a uniform retirement date for authorized retirements of Federal personnel.

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 hereafter retirement authorized by law of Federal personnel of whatever class—civil, military, naval, judicial, legislative, or otherwise—and for whatever cause retired, shall take effect on the first day of the month following the month in which said retirement would otherwise be effective, and said first day of the month for retirements hereafter made shall be for all purposes in lieu of such date for retirement as may now be authorized.

SEC. 2. This act shall become effective July 1, 1928. All laws or parts of laws, in so far as in conflict herewith, are repealed.

Mr. WILLIAMSON. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. WILLIAMSON: Page 1, line 10, strike out the period and insert in lieu thereof a semicolon and the following: "except that the rate of active or retired pay or allowances shall be computed as of the date retirement would have occurred if this act had not been enacted."

The amendment was agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

RETURNS OFFICE OF THE INTERIOR DEPARTMENT

The next business on the Consent Calendar was the bill (H. R. 9570) to provide for the transfer of the returns office from the Interior Department to the General Accounting Office, and for other purposes.

The title of the bill was read.

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

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the returns office, together with its activities, personnel, contract, bids, offers, proposals, advertisements, books, records, documents, furniture, office equipment, and papers and property of whatsoever character, is hereby transferred from the Interior Department to the General Accounting Office; and all powers and duties whatsoever in connection therewith now vested in or required to be performed by or under the Secretary of the Interior are transferred to, vested in, and required to be performed by or under the Comptroller General of the United States.

SEC. 2. That so much of appropriations for the Interior Department as applies to expenditures for the returns office, including personnel therefor, is transferred to and made applicable for expenditure by the General Accounting Office.

SEC. 3. That the Comptroller General of the United States is authorized to perform all acts and make such rules and regulations as necessary to carry the provisions of this act into effect.

SEC. 4. That all laws and parts of laws in so far as inconsistent with the provisions of this act are hereby repealed.

SEC. 5. This act shall take effect July 1, 1928.

With the following committee amendment:

Page 1, line 4, strike out the word "contract" and insert in lieu thereof the words "contracts."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the last vote was laid on the table.

SALARY OF THE PUBLIC PRINTER AND DEPUTY PUBLIC PRINTER

The next business on the Consent Calendar was the bill (H. R. 6669) fixing the salary of the Public Printer and the Deputy Public Printer.

The title of the bill was read.

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

Mr. UNDERHILL. Reserving the right to object, Mr. Speaker, I ask the gentleman in charge of this bill whether this is taking out of the classification these two particular positions and fixing their salaries?

Mr. KIESS. I will state to the gentleman that the salaries of the Public Printer and the Deputy Public Printer can be fixed by Congress. They were originally fixed that way. We have taken care of the salaries of all the other employees of the Government Printing Office.

Mr. UNDERHILL. That is the reason why they are not included in the classification?

Mr. KIESS. Yes. They are not in the classified service. We have taken care of the salaries of all the other employees in the Government Printing Office. Usually the men at the top have had their salaries raised. In this case it is the reverse.

Mr. TAYLOR of Colorado. Let me say to the gentleman in behalf of the legislative subcommittee of the Committee on Appropriations that I think I represent the sentiment of the entire committee when I say that the committee favors it. We think it ought to pass.

Mr. DYER. How much does the Public Printer now get?

Mr. KIESS. Seven thousand five hundred dollars. This is to increase it to $10,000. We recently raised the salary of the Librarian of Congress from $7,500 to $10,000.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That from and after the passage of this act the salary of the Public Printer shall be $10,000 per annum and the salary of the Deputy Public Printer shall be $7,500 per annum.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the last vote was laid on the table.

COINAGE OF LINDBERGH MEDALS

The next business on the Consent Calendar was the bill (H. R. 11078) to provide for the coinage of medals in commemoration of the achievements of Col. Charles A. Lindbergh, and for other purposes.

The title of the bill was read.

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

Mr. LAGUARDIA. Mr. Speaker, I ask unanimous consent that this bill be stricken from the calendar.

Mr. SCHAFER. Reserving the right to object, Mr. Speaker, what is the matter with this bill?

Mr. LAGUARDIA. I think for the present it ought to be stricken from the calendar. That action will meet the approval of every one concerned.

The SPEAKER. The gentleman from New York asks unanimous consent that the bill be stricken from the calendar. Is there objection?

There was no objection.

ADDITIONAL PAY FOR SUBMARINE AND DIVING DUTY

The next business on the Consent Calendar was the bill (H. R. 9289) to provide additional pay for personnel of the United States Navy assigned to duty on submarine vessels and diving duty.

The title of the bill was read.

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

Mr. LAGUARDIA. Reserving the right to object, Mr. Speaker, I suggested an amendment to the gentleman from Massachusetts [Mr. ANDREW] last week, the last time the Consent Calendar was before the House. In the meantime, I have communicated with the Navy Department, and I have received a statement from the department showing wherein we can increase these salaries for submarine service:

NAVY DEPARTMENT,
BUREAU OF NAVIGATION,
Washington, D. C., March 31, 1928.

Hon. F. H. LAGUARDIA,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN LAGUARDIA: I have received your letter of March 30, 1928, relative to H. R. 9289, a bill to provide additional pay for personnel assigned to duty on submarines.

You have asked me for a statement showing the extra compensation that will be paid in the event this bill becomes a law. Should this bill become a law, it would be the purpose of the department to pay all men assigned to duty aboard submarines in active operating service extra pay to compensate for the arduous service involved and certain additional extra pay to such of those men who qualify for submarine operation, giving a preference to the more arduous and difficult duty on those submarines which cruise with the fleet.

The following is the tentative schedule before the bureau: $25 to $30 per month to qualified men on submarines cruising with the fleet; $15 per month to unqualified men on the same vessels; $20 to $25 per month to qualified men on submarines of the local defense forces; $10 per month to unqualified men on the same vessels.

It may be advisable to alter in some respects the above schedule after experience is had, probably by differentiating between qualified submarine of the higher ratings, of longer service in submarines, who occupy the more responsible positions, and those of lower ratings, comparatively new to the service, who are assigned to less responsible posts.

Trusting that this information is what you desire, I am,

Very truly yours,

R. H. LEIGH.

The statement seems to be satisfactory, and the proposal is deserving of a trial. If the plan does well we can extend it at the next session. If we pass the Senate bill to-day it will close the matter and these men can get the increased pay right away. If we pass the House bill it will cause delay if we make even the slightest change.

Mr. ANDREW. Mr. Speaker, I ask unanimous consent that we take up the bill S. 3131, which is the same except as to a very slight difference.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to consider the bill S. 3131 in lieu of the House bill. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the Senate bill.

The Clerk read as follows:

A bill (S. 3131) to provide additional pay for personnel of the United States Navy assigned to duty on submarines and to diving duty

Be it enacted, etc., That hereafter all officers of the Navy on duty on board a submarine of the Navy shall, while so serving, receive 25 per cent additional of the pay for their rank and service as now provided by law; and an enlisted man of the United States Navy assigned to duty aboard a submarine of the Navy, or to the duty of diving, shall, in lieu of the additional pay now authorized, receive pay, under such regulations as may be prescribed by the Secretary of the Navy, at the rate of not less than $5 per month, and not exceeding $30 per month, in addition to the pay and allowances of his rating and service: *Provided*, That divers employed in actual salvage operations in depths over 90 feet shall, in addition to the foregoing, receive the sum of $5 per hour for each hour or fraction thereof so employed.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the last vote was laid on the table.

The similar House bill was laid on the table.

MEMORIAL TO SACAJAWEA, OR BIRD WOMAN

The next business on the Consent Calendar was the resolution (H. J. Res. 75) authorizing the erection of a monument to the memory of Sacajawea, or Bird Woman.

The title of the resolution was read.

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

Mr. CRAMTON. Reserving the right to object, Mr. Speaker, the resolution provides for a monument on the grave of this woman, and, as I understand, there is a great deal of doubt and controversy as to what State the grave is located in. Unless those on the committee can give some pretty definite assurance that they have located the grave, I think it ought not to pass at present. I object.

The SPEAKER. Objection is heard.

PUEBLO INDIANS OF NEW MEXICO

The next business on the Consent Calendar was the bill (H. R. 9483) to provide for the acquisition of rights of way through the lands of the Pueblo Indians of New Mexico.

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 provisions of the statutes of the United States governing the acquisition of rights of way through Indian lands, to wit, the Code of Laws of the United States of America, in force December 6, 1926, title 25, Indians, sections 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, and 321, be, and they are hereby, extended over and

made applicable to the Pueblo Indians of New Mexico and their lands: *Provided, however,* That no right of way for a railroad or public highway shall be granted any portion of which lies less than 500 yards from the plaza of any existing pueblo.

SEC. 2. That the provisions hereof shall not affect the act approved May 10, 1926 (44 Stat. L. 498).

With the following committee amendments:

Page 1, in line 7, strike out "316."

In line 8, strike out "320," and after the figures "321" insert:

"And title 43, public lands, section 935, and the basic acts of Congress cited in such sections."

On page 2, line 3, strike out "railroad or."

In line 5, strike out "any existing pueblo" and insert in lieu thereof "Santo Domingo pueblo, in the State of New Mexico."

Strike out all of section 2.

The committee amendments were agreed to.

Mr. LEAVITT. Mr. Speaker, I offer an amendment.

The SPEAKER. The gentleman from Montana offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LEAVITT: On page 2, line 2, after the word "lands," strike out the remainder of the bill and insert in lieu thereof the following: "under such rules, regulations, and conditions as the Secretary of the Interior may prescribe."

Mr. CRAMTON. Mr. Speaker, I have consulted with the department as well as with the gentleman from Montana, and I am advised by them that the amendment presented is broad enough to give the Secretary authority to disapprove of a certain location for a road if he so desires, and with that construction of it I have withdrawn any objection I may have to the bill.

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

ALABAMA AND COUSHATTA INDIANS IN POLK COUNTY, TEX.

The next business on the Consent Calendar was the bill (H. R. 5479) to provide for the purchase of land, livestock, and agricultural equipment for the Alabama and Coushatta Indians in Polk County, Tex., and for other purposes.

The Clerk read the title of the bill.

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

Mr. CRAMTON. Mr. Speaker, reserving the right to object, I have a copy of the unfavorable report of the department upon this bill and I ask unanimous consent to insert it as a part of my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The report referred to follows:

SECRETARY OF THE INTERIOR,
Washington, February 13, 1928.

Hon. SCOTT LEAVITT,
Chairman Committee on Indian Affairs,
House of Representatives.

MY DEAR MR. LEAVITT: This will refer further to your letter of January 12, transmitting for report and recommendation copy of H. R. 5479, proposing to authorize an appropriation of $125,000 for the purchase of land, livestock, and agricultural equipment for the Alabama and Coushatta Indians in Polk County, Tex.

These Indians, who were originally located in Alabama, went from there to Louisiana, and in 1815 or 1816 on to Texas, settling near what is known as Old Peach Tree Village, close to the line of Polk and Tyler Counties. In 1836 they moved back to Louisiana, remained there about two years, when they returned to Texas and located in Tyler County on Horsepen Creek, in what is known as Fenced In Village, where they remained until 1854, when the State of Texas gave them 1,280 acres of land on Big Sandy Creek in Polk County, free of taxation, and with inability to sell.

Former Special Agent Loker, who investigated conditions among the Indians in 1910 under the act of April 4 of that year (36 Stat. L. 274), found that they do not pretend to have a claim of any sort against the Government, but that their needs were for additional land and a manual-training school. The special agent's report was submitted to Congress on December 23, 1910, and is printed in House Document No. 1232, Sixty-first Congress, third session.

Several years ago Congress made an appropriation for the erection of a schoolhouse for the children of this band, and now annually appropriates a small sum for the payment of tuition to the local authorities who operate the school as a part of the regular public-school system. Bills were introduced in the Sixty-sixth Congress proposing to appropriate $100,000 for the purchase of land and $125,000 for land and industrial purposes, both of which, however, failed of passage.

These Indians have never been regarded as Federal wards, as the United States never made a treaty with them, and they do not live on a Federal reservation or have any property held in trust. Should an appropriation be made, it would be merely an act of grace, which this department hesitates to sponsor.

I am unable to recommend the favorable consideration of the bill.

The Director of the Bureau of the Budget advises that the proposed legislation is in conflict with the President's financial program.

Very truly yours,

HUBERT WORK.

Mr. CRAMTON. Mr. Speaker, believing that the State should make more of a showing of performing its responsibility with reference to these Indians, I shall be obliged to object. They are not Indians for whom this Government has the same responsibility as it has with respect to other Indians in the West. They went into Texas before Texas came into this Union. The State of Texas retained all of its public lands, and these Indians are citizens of Texas, for whom the State of Texas appears to have been doing very little, if anything. We are even making a contribution toward the maintenance of the schools carried on for their benefit. For the present I shall have to object.

Mr. BRIGGS. Will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. BRIGGS. I would like to say that for several years past the Government of the United States has been recognizing an obligation to these Indians.

Mr. CRAMTON. I will say to the gentleman that we have never recognized an obligation, for we expressly stated that it is a gratuity, a matter of grace, and a matter of generosity, but there has been no obligation admitted.

Mr. BRIGGS. I am speaking about the general moral obligation. The Supreme Court of the United States has recognized that the United States is under obligation to all Indians, and no one in the House knows better than the gentleman from Michigan that the bulk of the appropriations made by Congress are gratuity appropriations. I will say this, too: That the Indians here represented have just as much right to relief from the Federal Government as any other Indians, and the obligation imposed upon it is just as clear as it is in the case of other Indians that are being maintained to-day, like the Mississippi Choctaws, the Seminoles in Florida, the homeless bands in California, and other Indians.

Mr. CRAMTON. So far as I am concerned, if the gentleman from Texas could secure some information as to what, if anything, the State of Texas is doing or proposes to do for these Indians, or if there is any possibility of some cooperation, I would be very glad to go into that with the gentleman.

Mr. BRIGGS. I want to say to the gentleman that the State is carrying on some educational work and, I understand, contemplates even further educational work for these Indians. This measure is only providing, as amended by the Committee on Indian Affairs, that the Alabama Indians in Texas be given, not what was in the original bill, an unqualified appropriation for some land and agricultural livestock and equipment, but only a loan under a reimbursable proposition to enable these Indians to get some land and make themselves self-supporting with some livestock and equipment. The Committee on Indian Affairs, after a very full hearing, has, after amending the bill, reported it favorably and recognized the Government's obligation to these Indians.

The SPEAKER pro tempore (Mr. SNELL). Is there objection to the present consideration of the bill?

Mr. CRAMTON. I object.

DISPOSAL OF PLANT INTRODUCTION GARDEN, HERNANDO COUNTY, FLA.

The next business on the Consent Calendar was House joint resolution (H. J. Res. 26) authorizing the Secretary of Agriculture to dispose of real property, located in Hernando County, Fla., known as the Brooksville Plant Introduction Garden, no longer required for plant introduction purposes.

The Clerk read the title of the bill.

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

Mr. LAGUARDIA. Mr. Speaker, if we are going to sell this property now it is to be hoped the Department of Agriculture will not come in within a few days and ask for the purchase of property somewhere else in this same neighborhood for some other purpose. This is what has happened very often, and I simply want to serve notice that if this property is sold, as it should be sold if there is no further use for it by the Department of Agriculture, they should not come in here within a

short time and ask for authority to purchase other land in the same vicinity.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the resolution, as follows:

Resolved, etc., That the Secretary of Agriculture be, and he hereby is, authorized to sell or cause to be sold at public or private sale at such price or prices, on such terms, and in such manner as he may deem for the best interests of the Government, the tract or parcel of land situated in Hernando County, Fla., ordinarily referred to as the Brooksville Plant Introduction Garden, and more particularly described as follows: The south half of the southwest quarter of the southwest quarter of section 30, township 22 south, of range 20 east, containing 20 acres, more or less, and the entire portion of the north half of the southwest quarter of the southwest quarter of section 30, township 22 south, of range 20, which lies south of and adjacent to the county road, running through said section and township, consisting of 15 acres, more or less, in the county of Hernando, State of Florida, together with the buildings and improvements thereon, which said tract or parcel of land, with the buildings and improvements aforesaid, is no longer needed for plant-introduction purposes, and to execute and deliver in the name of the United States and in its behalf any and all contracts, conveyances, or other instruments necessary to effectuate and complete such sale.

SEC. 2. That the net proceeds from the sale of the aforesaid property be deposited in the Treasury of the United States.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

ENTRIES WITHIN RECLAMATION PROJECTS

The next business on the Consent Calendar was the bill (H. R. 475) to amend certain laws relating to the submission of proof on entries within reclamation projects.

The Clerk read the title of the bill.

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

Mr. CRAMTON. Mr. Speaker, reserving the right to object—I shall not object—but I think I should give notice that I intend to offer an amendment to protect the Government's lien, an amendment that is satisfactory to the gentleman from Wyoming [Mr. WINTER].

Mr. LAGUARDIA. Will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. LAGUARDIA. I want to submit a suggestion to the gentleman, and I will abide by his judgment in the matter. On page 3, line 18, after the word "may," should there not be inserted "one year's notice to entrymen"? Should there not be something done to protect the entryman? How does he know when the State is going to move on him to collect taxes if he has not completed his entry?

Mr. WINTER. What is the language the gentleman is suggesting?

Mr. LAGUARDIA. On page 3, line 18, insert "after one year's notice to entrymen." What I fear is that the State may start to tax this property without the knowledge of the entryman and thereby establish another lien on his property.

Mr. WINTER. I do not share the gentleman's apprehension in that regard, but I have no particular objection to a provision for notice being inserted there.

Mr. LAGUARDIA. I admit I am hazy about it. If the gentleman is sure these entrymen will be protected, that they will have due and timely notice that their land is subject to State taxation, that covers my objection to the bill.

Mr. WINTER. In my judgment they would have sufficient notice, and no hardship could be worked even though the amendment which the gentleman suggests is not in the bill.

Mr. LAGUARDIA. I shall not press the amendment if the gentleman is sure about it.

Mr. WINTER. If any of the members of our committee are here who have any other idea about the matter, I would be glad to hear from them.

Mr. LEAVITT. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. LEAVITT. My idea is the same as that of the gentleman from Wyoming [Mr. WINTER]. They are absolutely protected, and the permanent settlers on the project generally desire this legislation in order to have funds for the local development of schools and roads.

Mr. EDWARDS. Mr. Speaker, reserving the right to object, what is the nature of the amendment the gentleman from Michigan is offering?

Mr. CRAMTON. Mr. Speaker, when this bill came up before I raised the question as to whether, when Congress expressly consented to the taxation of property which has not yet been patented we might thereby be held to have waived our prior lien for the charges for improving the water right. I have an amendment drawn by the Reclamation Service which Mr. Dent, the acting commissioner, suggests may not be necessary, but he thinks it is better to put it in to make sure that we retain a prior lien so that our claim will be prior to the lien for taxes. Mr. Dent's letter is as follows:

UNITED STATES DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION,
Washington.

Memorandum for Congressman WINTER.

Pursuant to telephone conversation with you some days ago in regard to H. R. 475, providing for taxation of unpatented entries on reclamation projects, I have endeavored several times to get into communication with Mr. CRAMTON over the telephone but have been unable to do so. I am advised by his office that he has been absent, I believe on account of sickness. For this reason I have been unable to discuss with him H. R. 475.

I inclose copy of section 3, which was originally drafted as a part of the amendment suggested by the department to your bill. The general view at that time seemed to be that this section was unnecessary in order to reserve the Government's prior lien. For this reason the provision was eliminated as being surplusage. Personally I rather feel that it might be well for this provision to be inserted to repel possible attack. If it affirmatively appears upon the bill that a prior lien is reserved it is less likely that the point would be questioned. It seems to me that it certainly could do no harm, even though it is mere surplusage.

P. W. DENT, *Acting Commissioner.*

Mr. EDWARDS. The amendment, then, is really to protect the interests of the Government?

Mr. CRAMTON. It is to protect the Federal Government's interests.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act providing for patents on reclamation entries, and for other purposes," approved August 9, 1912, as amended, is amended to read as follows:

"That any homestead entryman under the reclamation act approved June 17, 1902, as amended, including entrymen on ceded Indian lands, shall, within five years from the date of his entry (or within six months after the date of passage of this amendatory act, if his entry was made more than four years and six months prior to such date), submit proof that he has complied with the provisions of law applicable to such lands as to residence, reclamation, and cultivation. Such proof, if found regular and satisfactory, shall entitle the entryman to a patent, and all purchases of water-right certificates on reclamation projects shall be entitled to a final water-right certificate upon proof of the cultivation and reclamation of the land to which the certificate applies to the extent required by the reclamation act for homestead entrymen, except that no such patent or final water-right certificate shall issue until after the payment of all sums due the United States on account of such land or water right at the time of the submission of proof entitling the homestead entryman to such patent or the purchaser to such final water-right certificate."

SEC. 2. The second paragraph under the caption "Reclamation Service" in the deficiency appropriation act approved August 26, 1912, is amended to read as follows:

"That any desert-land entryman whose desert-land entry has been embraced within the exterior limits of any land withdrawal or irrigation project under the reclamation act approved June 17, 1902, as amended, and who may have obtained a water supply for the land embraced in any such desert-land entry from the reclamation project by the purchase of a water-right certificate, shall, within five years from the date of his entry (or within six months after the date of passage of this amendatory act, if his entry was made more than four years and six months prior to such date), submit proof that he has complied with the provisions of law applicable to such lands and that he has cultivated and reclaimed the land to the extent required by such act of June 17, 1902, as amended, for homestead entrymen. Such proof, if found regular and satisfactory, shall entitle the entryman to a patent and a final water-right certificate under the same terms and conditions as required of homestead entrymen under the act entitled 'An act providing for patents on reclamation entries, and for other purposes,' approved August 9, 1912, as amended."

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That the lands of any homestead entryman under the act of June 17, 1902, known as the reclamation act, or any act amendatory thereof or supplementary thereto, may, after satisfactory proof of residence, im-

provement, and cultivation, and acceptance of such proof by the General Land Office, be taxed by the State or political subdivision thereof in which such lands are located, in the same manner and to the same extent as lands of a like character held under private ownership may be taxed.

"SEC. 2. That the lands of any desert-land entryman located within an irrigation project constructed under the reclamation act and obtaining a water supply from such project and for whose land water has been actually available for a period of four years, may likewise be taxed by the State or political subdivision thereof in which such lands are located."

Mr. CRAMTON. Mr. Speaker, I offer an amendment to the committee amendment.

The SPEAKER pro tempore. The gentleman from Michigan offers an amendment to the committee amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON to the committee amendment: Insert after section 2 a new section, to read as follows:

"SEC. 3. That all such taxes legally assessed shall be a lien upon the lands and may be enforced upon said lands by the sale thereof in the same manner and under the same proceeding whereby said taxes are enforced against lands held under private ownership: *Provided*, That the title or interest which the State or political subdivision thereof may convey by tax sale, tax deed, or as a result of any tax proceeding shall be subject to a prior lien reserved to the United States for all the unpaid charges authorized by the said act of June 17, 1902, whether accrued or otherwise, but the holder of such tax deed or tax title resulting from such tax shall be entitled to all the rights and privileges in the land of an assignee under the provisions of the act of June 23, 1910, Thirty-sixth Statutes, page 592."

The amendment to the committee amendment was agreed to.

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended.

LASSEN VOLCANIC NATIONAL PARK

The next business on the Consent Calendar was the bill (H. R. 11685) to accept the cession by the State of California of exclusive jurisdiction over the lands embraced within the Lassen Volcanic National Park, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. LAGUARDIA. The last time the Consent Calendar was up I asked to have this go over on account of a question of jurisdiction. Since that time the Speaker has made a ruling that leaves no doubt about it, and I withdraw the objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the provisions of the act of the Legislature of the State of California (approved April 20, 1927) ceding to the United States exclusive jurisdiction over and within the territory which is now or may hereafter be included within the Lassen Volcanic National Park are hereby accepted, and sole and exclusive jurisdiction is hereby assumed by the United States over such territory, saving, however, to the State of California the right to serve civil or criminal process within the limits of the aforesaid park in suits or prosecutions for or on account of rights acquired, obligations incurred, or crimes committed in said State outside of said park; and saving further to the said State the right to tax persons and corporations, their franchises and property on the lands included in said park, and the right to fix and collect license fees for fishing in said park; and saving also to the persons residing in said park now, or hereafter, the right to vote at all elections held within the county or counties in which said park is situated. All the laws applicable to places under sole and exclusive jurisdiction of the United States shall have force and effect in said park. All fugitives from justice taking refuge in said park shall be subject to the same laws as refugees from justice found in the State of California.

SEC. 2. That said park shall constitute a part of the United States judicial district for the northern district of California, and the district court of the United States in and for said northern district shall have jurisdiction of all offenses committed within the boundaries of the said park.

SEC. 3. That if any offense shall be committed in the said park, which offense is not prohibited or the punishment is not specifically provided for by any law of the United States, the offender shall be subject to the same punishment as the laws of the State of California in force at the time of the commission of the offense may provide for a like offense in said State; and no subsequent repeal of any such law of the State of California shall affect any prosecution for said offense committed within said park.

SEC. 4. That all hunting or the killing, wounding, or capturing at any time of any wild bird or animal, except dangerous animals, when it is necessary to prevent them from destroying human lives or inflicting personal injury, is prohibited within the limits of said park; nor shall any fish be taken out of any of the waters of the said park, in any other way than by hook and line, and then only at such seasons and at such times and in such manner as may be directed by the Secretary of the Interior. That the Secretary of the Interior shall make and publish such general rules and regulations as he may deem necessary and proper for the management and care of the park and for the protection of the property therein, especially for the preservation from injury or spoliation of all timber, mineral deposits other than those legally located prior to the passage of the act creating and establishing said park, natural curiosities, or wonderful objects within said park, and for the protection of the animals in the park from capture or destruction, and to prevent their being frightened or driven from the said park; and he shall make rules and regulations governing the taking of fish from the streams or lakes in the said park. Possession within said park of the dead bodies or any part thereof of any wild bird or animal shall be prima facie evidence that the person or persons having same are guilty of violating this act. Any person or persons, or stage or express company, or railway company, who knows or has reason to believe that they were taken or killed contrary to the provisions of this act, and who receives for transportation any of said animals, birds, or fish so killed, caught, or taken, or who shall violate any of the other provisions of this act, or any rule or regulation that may be promulgated by the Secretary of the Interior, with reference to the management and care of the said park, or for the protection of the property therein for the preservation from injury or spoliation of timber, mineral deposits other than those legally located prior to the passage of the act creating and establishing said park, natural curiosities, or wonderful objects within said park, or for the protection of the animals, birds, or fish in the said park, or who shall within said park commit any damage, injury, or spoliation to or upon any building, fence, hedge, gate, guidepost, tree, wood, underwood, timber, garden, crops, vegetables, plants, land, springs, mineral deposits other than those legally located prior to the passage of the act creating and establishing said park, natural curiosities, or other matter or thing growing or being thereon, or situated therein, shall be deemed guilty of a misdemeanor and shall be subject to a fine of not more than $500 or imprisonment not exceeding six months, or both, and be adjudged to pay all the costs of the proceedings.

SEC. 5. That all guns, traps, teams, horses, or means of transportation of every nature or description used by any person or persons within the limits of said park when engaged in killing, trapping, ensnaring, or capturing such wild beasts, birds, or animals, shall be forfeited to the United States and may be seized by the officers in said park, and held pending prosecution of any person or persons arrested under the charge of violating the provisions of this act, and upon conviction under this act of such person or persons using said guns, traps, teams, horses, or other means of transportation, such forfeiture shall be adjudicated as a penalty in addition to the other punishment prescribed in this act. Such forfeited property shall be disposed of and accounted for by and under the authority of the Secretary of the Interior.

SEC. 6. That the United States District Court for the Northern District of California shall appoint a commissioner who shall reside in the park and who shall have jurisdiction to hear and act upon all complaints made of any violations of law, or of the rules and regulations made by the Secretary of the Interior for the government of said park and for the protection of the animals, birds, and fish and objects of interest therein, and for other purposes authorized by this act. Such commissioner shall have power, upon sworn information, to issue process in the name of the United States for the arrest of any person charged with the commission of any misdemeanor, or charged with a violation of the rules and regulations, or with a violation of any of the provisions of this act prescribed for the government of said park, and for the protection of the animals, birds, and fish in said park, and to try persons so charged, and if found guilty to impose punishment and to adjudge the forfeiture prescribed. In all cases of conviction an appeal shall lie from the judgment of said commissioner to the United States District Court for the Northern District of California and the United States district court in said district shall prescribe the rules of procedure and practice for said commissioner in the trial of cases and for appeals to said United States district court.

SEC. 7. That such commissioner shall also have power to issue process as hereinbefore provided for the arrest of any person charged with the commission within said park of any criminal offense not covered by the provisions of section 4 of this act, to hear the evidence introduced, and if he is of the opinion that probable cause is shown for holding the person so charged for trial, shall cause such person to be safely conveyed to a secure place of confinement within the jurisdiction of the United States District Court for the Northern District of California and certify a transcript of the record of his proceedings and the testimony in such case to said court, which court shall have jurisdiction of the case: *Provided*, That the said commissioner shall grant bail in all cases bailable under the laws of the United States or of said State.

SEC. 8. That all process issued by the commissioner shall be directed to the marshal of the United States for the northern district of Cali-

fornia, but nothing herein contained shall be so construed as to prevent the arrest by any officer of employee of the Government or any person employed by the United States in the policing of said reservation within said park without process of any person taken in the act of violating the law or this act or the regulations prescribed by the said Secretary as aforesaid.

SEC. 9. That the commissioner provided for in this act shall be paid an annual salary as appropriated for by Congress, payable quarterly: *Provided*, That the said commissioner shall reside within the exterior boundaries of said Lassen Volcanic National Park at a place to be designated by the court making such appointment: *And provided further*, That all fees, costs, and expenses collected by the commissioner shall be disposed of as provided in section 11 of this act.

SEC. 10. That all fees, costs, and expenses arising in cases under this act and properly chargeable to the United States shall be certified, approved, and paid as are like fees, costs, and expenses in the courts of the United States.

SEC. 11. That all fines and costs imposed and collected shall be deposited by said commissioner of the United States, or the marshal of the United States collecting the same, with the clerk of the United States District Court for the Northern District of California.

SEC. 12. That the Secretary of the Interior shall notify in writing the governor of the State of California of the passage and approval of this act, and of the fact that the United States assumes police jurisdiction over said park as specified in said act of the State of California.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

EXECUTION OF WARRANTS IN CRIMINAL CASES

The next business on the Consent Calendar was the bill (H. R. 9784) for the issuance and execution of warrants in criminal cases and to authorize bail.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection?

Mr. COCHRAN of Missouri. Mr. Speaker, this bill has no place on the Consent Calendar. It is too important a measure, and I object. I ask unanimous consent that I may place in the RECORD a brief statement in regard to the measure.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. COCHRAN of Missouri. Mr. Speaker, I dislike to be placed in a position of opposing legislation which seeks to bring about a speedier administration of the criminal law, but I can not subscribe to the last paragraph of the report, which says:

> The bill is designed to bring about a speedier administration of the criminal law, without, on the other hand, depriving the defendant of any of his substantial rights, and it is earnestly urged in the interest of the better and more efficient administration of justice.

Under our present system, which is most favorable to the Government, there are but three things which can be considered on a removal, namely: First, is the person named in the indictment the person sought to be removed; second, does the indictment state a cause of action; and third, under the indictment has the court jurisdiction of the person sought to be removed?

To-day the law provides when a warrant is served the party is taken before a commissioner, where the question of probable cause must be shown. Then it is up to the defendant to put the case before the commissioner to show that the grand jury was without probable cause. This evidence may be rebutted by the Government if the district attorney so elects. The matter then proceeds to the trial judge, where the holding of the commissioner on the question of probable cause can be assailed. Defects in the indictment can only be raised in the court where the indictment is found.

As we all know, the conspiracy statute has been used quite frequently the past few years. If this bill becomes a law, there is extreme danger of persecution rather than prosecution.

It is common knowledge that the country is at the present time suffering from a crime wave, but surely conditions will return to normal. Are you going to pass a law that will require one of your constituents to give bond for an appearance on an information in jurisdictions other than that in which he resides without giving him an opportunity to require that the Government show the indictment or information states a cause of action? Much as I would like to see a speedier administration of the criminal law, I do not want to deprive a citizen of this right. Nor do I feel it would be wise to provide a procedure such as is outlined in this bill when an information is issued.

Why, some district attorney, through spite or upon being misinformed, by merely signing a paper could have a man extradited all the way from the Philippine Islands to Florida or from Seattle, Wash., to Portland, Me.

I feel the arguments made before the committee, as shown by the report, are grossly exaggerated. I have been unable to find, in the district in which I reside, no cases where you are allowed a trial as to probable cause or a hearing into the merits.

Because the present law has been abused in some instances, why pass a bill which might do a great injustice to many innocent people?

In objecting to the consideration of this bill to-day I am calling to the attention of the Members a very important measure which has no place on the Unanimous Consent Calendar, and I hope that before it is reached again, which will be in two weeks, the Members will give the bill special consideration.

THE ABSAROKA AND GALLATIN NATIONAL FORESTS

The next business on the Consent Calendar was the bill (H. R. 15) authorizing an appropriation to enable the Secretary of the Interior to carry out the provisions of the act of May 26, 1926 (44 Stat. L. 655), to make additions to the Absaroka and Gallatin National Forests, and to improve and extend the winter-feed facilities of the elk, antelope, and other game animals of Yellowstone National Park and adjacent land.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection?

There was no objection:

The Clerk read the bill, as follows:

> *Be it enacted, etc.*, That there is hereby authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, the sum of $150,000, which sum shall continue available until expended, to enable the Secretary of the Interior to carry out the provisions of the act of May 26, 1926 (44 Stat. L. 655), entitled "An act to make additions to the Absaroka and Gallatin National Forests and the Yellowstone National Park, and to improve and extend the winter-feed facilities of the elk, antelope, and other game animals of Yellowstone National Park and adjacent land, and for other purposes": *Provided*, That the total expenditures from this appropriation shall not exceed the combined total of the sums contributed by private or other agencies under the provisions of clause (a) of section 1 of said act and the appraised values of land donated or bequeathed under the provisions of clause (b) of section 1 of said act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

REIMBURSEMENT FOR INTEREST PAID ON RAILROAD-AID BONDS

The next business on the Consent Calendar was the bill (H. R. 9207) granting to the State of New Mexico certain lands for reimbursement of the counties of Grant, Luna, Hidalgo, and Santa Fe, for interest paid on railroad-aid bonds, and for the payment of the principal of railroad-aid bonds issued by the town of Silver City, and to reimburse said town for interest paid on said bonds, and for other purposes.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection?

Mr. BLACK of Texas. Mr. Speaker, I ask unanimous consent that the bill go over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

THE LA FAYETTE EXTENSION ROAD

The next business on the Consent Calendar was the bill (H. R. 11723) to provide for the paving of the Government road, known as the La Fayette Extension Road, commencing at Lee and Gordon's mill, near Chickamauga and Chattanooga National Military Park, and extending to La Fayette, Ga., constituting an approach road to Chickamauga and Chattanooga National Military Park.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection?

Mr. LAGUARDIA. Reserving the right to object, what assurance have we that the State of Georgia will take over the road?

Mr. CRAMTON. If the gentleman from New York will yield, I have prepared two amendments which the gentleman from Georgia has agreed to accept. One is a provision that the money will not be expended unless it is matched by an equal amount by the State or locality, and the other is that the money is not to be spent until the county or State has accepted the title. I think that covers the situation, and the gentleman from Georgia states that that is what they intend to do.

Mr. LAGUARDIA. And the Government will be relieved from further maintenance of the road?

Mr. CRAMTON. Yes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is authorized to improve and pave the Government road, known as the La Fayette Extension Road, commencing at Lee and Gordon's mill, near Chickamauga and Chattanooga National Military Park, and extending to La Fayette, Ga., in the length of approximately 12.9 miles, for which an appropriation of not to exceed $193,500 is hereby authorized out of any money in the Treasury not otherwise appropriated: *Provided*, That should local interests desire that said road be improved and paved in such manner as would involve an expenditure of more than $193,500 the Secretary of War is hereby authorized to expend such sum as may be contributed by said local interests concurrently with the appropriation herein authorized in the improvement and pavement of said road: *Provided further*, That no part of the funds herein authorized to be appropriated shall be expended prior to such time as agreements have been made for the conveyance of the Federal jurisdiction over said road, as provided in the act of March 3, 1925 (43 Stat. L. 1104), immediately upon the completion of such improvements as may be made hereunder.

With the following committee amendments:

Page 2, line 6, strike out the words "local interests" and insert in lieu thereof "the State of Georgia or any county or municipality or legal subdivision thereof, or any State or county or municipal highway commission, or equivalent public authority."

Page 2, line 12, after the colon, strike out all down to and including line 18, and insert in lieu thereof the following:

"*Provided further*, That should the State of Georgia or any county or municipality or legal subdivision thereof, or any State or county or municipal highway commission, or equivalent public authority desire that the position of said road be changed in any particular from the present Government-owned right of way, and should such local interests acquire title to the land necessary to effect such changes, the Secretary of War may expend the funds herein authorized for the improvement and pavement of such road as changed: *And provided further*, That no part of this appropriation shall be expended until the State of Georgia, or the counties or municipalities thereof concerned, have obligated themselves in writing to the satisfaction of the Secretary of War that they will accept title to the present Government-owned road known as the La Fayette Extension Road and will maintain said road as built under the provisions of the act approved March 3, 1925 (43 Stat. L. 1104), immediately upon the completion of such improvements as may be made under this appropriation."

Mr. CRAMTON. Mr. Speaker, I offer two amendments to the committee amendment and ask that they be considered together.

The Clerk read as follows:

Page 2, as a substitute for the committee amendments, strike out lines 4 to 9, inclusive, and insert in lieu thereof the following: "*Provided*, That no part of the appropriation herein authorized shall be available until the State of Georgia or any county or municipality or local subdivision thereof, or any State or county or municipal highway commission or equivalent public authority, shall contribute at least an equal amount for the same purpose and the Sec-."

Amend the second amendment by striking out lines 5 to 10, inclusive, on page 3, and insert in lieu thereof the following: "*And provided further*, That no part of the appropriation herein authorized shall be expended until the State of Georgia or the counties or municipalities thereof concerned have accepted title to the present Government-owned road known as La Fayette Extension Road and have obligated themselves in writing to the satisfaction of the Secretary of War that they will maintain."

The SPEAKER. The question is on agreeing to the amendments.

The amendments were agreed to.

The amendments as amended were agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

CONSTRUCTION OF CULVERTS AT CAMP M'CLELLAN, ALA.

The next business on the Consent Calendar was the bill (H. R. 5590) to authorize appropriations for construction of culverts and trestles in connection with the camp railroad at Camp McClellan, Ala.

The Clerk read the title of the bill.

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

Mr. CRAMTON. Mr. Speaker, reserving the right to object, though I shall not object, I desire to say this: This is one of those bills of which there is a flood coming in here from the War Department—bills authorizing appropriations, where the appropriations are already authorized by law. This is just a subterfuge on the part of the Army to get a larger appropriation than they otherwise would. However, the amount is not large, and the need is apparent. If the department would allocate more to this particular purpose they could do this with the money they have now; but I have reason to believe that there will not be a continuance of this flood of that sort of bills. Therefore, I am not going to be unpleasant about this bill, and I withdraw my objection.

Mr. LAGUARDIA. Mr. Speaker, I suggest to the gentleman from Alabama that we ought to strike out in line 5 the comma and the words "in order", and in line 8 insert the words "a sum."

Mr. JEFFERS. There is no objection upon my part to the proposed amendments, Mr. Speaker, because they will clarify the language.

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 there is hereby authorized to be appropriated for the purpose of purchasing the necessary materials and hiring the necessary labor, in order to construct or repair culverts and trestles and other parts of the camp railroad at Camp McClellan, as in the opinion of the Secretary of War may be necessary, not to exceed $36,440.

With the following committee amendment:

Line 8, strike out "$36,440" and insert "$19,830."

The committee amendment was agreed to.

Mr. LAGUARDIA. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: Page 1, line 5, strike out the comma and the words "in order"; and in line 8, after the word "necessary," insert the words "a sum."

The amendments were agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

RELIEF OF STATE OF KENTUCKY

The next business on the Consent Calendar was the bill (H. R. 10565), to authorize an appropriation for the relief of the State of Kentucky on account of roads and bridges damaged or destroyed by the recent flood.

The Clerk read the title of the bill.

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

Mr. THATCHER. Mr. Speaker, I ask unanimous consent that the bill go over without prejudice.

The SPEAKER. Is there objection?

Mr. CRAMTON. Mr. Speaker, reserving the right to object, I think that this is a pretty important bill which does not belong on this calendar. Therefore, I object to the request of the gentleman from Kentucky, and I object to the bill.

The SPEAKER. The gentleman from Michigan objects.

IMPORTATION OF COFFEE INTO PORTO RICO

The next business on the Consent Calendar was the bill (H. R. 8559), to amend section 58 of the act of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes.

The Clerk read the title of the bill.

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

Mr. DYER. Mr. Speaker, reserving the right to object, is the Delegate from Porto Rico [Mr. DAVILA] in favor of this legislation?

Mr. DAVILA. I am.

Mr. DYER. And it would be beneficial to the island of Porto Rico?

Mr. DAVILA. It would.

Mr. LAGUARDIA. Mr. Speaker, I think the RECORD should show that this is not a duty imposed upon the people of Porto Rico, but it is a duty imposed to prevent coffee from other countries entering Porto Rico and then being exported from Porto Rico as Porto Rican coffee.

Mr. DAVILA. That is correct.

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 section 58 of an act entitled "An act to provide a civil government for Porto Rico, and for other purposes,"

approved March 2, 1917, be, and the same is hereby, amended to read as follows:

"SEC. 58. That all laws or parts of laws applicable to Porto Rico not in conflict with any of the provisions of this act, including the laws relating to tariffs, customs, and duties on importations into Porto Rico prescribed by the act of Congress entitled 'An act temporarily to provide revenues and a civil government for Porto Rico, and for other purposes,' approved April 12, 1900, are hereby continued in effect, and all laws and parts of laws inconsistent with the provisions of this act are hereby repealed: *Provided*, That on all coffee in the bean or ground imported into Porto Rico there shall be levied and collected a duty of 10 cents per pound, any law or part of law to the contrary notwithstanding."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

REPAIR OF CUSTOMS BUILDINGS IN PORTO RICO

The next business on the Consent Calendar was the bill (H. R. 9363) to provide for the completion and repair of customs buildings in Porto Rico.

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 Secretary of the Treasury be, and he is hereby, authorized and directed to contract for:

(1) The completion of the customhouse at San Juan, P. R., at a cost not to exceed $41,019.91;

(2) The pavement of the roadways and approaches on the customhouse property around said building, at a cost not to exceed $25,000;

(3) The repairing of the customhouse at Ponce, P. R., at a cost not to exceed $4,500;

(4) The repairing of the customs warehouse shed and customs office building at Mayaguez, P. R., at a cost not to exceed $1,500;

(5) The repairing of the customhouse at Humacao, P. R., at a cost not to exceed $4,000.

That all said amounts are to be paid out of duties collected in Porto Rico, as an expense of collection, under such rules and regulations as may be prescribed by the Secretary of the Treasury.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

SALARY OF CERTAIN JUDGES OF PORTO RICO

The next business on the Consent Calendar was the bill (H. R. 10952) to fix the salaries of certain judges of Porto Rico.

The Clerk read the title of the bill.

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

Mr. DYER. Mr. Speaker, there is another bill on this calendar which includes the Porto Rican situation in respect to increasing the pay of judges. The Committee on the Judiciary has reported the bill, which is on the Consent Calendar, which takes care of the increase in pay for judges of the Territory of Hawaii, Porto Rico, the Philippines, the United States Court for China, and the Virgin Islands. I ask the gentleman from Pennsylvania [Mr. KIESS] whether he will permit his bill to pass without prejudice and see if we can not take up the other bill?

Mr. DAVILA. Mr. Speaker, I think we ought to have this bill passed at this time, because it is possible there may be some objection to the Philippine or Hawaiian provisions of the other bill, although not to the Porto Rican. It is money paid out by the Porto Rican treasury.

Mr. LAGUARDIA. No objection has manifested itself so far as I know to any of the legislation.

Mr. DAVILA. In Porto Rico the money is paid by the Porto Rican treasury. In Hawaii I understand it is paid out of the Federal Treasury. I believe this bill has more chance of passage in its present form than if it were linked with the Hawaiian bill.

Mr. SCHAFER. Has this bill the approval of the Commissioner from the Philippine Islands?

Mr. DYER. Mr. Speaker, I ask unanimous consent that we dispose of this question now before the House.

Mr. LAGUARDIA. Mr. Speaker, there is now a bill before the House, coming from the Committee on the Judiciary, of which the gentleman from Missouri [Mr. DYER] is a member. I ask for the regular order on that bill at this time. The regular order is, Is there objection?

Mr. DYER. I ask unanimous consent, Mr. Speaker, that that bill be passed over temporarily until we reach the other bill. This is on the calendar and it includes all the courts to which I have made reference.

The SPEAKER. The gentleman from Missouri asks unanimous consent that the bill be passed over temporarily.

Mr. KIESS. How far down on the calendar is the other bill?

Mr. DYER. It is No. 435.

Mr. KIESS. We do not want to lose our rights.

Mr. DYER. I ask unanimous consent, Mr. Speaker, that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. KIESS. I object.

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

Mr. DYER. I object.

The SPEAKER. The Clerk will report the next bill.

MONTEZUMA NATIONAL FOREST, COLO.

The next business on the Consent Calendar was the bill (H. R. 6854) to add certain lands to the Montezuma National Forest, Colo., and for other purposes.

The title of the bill was read.

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

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that it be passed over until we can get further data on the matter. I have asked for a report from the Interior Department.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

GUNNISON NATIONAL FOREST, COLO.

The next business on the Consent Calendar was the bill (H. R. 7223) to add certain lands to the Gunnison National Forest, Colo.

The title of the bill was read.

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

There was no objection.

Mr. TAYLOR of Colorado. Mr. Speaker, this bill, H. R. 7223, provides for the addition of some 6,120 acres of public land to the Gunnison National Forest, in Gunnison County, Colo., in my congressional district.

I introduced the bill at the express request of the board of county commissioners of that county and a large number of ranchmen and cattlemen and many other citizens of the county. In fact, there is no opposition to the measure that I am aware of in that vicinity.

The land lies adjacent to the Gunnison National Forest along the Taylor River and certain creeks tributary to the Gunnison River. The land is mountainous in character and contains a substantial amount of timber, consisting principally of Douglas fir, lodge-pole pine, and western yellow pine.

The Secretary of the Interior and Secretary of Agriculture both formally approved the bill and the matter was referred to the National Forest Reservation Commission, and Mr. Dwight F. Davis, the Secretary of War, who is the president of that commission, has made a favorable recommendation of the bill to the President of the United States, and on the 19th of March of this year President Coolidge favorably recommended the bill to Congress. So that with the unanimous approval of all the official machinery of the Government pertaining to the public domain, and the approval of practically all the people of the county in which the land is located, I confidentially hope that the measure will meet with the approval of the House and Senate.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the following-described public lands be, and the same are hereby, added to and made a part of the Gunnison National Forest, Colo., and are to be hereafter administered under the laws and regulations relating to the national forests:

Township 14 south, range 85 west, sixth principal meridian: North half northeast quarter, southeast quarter of section 26; all of section 35.

Township 15 south, range 83 west, sixth principal meridian: West half northeast quarter, west half southeast quarter, northeast quarter southeast quarter of section 7; south half northeast quarter, southeast quarter, east half southwest quarter of section 8; all of section 17; northwest quarter, west half northeast quarter, southeast quarter northeast quarter, south half southeast quarter, northwest quarter southeast quarter, south half southwest quarter of section 18; all of section 19.

Township 15 south, range 84 west, sixth principal meridian: East half of section 7; all of section 13; south half of section 14 southeast quarter of section 15; east half of section 22; all of section 23; all of section 24; northeast quarter of section 27: *Provided*, That the inclusion of any of the aforesaid land in the Gunnison National Forest shall not affect adversely any valid application or entry pending at the date of the approval of this act.

With the following committee amendment:

Page 2, line 8, strike out the word "southeast" and insert in lieu thereof the word "southwest."

The SPEAKER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the last vote was laid on the table.

POST-OFFICE BUILDING AT PHILIPPI, W. VA.

The next business on the Consent Calendar was the bill (H. R. 10799) for the lease of land and the erection of a post office at Philippi, W. Va., and for other purposes.

The title of the bill was read.

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

Mr. HOWARD of Oklahoma. Mr. Speaker, reserving the right to object, my understanding is that public buildings and post-office buildings are being erected throughout the country now according to the Elliott bill. This bill may be all right, but I would like to know the reason for the departure from the regular practice?

Mr. BOWMAN. This bill is based on an emergency which exists in Philippi. Philippi has postal receipts amounting to $17,000 annually. It does not come within the Government building program, which is limited to towns having postal receipts of $20,000 a year. After the destruction of the former post-office building at Philippi by fire there was just one place where the post office could be moved, and that was in a small room of the county courthouse. Inspectors were sent to Philippi who attempted to get other rented quarters at Philippi, but were unable to do so. This plan was devised in order to meet the emergency.

Mr. HOWARD of Oklahoma. I have four or five towns in my district that are in that situation.

Mr. LAGUARDIA. The Government does not own the land in Philippi on which the building is to be constructed. If the Government purchased the land, the cost would be about $70,000. Under the arrangement provided by the bill it would cost a total of $52,600. Personally I do not approve the suggestion of leasing the land from this association, but I do approve giving them permission to construct this building under a lease which will provide for payment in 10 years.

Mr. HOWARD of Oklahoma. What does the gentleman think of establishing a precedent? The committee has limited buildings to towns of $20,000 annual postal receipts. Now, if you break the precedent do you not open up a flood of similar bills?

Mr. LAGUARDIA. Is not the gentleman confusing it with cases where the Government does not own the land?

Mr. BOWMAN. They are making provision to provide the land.

Mr. LAGUARDIA. Then it comes under the rule?

Mr. SIMMONS. I have a number of cities in my district where the people would gladly give the sites if the Government would build the buildings.

Mr. BUSBY. Mr. Speaker, if the gentleman will yield, I happen to be on the committee that reported the bill. I will explain to the gentleman that this would set a precedent. It would set a precedent, especially as to those places where the Government has bought sites heretofore, there being about 150 of them in the United States. This bill proposes that a certain business organization shall be formed by the citizens of this place and they, in order to entitle them to proceed with the construction of this building, must necessarily lease the Government land for that purpose only. That gives them authority to go on that land and construct this building, and it is to be done on the basis of paying back to these individuals one-tenth of the construction price, plus 6 per cent, and that will pay for the building in 10 years, at which time it will become the property of the United States Government. It does set a precedent, but a precedent which, perhaps, all the rest of us can follow who have sites in our districts. I do not have any in mine.

Mr. LAGUARDIA. It, perhaps, establishes an economical precedent.

Mr. BUSBY. It establishes an economical precedent and opens up an additional way by which post-office buildings might be obtained.

Mr. HOWARD of Oklahoma. I wish the gentleman would suggest something by which others of us can open up an additional way to get post offices in our districts.

Mr. BUSBY. I think the gentleman is entirely right, but it would afford an additional way of securing buildings, not in the way I would get them, but in the way some Members would like to get them, and if they want to get them in that way it is all right with me.

Mr. HOWARD of Oklahoma. The gentleman is a member of the committee which wrote the Elliott bill?

Mr. BUSBY. But I did not support the Elliott bill.

Mr. HOWARD of Oklahoma. I know the gentleman did not.

Mr. ROMJUE. Will the gentleman yield?

Mr. HOWARD of Oklahoma. Yes.

Mr. ROMJUE. Did I understand the gentleman from Mississippi correctly a moment ago that this is to be built on leased ground?

Mr. BUSBY. It is to be built on Government ground that is to be leased to this organization, and this will entitle them to go on the ground for the purpose of erecting the building.

Mr. LAGUARDIA. If the gentleman will yield, if there is no objection to this bill, I shall move to strike out the first proviso and leave in the second proviso, which will grant them permission to erect the building.

Mr. BUSBY. That would be entirely practicable.

Mr. HOWARD of Oklahoma. The gentleman from Oklahoma is going to congratulate the gentleman from West Virginia, and so far as he is concerned withdraws his reservation of objection.

Mr. LAGUARDIA. Mr. Speaker, further reserving the right to object, may I call the attention of the gentleman from West Virginia and the gentleman from Mississippi, who is an expert on this——

Mr. BUSBY (interposing). I do not claim to be.

Mr. LAGUARDIA. Instead of leasing this property, now the property of the Government, for 10 years, as provided in the first proviso of the bill, I would strike out that proviso and leave the second proviso in the bill, which would authorize this Philippi Association to erect a building upon this land and then leave the rest of the provisions in the bill.

Mr. BUSBY. Let me suggest that my understanding is that the Treasury Department thought it would be best to lease this land to this association in order to give them the right to go on it and do anything that is necessary.

Mr. LAGUARDIA. When we grant them permission to build we grant them a right.

Mr. BUSBY. And that might be a license which could be revoked.

Mr. LAGUARDIA. Exactly. When we grant them a lease for 10 years it becomes a property right which may be recorded. That lease for 10 years, together with the building, would be taxable. Now, why incur the possible risk of having it taxed when we are going to buy this building. On the other hand, if we give no title to the land the Government will retain title to the land and there would be no doubt about escaping the $5,000 tax.

Mr. BUSBY. I think what the gentleman suggests is entirely sufficient and would serve the purpose, but that is a question for the gentleman from West Virginia to determine.

Mr. BOWMAN. Will the gentleman yield for a moment?

Mr. LAGUARDIA. Certainly.

Mr. BOWMAN. This bill has been approved by the Treasury and Post Office Departments and also by the Budget; and this bill, after it had been prepared, contrary to the usual practice, was submitted to the Comptroller General for his approval. It was submitted to him simply because in the very beginning of this proposition the Post Office Department and the Treasury Department, as well as the Budget, had worked out this plan for the construction of a post office in Philippi. However, it struck a snag when it went to the Comptroller General's office, and he said it would be necessary to have special legislation if we expected to construct the building. So this bill has been approved by the Budget, the Post Office Department, the Treasury Department, and has the O. K. of Comptroller General McCarl. But I can see no objection to the amendment of the gentleman from New York if he insists on having his amendment in the bill.

Mr. LAGUARDIA. With all due deference to the departments, we have not yet given up our parliamentary form of government in this Republic.

Mr. BOWMAN. I understand; but I am fearful we might run into something that would prevent us from carrying out the purposes of the bill. I will accept the gentleman's amendment.

Mr. LAGUARDIA. Just listen to this in the letter of the Postmaster General:

Taxes over a 10-year period will amount to $5,007.

I am trying to get away from that if I can.

Mr. BOWMAN. I understand.

Mr. BLACK of Texas. I reserve the right to object, Mr. Speaker. The principal defect I see in this bill is that it commits the Government of the United States to paying 6 per cent interest when it has no difficulty whatever in borrowing money at 4 per cent or less. It is said this bill is to serve as a precedent, and I think it would be unwise to adopt the precedent of committing the Government of the United States to paying 6 per cent interest at a time when it can borrow money for much less. If it is agreed that this bill will be amended so that the rate of 6 per cent will be reduced to 4 per cent, I shall not object.

Mr. BOWMAN. Will the gentleman yield?

Mr. BLACK of Texas. I yield.

Mr. BOWMAN. The gentleman understands that the money for the construction of this building is provided by the Philippi Improvement Co. It is necessary for this company to go into the banks in Philippi and borrow this money, and they must pay 6 per cent.

Mr. BLACK of Texas. I know; but the Government must repay the 6 per cent when it can borrow money at the rate of 4 per cent.

Mr. LAGUARDIA. This is not a private corporation.

Mr. BOWMAN. Oh, no.

Mr. BLACK of Texas. I understand that; but it seems to me it would be unwise to commit the Government to paying a rate of 6 per cent when it is well known it can borrow money at a much less rate.

Mr. BOWMAN. But the gentleman understands, I am sure, the Government is not lending the money on this proposition.

Mr. BLACK of Texas. I know; but it is to repay it.

Mr. BOWMAN. If the gentleman had to borrow money at 6 per cent and somebody was to reimburse him, he would expect to be repaid at the rate of 6 per cent.

Mr. BLACK of Texas. There is the whole trouble with the proposition. It is a novel one, and I understand it is thought it might set a precedent which might be followed in other cases.

Mr. LAGUARDIA. There is one consideration I might suggest to the gentleman. The difference between 4 per cent and 6 per cent would be trivial in comparison with the difference in cost of $70,000 and $52,600.

Mr. BLACK of Texas. I will say, if this was the only proposition that was ever to be enacted under this kind of a law it would be a different proposition; but I have been informed it is thought this would probably act as a precedent for 150 other communities similarly situated.

Mr. LAGUARDIA. This would save the Government a lot of money on our buildings.

Mr. BLACK of Texas. It would not save in interest if we paid 6 per cent when the Government can borrow money at 4 per cent.

Mr. BARBOUR. Will the gentleman yield?

Mr. BLACK of Texas. Yes.

Mr. BARBOUR. Has not an arrangement similar to this been made in a great many towns and cities throughout the United States wherein local interests have gone ahead and built a post office and then the Government has agreed to reimburse them the amount which the building cost, together with a reasonable rate of interest over a certain period of years?

Mr. LAGUARDIA. It is a very good arrangement.

Mr. BARBOUR. Is not this a somewhat similar arrangement to that?

Mr. BOWMAN. I think that has been done in the case of temporary buildings only.

Mr. BLACK of Texas. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice so that we may look into it further. I do not wish to arbitrarily interpose an objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

SUBSCRIPTION CHARGES FOR NEWSPAPERS, MAGAZINES, ETC.

The next business on the Consent Calendar was the bill (H. R. 11989) providing that subscription charges for newspapers, magazines, and other periodicals for official use may be paid for in advance.

The Clerk read the title of the bill.

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

Mr. LAGUARDIA. Mr. Speaker, I object.

Mr. DYER. Will the gentleman withhold his objection?

Mr. LAGUARDIA. Certainly.

Mr. DYER. I will say to the gentleman that this bill simply provides that subscriptions may be paid for in advance, which would make it unnecessary to carry such a provision in appropriation bills.

Mr. LAGUARDIA. Mr. Speaker, section 3648 of the Revised Statutes is one of the most wholesome, most necessary, and most protective statutes of all the statutes of the United States, and I am going to object to every bill that comes in seeking to break down that statute.

Mr. DYER. This does not break it down.

Mr. LAGUARDIA. If the United States Government has not sufficient credit to obtain a paper for one year and pay for it at the end of the year, then we might as well go out of business.

Mr. DYER. They can not always do it.

Mr. LAGUARDIA. Then they can send over to the Congressional Library and get the papers.

Mr. DYER. The chairman of the Committee on Appropriations has urgently asked for this legislation to save trouble to the committee in carrying this provision in the appropriation bill year after year.

Mr. LAGUARDIA. And with the same degree of urgency I object.

SMITHSONIAN INSTITUTION

The next business on the Consent Calendar was the bill (H. R. 5495) to provide for cooperation by the Smithsonian Institution with State, educational, and scientific organizations in the United States for continuing ethnological researches on the American Indians.

The Clerk read the title of the bill.

Mr. CRAMTON. Mr. Speaker, it has come to my attention that where work of this kind is carried on on land subject to the National Park Service or the Bureau of Indian Affairs that there has sometimes been a little disagreement between the representatives of the Smithsonian in charge of the work and the Park Service as to the disposition of the various articles that are brought up in these excavations. For instance, we are establishing museums, and it is quite desirable that some of the specimens be there preserved. So I have framed an amendment which the gentleman from Tennessee has accepted. I did not know that the gentleman from Massachusetts [Mr. LUCE] was on the floor, or I would have shown it to him. It provides that where lands are involved which are under the jurisdiction of the Bureau of Indian Affairs or the National Park Service cooperative work thereon shall be under such regulations and conditions as the Secretary of the Interior may provide. I trust that that will be acceptable to the gentleman from Massachusetts.

Mr. LUCE. I did not know that the Bureau of Indian Affairs had established museums.

Mr. CRAMTON. I have not stated that they have established museums on Indian lands, but this prevents any question coming up in the future, and I think it can do no harm in any event.

Mr. LUCE. The gentleman from Tennessee is more familiar with the subject than I am, and whatever he accepts I will abide by.

Mr. BYRNS. This bill provides for work being done by the State or scientific organizations, and I can see how there might be work done on land by educational scientific organizations, and it occurred to me that under the statement made by the gentleman from Michigan there could really be no particular objection to the adoption of this amendment. Therefore, I told him that as far as I was personally concerned I would not object to it.

Mr. LUCE. And I gladly defer to the opinion of the gentleman from Tennessee.

The SPEAKER pro tempore. Is there objection?

Mr. LAGUARDIA. Reserving the right to object, I want to point out to the gentleman from Massachusetts, who is one of the most careful and painstaking legislators in the House, who takes the utmost pains in his work, that a few days ago he very kindly and with many reservations criticized some of the Members who take an active part on this calendar. I submit that here is a bill providing authority for excavations and for an appropriation of $20,000, and I want to ask anyone in the House if they can glean one intelligent bit of information from the report submitted by the gentleman from Massachusetts. [Laughter.]

Mr. BYRNS. Perhaps the gentleman from Massachusetts felt that it did not need any explanation.

Mr. LAGUARDIA. But it does. It is highly scientific and we are not endowed with the profound knowledge that the gentleman from Massachusetts has, and therefore it required a great deal of time and research on our part to ascertain the facts which an ordinary report of the committee would have given us. But, Mr. Speaker, on the assurance of the gentleman from Michigan and the gentleman from Tennessee I shall not object. [Laughter.]

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Smithsonian Institution is hereby authorized to cooperate with any State, educational institution, or scientific organization in the United States for continuing ethnological researches among the American Indians and the excavation and preservation of archæological remains.

SEC. 2. That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $20,000, which shall be available until expended for the above purposes: *Provided*, That at such time as the Smithsonian Institution is satisfied that any State, educational institution, or scientific organization in any of the United States is prepared to contribute to such investigation and when in its judgment such investigation shall appear meritorious, the Secretary of the Smithsonian Institution may direct that an amount from this sum equal to that contributed by such State, educational institution, or scientific organization, not to exceed $2,000, to be expended from such sum in any one State during any calendar year, be made available for cooperative investigation: *Provided further*, That all such cooperative work and division of the result thereof shall be under the direction of the Secretary of the Smithsonian Institution.

Mr. CRAMTON. Mr. Speaker, at the end of the section 2 I move to amend by inserting the following:

The Clerk read as follows:

Page 2, line 17, after the word "institution," insert: "*Provided further*, That where lands are involved which are under the jurisdiction of the Bureau of Indian Affairs or the National Park Service cooperative work thereon shall be under such regulations and conditions as the Secretary of the Interior may provide."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read the third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

TABLETS TO AMERICAN SOLDIERS IN THE BATTLE OF BRANDYWINE

The next business on the Consent Calendar was the bill (H. R. 8546) authorizing an appropriation of $2,500 for the erection of a tablet or marker at Lititz, Pa., to commemorate the burial place of 110 American soldiers who were wounded in the Battle of Brandywine and died in the military hospital at Lititz.

The SPEAKER pro tempore. Is there objection?

Mr. LAGUARDIA. Reserving the right to object—and I shall not object to this bill—I want to call the attention of the gentleman from Massachusetts, chairman of the committee that reported the bill. I did it at the last session of Congress. I insisted that we provide that the monument, marker, tablet, or whatever it may be should be the work of American artists. Only a few days ago a semipublic institution awarded a medal to America's foremost young man—Lindbergh—and it happened to be the work of an artist here on a visit. I submit that while we provide for monuments, markers, and tablets, we want them to have artistic value, but we should do something to protect American art. On the other occasions I offered an amendment. I hate to do it on every bill coming up, and I hope that when the Committee on the Library reports these bills in the future they will bear in mind this suggestion and put the provision in the bill itself.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the sum of $2,500, or so much thereof as may be necessary, is hereby authorized to be appropriated, to be expended under the direction of the Secretary of War, in the erection of an appropriate tablet or marker at or near the spot in or near the borough of Lititz, in Pennsylvania, where 110 American soldiers of the Revolution, who were wounded in the Battle of Brandywine and were cared for in the military hospital at Lititz, lie buried.

With the following committee amendment:

Page 2, line 2, after the word "buried," insert a colon and the words "*Provided*, That the site on which the proposed tablet or marker is to be erected shall be acquired by the borough of Lititz."

The committee amendment was agreed to.

Mr. LAGUARDIA. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. LAGUARDIA: Page 2, at the end of the bill insert: "SEC. 2. The design of said marker or tablet shall be the work of an artist who is a citizen of the United States."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

LIBRARY OF CONGRESS

The next business on the Consent Calendar was the bill (H. R. 9355) to provide for the acquisition of certain property in the District of Columbia for the Library of Congress, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. SNELL). Is there objection to the present consideration of the bill?

Mr. SCHAFER. Mr. Speaker, I object.

Mr. CRAMTON. Mr. Speaker, will the gentleman withhold his objection for a moment?

Mr. SCHAFER. Yes.

Mr. CRAMTON. There is a great need for some expansion of the Library facilities.

Mr. SCHAFER. This is a bill which covers about $600,000. I do not think the Consent Calendar is the proper calendar to consider such a bill on.

Mr. CRAMTON. I shall not argue with the gentleman about that. I am glad to know that he is not opposed to the bill.

Mr. SCHAFER. I think it is improper to have it on the Consent Calendar, and, therefore, I object.

NATIONAL ARCHIVES

The next business on the Consent Calendar was the bill (H. R. 10545) to create an establishment to be known as the national archives, and for other purposes.

The Clerk read the title of the bill.

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

Mr. EDWARDS. Mr. Speaker, I object.

SIOUX TRIBE OF INDIANS

The next business on the Consent Calendar was the bill (H. R. 6862) authorizing and directing the Secretary of the Interior to investigate, hear, and determine the claims of individual members of the Sioux Tribe of Indians against tribal funds or against the United States.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to investigate, hear, and determine the claims of the individual Indians whose names are enrolled on the approved rolls of the following Indian agencies: Rosebud, Pine Ridge, Lower Brule, Crow Creek, Cheyenne River, Yankton, Sisseton, and Flandreaux, in the State of South Dakota; Fort Peck, in the State of Montana; Fort Totten, in the State of North Dakota; Standing Rock, in the States of North and South Dakota; and Santee, in the State of Nebraska: *Provided*, That the Secretary of the Interior is authorized to make all rules and regulations necessary to carry out the provisions of this act: *Provided further*, That the claims which shall be investigated under this act shall be individual claims for allotments of land and for loss of personal property or improvements where the claimants or those through whom the claims originated were not members of any band of Indians engaged in hostilities against the United States at the time the losses occurred. If any such claims shall be considered meritorious, the Secretary of the Interior shall adjust same where there is existing law to authorize their adjustment, and such other meritorious claims he shall report to Congress with appropriate recommendation.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

NATIONAL CEMETERY, BATON ROUGE, LA.

The next business on the Consent Calendar was the bill (H. R. 8742) to authorize the Secretary of War to grant and convey to the city of Baton Rouge, La., a perpetual easement for public-street purposes over and upon a portion of that

part of the United States National Cemetery at Baton Rouge, La., lying outside the cemetery wall.

The Clerk read the title of the bill.

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

Mr. SCHAFER. Mr. Speaker, I object.

Mr. JAMES. Mr. Speaker, will the gentleman reserve his objection?

Mr. SCHAFER. I shall reserve the objection, but there is no provision in the bill that this property be returned to the Federal Government should the State of Louisiana discontinue the use of the property for public-road purposes.

Mr. LAGUARDIA. Mr. Speaker, I propose to offer that amendment.

Mr. SCHAFER. Then I shall not object.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. Without objection, the Clerk will report the committee amendment.

There was no objection, and the Clerk read as follows:

Strike out all after the enacting clause and insert:

"That the Secretary of War be, and he is hereby, authorized, subject to such conditions as may seem to him proper, to convey by proper quitclaim deed, to the city of Baton Rouge, La., a municipal corporation of the State of Louisiana, for use as a public street, all the right, title, and interest of the United States in and to a parcel of ground 31.5 feet by 322 feet between parallel lines and fronting 31.5 on the north side of Convention Street and 31.5 on the south side of Florida Street, being the east 31.5 feet of square 21 in that part of the city of Baton Rouge, La., known as Hickey Duncan and Mather Town as shown on map made by William G. Waller, civil engineer, dated July 18, 1878, on file with clerk of the court in the courthouse of East Baton Rouge Parish, State of Louisiana, being that small portion of land belonging to the national cemetery at Baton Rouge, La., lying outside the cemetery wall: *Provided*, That prior to the delivery of any conveyance under this act the city of Baton Rouge, La., shall notify the Secretary of War, in writing, of its willingness to accept and maintain as a public street the parcel of ground included in such conveyance: *Provided further*, That upon the execution and delivery of any conveyance herein authorized the jurisdiction of the United States of America, which has been heretofore ceded to the United States by the State of Louisiana over such parcel of ground, shall hereby cease and determine and shall hereafter vest and be in the State of Louisiana."

The committee amendment was agreed to.

Mr. LAGUARDIA. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: Page 4, add the following:

"SEC. 2. No part of the property granted and conveyed by the Secretary of War for the purposes aforesaid shall be used for any other than street purposes and when such property shall cease to be so used it shall revert to the United States of America, together with jurisdiction over such parcel of ground."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

The title was amended to read: "A bill to authorize the Secretary of War to convey to the city of Baton Rouge, La., a portion of the Baton Rouge National Cemetery for use as a public street."

ROADS AT THE PRESIDIO OF SAN FRANCISCO, CALIF.

The next business on the Consent Calendar was the bill (H. R. 9047) to authorize appropriations for the construction of roads at the Presidio of San Francisco, Calif.

The Clerk read the title of the bill.

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

Mr. CRAMTON. Mr. Speaker, reserving the right to object, this is another bill in the same class I referred to in connection with the bill of the gentleman from Alabama [Mr. JEFFERS]. There is ample authority already. This bill is just an effort to expedite those appropriations. For the reasons I gave in withdrawing my objection to the Alabama bill, and because this is a bill by the lady from California [Mrs. KAHN], I am not going to object. I have reason to hope that we will not continue to get these bills, which are really an evasion of the Budget.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $47,200 for the purpose of completing the military roads at the Presidio of San Francisco, Calif.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

PAVING OF RINGGOLD ROAD, GEORGIA

The next business on the Consent Calendar was the bill (H. R. 11724) to provide for the paving of the Government road, known as the Ringgold Road, extending from Chickamauga and Chattanooga National Military Park, in the State of Georgia, to the town of Ringgold, Ga., constituting an approach road to the Chickamauga and Chattanooga National Military Park.

Mr. TARVER. Mr. Speaker, I ask unanimous consent that this bill, of which I am the author, be striken from the Consent Calendar.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. JAMES. Mr. Speaker, in view of the statement of the gentleman from Georgia, I ask unanimous consent that the bill be rereferred to the Committee on Military Affairs.

The SPEAKER pro tempore. Is there objection?

There was no objection.

ACOMA PUEBLO INDIANS

The next business on the Consent Calendar was the bill (H. R. 11479) to reserve certain lands on the public domain in Valencia County, N. Mex., for the use and benefit of the Acoma Pueblo Indians.

The Clerk read the title of the bill.

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

Mr. LAGUARDIA. Mr. Speaker, we take care of the Acoma Indians at the present time. Will we be called upon to do a similar thing for the Lagunas?

Mr. MORROW. This is for the purpose of closing the matter and letting both Indian pueblos have an equal amount.

Mr. LAGUARDIA. And this will settle the matter permanently?

Mr. MORROW. This will settle it entirely. It is the idea to give them the grazing lands when the opportunity exists, which they now have. They have been using this land under Executive order. It is now proposed to reserve the area to them, so that they will have the land and it will be settled for all time.

Mr. CRAMTON. Mr. Speaker, if the gentleman will permit, I visited this section three or four years ago and urged at that time that something of this kind should be done to settle a long-standing dispute between these two pueblos. Incidentally it will interest the gentleman to know that no Indians are showing better results in progress than these Acoma Pueblo Indians.

Mr. MORROW. Mr. Chairman, in order that full information may be had concerning the legislation I am inserting herein my report from the Committee on Indian Affairs, which report includes the letter from the Acting Secretary of the Interior, Mr. E. C. Finney, on the measure:

Mr. LAGUARDIA. Mr. Speaker, I withdraw my objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That all vacant, unappropriated, and undisposed of lands within township 7 north, ranges 7 and 8 west, and fractional township 8 north, range 8 west, New Mexico principal meridian, in New Mexico, be, and they are hereby, reserved for the sole use and occupancy of the Indians of the Acoma Pueblo: *Provided*, That the rights and claims of any bona fide settler initiated under the public land laws prior to October 3, 1927, the date of withdrawal of the lands from all forms of entry, shall not be affected by this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the last vote was laid on the table.

Mr. MORROW. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing the report on this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

The report referred to is as follows:

Mr. MORROW, from the Committee on Indian Affairs, submitted the following report (to accompany H. R. 11479):

The Committee on Indian Affairs, to whom was referred the bill (H. R. 11479) to reserve certain lands on the public domain in Valencia County, N. Mex., for the use and benefit of the Acoma Pueblo Indians, having considered the same, report thereon with a recommendation that it do pass without amendment.

Inquiry into the situation which this bill seeks to remedy reveals that for many years the Indians of the Acoma and Laguna Pueblos have been

engaged in controversy over lands which were set aside for their joint use. The Lagunas, about 1,900 in number, have a total of 264,880 acres under their control at present, while the Acomas, numbering about 841, have only 95,791 acres of land. This provides approximately 100 acres of grazing land per capita for the Acomas. Since they are strictly a shepherd folk, engaged in sheep and goat raising, this is absolutely inadequate.

There are near by approximately 14,000 acres of semiarid lands of little value except for grazing which were temporarily withdrawn from entry on October 3, 1927, and upon which there had previously been little interest in the establishment of homestead entries. This bill would reserve the area for the sole use and occupancy of the Indians of the Acoma Pueblo.

The bill contains a proviso for the protection of any bona fide settlers who went upon the land prior to its temporary withdrawal.

The Secretary of the Interior favors enactment of the bill as indicated by the following letter addressed to the chairman of the committee:

THE SECRETARY OF THE INTERIOR,
Washington, March 10, 1928.

Hon. SCOTT LEAVITT,
Chairman Committee on Indian Affairs,
House of Representatives.

MY DEAR MR. LEAVITT: Further reference is made to your letter of February 29, 1928, transmitting for report copy of H. R. 11479, a bill to reserve certain lands on the public domain in Valencia County, N. Mex., for the use and benefit of the Acoma Pueblo Indians.

The Acoma pueblo is a community of Indians numbering about 841 located in Valencia County, N. Mex. Part of the land of this pueblo is held by the Indians through original grant from the King of Spain, made during the Spanish sovereignty and confirmed by Congress since the acquisition thereof (10 Stat. 309; 11 Stat. 374). In addition they have acquired by purchase small grants from Mexicans, and lands were provided for the joint use of the Acoma and Laguna pueblos by the Government through Executive order of March 21, 1917.

However, these Indians and the Indians of the Laguna pueblo have for many years been engaged in a controversy over lands. As stated above, Executive order of March 21, 1917, set aside certain lands for the use of the Lagunas and the Acomas, but the Lagunas thereafter contended that the land thus set aside was for their use exclusively. In order that the Indians of both pueblos might keep their livestock separate and not encroach upon each others' territory and at the same time settle somewhat the existing controversy, the Lagunas were given permission to build a fence inclosing the greater part of the Executive order area of 1917 and were given exclusive grazing rights on the areas thus fenced. The Lagunas, with a population of approximately 1,900, have a total of 264,880 acres under their control, while the Acomas, with a population of approximately 841, have only a total of 95,791 acres, or a little more than 100 acres of grazing land per capita.

Reports from the field show that the future welfare of the Acoma Indians is dependent upon additional grazing lands as they are a strictly shepherd folk engaged in sheep and goat raising and their present areas are inadequate for their needs. The lands involved in the bill covering approximately 14,000 acres were temporarily withdrawn from entry October 3, 1927, and are in a semiarid belt and are of so little value except for grazing purposes that no interest has been shown to any great extent in establishing homestead entries thereon.

In view of the facts herein set out it is respectfully recommended that the proposed legislation be given favorable consideration by your committee and the Congress.

Very truly yours,

E. C. FINNEY, *Acting Secretary.*

CLAIMS OF CALIFORNIA INDIANS

The next business on the Censent Calendar was the bill (H. R. 491) authorizing the attorney general of the State of California to bring suit in the Court of Claims on behalf of the Indians of California.

The title of the bill was read.

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

Mr. UNDERHILL. Reserving the right to object, Mr. Speaker, I want to call the attention of the House to the fact that this is merely one of many bills that pass the House practically without explanation and which breaks pretty nearly every policy laid down by the House. In the first place, it ignores the statute of limitations without making any excuse whatever for so doing. In the second place, this particular bill, on page 2, makes a declaration which I think is particularly dangerous in matters of legislation. It declares, although the committee has stricken out the words "to be the judgment of the Congress"—

It is hereby declared to be the judgment of the Congress that the loss to the said Indians on account of their failure to secure the lands and compensation provided for in the 18 unratified treaties is sufficient ground for equitable relief.

And then this bill goes on and refers this matter to the Court of Claims for adjudication, determining the case even before it reaches the court.

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

Mr. UNDERHILL. In a moment.

This particular bill goes back to the year 1852. This is directly against the policy of the House, for the Committee on War Claims has refused thus far at this session and in the past two or three sessions to take up matters which occurred during the Civil War and some time subsequent to that.

Mr. KNUTSON. The gentleman is in error when he states that the Committee on War Claims has done that.

Mr. UNDERHILL. That is my understanding, at least. My understanding is that the committee has passed a rule in the committee refusing to take up such claims at this session, and it passed the same rule at the last session.

Mr. LEAVITT. This, of course, is not a war claim. It is a claim by Indians against their Government for losses incurred through the actions of people of the white race. It has to do with the robbing of these Indians by some of those who went into California at the time of the gold rush. They have been trying for many years to get into the Court of Claims and adjudicate their claims. It has not been due to failure on their part that they have not been in the Court of Claims. If justice is to be done them, the statute of limitations must be waived. The gentleman from California [Mr. LEA] has asked that the bill be passed over temporarily while he is getting information from the Commissioner of Indian Affairs regarding an amendment.

Mr. UNDERHILL. Mr. Speaker, I want to continue for a moment. I have picked out the most reasonable bill of this character, the one that has the best argument back of it that I could possibly find, to bring this matter to the attention of the House. I will say in connection with this particular bill that not one of the Indians whose land was taken is living. The Indians of our land are becoming the wealthiest of our people.

Mr. LEAVITT. Not these Indians.

Mr. UNDERHILL. "Solomon in all his glory was not arrayed like one of these," and yet "they toil not, neither do they spin." We are constantly passing out from the Treasury of the United States, not one million dollars, or two millions, but many millions, to the Indians, and I am getting, I will say, not rather suspicious, but of an inquiring turn of mind to find out why this particular group should be subject to treatment different from the treatment accorded white people and other people of the land.

Mr. LEAVITT. It would be just as fair to say that all the white people of the country are rich simply because John D. Rockefeller is a multimillionaire as to make that statement. The Osage Indians and other tribes of Oklahoma are rich because of the discovery of oil on their land. But these Indians in California are destitute, except as the result of their own labor, and they do work.

Mr. UNDERHILL. Are they wards of the Government, under the jurisdiction of and supported by the United States?

Mr. LEAVITT. Many of them are, and many of them are not.

Mr. CRAMTON. Mr. Speaker, if the gentleman will yield, the bill is an unusual bill. I do not want to make a strong general statement concerning it, but I do not believe there is any State where they criticize more the Federal Government for lack of care of the Indians and do less for them than the State of California. Here the State of California is to bring a suit, and later there is an unlimited amount to which the State may be reimbursed. They are not even limited to the amount the State expends. The State may be reimbursed and find this a very profitable undertaking, this care they are giving the Indians.

Furthermore, on page 3, the bill provides that the Government may set off against the Indians' claims any amount expended under specific appropriations, but we spend a lot more under general appropriations than we do under specific appropriations. Any money that we spend for the benefit of these Indians under general appropriations, and it will run into the millions, can not be set off under this bill. For that and a number of other reasons I think it very desirable that the bill go over as suggested.

Mr. UNDERHILL. Will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. UNDERHILL. I have not mentioned what is a strong suspicion in my mind, that these various bills which come before us are raked up by claims attorneys here in Washington, and the way this bill is drawn is pretty conclusive evidence that some shrewd claims lawyer had a finger in the pie or pen in the ink when he wrote the bill.

Mr. LEAVITT. The gentleman knows that the proceeding in this case is by the attorney general of California.

Mr. UNDERHILL. But he did not write the provisions of the bill.

Mr. CRAMTON. In that connection I will say that section 5 provides that we shall not reimburse the State for the services of the attorney general, but for moneys expended by the State in the employment of attorneys to prosecute the claims. So on the face of it the attorney general is not going to prosecute the claims.

There is one other aspect to this case, since it has gotten to the attention of the House. The Budget suggested in this particular case that the bill would be all right if it carried with it also a provision that after this settlement is made the health and education work for these Indians should be carried on by the State of California. That is logical. When we make a settlement and pay them every cent, if any, we owe them, then the State of California should take up the burden of educating them and caring for their health, the same as it does for its other citizens. However, I would be opposed to that provision for the reason that I do not think the State of California would or could give them the care that the Federal Government is now giving them and should continue to give them.

Mr. KNUTSON. The gentleman is not criticizing the committee for not incorporating the suggestion of the Budget Bureau into this legislation, I take it.

Mr. CRAMTON. But since the report of the committee leaves upon the Federal Government all the burden for continuing their health work and their education that is upon it now, the bill itself is hardly logical.

Mr. LEAVITT. Will the gentleman yield?

Mr. CRAMTON. I yield, although I do not have the floor.

Mr. LEAVITT. I do not wish to take time from other bills, but since this bill has been attacked I ought to say this: In this case, just as in the case of the Texas Indians, something can be said with regard to the duties of the State, but the Indians themselves are in destitute circumstances; they are in many cases wards of the Government and in many cases where they have not been they have not been properly treated. It is a practical fact that unless the Federal Government does do this thing itself it is not done and the Indians are the sufferers.

Mr. CRAMTON. Just as an illustration, may I ask the gentleman from Montana this: We are now appropriating moneys to buy lands for the homeless Indians in California. Suppose this bill passes, claims are allowed, and there is a million dollars, or such a matter——

Mr. UNDERHILL (interposing). Two million dollars.

Mr. CRAMTON. They hope for $5,000,000, but they should not have over $1,000,000 at the outside. But suppose this bill passes, and settlement is made, and the money is frittered away. Then they expect us to go on just the same in buying lands for the homeless Indians of California, and they will be just as needy and just as much of an obligation as they are to-day. If this is to go through, there ought to be some provision written into the bill which would provide that whatever money is found to be due them shall constitute a fund which is to be expended for their benefit, which is to be expended for the purpose of buying lands for them and the providing of hospitals, and so forth.

Mr. KNUTSON. That is exactly what is contemplated.

Mr. CRAMTON. And the money ought not to be frittered away in some kind of a per capita payment.

Mr. KNUTSON. That is exactly what is contemplated.

Mr. CRAMTON. I should like to see it written into the law.

Mr. TILLMAN. Mr. Speaker, I ask for the regular order.

The SPEAKER pro tempore. The regular order is: Is there objection?

Mr. BLACK of Texas. Mr. Speaker, I object.

Mr. LEAVITT. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

Mr. BLACK of Texas. Mr. Speaker, if the gentleman from Montana desires to make that request I shall withdraw my objection.

Mr. LEAVITT. Mr. Speaker, I make that request at the suggestion of the gentleman from California [Mr. LEA].

The SPEAKER pro tempore. The gentleman from Montana asks unanimous consent that this bill may be passed over without prejudice. Is there objection?

There was no objection.

RELIEF OF THE STATE OF VERMONT

The next business on the Consent Calendar was the bill (H. R. 9767), to authorize an appropriation for the relief of the State of Vermont on account of roads and bridges damaged or destroyed by the recent flood.

The Clerk read the title of the bill.

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

Mr. CRAMTON. Mr. Speaker, reserving the right to object, this bill is not quite as serious as the Kentucky bill, which we recently passed over. That bill placed on the Federal Government the responsibility for all roads. This, I understand, is only for the Federal-aid roads, but it is a very large amount. I understand it has been put on as an amendment to the agricultural bill. For these reasons I think it ought not to be on this calendar and I, therefore, object.

EDUCATIONAL LEAVE TO EMPLOYEES OF THE INDIAN SERVICE

The next business on the Consent Calendar was the bill (H. R. 11629) to amend the proviso of the act approved August 24, 1912, with reference to educational leave to employees of the Indian Service.

The SPEAKER pro tempore (Mr. SNELL). Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, I have some perfecting amendments, and may I call the attention of the gentleman to the fact that in referring to the United States Code it is customary to refer to sections and not to paragraphs, because there are paragraphs in the sections, and it is the sections that are numbered.

Then may I also suggest that we strike out everything after the word "amended" in line 8, down to the words "so that the proviso shall read," and then will follow the amended proviso. Otherwise we will have in our statutes a provision striking out certain words and inserting others. It is quite proper to report the bill in this way for the information of the House, but when you write it into law the gentleman can readily see the difficulty of inserting, for instance, in the fourth line certain words after the word "year." What the gentleman wants is that the act be, and the same is hereby, amended so that the proviso shall read, and so forth.

Mr. LEAVITT. There can be no objection to that. The bill is practically in the form in which it came from the department.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the proviso of the act approved August 24, 1912 (37 Stat. L. 519), as amended by the act approved August 24, 1922 (42 Stat. L. 829), be, and the same is hereby, amended by inserting in the second line of the sixth paragraph thereof, after the word "schools," the words "and physicians of the Indian Service," and by inserting in the fourth line thereof, after the word "year," the words "or not to exceed 60 days in every alternate year," so that the proviso shall read: "*Provided*, That hereafter employees of the Indian schools and physicians of the Indian Service may be allowed, in addition to annual leave, educational leave not to exceed 30 days per calendar year, or 60 days in every alternate year, for attendance at educational gatherings, conventions, institutions, or training schools, if the interest of the service require, and under such regulations as the Secretary of the Interior may prescribe, and no additional salary or expense on account of this leave of absence shall be incurred."

With the following committee amendment:

Page 1, line 4, after the figures "519," insert the words "United States Code, title 25, paragraph 275"; and page 1, line 7, after the figures "829," insert the words "United States Code, title 25, paragraph 275."

Mr. LAGUARDIA. Mr. Speaker, I have an amendment to the committee amendment.

The SPEAKER pro tempore. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA to the committee amendment: Page 1, line 8, after the word "amended," strike out the balance of the line and all of line 9; and on page 2 strike out all of lines 1, 2, 3, and the words "in every alternate year" in line 4.

The amendment to the committee amendment was agreed to.

The committee amendment as amended was agreed to.

Mr. LAGUARDIA. Mr. Speaker, I have another amendment: On page 1, line 5, strike out the word "paragraph" and insert in lieu thereof the word "section," and in line 7 strike out the word "paragraph" and insert in lieu thereof the word "section."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

BRIDGE ACROSS THE WABASH RIVER

The next business on the Consent Calendar was the bill (H. R. 9485) granting the consent of Congress to Roy Clippinger, Ulys Pyle, Edgar Leathers, Groves K. Flescher, Carmen Flescher, their heirs, legal representatives, and assigns, to construct, maintain, and operate a bridge across the Wabash River.

The Clerk read the title of the bill.

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

Mr. SCHAFER. Mr. Speaker, reserving the right to object, I would like to ask the author of the bill if Roy Clippinger and the other parties mentioned in the bill are going to construct this bridge or whether they are bridge speculators, such as have been obtaining rights from Congress to construct bridges and then selling such rights to the big bridge trust?

Mr. WILLIAMS of Illinois. The parties named in the bill are all residents of the vicinity where this bridge is to be constructed. They now own and operate a ferry across the Wabash River at this point and they intend to build the bridge themselves.

Mr. SCHAFER. I shall not object.

Mr. DYER. Will the gentleman yield?

Mr. WILLIAMS of Illinois. Yes.

Mr. DYER. Are they going to charge tolls on the bridge?

Mr. WILLIAMS of Illinois. Certainly.

Mr. LAGUARDIA. Does the gentleman know of his own knowledge if permission to construct a bridge has been granted to the permittees mentioned in this bill heretofore and whether they have assigned any such permit?

Mr. WILLIAMS of Illinois. No, sir; they have not.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to Roy Clippinger, Ulys Pyle, Edgar Leathers, Groves K. Flescher, Carmen Flescher, their heirs, legal representatives, and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Wabash River at a point suitable to the interests of navigation between a point at or near McGregors Ferry in White County, Ill., and a point in Posey County, Ind., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon Roy Clippinger, Ulys Pyle, Edgar Leathers, Groves K. Flescher, Carmen Flescher, their heirs, legal representatives, and assigns, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches and terminals as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the States in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation and expropriation of property in such State.

SEC. 3. The said Roy Clippinger, Ulys Pyle, Edgar Leathers, Groves K. Flescher, Carmen Flescher, their heirs, legal representatives, and assigns, are hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1906.

SEC. 4. After the completion of such bridge, as determined by the Secretary of War, either the State of Indiana, the State of Illinois, any political subdivision of either of such States, within or adjoining which any part of such bridge is located, or any two or more of them jointly, may at any time acquire and take over all right, title, and interest in such bridge and its approaches, and any interest in real property necessary therefor, by purchase or by condemnation in accordance with the laws of either of such States governing the acquisition of private property for public purposes by condemnation. If at any time after the expiration of 50 years after the completion of such bridge the same is acquired by condemnation, the amount of damages or compensation to be allowed shall not include good will, going value, or prospective revenues or profits, but shall be limited to the sum of (1) the actual cost of constructing such bridge and its approaches, less a reasonable deduction for actual depreciation in value, (2) the actual cost of acquiring such interests in real property, (3) actual financing and promotion cost, not to exceed 10 per cent of the sum of the cost of constructing the bridge and its approaches and acquiring such interest in real property, and (4) actual expenditures for necessary improvements.

SEC. 5. If such bridge shall be taken over or acquired by the States or political subdivisions thereof as provided in section 4 of this act, and if tolls are charged for the use thereof, the rates of toll shall be so adjusted as to provide a fund sufficient to pay for the cost of maintaining, repairing, and operating the bridge and its approaches, to pay an adequate return on the cost thereof, and to provide a sinking fund sufficient to amortize the amount paid therefor as soon as possible under reasonable charges, but within a period of not to exceed 20 years from the date of acquiring the same. After a sinking fund sufficient to pay the cost of acquiring the bridge and its approaches shall have been provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper care, repair, maintenance, and operation of the bridge and its approaches. An accurate record of the amount paid for acquiring the bridge and its approaches, the expenditures for operating, repairing, and maintaining the same, and of the daily tolls collected shall be kept, and shall be available for the information of all persons interested.

SEC. 6. Roy Clippinger, Ulys Pyle, Edgar Leathers, Groves K. Flescher, Carmen Flescher, their heirs, legal representatives, and assigns, shall within 90 days after the completion of such bridge file with the Secretary of War and with the State highway commissions of the States of Indiana and Illinois, a sworn itemized statement showing the actual original cost of constructing such bridge and its approaches, the actual cost of acquiring any interest in real property necessary therefor, and the actual financing and promotion costs. The Secretary of War, at any time within three years after the completion of such bridge, shall investigate the actual cost of constructing the same and for such purpose the said Roy Clippinger, Ulys Pyle, Edgar Leathers, Groves K. Flescher, Carmen Flescher, their heirs, legal representatives, and assigns, shall make available all its records in connection with the financing and construction thereof. The findings of the Secretary of War as to the actual original cost of the bridge shall be conclusive, subject only to review in a court of equity for fraud or gross mistake.

SEC. 7. The right to sell, assign, transfer, and mortgage all the rights, powers, and privileges conferred by this act, is hereby granted to Roy Clippinger, Ulys Pyle, Edgar Leathers, Groves K. Flescher, Carmen Flescher, their heirs, legal representatives, and assigns, and any corporation to which or any person to whom such rights, powers, and privileges may be sold, assigned, or transferred, or who shall acquire the same by mortgage foreclosure or otherwise, is hereby authorized and empowered to exercise the same as fully as though conferred herein directly upon such corporation or person.

SEC. 8. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That in order to facilitate interstate commerce, improve the Postal Service, and provide for military and other purposes, Roy Clippinger, Ulys Pyle, Edgar Leathers, Groves K. Flescher, Carmen Flescher, their heirs, legal representatives, and assigns, be, and are hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Wabash River, at a point suitable to the interests of navigation, at or near McGregors Ferry in White County, Ill., and a point in Posey County, Ind., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

"SEC. 2. There is hereby conferred upon Roy Clippinger, Ulys Pyle, Edgar Leathers, Groves K. Flescher, Carmen Flescher, their heirs, legal representatives, and assigns, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

"SEC. 3. The said Roy Clippinger, Ulys Pyle, Edgar Leathers, Groves K. Flescher, Carmen Flescher, their heirs, legal representatives, and assigns, are hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1906.

"SEC. 4. After the completion of such bridge, as determined by the Secretary of War, either the State of Illinois, the State of Indiana, any public agency or political subdivision of either of such States, within or adjoining which any part of such bridge is located, or any two or more of them jointly, may at any time acquire and take over all right, title, and interest in such bridge and its approaches, and any interest in real property necessary therefor, by purchase or by condemnation or expropriation, in accordance with the laws of either of such States governing the acquisition of private property for public purposes by condemnation or expropriation. If at any time after the expiration of 20 years after the completion of such bridge the same is acquired by condemnation or

expropriation, the amount of damages or compensation to be allowed shall not include good will, going value, or prospective revenues or profits, but shall be limited to the sum of (1) the actual cost of constructing such bridge and its approaches, less a reasonable deduction for actual depreciation in value, (2) the actual cost of acquiring such interests in real property, (3) actual financing and promotion costs, not to exceed 10 per cent of the sum of the cost of constructing the bridge and its approaches and acquiring such interests in real property, and (4) actual expenditures for necessary improvements.

"SEC. 5. If such bridge shall be taken over or acquired by the States or public agencies or political subdivisions thereof, or by either of them, as provided in section 4 of this act, and if tolls are thereafter charged for the use thereof, the rates of toll shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the amount paid therefor, including reasonable interest and financing cost, as soon as possible under reasonable charges, but within a period of not to exceed 20 years from the date of acquiring the same. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management. An accurate record of the amount paid for acquiring the bridge and its approaches, the actual expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested.

"SEC. 6. The said Roy Clippinger, Ulys Pyle, Edgar Leathers, Groves K. Flescher, Carmen Flescher, their heirs, legal representatives, and assigns, shall within 90 days after the completion of such bridge file with the Secretary of War, and with the highway departments of the States of Illinois and Indiana, a sworn itemized statement showing the actual original cost of constructing the bridge and its approaches, the actual cost of acquiring any interest in real property necessary therefor, and the actual financing and promotion costs. The Secretary of War may, and upon request of the highway department of either of such States shall, at any time within three years after the completion of such bridge, investigate such costs and determine the accuracy and the reasonableness of the costs alleged in the statement of costs so filed, and shall make a finding of the actual and reasonable costs of constructing, financing, and promoting such bridge; for the purpose of such investigation the said Roy Clippinger, Ulys Pyle, Edgar Leathers, Groves K. Flescher, Carmen Flescher, their heirs, legal representatives, and assigns, shall make available all of their records in connection with the construction, financing, and promotion thereof. The findings of the Secretary of War as to the reasonable costs of the construction, financing, and promotion of the bridge shall be conclusive for the purposes mentioned in section 4 of this act, subject only to review in a court of equity for fraud or gross mistake.

"SEC. 7. The right to sell, assign, transfer, and mortgage all the rights, powers, and privileges conferred by this act is hereby granted to Roy Clippinger, Ulys Pyle, Edgar Leathers, Groves K. Flescher, Carmen Flescher, their heirs, legal representatives, and assigns, and any corporation to which or any person to whom such rights, powers, and privileges may be sold, assigned, or transferred, or who shall acquire the same by mortgage foreclosure or otherwise, is hereby authorized and empowered to exercise the same as fully as though conferred herein directly upon such corporation or person.

"SEC. 8. The right to alter, amend, or repeal this act is hereby expressly reserved."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

Amend the title so as to read: "A bill authorizing Roy Clippinger, Ulys Pyle, Edgar Leathers, Groves K. Flescher, Carmen Flescher, their heirs, legal representatives, and assigns, to construct, maintain, and operate a bridge across the Wabash River at or near McGregors Ferry in White County, Ill."

A motion to reconsider was laid on the table.

BRIDGE ACROSS LAKE CHAMPLAIN

The next business on the Consent Calendar was the bill (H. R. 10643) authorizing the Gulf Coast Properties (Inc.), its successors and assigns, to construct, maintain, and operate a bridge across Lake Champlain at or near Rouses Point, N. Y., and a point at or near Alburg, Vt.

The Clerk read the title of the bill.

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

Mr. LAGUARDIA. Reserving the right to object, I ask the gentleman if the permittees have been granted permission to construct other bridges which they have assigned?

Mr. DENISON. The gentleman from New York just presiding as Speaker pro tempore is the author of this bill, and I will yield to him to answer the gentleman's question.

Mr. SNELL. What is the question?

Mr. LAGUARDIA. We have a situation here which is stated in documents of which I have photostatic copies whereby it has been the practice of a certain group to obtain these permits to construct bridges and then assign them to others. I deem it my duty to make this inquiry in all of these bridge bills.

Mr. SNELL. I can answer the gentleman. This company is going to construct the bridge itself. They have the money and are doing it at the request of the local people on both sides of the river in New York and the State of Vermont.

The SPEAKER pro tempore (Mr. CHINDBLOM). The Clerk will read the bill.

The Clerk read as follows:

A bill (H. R. 10643) authorizing the Gulf Coast Properties (Inc.), its successors and assigns, to construct, maintain, and operate a bridge across Lake Champlain at or near Rouses Point, N. Y., and a point at or near Alburg, Vt.

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the Gulf Coast Properties (Inc.), its successors and assigns, be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across Lake Champlain, at a point suitable to the interests of navigation, between a point at or near Rouses Point, N. Y., and a point at or near Windmill Point, Vt., or near Alburg, Vt., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon Gulf Coast Properties (Inc.), its successors and assigns, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The said Gulf Coast Properties (Inc.), its successors and assigns, is hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1906.

SEC. 4. After the completion of such bridge, as determined by the Secretary of War, either the State of New York, the State of Vermont, any public agency or political subdivision of either of such States within or adjoining which any part of such bridge is located, or any two or more of them jointly, may at any time acquire and take over all right, title, and interest in such bridge and its approaches and any interest in real property necessary therefor, by purchase or by condemnation or expropriation, in accordance with the laws of either of such States governing the acquisition of private property for public purposes by condemnation or expropriation. If at any time after the expiration of 20 years after the completion of such bridge the same is acquired by condemnation or expropriation, the amount of damages or compensation to be allowed shall not include good will, going value, or prospective revenues or profits, but shall be limited to the sum of (1) the actual cost of constructing such bridge and its approaches, less a reasonable deduction for actual depreciation in value; (2) the actual cost of acquiring such interests in real property; (3) actual financing and promotion costs, not to exceed 10 per cent of the sum of the cost of constructing the bridge and its approaches and acquiring such interests in real property; and (4) actual expenditures for necessary improvements.

SEC. 5. If such bridge shall at any time be taken over or acquired by the States or public agencies or political subdivisions thereof, or by either of them, as provided in section 4 of this act, and if tolls are thereafter charged for the use thereof, the rates of toll shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the amount paid therefor, including reasonable interest and financing cost, as soon as possible under reasonable charges, but within a period of not to exceed 20 years from the date of acquiring the same. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management. An accurate record

of the amount paid for acquiring the bridge and its approaches, the actual expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested.

SEC. 6. The Gulf Coast Properties (Inc.), its successors and assigns, shall within 90 days after the completion of such bridge file with the Secretary of War and with the highway departments of the States of New York and Vermont a sworn itemized statement showing the actual original cost of constructing the bridge and its approaches, the actual cost of acquiring any interest in real property necessary therefor, and the actual financing and promotion costs. The Secretary of War may, and upon request of the highway department of either of such States shall, at any time within three years after the completion of such bridge, investigate such costs and determine the accuracy and the reasonableness of the costs alleged in the statement of costs so filed, and shall make a finding of the actual and reasonable costs of constructing, financing, and promoting such bridge; for the purpose of such investigation the said Gulf Coast Properties (Inc.), its successors and assigns, shall make available all of its records in connection with the construction, financing, and promotion thereof. The findings of the Secretary of War as to the reasonable costs of the construction, financing, and promotion of the bridge shall be conclusive for the purposes mentioned in section 4 of this act, subject only to review in a court of equity for fraud or gross mistake.

SEC. 7. The right to sell, assign, transfer, and mortgage all the rights, powers, and privileges conferred by this act is hereby granted to Gulf Coast Properties (Inc.), its successors and assigns, and any corporation to which or any person to whom such rights, powers, and privileges may be sold, assigned, or transferred, or who shall acquire the same by mortgage foreclosure or otherwise, is hereby authorized and empowered to exercise the same as fully as though conferred herein directly upon such corporation or person.

SEC. 8. 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 "Properties" insert a comma, strike out the word "(Incorporated)" and insert the word "Inc." in lieu thereof.

Page 2, line 8, after the word "Act" change the period to a colon and insert the following: "*Provided*, That such bridge shall not be so located as to interfere with the landings and the cable used for the operation of the existing ferry between Rouses Point and Alburg."

Page 2, line 10, after the word "Properties" insert a comma, strike out the word "(Incorporated)" and insert the word "Inc." in lieu thereof.

Page 2, line 22, after the word "Properties" insert a comma, strike out the phrase "(Incorpo-" and insert the word "Inc." in lieu thereof.

Page 2, line 23, strike out the phrase "rated)."

Page 5, line 1, after the word "Properties" insert a comma, strike out the word "(Incorporated)" and insert the word "Inc." in lieu thereof.

Page 5, line 17, after the word "Properties" insert a comma, strike out the word "(Incorporated)" and insert the word "Inc." in lieu thereof.

Page 6, line 3, after the word "Properties" insert a comma, strike out the word "(Incorporated)" and insert the word "Inc." in lieu thereof.

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill authorizing the Gulf Coast Properties, Inc., its successors and assigns, to construct, maintain, and operate a bridge across Lake Champlain at or near Rouses Point, N. Y."

A motion to reconsider was laid on the table.

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

The next business on the Consent Calendar was the bill (H. R. 11138) authorizing Point Pleasant Henderson Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Kanawha River at or near Point Pleasant, W. Va.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. COCHRAN of Missouri. Mr. Speaker, reserving the right to object, I have talked with the gentleman who introduced the bill, and he assures me that the people who are to construct this bridge do not propose to assign their rights. As Members know, I have been objecting to Eugene M. Elliott and his associates, as well as any corporation in which he is interested, from securing additional grants. I find Mr. Elliott has numerous corporations. I have copies of charters, and he controls practically all the stock. I also found that he assigns the franchises and does not construct the bridges.

Now, it is going to be a pretty hard matter for a Member to keep track of all the bills as well as learn the officers of the corporations who are asking for permits to build the bridges. I want to ask the gentleman from Illinois if it would be requesting too much if his committee required corporations or the Member who introduces the bill to file a statement with the committee, to be included in the report, giving the names and officers of the corporation, and a statement as to whether they propose to build the bridge or to assign their rights? I am sure this would assist to expedite business of the House. If we could get this information from the report, and it was found the persons requesting the passage of the bill intended to construct the bridge and not simply to sell the franchise, I doubt if any Member would offer an objection, unless a local situation warranted the action.

Mr. DENISON. In these bridge franchises granted by Congress, if they are granted to private individuals or companies, the bills give the right to assign. Sometimes the companies or persons authorized to build a bridge may fail financially after they get the bridge started, and before it is completed, and they assign the franchise to somebody who will finish the job. After careful consideration it has been found necessary to give the right to assign. That is the policy of the House and Senate, and it is a necessary provision in any bill granting a franchise to private individuals to build a bridge.

As to the committee ascertaining who the officers of the company are, that is a matter with which the committee is not concerned. Any Member of Congress can see the Member who introduces the bill and get the information from him. If he ascertains any facts concerning the company or the individuals who are going to construct the bridge which he thinks would justify him in objecting, he has that privilege. That is a matter the Committee on Interstate and Foreign Commerce does not have time to go into.

Mr. COCHRAN of Missouri. I want to say that my interest is only in protecting the people.

Mr. DENISON. I understand the gentleman's interest.

Mr. COCHRAN of Missouri. Numerous bills were passed for Mr. Elliott and his corporations before I made my statement on the floor. Since then bills have been introduced; two were on the Consent Calendar which were objected to by me, and I do not see them on the calendar to-day. I want to ask the gentleman if it is his purpose to call up the bills?

Mr. DENISON. To what bills does the gentleman refer?

Mr. COCHRAN of Missouri. One is in the name of E. M. Elliott & Associates, and the other in the name of the American Bridge & Ferry Co., which he controls. One is over the Mississippi River at St. Louis and the other is over the Missouri River between St. Louis and St. Charles Counties, in Missouri.

Mr. DENISON. May I ask the gentleman who introduced the bills?

Mr. COCHRAN of Missouri. My colleague, Mr. NIEDRINGHAUS, who had no knowledge at the time of the activities of Mr. Elliott.

Mr. DENISON. Let me say that as I understand it those bills have been objected to and are off the calendar.

Mr. COCHRAN of Missouri. Yes; but they can be put back.

Mr. DENISON. The Committee on Interstate and Foreign Commerce does not request bills to be put on the Consent Calendar after they have once been objected to. That is the business of the author of the bill. Sometimes the author may come and request some member of the committee to do it, but the members of the committee have no personal interest in these bills. The bills referred to will not get back on the Consent Calendar unless the gentleman from Missouri [Mr. NIEDRINGHAUS] requests the Clerk to put them on.

Mr. COCHRAN of Missouri. In view of the statement made by the gentleman from Illinois, and in view of the fact that there is a bill pending before the gentleman's committee now granting a franchise to Mr. Elliott or the American Bridge & Ferry Co., will the committee report that bill to the House if the department makes a favorable report?

Mr. DENISON. Mr. Speaker, I do not know the bill the gentleman has reference to.

Mr. KING. Mr. Speaker, I demand the regular order.

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

Mr. SCHAFER. I object.

Mr. HUGHES. Mr. Speaker, I hope the gentleman will not object.

Mr. COCHRAN of Missouri. Mr. Speaker, I ask unanimous consent to proceed for 10 minutes. I think I can settle this matter to-day.

Mr. DENISON. Mr. Speaker, I shall object to that at this time.

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

Mr. HUGHES. Mr. Speaker, this bill has been passed by the Senate, and we expect to substitute the Senate bill for the House bill.

Mr. SCHAFER. Mr. Speaker, I withdraw the objection.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. HUGHES. Mr. Speaker, I ask unanimous consent that the Senate bill be read in lieu of the House bill.

The SPEAKER pro tempore. Without objection the Clerk will read the Senate bill (S. 3558).

There was no objection, and the Clerk read as follows:

Be it enacted, etc., That in order to promote interstate commerce, improve the postal service, and provide for military and other purposes, the Point Pleasant Henderson Bridge Co., its successors and assigns, be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Kanawha River, at a point suitable to the interests of navigation, at or near Point Pleasant, W. Va., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 22, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. After the completion of such bridge, as determined by the Secretary of War, either the State of West Virginia, any political subdivision thereof within or adjoining which any part of such bridge is located, or any two or more of them jointly, may at any time acquire and take over all right, title, and interest in such bridge and its approaches, and any interest in real property necessary therefor, by purchase or by condemnation or expropriation, in accordance with the laws of such State governing the acquisition of private property for public purposes by condemnation or expropriation. If at any time after the expiration of 20 years after the completion of such bridge the same is acquired by condemnation or expropriation, the amount of damages or compensation to be allowed shall not include good will, going value, or prospective revenues or profits, but shall be limited to the sum of (1) the actual cost of constructing such bridge and its approaches, less a reasonable deduction for actual depreciation in value; (2) the actual cost of acquiring such interests in real property; (3) actual financing and promotion cost, not to exceed 10 per cent of the sum of the cost of constructing the bridge and its approaches and acquiring such interests in real property; and (4) actual expenditures for necessary improvements.

SEC. 3. If such bridge shall at any time be taken over or acquired by the State of West Virginia, or by any municipality or other political subdivision or public agency thereof, under the provisions of section 2 of this act, and if tolls are thereafter charged for the use thereof, the rates of toll shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management and to provide a sinking fund sufficient to amortize the amount paid therefor, including reasonable interest and financing cost, as soon as possible under reasonable charges, but within a period of not to exceed 20 years from the date of acquiring the same. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management. An accurate record of the amount paid for acquiring the bridge and its approaches, the actual expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 4. The Point Pleasant Henderson Bridge Co., its successors and assigns, shall, within 90 days after the completion of such bridge, file with the Secretary of War and with the highway department of the State of West Virginia, a sworn itemized statement showing the actual original cost of constructing the bridge and its approaches, the actual cost of acquiring any interest in real property necessary therefor, and the actual financing and promotion costs. The Secretary of War may, and at the request of the highway department of the State of West Virginia, shall, at any time, within three years after the completion of such bridge, investigate such costs and determine the accuracy and the reasonableness of the costs alleged in the statement of costs so filed, and shall make a finding of the actual and reasonable costs of constructing, financing, and promoting such bridge; for the purpose of such investigation the said Point Pleasant Henderson Bridge Co., its successors and assigns, shall make available all of its records in connection with the construction, financing, and promotion thereof. The findings of the Secretary of War as to the reasonable costs of the construction, financing, and promotion of the bridge shall be conclusive for the purposes mentioned in section 2 of this act, subject only to review in a court of equity for fraud or gross mistake.

SEC. 5. The right to sell, assign, transfer, and mortgage all the rights, powers, and privileges conferred by this act is hereby granted to Point Pleasant Henderson Bridge Co., its successors and assigns, and any corporation to which or any person to whom such rights, powers, and privileges may be sold, assigned, or transferred, or who shall acquire the same by mortgage foreclosure or otherwise, is hereby authorized and empowered to exercise the same as fully as though conferred herein directly upon such corporation or person.

SEC. 6. 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 "Pleasant," insert the word "and."
Page 4, line 5, after the word "Pleasant," insert the word "and."
Page 4, line 21, after the word "Pleasant," insert the word "and."
Page 5, line 6, after the word "Pleasant," insert the word "and."

Mr. SCHAFER (when the Clerk had read section 1). Mr. Speaker, I move to strike out the last word in order to ask the gentleman from Illinois [Mr. DENISON] whether his committee holds hearings on these bridge bills, and whether those interested in obtaining these vested interests appear before the committee or the subcommittee so that the committee can develop the necessity for the bridges, and who are behind the bills?

Mr. DENISON. Mr. Speaker, whenever a bill of this kind is referred to the Committee on Interstate and Foreign Commerce, the committee refers it to the different departments of the Government for a report. If there is no objection presented to the committee by any Member of the House or anyone else, then the committee requires a statement to be filed by the author of the bill giving the committee certain information, if it is to be a privately constructed bridge. If the Member of the House who files the bill makes a satisfactory statement as to the facts about which he is asked for information, the committee puts the bill in proper shape to conform to the standard forms agreed upon by the committees of the House and Senate, and then reports the bill favorably. If anyone asks for a hearing, he is given one.

Mr. SCHAFER. If the committee has knowledge that the franchises are requested by speculators who have no intention themselves of constructing the bridge, but merely obtain the right to construct and sell out at a handsome profit to some other corporation, would the gentleman's committee favor continuing that practice?

Mr. DENISON. Not at all, if the committee had that information, but we do not have that information. We will be glad to have the gentleman from Wisconsin or anyone else give us any information of that kind.

The Clerk concluded the reading of the bill.

The committee amendments were agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill authorizing Point Pleasant and Henderson Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Kanawha River at or near Point Pleasant, W. Va."

A motion to reconsider the vote by which the bill was passed was laid on the table.

A similar House bill (H. R. 11138) was laid on the table.

BRIDGE ACROSS OCMULGEE RIVER, GA.

The next business on the Consent Calendar was the bill (H. R. 11203) granting the consent of Congress to the counties of Telfair and Coffee to construct, maintain, and operate a free highway bridge across the Ocmulgee River between a point at or near lands owned by Duncan McLean in Coffee County and a point at or near the northern terminus of the present Jacksonville Ferry in Telfair County, said bridge to be at or near said ferry on a public road to be constructed from McRae in Telfair County to Broxton and Douglas in Coffee County.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the counties of Telfair and Coffee to construct, maintain, and operate a free highway bridge across the Ocmulgee River between a point at or near lands owned by Duncan McLean in Coffee County and a point at or near the northern terminus of the present Jacksonville Ferry in Telfair County, said bridge to be at or near said ferry on a public road to be constructed from McRae in Telfair County to Broxton and Douglas in Coffee County, in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 1, line 4, after the word "Coffee" insert "State of Georgia".

Page 2, line 1, strike out "between a point at or near lands owned by Duncan McLean in Coffee County, and a point" and insert "at a point suitable to the interests of navigation", and in line 3, strike out "the northern terminus of" and in line 5 insert the word "Georgia" at the beginning of the line and strike out "said bridge to be at or near said ferry on a public road to be constructed from McRae in Telfair County to Broxton and Douglas in Coffee County."

The committee amendments were agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended to read as follows: "A bill granting the consent of Congress to the counties of Telfair and Coffee to construct, maintain, and operate a free highway bridge across the Ocmulgee River at or near the present Jacksonville ferry in Telfair County, Georgia."

A motion to reconsider the vote by which the bill was passed was laid on the table.

BRIDGE ACROSS THE MISSOURI RIVER, N. DAK.

The next business on the Consent Calendar was the bill (H. R. 11212) authorizing Paul Leupp, his heirs, legal representatives, or assigns, to construct, maintain, and operate a bridge across the Missouri River at or near Stanton, N. Dak.

The Clerk read the title of the bill.

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

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, I ask the gentleman from North Dakota whether to his knowledge the permittees granted in this bill have in the past received similar permission to build other bridges and have assigned such permits to others?

Mr. SINCLAIR. This bill is to permit the county officers of Mercer County to construct this bridge.

Mr. LAGUARDIA. That answers the question.

Mr. COCHRAN of Missouri. Mr. Speaker, reserving the right to object, I want to see if we can not settle this question. In view of the statements that the chairman of the committee knows I made on the floor of the House, in the event that a Member makes a favorable showing as to the necessity for a bridge will the committee report out a bill in which Mr. Elliott or any one of his corporations is to receive the consent of Congress to construct that bridge?

Mr. DENISON. Well, Mr. Speaker, in answer to that question, I can speak only for myself as a member of the committee. I can not express the views of the other members of the committee, but so far as I am concerned I do not have any personal information about the matter the gentleman has referred to. If a Member of this House, upon his responsibility as a Member of the House, files a bill asking Congress to consent to the building of a bridge in his district and he presents the proper evidence to the committee, which we require in all cases, so far as I am concerned I will approve the bill granting the consent of Congress to build the bridge. I have no prejudice against Mr. Elliott or anyone else, and if any Member of Congress on his responsibility asks to grant to him the privilege of building a bridge under those circumstances I shall have no objection.

Mr. LAGUARDIA. Concerning the gentleman's reference to Mr. Elliott, I wish to state that Mr. Elliott is not a proper person for this Congress to give consent to the building of a bridge on his personal assurance.

Mr. COCHRAN of Missouri. Mr. Speaker, I ask unanimous consent that the Clerk may read this document from the United States Federal Court, which shows Eugene M. Elliott was indicted for defrauding the Government; and it is further stated in the indictment——

Mr. DENISON. Mr. Speaker, I object.

Mr. KING. Mr. Speaker, I ask for the regular order.

The SPEAKER pro tempore. The regular order is demanded. The Clerk will report the next bill.

BRIDGE ACROSS THE KANAWHA RIVER, W. VA.

The next business on the Consent Calendar was the bill (H. R. 11265) authorizing the 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.

The title of the bill was read.

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

Mr. SCHAFER. I object.

The SPEAKER pro tempore. Objection is heard. The Clerk will report the next bill.

BRIDGE ACROSS THE MISSISSIPPI RIVER, MINN.

The next business on the Consent Calendar was the 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.

The title of the bill was read.

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

BRIDGE ACROSS THE KANAWHA RIVER, W. VA.

Mr. ENGLAND. Mr. Speaker, I do not know who it was who objected to the consideration of this bill; I mean the bill H. R. 11265. This bridge is to cross the Kanawha River at St. Albans. Local people are behind it.

Mr. SCHAFER. If we can not have information on the activities of a professional bridge speculator, who does not build bridges but speculates upon them, I am going to object to every such bill on this calendar.

The SPEAKER pro tempore. Is there objection to the consideration of the bill H. R. 11265?

Mr. SCHAFER. Mr. Speaker, I will withdraw my objection in the hope that we will have this evidence presented to the House in the near future.

Mr. ENGLAND. Mr. Speaker, I am with the gentleman on that.

The SPEAKER pro tempore. The gentleman from West Virginia asks unanimous consent to return to Calendar No. 490, the bill H. R. 11265. Is there objection?

Mr. DYER. Mr. Speaker, reserving the right to object, I ask unanimous consent to proceed for just one minute.

The SPEAKER pro tempore. Is there objection to the gentleman's request?

There was no objection.

Mr. DYER. I want to say a word with reference to the matter referred to by my colleague, Mr. COCHRAN, concerning the bridge bill introduced by my colleague, Mr. NIEDRINGHAUS, containing the name of Mr. Elliott. Mr. NIEDRINGHAUS is not on the floor. I know from him that he does not know Mr. Elliott. I know that he never met him. He introduced this bill at the request of numerous constituents of his in St. Louis County and also probably of citizens in St. Charles County. I know many of them in St. Louis County expected him to introduce this bill. As I say, he does not know Mr. Elliott and knows nothing about him. I want it understood that whatever may be wrong in this bill, Mr. NIEDRINGHAUS, my colleague, is entirely blameless.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia that we return to the consideration of the bill H. R. 11265?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

Mr. DENISON. Mr. Speaker, I ask unanimous consent that the first reading of the bill be dispensed with.

Mr. COCHRAN of Missouri. I object, Mr. Speaker.

The SPEAKER pro tempore. Objection is heard. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That in order to promote interstate commerce, improve the Postal Service, and provide for military and other purposes, the Cabin Creek Kanawha Bridge Co., its successors and assigns, be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Kanawha River, at a point suitable to the interests of navigation, at or near Cabin Creek, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. After the completion of such bridge, as determined by the Secretary of War, either the State of West Virginia, any political subdivision thereof within or adjoining which any part of such bridge is located, or any two or more of them jointly, may at any time acquire and take over all right, title, and interest in such bridge and its approaches, and any interest in real property necessary therefor, by purchase or by condemnation or expropriation, in accordance with the laws of such State governing the acquisition of private property for public purposes by condemnation or expropriation. If at any time after the expiration of 25 years after the completion of such bridge the same is acquired by condemnation or expropriation, the amount of damages or compensation to be allowed shall not include good will, going value, or prospective revenues or profits, but shall be limited to the sum of (1) the actual cost of constructing such bridge and its approaches, less a reasonable deduction for actual depreciation in value; (2) the actual cost of acquiring such interests in real property; (3) actual financing and promotion cost, not to exceed 10 per cent of the sum of the cost of

constructing the bridge and its approaches and acquiring such interests in real property; and (4) actual expenditures for necessary improvements.

Mr. COCHRAN of Missouri. Mr. Speaker, I move to strike out the last word.

The SPEAKER pro tempore. The gentleman from Missouri moves to strike out the last word. The gentleman is recognized for five minutes.

Mr. COCHRAN of Missouri. Mr. Speaker and gentlemen of the House, I have been objecting to the consideration of bills granting the consent of Congress to one Eugene M. Elliott and associates to build bridges. In my investigation I have discovered that Mr. Elliott had been convicted of defrauding the United States Government and that he was indicted in the District Court of the United States in and for the Southern District of Florida at the regular term, December, 1925, held at Jacksonville, Fla.

I hold in my hand a copy of the indictment, a copy of his plea of guilty, and a copy of the sentence imposed by the court. I ask unanimous consent that I be permitted to publish this in the RECORD as a part of my remarks. It is an official document and contains the seal of the court.

The SPEAKER pro tempore. The gentleman from Missouri asks unanimous consent to extend his remarks by printing a document, reference to which he has just made. Is there objection?

There was no objection.

The document referred to follows:

In the District Court of the United States of America in and for the Southern District of Florida. Regular December term thereof, A. D. 1925, held at Jacksonville, Fla.

The grand jurors of the United States of America, duly impaneled, sworn, and charged to inquire within and for the southern district of Florida, upon their oaths present:

That on, to wit, the 13th day of April, 1923, at St. Petersburg, Fla., in the said southern district of Florida and within the jurisdiction of this court, Eugene M. Elliott, then and there having been duly sworn and having taken an oath before E. Richard Hall, a competent officer, to wit, a notary public of the State of Florida, whose commission expired January 13, 1924, and said E. Richard Hall being then and there duly authorized to take said oath, that said defendant, Eugene M. Elliott having been sworn as aforesaid, did swear that the statements in the income-tax return of said defendant for the calendar year 1922 on Form 1040 of the United States Internal Revenue, had been examined by him and to the best of his knowledge and belief was a true and complete return made in good faith for the taxable period as stated, pursuant to the revenue act of 1921 and regulations issued under the authority thereof, and did subscribe said affidavit, having been duly sworn as aforesaid, did willfully, knowingly, unlawfully, and feloniously and, contrary to such oath, state and subscribe a certain material matter, to wit, that his total income was $13,208.15, which said statement the said defendant then and there did not believe to be true and knew to be untrue in that the true and correct compensation of said Eugene M. Elliott, from the Gandy Bridge Co., of St. Petersburg, Fla., for said calendar year 1922, was $59,404.55, on which there was due to the Government a tax in the amount of $11,667.59, and not $415.48, and that said oath as aforesaid was administered in a case in which a law of the United States authorized an oath to be administered, to wit, that said oath was taken to an individual income-tax return on Form 1040, United States Internal Revenue, as provided in and by the provisions of the revenue act of November 23, 1921.

Contrary to the form of the statute in such case made and provided and against the peace and dignity of the United States of America.

SECOND COUNT

And the grand jurors aforesaid upon their oaths aforesaid do further present:

That on, to wit, the 15th day of March, 1924, at St. Petersburg, Fla., in the said southern district and in the internal-revenue collection district of Florida and within the jurisdiction of this court, Eugene M. Elliott was an individual who was then and there required by law to make to the collector of internal revenue for said collection district, under oath, a return stating specifically the items of his gross income and the deductions and credits allowed under Title II (income tax) of the act of Congress approved November 23, 1921, and entitled, "An act to reduce and equalize taxation, to provide revenue, and for other purposes," by reason of the fact, which said grand jurors, upon their said oath, charge to be the fact, that during the calendar year 1923, he, the said Eugene M. Elliott, had a net income in a large amount, to wit, in the total sum of $206,326.74, arising from business (not including income from partnerships), said amount being paid to the said Eugene M. Elliott as compensation by the Gandy Bridge Co., of St. Petersburg, Fla., upon which said income of said Eugene M. Elliott an income tax under said act of Congress then and there became due to the United States from said Eugene M. Elliott, in the total sum of $90,545.51, one-fourth of which at least should then and there have been paid by said Eugene M. Elliott to said collector of internal revenue; and that said Eugene M. Elliott, on March 15, 1924, at St. Petersburg, Fla., in said southern district of Florida, then and there so being indebted to the United States on account of said tax in this count mentioned, imposed by said title of said act of Congress, unlawfully, willfully, and knowingly did refuse and fail to make the required return, in this count of this indictment above referred to, or any return whatever to the said collector of internal revenue in respect to his said income for said calendar year 1923.

Contrary to the form of the statute in such case made and provided and against the peace and dignity of the United States of America.

WM. M. GOBER,
United States Attorney.

Indorsed: A true bill.

G. D. ACKERLY,
Foreman Grand Jury.

Filed December 11, 1925.

EDWIN R. WILLIAMS, *Clerk.*

Bond fixed at $2,500.

RHYDON M. CALL, *Judge.*

United States District Court, Southern District of Florida

United States of America *v.* Eugene M. Elliott, vio perjury

Comes now Wm. M. Gober, United States attorney who prosecutes for the United States of America, comes also the defendant herein in his own proper person, and upon being arraigned in open court to the indictment heretofore filed herein, enters a plea of guilty as to the second count of said indictment.

Said defendant is now asked in open court if he had anything to say why the sentence of the law should not be passed upon him and saying nothing sufficient, it is considered by the court that the United States of America do have and recover of and from you, Eugene M. Elliott, defendant herein, the sum of $500 as fine imposed herein, including costs.

On motion of the United States attorney, it is ordered that the first count of the indictment herein be, and the same hereby is, dismissed.

In the United States District Court for the Southern District of Florida

UNITED STATES OF AMERICA,
Southern District of Florida:

I, Edwin R. Williams, clerk of the United States District Court in and for the Southern District of Florida and as such the legal custodian of the records and files of said court, do hereby certify that the foregoing is a true and correct copy of the indictment, plea, and sentence in the case of United States of America *v.* Eugene M. Elliott as the same appears from the records and files of said court.

In witness whereof I hereunto set my hand and affix the official seal of said court this 31st day of March, A. D. 1928.

[SEAL.] EDWIN R. WILLIAMS,
Clerk United States District Court,
Southern District of Florida.

UNITED STATES OF AMERICA,
Southern District of Florida:

I, Lake Jones, one of the judges of the District Court of the United States for the Southern District of Florida, do hereby certify that Edwin R. Williams, whose name is subscribed to the preceding exemplification, is the clerk of the said district court, duly appointed and sworn, and that full faith and credit are due to his official acts. I further certify that the seal affixed to the said exemplification is the seal of the said district court, and that the attestation thereof is in due form of law.

Dated at Jacksonville, Fla., this 31st day of March, A. D. 1928.

LAKE JONES,
United States District Judge.

UNITED STATES OF AMERICA,
Southern District of Florida, ss:

I, Edwin R. Williams, clerk of the District Court of the United States for the Southern District of Florida, do hereby certify that Hon. Lake Jones, whose name is subscribed to the preceding certificate, is one of the judges of the District Court of the United States for the Southern District of Florida, duly appointed and sworn, and that the signature of said judge to said certificate is genuine.

In testimony whereof, I have hereunto set my hand and affixed the seal of the said court at the city of Jacksonville, in the southern district of Florida, this 31st day of March, A. D. 1928.

[SEAL.] EDWIN R. WILLIAMS,
Clerk United States District Court,
Southern District of Florida.

Mr. COCHRAN of Missouri. I desire to read the second count of this indictment for the benefit of the members present, to which count Mr. Elliott entered a plea of guilty.

Mr. COCHRAN read the second count.

Mr. KING. Mr. Speaker, I desire, in the interest of time saving, to make the point of order that the gentleman is not talking to his amendment, which was to strike out the last word.

The SPEAKER pro tempore. Does the gentleman from Missouri desire to be heard on the point of order?

Mr. COCHRAN of Missouri. No; it would be useless. I do not care to discuss the point of order.

Mr. KING. Mr. Speaker, I withdraw my point of order.

Mr. COCHRAN of Missouri. I have received the consent of the House to print the transcript of the court record and I now ask unanimous consent to revise and extend my remarks.

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

There was no objection.

The pro forma amendment was withdrawn.

Mr. COCHRAN of Missouri. Mr. Speaker, I regret I found it necessary to bring this indictment to the attention of the Members in this way, but failing to secure an agreement that the committee would not report bills in the future where the consent to construct a bridge was given to Eugene M. Elliott and associates or a corporation in which he is interested I feel it is my duty to Members who might be requested to introduce a bill. Mr. Elliott is operating all over the country. He has been active in Florida, Illinois, Indiana, Ohio, Kentucky, Missouri, and at the present time I am objecting to a bill of his for a bridge in my own city, St. Louis, and another in St. Louis County which adjoins St. Louis. I want it distinctly understood that Members who introduced bills where Mr. Elliott secured consent to construct bridges either in his own name or in the name of a corporation which he controlled or in the name of individuals who agreed in advance to assign the franchise to him, should not be subject to any criticism because at the time they introduced the bills the information I placed before the House was not available to them. For instance, my colleague, Mr. NIEDRINGHAUS, whose district adjoins mine, was asked to introduce two bills. The requests came from the county court of St. Louis County, from the Carondelet Improvement Association which is in the vicinity of one location, and he also received petitions from numerous citizens of both communities to introduce the bills. This was long prior to the time I made my first statement concerning the activities of Mr. Elliott. He followed the same procedure I would have followed myself had I been requested to introduce bills, in the absence of any information whatsoever that the promoters were not proper persons to finance and construct a bridge.

Further, I want it distinctly understood I have no personal grudge against Mr. Elliott. I do not know him, have never met the man. I have received some telegrams from him and one letter. In that letter of March 22, which was in reply to a communication I addressed him on March 14, he said, in part:

> The situation is one I think requires a man to man talk straight across the table and therefore I think I had best wait until I go to Washington.

I immediately replied I would not deny him an interview if he called at my office, but added that unless he could show me that the information I had that he entered a plea of guilty to an indictment in the United States court at Jacksonville, Fla., in which he was accused of defrauding the United States Government in connection with an income-tax return and was fined $500, was false, under no consideration would I agree to withdraw my opposition to bridge bills which granted either Mr. Elliott or a corporation in which he was interested the right to construct a bridge.

Now, Mr. Speaker, I fully realize bridges must be built, but I contend that when the States are not in a position to construct the bridge, then we should have assurance that some responsible person or corporation will construct the bridge and does not apply for a franchise solely for the purpose of assigning it for his financial benefit and who has no idea of being interested in the structure other than from the standpoint of selling the franchise. When I receive proper assurance from Members that public-spirited citizens of a community apply for the franchise or that the corporation applying proposes to build the bridge is responsible and will actually construct the bridge I shall not object.

I feel I have convinced the Members to-day Mr. Elliott should not receive any additional franchises.

It is well known to the Members I am interested in seeing some amendment worked out where a limitation will be placed upon the amount of bonds and other securities that can be issued in connection with a bridge project. I offered an amendment and forced a roll call on my amendment some weeks ago, but the House did not approve of my proposal.

At that time Members expressed the thought it was unwise to ask the Secretary of War to arrive at a cost of construction prior to the building of the bridge. I contended if it could be done after the bridge is built that it could be done prior to start of construction. Under the recapture clause the Secretary of War must arrive at a cost value if requested to do so by the State, county, or city after the bridge is built.

Recently during the debate on the bill which provided for additional employees for the Water Power Commission, the gentleman from Nevada [Mr. ARENTZ], in answer to a question of the gentleman from Alabama [Mr. MCDUFFIE], made the following statement which appears in the RECORD, page 5069, of March 20, 1928:

> Mr. ARENTZ. An individual or a corporation comes to Washington and applies for a license to the Federal Power Commission. He must present to the Federal Power Commission a statement as to the kind of dam he is going to construct, whether or not he has had soundings made on that site, how long and how high the dam is to be, what is to be the cost, where the power plants are to be erected, and how much they will cost, where he is going to run his transmission lines, and how much it will cost, and approximately what the rates will be; and the men in the field must go over these matters item by item, and the men in the office must correlate these facts, and then, on the basis of that, a license is given to the individual or corporation and issued by the Federal Power Commission.
>
> Mr. MCDUFFIE. So I understand, but is not all of that field work done through the Corps of Engineers?
>
> Mr. ARENTZ. Up to this time.
>
> Mr. MCDUFFIE. And it is through the Corps of Engineers that the data is secured to which the gentleman has just referred?
>
> Mr. ARENTZ. Up to this time I must admit that they pick from the Geological Survey an expert on geology and things of that sort; they pick a man from the War Department who knows something about the figures in connection with the construction of dams, and they pick a man from the Interior Department who knows something about water rights to determine whether or not the State has given a permit to this man or this corporation to construct a dam or for the use of that water within the State, because the Federal Power Commission is subordinate to the rights of a State in every case.

The gentleman from Nevada, I understand, is very well informed on the work of the Water Power Commission, and as no one challenged his statement, I accept it as the policy of the commission.

You will note he states the Water Power Commission arrives at the cost of the dam, and so forth, before the license is issued, and furthermore this is in connection with a project where he says the Federal Power Commission which acts for the Government is subordinate to the rights of a State in every case.

Now, I have contended and still contend the State can not object when Congress once says a bridge can be built. You will recall in the last session of the Sixty-ninth Congress the Representatives from the State of Oregon opposed on the floor the construction of a bridge over the Columbia River at Longview, Wash., while the Representatives of the State of Washington advocated its passage. The consent of Congress was finally granted. Since then the State of Oregon, through its highway commission, has been trying to find a way to prevent the construction of this bridge. I have been informed the attorney for the highway commission of Oregon contended in an opinion that the act of Congress consenting to the construction of the bridge was not an expression of the plenary power of Congress but was a consent only, leaving the beneficiaries of the act, or the permittees, subject to the reasonable regulation of the States affected by the construction of the new bridge. Other attorneys took the opposite view. Then the city of Portland and others interested employed Hon. John W. Davis to pass upon the act, and an article in the Portland Oregonian printed last week states Mr. Davis has submitted his opinion, and while the opinion was not printed, the article did say the State authorities can do nothing to prevent the construction of the bridge. Therefore, if Congress grants its consent, I take it that it is not necessary to receive permission from a city, county, or State to proceed with the construction of the bridge. In other words, the Government is in complete control.

Now, if the Water Power Commission can operate, as the gentleman from Nevada [Mr. ARENTZ] says the commission does, why is it unreasonable to ask the engineers of the Army to determine the cost of a bridge before construction, especially

when it is pointed out the engineers of the Army assigned to the Water Power Commission are the ones that determine the cost of dams, and so forth. If it can be done by the Water Power Commission, which is subordinate to the rights of a State, certainly it can be done in the case of a bridge when it is admitted the State has no right to interfere after Congress grants the franchise.

I am pleased to be able to advise the House that an effort will be made at the November election to pass an amendment to the constitution of Missouri, which will provide for a bond issue of $75,000,000 for good roads, and in the amendment it will be provided the highway commission will be given the right to construct bridges. I sincerely hope the amendment will be passed, and I feel it will pass, and that provisions will be made for the construction of all necessary bridges in the State.

Some years ago in Missouri an amendment was adopted providing for a $60,000,000 bond issue for good roads. That $60,000,000, together with the Federal aid of $30,000,000, will probably be exhausted this year, and I am informed that before the last bond has been sold the first bond issue will be redeemed. The money collected from the gasoline tax and automobile licenses is used entirely to pay interest, retire the bonds, and maintain the roads. I am further informed that it will be possible to guarantee to the people of my State there will be no increases in taxes of any kind, but that the gasoline tax and automobile license tax is sufficient to pay the interest as well as maintain the roads and create a sinking fund for the retirement of the bonds.

The Clerk continued the reading of the bill, as follows:

SEC. 3. If such bridge shall at any time be taken over or acquired by the State of West Virginia or by any municipality or other political subdivision or public agency thereof, under the provisions of section 2 of this act, and if tolls are thereafter charged for the use thereof, the rates of toll shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management and to provide a sinking fund sufficient to amortize the amount paid therefor, including reasonable interest and financial cost, as soon as possible under reasonable charges, but within a period of not to exceed 30 years from the date of acquiring the same. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management. An accurate record of the amount paid for acquiring the bridge and its approaches, the actual expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 4. The Cabin Creek Kanawha Bridge Co., its successors and assigns shall, within 90 days after the completion of such bridge, file with the Secretary of War and with the Highway Department of the State of West Virginia, a sworn itemized statement showing the actual original cost of constructing the bridge and its approaches, the actual cost of acquiring any interest in real property necessary therefor, and the actual financing and promotion costs. The Secretary of War may, and at the request of the highway department of the State of West Virginia, shall, at any time within three years after the completion of such bridge, investigate such costs and determine the accuracy and the reasonableness of the costs alleged in the statement of costs so filed, and shall make a finding of the actual and reasonable costs of constructing, financing, and promoting such bridge; for the purpose of such investigation the said Cabin Creek Kanawha Bridge Co., its successors and assigns, shall make available all of its records in connection with the construction, financing, and promotion thereof. The findings of the Secretary of War as to the reasonable costs of the construction, financing, and promotion of the bridge shall be conclusive for the purposes mentioned in section 2 of this act, subject only to review in a court of equity for fraud or gross mistake.

SEC. 5. The right to sell, assign, transfer, and mortgage all the rights, powers, and privileges conferred by this act is hereby granted to the Cabin Creek Kanawha Bridge Co., its successors and assigns, and any corporation to which or any person to whom such rights, powers, and privileges may be sold, assigned, or transferred, or who shall acquire the same by mortgage foreclosure or otherwise, is hereby authorized and empowered to exercise the same as fully as though conferred herein directly upon such corporation or person.

SEC. 6. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 2, line 8, strike out the words "with in" and insert the word "within."

In line 16, strike out "twenty-five" and insert "twenty."

On page 3, line 15, strike out "financial" and insert "financing."

In line 16, strike out "thirty" and insert "twenty."

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.

A motion to reconsider the vote by which the bill was passed was laid on the table.

WAR FINANCE CORPORATION

Mr. McFADDEN. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 12245) to amend the War Finance Corporation act, approved April 5, 1918, as amended, which I send to the Clerk's desk and ask to have read.

The SPEAKER. The gentleman from Pennsylvania moves to suspend the rules and pass House bill 12245, which the Clerk will report.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to provide further for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and to supervise the issuance of securities; and for other purposes," approved April 5, 1918, as amended, be, and the same hereby is, amended so as to extend for one year the period specified in section 1 of said act during which the War Finance Corporation shall have succession; and the expiration of the period of 10 years specified in said section 1 shall not be construed to affect any right or privilege accrued, any penalty or liability incurred, or any civil or criminal proceeding commenced, or to diminish any authority conferred on any offical necessary to enable him to carry out the duties remaining to be performed by him under said act.

The SPEAKER. Is a second demanded?

Mr. WINGO. Mr. Speaker, I demand a second.

Mr. McFADDEN. Mr. Speaker, I ask unanimous consent that a second may be considered as having been ordered.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ARENTZ. Mr. Speaker, may I direct attention to the fact that you can not get a copy of the bill. The House ought to be shown the courtesy at least of being notified that a bill of this nature is going to be brought up.

Mr. WINGO. Will the gentleman permit me to make a statement?

Mr. ARENTZ. Yes.

Mr. WINGO. I will state that it is brought up out of order on my account, as I am ill and want to leave early. This bill has the unanimous report of the committee, and all on earth it does is to extend the life of the War Finance Corporation for 12 months for liquidating purposes. That is all. We went into it thoroughly for two days, and that is all on earth the bill does. It is necessary from the standpoint of the Government and from the standpoint of the few remaining claims they have against cattlemen and a few country banks.

Mr. LAGUARDIA. Is the bill limited to liquidation during the next 12 months?

Mr. WINGO. It limits it absolutely. They can not do anything but collect past due bills. That is all on earth the bill does.

Mr. ARENTZ. I want to say to the gentleman I am in entire sympathy with the purpose of the bill. It is simply the manner in which it was brought up that I am objecting to.

Mr. WINGO. I will state to the gentleman I am responsible for that. I have not been well for two or three days and I came up to the House to-day solely to help pass this bill, and the Speaker very kindly consented to recognize us at this time.

Mr. CHINDBLOM. Mr. Speaker, on the general question of procedure I would like to say just this word. Suspension day has been provided by the rules of the House for the purpose of taking care of emergency legislation, and every Member of the House has notice that upon that day matters may come up about which there is no previous notice. As a matter of fact, under suspension there does not have to be a bill introduced, there does not have to be any report of the committee; all you need to do is to move to suspend the rules and pass that which you present to the House at that very moment.

Mr. LAGUARDIA. And in the past that has been done very often.

Mr. CHINDBLOM. I do not think any criticism should be leveled at the procedure.

Mr. ARENTZ. The natural procedure then, I will say to the gentleman from Illinois, would be for the personnel of the House to be advised of such fact through notice on the

calendar and have the bills here so that a person can get a copy of the bill if he wants to.

Mr. CHINDBLOM. Of course, it is desirable that that be done, but I do not think the procedure is subject to any criticism.

Mr. KING. Will the gentleman yield?

Mr. McFADDEN. Yes.

Mr. KING. The bill is on the Union Calendar and has been on the calendar for some time.

Mr. McFADDEN. Yes.

Mr. WINGO. If the gentleman will yield further, as a matter of fact, there is this emergency. This power, we find, will expire on April 4. This bill ought to be passed and go to the Senate this afternoon so that it can be passed, signed, and become the law before April 4 in order to protect the rights of the Government in these claims.

The SPEAKER. The question is on the motion of the gentleman from Pennsylvania to suspend the rules and pass the bill.

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

BRIDGE ACROSS THE MISSOURI RIVER NEAR STANTON, N. DAK.

Mr. SINCLAIR. Mr. Speaker, I ask unanimous consent to return to the bill (H. R. 11212) authorizing Paul Leupp, his heirs, legal representatives, or assigns, to construct, maintain, and operate a bridge across the Missouri River at or near Stanton, N. Dak.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

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 in order to promote interstate commerce, improve the Postal Service, and provide for military and other purposes, Paul Leupp, his heirs, legal representatives, or assigns, be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Missouri River at a point suitable to the interests of navigation at or near a point on the westerly bank of the Missouri River, at or near the village of Stanton, Mercer County, N. Dak., over and across the Missouri River in an easterly direction to land on the easterly bank thereof in McLean County, N. Dak., opposite or approximately so from Stanton, Mercer County, N. Dak., to be selected by the said Paul Leupp, his heirs, legal representatives, or assigns, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. After the completion of such bridge, as determined by the Secretary of War, either the State of North Dakota, any political subdivision thereof within or adjoining which any part of such bridge is located, or any two or more of them jointly, may at any time acquire and take over all right, title, and interest in such bridge and its approaches, and any interest in real property necessary therefor, by purchase or by condemnation, in accordance with the laws of such State governing the acquisition of private property for public purposes by condemnation or expropriation. If at any time after the expiration of 20 years after the completion of such bridge the same is acquired by condemnation or expropriation, the amount of damages or compensation to be allowed shall not include good will, going value, or prospective revenues or profits, but shall be limited to the sum of (1) the actual cost of constructing such bridge and its approaches, less a reasonable deduction for actual depreciation in value; (2) the actual cost of acquiring such interests in real property; (3) actual financing and promotion cost, not to exceed 10 per cent of the sum of the cost of constructing the bridge and its approaches and acquiring such interest in real property; and (4) actual expenditures for necessary improvements.

SEC. 3. If such bridge shall at any time be taken over or acquired by the State of North Dakota, or by any municipality or other political subdivision or public agency thereof, under the provisions of section 2 of this act, and if tolls are charged for the use thereof the rates of toll shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management and to provide a sinking fund sufficient to amortize the amount paid therefor, including reasonable interest and financing costs, as soon as possible under reasonable charges but within a period of not to exceed 20 years from the date of acquiring the same. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management. An accurate record of the amount paid for acquiring the bridge and its approaches, the actual expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 4. Paul Leupp, his heirs, legal representatives, or assigns, shall, within 90 days after the completion of such bridge, file with the Secretary of War and with the highway department of the State of North Dakota a sworn itemized statement showing the actual original cost of constructing the bridge and its approaches, the actual cost of acquiring any interest in real property necessary therefor, and the actual financing and promotion costs. The Secretary of War may, and, at the request of the Highway Department of the State of North Dakota shall, at any time within three years after the completion of such bridge, investigate such costs and determine the accuracy and the reasonableness of the costs alleged in the statement of costs so filed, and shall make a finding of the actual and reasonable costs of constructing, financing, and promoting such bridge; for the purpose of such investigation the said Paul Leupp, his heirs, legal representatives, or assigns, shall make available all of his records in connection with the construction, financing, and promotion thereof. The findings of the Secretary of War as to the reasonable costs of the construction, financing, and promotion of the bridge shall be conclusive for the purposes mentioned in section 2 of this act, subject only to review in a court of equity for fraud or gross mistake.

SEC. 5. The right to sell, assign, transfer, and mortgage all the rights, powers, and privileges conferred by this act is hereby granted to Paul Leupp, his heirs, legal representatives, or assigns, and any corporation to which or any person to whom such rights, powers, and privileges may be sold, assigned, or transferred, or who shall acquire the same by mortgage foreclosure or otherwise, is hereby authorized and empowered to exercise the same as fully as though conferred herein directly upon such corporation or person.

SEC. 6. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 1, strike out line 9; page 2, line 1, strike out the word "near" and all of lines 2, 3, 4, 5, and line 6, down to the word "in"; page 2, line 18, after the word "condemnation," insert the words "or expropriation"; page 3, line 8, strike out the word "interest" and insert the word "interests."

Page 3, line 14, after the word "are," insert the word "thereafter."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

BRIDGE ACROSS THE MISSISSIPPI RIVER IN ITASCA COUNTY, MINN.

The next business on the Consent Calendar was the 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.

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 in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes the board of commissioners of Itasca County, Minn., be, and is hereby, authorized to construct, maintain, and operate a free highway bridge and approaches thereto across the Mississippi River at a point suitable to the interests of navigation, at or near the north line of section 35, township 144 north, range 25 west, in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. There is hereby conferred upon the board of county commissioners of Itasca County, Minn., all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That the consent of Congress is hereby granted to the board of county commissioners of Itasca County, Minn., to construct, maintain,

and operate a free highway bridge and approaches thereto across the Mississippi River, at a point suitable to the interests of navigation, at or near the north line of section 35, township 144 north, range 25 west, on the road between the villages of Cohasset and Deer River, Minn., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

The title was amended.

BRIDGE ACROSS KANAWHA RIVER AT ST. ALBANS, W. VA.

The next business on the Consent Calendar was the 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.

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 in order to promote interstate commerce, improve the postal service, and provide for military and other purposes the Nitro Bridge Co., its successors and assigns, be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Kanawha River at a point suitable to the interests of navigation at or near St. Albans, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. After the completion of such bridge, as determined by the Secretary of War, either the State of West Virginia, any political subdivision thereof within or adjoining which any part of such bridge is located, or any two or more of them jointly, may at any time acquire and take over all right, title, and interest in such bridge and its approaches, and any interest in real property necessary therefor, by purchase or by condemnation or expropriation, in accordance with the laws of such State governing the acquisition of private property for public purposes by condemnation or expropriation. If at any time after the expiration of 25 years after the completion of such bridge the same is acquired by condemnation or expropriation, the amount of damages or compensation to be allowed shall not include good will, going value, or prospective revenues or profits, but shall be limited to the sum of (1) the actual cost of constructing such bridge and its approaches, less a reasonable deduction for actual depreciation in value; (2) the actual cost of acquiring such interests in real property; (3) actual financing and promotion cost, not to exceed 10 per cent of the sum of the cost of constructing the bridge and its approaches and acquiring such interests in real property; (4) actual expenditures for necessary improvements.

SEC. 3. If such bridge shall at any time be taken over or acquired by the State of West Virginia, or by any municipality or other political subdivision or public agency thereof, under the provisions of section 2 of this act, and if tolls are thereafter charged for the use thereof, the rates of toll shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management and to provide a sinking fund sufficient to amortize the amount paid therefor, including reasonable interest and financial cost, as soon as possible under reasonable charges, but within a period of not to exceed 30 years from the date of acquiring the same. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management. An accurate record of the amount paid for acquiring the bridge and its approaches, the actual expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 4. The Nitro Bridge Co., its successors and assigns, shall, within 90 days after the completion of such bridge, file with the Secretary of War and with the highway department of the State of West Virginia, a sworn itemized statement showing the actual original cost of constructing the bridge and its approaches, the actual cost of acquiring any interest in real property necessary therefor, and the actual financing and promotion costs. The Secretary of War may, and at the request of the Highway Department of the State of West Virginia, shall, at any time within three years after the completion of such bridge, investigate such costs and determine the accuracy and the reasonableness of the costs alleged in the statement of costs so filed, and shall make a finding of the actual and reasonable costs of constructing, financing, and promoting such bridge; for the purpose of such investigation the said Nitro Bridge Co., its successors and assigns, shall make available all of its records in connection with the construction, financing, and promotion thereof. The findings of the Secretary of War as to the reasonable costs of the construction, financing, and promotion of the bridge shall be conclusive for the purposes mentioned in section 2 of this act, subject only to review in a court of equity for fraud or gross mistake.

SEC. 5. The right to sell, assign, transfer, and mortgage all the rights, powers, and privileges conferred by this act is hereby granted to the Nitro Bridge Co., its successors and assigns, and any corporation to which or any person to whom such rights, powers, and privileges may be sold, assigned, or transferred, or who shall acquire the same by mortgage foreclosure or otherwise, is hereby authorized and empowered to exercise the same as fully as though conferred herein directly upon such corporation or person.

SEC. 6. 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 "the," insert the words "St. Albans"; page 2, line 1, after the word "Albans," insert the words "Kanawha County, W. Va."; page 2, line 17, strike out the words "twenty-five" and insert the word "twenty"; page 3, line 15, strike out the word "financial" and insert the word "financing"; page 3, line 16, strike out the word "thirty" and insert the word "twenty"; page 4, line 4, after the word "the," insert the words "St. Albans"; page 4, line 19, after the word "said," insert the words "St. Albans"; page 5, line 5, after the word "the," insert the words "St. Albans."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

The title was amended.

BRIDGE ACROSS THE OHIO RIVER NEAR ROCKPORT, IND.

The next business on the Consent Calendar was the bill (H. R. 11356) authorizing the State of Indiana to construct, maintain, and operate a toll bridge across the Ohio River at or near Rockport, Ind.

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 in order to promote interstate commerce, improve the postal service, and provide for military and other purposes, the State of Indiana, acting by and through its State highway commission and the successors of said commission, be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Ohio River at a point suitable to the interests of navigation, at or near the city of Rockport, Ind., across said river to a point opposite in Daviess County, Ky., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the State of Indiana, acting by and through its State highway commission, and the successors of said commission, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, maintenance, and operation of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The State of Indiana, acting by and through its State highway commission and the successors of said commission, is hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1906.

SEC. 4. In fixing the rates of toll to be charged for the use of such bridge the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches, under economical management, and to provide a sinking fund sufficient to amortize such bonds or other securities as may be legally issued by said State for the cost of such bridge and its approaches, with reasonable financing charges and redemption provisions, as soon as possible under reasonable tolls, but within a period of not to exceed 20 years from the completion thereof. After a sinking fund, including the earnings thereof from investment or otherwise, sufficient for such amortization shall have been provided, such

bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management. An accurate record of the cost of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 5. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 3, line 12, strike out the word "tolls" and insert the word "charges"; and on page 3, line 23, after the word "of," insert the word "the."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

BRIDGE ACROSS THE OHIO RIVER AT EVANSVILLE, IND.

The next business on the Consent Calendar was the bill (H. R. 11357) authorizing the State of Indiana to construct, maintain, and operate a toll bridge across the Ohio River at or near Evansville, Ind.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. LAGUARDIA. Mr. Speaker, I ask unanimous consent this bill be passed without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

BRIDGE ACROSS THE RED RIVER OF THE NORTH AT FARGO, N. DAK.

The next business on the Consent Calendar was the bill (H. R. 11473) granting the consent of Congress to the States of North Dakota and Minnesota to construct, maintain, and operate a bridge across the Red River of the North at Fargo, N. Dak.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the States of North Dakota and Minnesota to construct, maintain, and operate a free highway bridge across the Red River of the North at a point suitable to the interests of navigation between Fargo, N. Dak., and Moorhead, Minn., in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. BURTNESS. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. BURTNESS: Line 3, page 1, strike out the word "States" and the first five words of line 4, including the word "Minnesota," and insert in lieu thereof the following: "State of North Dakota, the State of Minnesota, the county of Cass, N. Dak., the county of Clay, Minn., the city of Fargo, N. Dak., and the city of Moorhead, Minn., or to any one or more of them."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read the third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

BRIDGE ACROSS THE RIO GRANDE RIVER AT WESLACO, TEX.

The next business on the Consent Calendar was the bill (H. R. 11578) authorizing the B & P Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Rio Grande River at or near Weslaco, Tex.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in order to facilitate international commerce, improve the Postal Service, and provide for military and other purposes, the B & P Bridge Co., its successors and assigns, be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Rio Grande River, so far as the United States has jurisdiction over the waters of such river, at a point suitable to the interests of navigation, at or near Weslaco, Tex., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, subject to the conditions and limitations contained in this act, and subject to the approval of the proper authorities in Mexico.

SEC. 2. There is hereby conferred upon B & P Bridge Co., its successors and assigns, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property in the State of Texas needed for the location, construction, operation, and maintenance of such bridge and its approaches, as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State of Texas, upon making just compensation therefor to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The said B & P Bridge Co., its successors and assigns, is hereby authorized to fix and charge tolls for transit over such bridge in accordance with any laws of Texas applicable thereto, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1926.

SEC. 4. The right to sell, assign, transfer, and mortgage all the rights, powers, and privileges conferred by this act is hereby granted to the B & P Bridge Co., its successors and assigns, and any corporation to which or any person to whom such rights, powers, and privileges may be sold, assigned, or transferred, or who shall acquire the same by mortgage foreclosure or otherwise, is hereby authorized and empowered to exercise the same as fully as though conferred herein directly upon such corporation or person.

SEC. 5. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

BRIDGE ACROSS WHITE RIVER AT COTTER, ARK.

The next business on the Consent Calendar was the bill (H. R. 11583) granting the consent of Congress to the State Highway Commission of Arkansas to construct, maintain, and operate a bridge across the White River at Cotter, Ark.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State Highway Commission of Arkansas to construct, maintain, and operate a bridge and approaches thereto across White River at a point suitable to the interest of navigation at Cotter, Ark., and within one-half mile below the Missouri Pacific Railway Co.'s bridge across such river at such point, in the counties of Baxter and Marion, in the State of Arkansas, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That if tolls are charged for the use of such bridge constructed under the authority of this act, the State Highway Commission of Arkansas may so adjust the rate of toll to be charged as to produce sufficient revenue to maintain, operate, and repair the bridge and repay the original cost of construction of the same, including any interest paid on borrowed money and discounts necessarily required in financing such original construction, and shall, after the repayment thereof, operate such bridge as a free bridge: *Provided*, That no bonds shall be issued for the building of said bridge that will mature more than 25 years from the date of said bonds.

SEC. 3. That the right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Strike out all after the enacting clause and insert the following in lieu thereof:

"That the consent of Congress is hereby granted to the State Highway Commission of Arkansas to construct, maintain, and operate a bridge and approaches thereto across White River, at a point suitable to the interests of navigation, at or near Cotter, Ark., in accordance with the provisions of the act entitled 'An act to regulate the construction of bridges over navigable waters,' approved March 23, 1906, and subject to the conditions and limitations contained in this act.

"SEC. 2. If tolls are charged for the use of such bridge, the rates of toll shall be so adjusted as to provide a fund sufficient to pay the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of the bridge and its approaches, including reasonable interest and financing cost, as soon as possible under reasonable charges, but within a period of not to exceed 25 years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation

of the bridge and its approaches under economical management. An accurate record of the costs of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested.

"SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved."

Mr. DENISON. Mr. Speaker, I offer the following amendment to the committee amendment:

Mr. DENISON moves to amend the committee amendment by striking out section 2 and inserting the following in lieu thereof:

"SEC. 2. If tolls are charged for the use of such bridge, the rates of toll shall be so adjusted as to provide a fund sufficient (1) to pay the reasonable cost of maintaining, repairing, and operating the bridge and its approaches; (2) the interest on borrowed money necessarily required and financing charges necessarily incurred in connection with the construction of the bridge and its approaches; and (3) to provide a sinking fund sufficient to retire the bonds issued and sold in connection with such original construction. All revenue received from the bridge shall be applied to the foregoing purposes, and no bonds issued in connection with the construction of the bridge and its approaches shall be made to mature later than 20 years after the date of issue thereof.

"After a fund sufficient to retire such bonds in accordance with their provisions shall have been so provided, the bridge shall thereafter be maintained and operated as a free highway bridge, upon which no tolls shall be charged. An accurate and itemized record of the original cost of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, the interest charges paid, and the tolls charged and the daily revenues received from the bridge shall be kept by the State Highway Commission of Arkansas, and shall be available at all reasonable times for the information of all persons interested."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

BRIDGE ACROSS THE MISSOURI RIVER AT GLASGOW, MONT.

The next business on the Consent Calendar was the bill (H. R. 11625) to amend the act of February 16, 1928, entitled "An act granting the consent of Congress to the State of Montana, Valley County, Mont., and McCone County, Mont., or to any or either of them, jointly or severally, to construct, maintain, and operate a bridge across the Missouri River, at or near Glasgow, Mont."

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act granting the consent of Congress to the State of Montana, Valley County, Mont., and McCone County, Mont., or to any or either of them, jointly or severally, to construct, maintain, and operate a bridge across the Missouri River at or near Glasgow, Mont.," approved February 16, 1928, be amended to read as follows:

"That the consent of Congress is hereby granted to the State of Montana, Valley County, Mont., and Garfield County, Mont., or to any or either of them jointly or severally, to construct, maintain, and operate a free bridge and approaches thereto across the Missouri River, at a point suitable to the interests of navigation, at or near Glasgow, Mont., in township 25 north, range 40 east of the Montana principal meridian, in accordance with the provisions of an act entitled 'An act to regulate the construction of bridges over navigable waters,' approved March 23, 1906.

"SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved."

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

Amend the title so as to read: "An act granting the consent of Congress to the State of Montana, Valley County, Mont., and Garfield County, Mont., or to any or either of them, jointly or severally, to construct, maintain, and operate a bridge across the Missouri River at or near Glasgow, Mont."

A motion to reconsider was laid on the table.

BRIDGE ACROSS PEARL RIVER, RANKIN COUNTY, MISS.

The next business on the Consent Calendar was the bill (S. 3119) to authorize the construction of a temporary railroad bridge across Pearl River in Rankin County, Miss., and between Madison and Rankin Counties, Miss.

The Clerk read the title of the bill.

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

There was no objection.

The bill is as follows:

Be it enacted, etc., That the Pearl River Valley Lumber Co. is hereby authorized to construct a temporary railroad bridge connecting its timber holdings and its lands and timber across Pearl River at a point between or near sections 33 and 34, township 8 north, range 3 east, in Madison County, Miss., and sections 3 and 4, township 7 north, range 3 east, in Rankin County, Miss., and between Madison County and Rankin County, Miss., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 2, line 4, after the figures "1906," strike out the period, insert a comma and the words: "*Provided*, That if the bridge authorized by this act shall at any time be abandoned and no longer used for railroad purposes, the same shall be removed from the river by the Pearl River Valley Lumber Co. or its assigns at its or their own expense.

The committee amendment was agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

BRIDGE ACROSS MISSOURI RIVER AT NIOBRARA, NEBR.

The next business on the Consent Calendar was the bill (S. 2827) granting the consent of Congress to the States of South Dakota and Nebraska to construct, maintain, and operate a bridge across the Missouri River at or near Niobrara, Nebr.

The Clerk read the title of the bill.

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

There was no objection.

Mr. DENISON. Mr. Speaker, I ask unanimous consent to proceed for five minutes. This is the last bridge bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. DENISON. Mr. Speaker, I do this in order to explain to the House the procedure in reference to these bridge bills in view of the colloquy which took place on the floor a while ago. When these bridge bills are introduced by Members, of course they are referred to the Committee on Interstate and Foreign Commerce. That committee has to act, or at least it feels that it is its duty to act. The bills are referred by the committee to the War Department and to the Bureau of Roads of the Agricultural Department. When reports are received from those two departments the bills are referred by the committee to the subcommittee on bridges, and the subcommittee gives them consideration. If any person files with the committee any objection to a bill, the objection is considered by the committee. If any person files any objection to the bill and asks to be heard, the committee always grants him a hearing. If any Member of the House asks the committee to be heard on the bill, we always give him an opportunity to be heard. So that if there is any objection made known to the committee to any of these bills the committee investigates the matter, and we give the person objecting an opportunity to be heard.

The gentleman from Missouri [Mr. COCHRAN] has some personal feeling against the man named Elliott, who has obtained franchises to build some bridges heretofore it seems. So far as I am concerned, I am very glad to have the gentleman from Missouri put into the RECORD in connection with his remarks anything that he has to say against Mr. Elliott; and if any Member of the House has any objection to any person or company who is asking for permission to build a bridge, our committee would be very glad to have those objections presented to the committee. We will give any objections full and careful consideration. If they are meritorious, I have no doubt that the committee will refuse to report the bill favorably. But if the committee does not think them meritorious, then the committee will report the bill; and it is the privilege of any Member of the House, when these bills are called up on this calendar, to object. The Member does not have to state his reasons if he does not want to do so. Therefore it is not necessary on consent day to take up time of the House and delay the consideration of other important bills by getting into long arguments about certain individuals.

Mr. LAGUARDIA. Mr. Speaker, will the gentleman yield?

Mr. DENISON. Yes.

Mr. LAGUARDIA. In view of the suggestion made by the gentleman from Illinois, would it not be well for the committee to direct some inquiry concerning the permittees mentioned in the bills? Surely that is not an unreasonable thing. This House

has confidence in the gentleman's committee. If there is just one statement in the report that the permittees have been investigated and that they are bona fide and that they intend to proceed with the construction of the bridge, that is all that would be necessary.

Mr. DENISON. Does not the gentleman think that is the duty of the Member who introduces the bill? If I introduce a bill, I am sure I will know something about the person who is asking for the franchise, and if he is not a proper person I shall not introduce the bill. That responsibility rests with the Member who introduces the bill. Our committee respects the Members who introduce bridge bills. We ask them to give us certain information, and when they do so we accept the information the Member gives us.

Mr. LAGUARDIA. And when one of us directs an inquiry to the Member who introduces the bill, then the gentleman should not take that as an affront to his committee.

Mr. DENISON. I am sure I did not do so, and I am sure I do not want the gentleman from New York to think that there is anyone on the committee who takes an inquiry of that kind as an affront at all.

Mr. DYER. Mr. Speaker, will the gentleman yield?

Mr. DENISON. Yes.

Mr. DYER. The gentleman in his remarks referred to my colleague from Missouri [Mr. COCHRAN] as having some personal feeling against a man named Elliott. I am sure the gentleman from Illinois does not wish that statement to stand, because I feel sure that my colleague [Mr. COCHRAN] does not know Mr. Elliott and has never met him; but he has learned that he has been peddling these permits about. For that reason and because of the facts that he has adduced here he believe it is his duty—and I am sure that he is doing his duty—to bring the information to the attention of the House.

Mr. DENISON. I have no complaint to make about the gentleman. I assumed that he had some personal feeling, but if he has not, then let me say this: The statement is often made here about certain parties who are "peddling" these permits. I have never heard of that being done. Nobody in this country is justified in paying one dollar for a bridge franchise, because anyone who wants to can come to our committee and get one for nothing. We grant no monopolies. We grant no exclusive rights to build these bridges. Whenever anyone wants the right to build a bridge across a river, if he can get a Member of Congress to introduce a bill for him and vouch for him as a Member ought to do, our committee will grant that person a right to build a bridge, and it will not cost him a cent.

Mr. DOWELL. The gentleman well knows that after a franchise has been granted to one person or individual or corporation, that another one can not secure a franchise for the same place.

Mr. DENISON. The gentleman is entirely wrong. The fact is exactly the contrary.

Mr. DOWELL. But as the practical proposition, the gentleman knows it would not work.

Mr. DENISON. I do not. The gentleman from Iowa can state what he knows, but he can not state what I know. I know the contrary is true.

Mr. DOWELL. It may be a certain case where a contest is on, but when a franchise is granted to one firm to place a bridge in a certain place, another franchise will not be asked for, and there will be no competition in that case. If it is true that certain companies are asking for permits for different localities with the idea of securing proper locations in order that they may build bridges, it seems to me your committee ought to stop the speculation in the franchises.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. MAPES. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. DENISON] may have five additional minutes.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. DENISON. Mr. Speaker, I want to complete my statement so that there may be no misunderstanding about this. At this session of Congress we have granted in a number of instances the right to build bridges in the same place to two parties. That is the rule of the committee. I would like to discuss that at some length and give the reasons for it. I have explained that on the floor heretofore. We do not grant an exclusive right at any locality because we do not want persons to place a value on these franchises and then speculate in them. If anyone wants a franchise to build a bridge in a certain locality and anyone else wants to build a bridge there and comes here to get the right to do so, he can get it without its costing him 1 cent.

Mr. LAGUARDIA. But the gentleman's statement is not generally understood throughout the country. There have been cases where men have secured franchises for building bridges and have been peddling them out.

Mr. BURTNESS. Has the gentleman from Illinois any information as to people securing franchises to build bridges and then peddling out the franchises?

Mr. DENISON. Nothing of the kind has ever been brought to our attention. If any Member of the House has any information as to persons who do that, or have done that, and that any such person comes before our committee asking to be granted a franchise, we would be glad to hear from him.

Mr. LAGUARDIA. I have a telegram here from J. G. White & Co. (Inc.) addressed to the St. Louis Post-Dispatch under date of March 1, in which they say:

> In re article appearing in your issue of February 22 under head "Bridge promoter fosters schemes for 33 projects," which has just come to our attention. E. M. Elliott and E. M. Elliott & Associates (Inc.) are promoters who have attempted to interest us in various bridge projects, several of which we have under consideration. For any projects which we accept we have agreed to pay a promoter's fee, but beyond that E. M. Elliott and E. M. Elliott & Associates have no relation whatsoever to our company or to J. G. White Engineering Corporation, and are not our agents or in any way authorized to act or speak for us. Furthermore, they have no voice whatever in any matter relating to construction or financing of any bridge project which we may acquire from them. We feel your article above mentioned inaccurately states our position and hence gives us undesirable publicity. For example, our engineers' report on Olive Street and Carondelet bridge projects are unsatisfactory and we have no present intention of financing construction of these bridges nor have any franchises for same been acquired by us. Therefore request that you please publish substance of this telegram and in such way as to correct erroneous impression created by your article.
>
> J. G. WHITE & CO. (INC.).

Mr. DENISON. Well, J. G. White & Co. are bankers.

Mr. LAGUARDIA. Yes. This fellow gets a permit and then disposes of it, and gets out from under.

Mr. DENISON. The gentleman is wrong. He has to get the money necessary from the bankers. These men who build bridges may not have the money themselves.

Mr. LAGUARDIA. Then this man gets another permit, and gets out from under that.

Mr. DENISON. These bridge franchise bills are filed, and, of course, all Members have notice of them. We ask the gentleman from Iowa or any other Member to come before us and show us that the committee ought not to report any bill.

Mr. LAGUARDIA. We have such confidence in the committee that they can do that——

Mr. DENISON. We can not do it unless we have the information.

Mr. BURTNESS. I agree thoroughly with the gentleman from Iowa [Mr. DOWELL] in what he suggested. He stated that if there was speculation in these franchises it ought to be stopped. I for one have never heard of such speculation, and as one member of the committee I want to say that if such speculation is suspected I would be glad to have information from anyone who can tell about the peddling of these franchises for a consideration. Of course, everyone will understand that when a man gets a franchise he will go to the banker and interest him in the building of the structure, but he is not to be considered as selling the franchise for a consideration.

Mr. LAGUARDIA. I have already read you what the J. G. White Co. had to say.

The SPEAKER pro tempore. The time of the gentleman from Illinois has again expired. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the last vote was laid on the table.

IMPROPER PRACTICE BEFORE THE PATENT OFFICE

The next business on the Consent Calendar was the bill (H. R. 5527) to prevent fraud, deception, or improper practice in connection with business before the United States Patent Office, and for other purposes.

The title of the bill was read.

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

Mr. LAGUARDIA. Reserving the right to object, Mr. Speaker, I want to call the attention of the gentleman from Michigan [Mr. CRAMTON] to page 2, line 11, where the language appears "to habitually aid or assist." If you are going to use the word "habitually"—well, we will not fight about that, but I believe if you made the burden of proof too difficult, although I do not think that was the intention, it would not be expedient.

Perhaps you intended just to use the words "aid or assist." If you do that I think you will achieve the purpose you seek.

Mr. CRAMTON. I think that the word "habitually" carries out the idea of——

Mr. LAGUARDIA. Constant?

Mr. CRAMTON. Repeated practice; whereas to insist on one case would not be sufficient.

Mr. LAGUARDIA. As a matter of practice you are assuming a burden of proof that will be very difficult to establish.

Then I have another suggestion. On line 18, you say:

This section shall not apply to clerks or others supervised by persons duly admitted to practice before the United States Patent Office.

The practice at this bar and others is that when a lawyer is debarred he unites with another lawyer, perhaps, in the capacity of a clerk, and then his work is as vicious as before. You should prevent a disbarred lawyer from being taken in as a clerk.

Mr. SCHAFER. Mr. Speaker, I object to this bill. This is too important a bill to have on the Consent Calendar.

CHIPPEWA INDIANS OF MINNESOTA

The next business on the Consent Calendar was the bill (H. R. 7463) amending an act entitled "An act authorizing the Chippewa Indians of Minnesota to submit claims to the Court of Claims."

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 8 of the act entitled "An act authorizing the Chippewa Indians of Minnesota to submit claims to the Court of Claims," approved May 14, 1926 (44 Stat. L., 555), be, and the same is hereby, amended to read as follows:

"SEC. 8. All actual and necessary expenses incurred by the attorney or attorneys so employed to represent the Chippewa Indians of Minnesota, including court costs, bills for printing required by law or court rules, the cruising and examination of lands and timber, the auditing and tabulation of accounts, travel and subsistence of said attorneys and their employees while engaged solely in the preparation or prosecution of said suit or suits, securing and taking evidence deemed material therein, the compensation of stenographers and such clerical assistance as shall be reasonably employed solely upon work in connection therewith, fees or commissions of notaries public or commissioners, and any other expense reasonably necessary for the preparation for trial or prosecution of any such suit or suits, shall be paid by the Secretary of the Interior from time to time, as they accrue, out of the funds standing to the credit of said Indians in the Treasury of the United States upon verified accounts submitted in such form as may be required by the Secretary of the Interior: *Provided*, That no payment shall be allowed hereunder for expense incurred for compensation to other attorneys for rendering service as attorneys in assisting in said suits, nor for any item of so-called overhead, office, or other expense not solely and exclusively incurred for or on account of such suit or suits: *And provided further*, That before the attorneys are authorized to incur any expense in excess of $500 for any purpose they shall first secure the approval of the Secretary of the Interior."

With the following committee amendments:

Page 2, line 23, strike out "$500" and insert "$200."

Page 2, line 24, after the word "the," insert the words "Commissioner of Indian Affairs and the."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

CROW RESERVATION, MONT.

The next business on the Consent Calendar was the bill (H. R. 11478) to amend an act to allot lands to children on the Crow Reservation, Mont.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of an act entitled "An act to allot lands to living children on the Crow Reservation, Mont.," approved May 19, 1926 (44 Stat. L. 566), is hereby amended to read as follows:

"That the Secretary of the Interior is hereby authorized to allot lands in severalty to children of the Crow Tribe, now living, not heretofore allotted, from any suitable lands belonging to the tribe now available for allotments or which may become available, including any Crow lands heretofore opened to entry and sale, and to allot land to children hereafter born so long as there are lands of said tribe available for allotment purposes: *Provided*, That the areas allotted shall be as authorized by the general allotment act of February 8, 1887 (24 Stat. L. 388), as amended."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

PORTO RICAN TAXPAYERS

The next business on the Consent Calendar was the bill (S. 754) for the relief of certain Porto Rican taxpayers.

The Clerk read the title of the bill.

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

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, this bill ought to be disposed of one way or another to-day. There are some facts which I believe should come to the attention of the House, and I ask unanimous consent that I may have 15 minutes and the gentleman from Pennsylvania [Mr. KIESS] may have 15 minutes, and then present the matter to the House and get a vote thereon.

The SPEAKER pro tempore. The gentleman from New York asks unanimous consent that he may have 15 minutes and the gentleman from Pennsylvania [Mr. KIESS] may have 15 minutes to discuss Senate bill 754. Is there objection?

Mr. DYER. Mr. Speaker, I do not think we ought to take a half hour on one Senate bill. I have no objection to the bill being passed over without prejudice.

Mr. LAGUARDIA. I would suggest, then, that it be passed over without prejudice until 4 o'clock or 4.30 o'clock and then I will call it up.

The SPEAKER pro tempore. Suspensions will come later in the afternoon and it may not be possible to reach this bill after that time.

Mr. SCHAFER. Mr. Speaker, what is the hurry about this bill? There are as important bills or more important bills on this calendar.

Mr. LAGUARDIA. I will state to the gentleman from Wisconsin that the circuit court of appeals in Massachusetts is holding up the remittitur on these cases and the matter ought to be disposed of one way or another to-day. If objections are made it will simply mean that the bill is stricken from the calendar but will not be disposed of. I believe the bill is vicious and ought not to be passed.

Mr. SCHAFER. I think it is a vicious bill and is in the interest of a few tax dodgers. I object.

Mr. LAGUARDIA. We ought to get the facts before the membership and I think the gentleman should not object to our disposing of it.

Mr. DYER. Mr Speaker, I shall not consent to the taking of a half hour upon this bill, which the gentleman from New York says ought not to be passed. If it is a vicious bill it ought to be objected to now.

Mr. LAGUARDIA. Why not dispose of it?

Mr. CRAMTON. The gentleman from New York should note that the gentleman from Wisconsin is opposed to the bill and I fear that even after the gentleman from New York and the gentleman from Pennsylvania have used a half hour they will not to be able to overcome the gentleman's objection. One objection then will kill the bill.

Mr. LAGUARDIA. No; the gentleman will listen to the facts.

The SPEAKER pro tempore. The Chair will call attention to the fact that this bill requires three objections.

Mr. LAGUARDIA. Mr. Speaker, I ask unanimous consent that it may be passed over without prejudice for one hour, and I will call it up later.

Mr. CRAMTON. Mr. Speaker, reserving the right to object, does the gentleman from New York believe that after he speaks against the bill for 15 minutes that the gentleman from Pennsylvania can convince him the bill is all right. One objection will kill it.

Mr. LAGUARDIA. No; it takes three objections.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

AUTHORIZING CERTAIN BANDS OF INDIANS TO PRESENT CLAIMS TO THE COURT OF CLAIMS

The next business on the Consent Calendar was the bill (H. R. 5574) authorizing the Lower Spokane and the Lower Pend Oreille or Lower Calispell Tribes or Bands of Indians of the State of Washington, or any of them, to present their claims to the Court of Claims.

The Clerk read the title of the bill.

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

Mr. CRAMTON. Mr. Speaker, I object.

Mr. HILL of Washington. Will the gentleman withhold his objection?

Mr. CRAMTON. I will.

Mr. HILL of Washington. Mr. Speaker, I would like to say a word on this bill and call attention to the status of the Indians who are seeking to present these claims. In the Sixty-eighth Congress, under an act that is now Public Law 402, a number of tribes of Indians in the western part of the State of Washington, among whom were certain nontreaty tribes, were given authority to present their claims to the Court of Claims. On the eastern side of the State of Washington and western side of Idaho, back in the early days of the settlement of that country——

Mr. UNDERHILL (interposing). Will the gentleman yield?

Mr. HILL of Washington. Yes.

Mr. UNDERHILL. How much was involved in that first assignment of claims to the Court of Claims?

Mr. HILL of Washington. No sum was indicated by the bill itself.

Mr. UNDERHILL. Has the court made a finding?

Mr. HILL of Washington. No; it has not been finally determined.

Mr. UNDERHILL. So the gentleman does not know how much the award will be?

Mr. HILL of Washington. Under this bill?

Mr. UNDERHILL. No; under the act passed in the Sixty-eighth Congress.

Mr. HILL of Washington. There has been no determination of those claims. The amount, of course, is not fixed, so I do not know what it will be.

Mr. UNDERHILL. How much was asked?

Mr. HILL of Washington. They did not set out in the bill or in the hearings how much it was. It was simply a blanket proposition.

Mr. UNDERHILL. This was not the bill in which you allowed them to sue for $750,000,000?

Mr. HILL of Washington. No; we have no such claims arising in my State. I want to say this: The Indians in whose behalf this bill is introduced and is being pressed have always been peaceable Indians. Many of the tribes in the State of Washington were hostile at certain times and those Indians were treated with and their rights have been cared for by the Government. These Indians were promised similar treatment, but because of the fact that they were peaceable and gave the Government no trouble they were simply neglected, and they have never yet been able to succeed in getting a hearing from the United States Government, either for the negotiation of treaties or to present their claims to the Court of Claims.

Certain Indians occupying a similar status in the western side of the State having been granted authority to go into court and present their claims, it certainly could not be expected that these Indians would feel any great respect for the treatment they receive if they are denied treatment similar to that accorded other tribes in another part of the State.

I believe this Government should give them their day in court. This bill does not create any new cause of action. It simply gives them the right to present claims that now exist, and while they may be oversanguine as to the amount due them, yet they ought to have that simple American right of their day in court.

The Department of the Interior has not reported adversely on this bill. The department was rather noncommittal but said there had been a prima facie showing that warranted the department to enter into contracts with attorneys to present claims for them. The Bureau of the Budget, it is true, said it was contrary to the financial program of the President, but there is no adverse report on the merits of the bill from the department, and I hope the gentleman will not object.

Mr. CRAMTON. There are two reasons for objecting. First, there is the adverse report from the Budget. This is not necessarily controlling, but there is the further fact that there are only certain books of the Government to be consulted, and so many of these bills have already been passed that it will be four or five years before access to the books could be secured by the attorneys for these Indians so great is the congestion of these claims. I am obliged to object, Mr. Speaker.

GREENLAWN CEMETERY

The next business on the Consent Calendar was the bill (H. R. 7475) to provide for the removal of the Confederate monument and tablets from Greenlawn Cemetery to Garfield Park.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is authorized and directed to provide for the removal of the Confederate monument and tablets erected by the United States from Greenlawn Cemetery, Indianapolis, Ind., to Garfield Park, Indianapolis, Ind.

SEC. 2. That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $3,000, or so much thereof as may be necessary to carry out the provisions of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

ASPHALT, GILSONITE, ELATERITE, AND OTHER LIKE SUBSTANCES

The next business on the Consent Calendar was the bill (H. R. 68) to provide for the disposition of asphalt, gilsonite, elaterite, and other like substances on the public domain.

The Clerk read the title of the bill.

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

Mr. DYER, Mr. COCHRAN of Missouri, and Mr. ROWBOTTOM objected.

AVIATION PENSION ACT

The next business on the Consent Calendar was the bill (H. R. 10479) granting double pensions to dependents under existing pension laws in all cases where an officer, warrant officer, or enlisted man or student flyer of the United States Army dies or is disabled due to aircraft accident.

The Clerk read the title of the bill.

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

Mr. UNDERHILL. Mr. Speaker, I reserve the right to object in order that I may make a short statement before I object emphatically to the passage of the bill.

This bill creates a discrimination which should not exist with reference to the defenders of our Nation. Men who serve in the aviation service now get more pay than men who serve in other branches of the service, deservedly so, because of the risks which they take. It is extra hazardous and they ought to be paid more; but when a man is killed in an accident, whether he crashes and is killed, or whether he is killed by contact with the propeller of an airplane, or run over by an Army truck or Army tank on the ground, or whether he is kicked and killed by an Army mule, or whether he is killed by the explosion of a shell, he is equally dead in any event, and if he leaves dependents, they are equally entitled to consideration on the part of the Government. If we are not paying the dependents of these men who are employed in the defense of our Government and of our Nation pension enough, I will vote for an increased pension for all; but I never will vote for anything which makes for discrimination between those engaged in one branch of the service and those engaged in another branch of the service. Every branch of the service is interdependent and equally important.

Mr. SCHAFER. Will the gentleman yield?

Mr. UNDERHILL. Yes.

Mr. SCHAFER. I agree with the gentleman. We ought to increase the general pension rate. The widow who files a claim under the general pension law will only get $12, and $2 for each dependent child, and it is about time the Pension Committee recommended legislation to take care of these people properly.

Mr. UNDERHILL. If they will do so, I will gladly go along with them.

Mr. KNUTSON. Will the gentleman yield?

Mr. UNDERHILL. Yes.

Mr. KNUTSON. Is the gentleman aware of the fact that this bill simply amends the act of August 29, 1916, which provided for a double pension for the dependents of those who are killed or injured in the Navy or Marine Corps aviation? It amends that bill by adding the Army. This was an oversight, I assume, at the time the act of August 29, 1916, was passed, and there is no reason why the Army aviation service should not be placed on the same footing as the Marine Corps and the Navy aviation services.

Mr. UNDERHILL. I regret very much that the Pension Committee introduced or recommended and that Congress passed any such bill as that. It is wrong in principle and unjust because it is discriminatory and inequitable. I am obliged to object.

The SPEAKER pro tempore. This bill requires three objections.

Mr. UNDERHILL, Mr. COLLINS, and Mr. BUSBY objected.

INDIAN PEACE COUNCIL AT MEDICINE LODGE, KANS.

The next business on the Consent Calendar was the bill (H. R. 8132) authorizing the appropriation of $2,500 for the erection of a tablet or marker at Medicine Lodge, Kans., to commemorate the holding of the Indian peace council at which treaties were made with the Plains Indians in October, 1867.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the sum of $2,500 is hereby authorized to be appropriated to be expended, under the direction of the Secretary of the Interior, in the erection of a tablet or marker at Medicine Lodge, Kans., to commemorate the holding at Medicine Lodge, Kans., of the Indian peace council at which treaties were made between the United States and the Kiowa, Comanche, Apache, Cheyenne, and Arapahoe Indians in October, 1867.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

THE DESCHUTES PROJECT IN OREGON

The next business on the Consent Calendar was the bill (S. 1186) to provide for the construction of the Deschutes project in Oregon, and for other purposes.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection?

Mr. SINNOTT. Mr. Speaker, I ask unanimous consent that that bill be passed without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

LOAN OF AERONAUTIC EQUIPMENT TO MUSEUMS AND EDUCATIONAL INSTITUTIONS

The next business on the Consent Calendar was the bill (S. 1822) to authorize the Secretary of War to transfer or loan aeronautical equipment to museums and educational institutions.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection?

Mr. LAGUARDIA. Reserving the right to object, I would like to ask the gentleman from Minnesota a question. This provides for loaning this property to museums or properly accredited schools, colleges, and universities. Is it left entirely to the discretion of the Secretary of War, or how are the schools to be classed? I know several schools that are seeking to get obsolete equipment, and I would like to know if it is general so that a bona fide school can get it?

Mr. FURLOW. I think the intent is that it will be left to the discretion of the Secretary of War to determine what are the bona fide schools, and what colleges and schools should get this equipment.

Mr. LAGUARDIA. But that language is rather indefinite.

Mr. FURLOW. Can the gentleman suggest any language that will make it more clear? Our intention was to leave it to the discretion of the Secretary of War to determine.

Mr. LAGUARDIA. I am willing to leave it to the discretion of the Secretary of War, but I do not want any artificial standards. I do not think it should be confined to universities or colleges. I think the small class of schools near aviation fields should be entitled to the instruction.

Mr. HUDSON. I presume that it would be given to standard A schools and colleges.

Mr. LAGUARDIA. Does not the gentleman think that standard A colleges is too high?

Mr. FURLOW. I do not think that it would be limited to colleges or universities only in the discretion of the Secretary of War.

Mr. LAGUARDIA. Standard A schools would be limited. If the gentleman on the Military Affairs Committee will state that it was the intention of the committee reporting the bill that sufficient latitude is to be given to the Secretary of War to give the equipment to such schools as he believes are worthy and deserving, carrying on proper instruction, I would not object.

Mr. JAMES. It is to be given to schools, colleges, or universities that will give such assurance to the Secretary of War.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized, in his discretion, to transfer or loan to museums or properly accredited schools, colleges, and universities, for exhibition or instructional purposes, any aircraft, aircraft parts, instruments, or engines that have become obsolete or impaired to the extent that repair would not be economical: *Provided*, That such aircraft, aircraft parts, or engines will not be used in actual flight: *Provided further*, That no expense shall be caused the United States Government by the delivery or return of said property.

Mr. BLACK of Texas. Mr. Speaker, I offer the following amendment. On page 2, line 2, I move to strike out the word "delivery" and insert the words "transfer or loan." I think that would be better language.

Mr. LAGUARDIA. I think it would make it much more expensive to loan the equipment, because they would have to keep a record of it and carry it in the inventory. This is all obsolete equipment that the department wants to get rid of.

Mr. BLACK of Texas. The bill already permits the transfer and loan, but the amendment I have offered is with regard to the expenses to the Government. The proviso if amended would read:

Provided further, That no expense shall be caused the United States Government by the transfer or loan or return of said property.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

AMENDING THE NATIONAL DEFENSE ACT

The next business on the Consent Calendar was the bill (S. 2950) to amend the second paragraph of section 67, national defense act as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objectionn?

Mr. LAGUARDIA. Reserving the right to object I would like to inquire what is the necessity of these officers attending the Adjutants General Association? I can understand the regular officers attending the National Guard Association, but the Adjutant General's Association is a new line.

Mr. WAINWRIGHT. It is always held at the same period as the National Guard Association. I do not know that it makes any particular difference, but they are usually held on the same date at the same place.

But this is of a great deal of importance as affording an opportunity for the Regular Army officers on duty with the militia and the General Staff to confer at that time. The adjutants general of the States are all there, and they could clear up matters which might involve the calling of the adjutants general to Washington under conditions where their traveling expenses would under the law be a charge against the Government. As I understand, the entire expense involved in this change of the law has run not over $1,000.

Mr. JAMES. There is no additional expense at all.

Mr. LAGUARDIA. Is there not a tendency to form more of these associations? The next thing we know, we will have an association of quartermaster generals, and then an association of surgeon generals. I can see that perhaps an exchange of views at the National Guard convention might be productive of some good. But just why the adjutants general should have an association I can not understand.

Mr. SPEAKS. The conventions of the National Guard Association of the United States have been held annually for more than a quarter of a century. They accomplish much for the benefit of our nonprofessional national defense organizations. The expenses of the adjutants general and the officers representing the several States are paid from State funds. The meetings are of great importance and should be encouraged.

Mr. LAGUARDIA. I understand that.

Mr. SPEAKS. The gentleman was speaking of forming additional organizations. This is one created many years ago. It meets annually for a necessary purpose.

Mr. LAGUARDIA. And I suppose a good time is had by one and all.

Mr. SPEAKS. Surely just as good a time is being had on the floor by the gentleman from New York.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the second paragraph of section 67, national defense act, as amended, be, and the same is hereby, amended to read as follows:

"The appropriation provided for in this section shall be apportioned among the several States and Territories under just and equitable procedure to be prescribed by the Secretary of War and in direct ratio to the number of enlisted men in active service in the National Guard existing in such States and Territories at the date of apportionment of said appropriation, and to the District of Columbia, under such regulations as the President may prescribe: *Provided*, That the sum so apportioned among the several States, Territories, and the District of Columbia shall be available under such rules as may be prescribed by the Secretary of War for the actual and necessary expenses incurred by officers and enlisted men of the Regular Army when traveling on duty in connection with the National Guard; for actual and necessary expenses incurred by officers of the Regular Army, and reserve officers holding commissions in the National Guard on active duty in the Militia Bureau or the War Department General Staff, while traveling in attending the annual conventions or the National Guard Association of the United States and the Adjutants General Association; for the transportation of supplies furnished to the National Guard for the permanent equipment thereof; for office rent and necessary office expenses of officers of the Regular Army on duty with the National Guard; for the expenses of the Militia Bureau, including clerical services; for expenses of enlisted men of the Regular Army on duty with the National Guard, including an allowance for quarters and subsistence provided in section 11 of the pay readjustment act of June 10, 1922, medicine, and medical attendance; and such expenses shall constitute a charge against the whole sum annually appropriated for the support of the National Guard, and shall be paid therefrom and not from the allotment duly apportioned to any particular State, Territory, or the District of Columbia; for the promotion of rifle practice, including the acquisition, construction, maintenance, and equipment of shooting galleries, and suitable target ranges; for the hiring of horses and draft animals for use of mounted troops, batteries, and wagons for forage for the same; and for such other incidental expenses in connection with lawfully authorized encampments, maneuvers, and field instruction as the Secretary of War may deem necessary, and for such other expenses pertaining to the National Guard as are now or may hereafter be authorized by law."

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

COMMISSION FOR ENLARGING CAPITOL GROUNDS

The next business on the Consent Calendar was the bill (S. 2301) to creat a commission to be known as the commission for the enlarging of the Capitol Grounds, and for other purposes.

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 Vice President of the United States, the Speaker of the House of Representatives of the United States, the chairman of the Senate Committee on Public Buildings and Grounds, the chairman of the House Committee on Public Buildings and Grounds, the minority leader of the Senate, the minority leader of the House of Representatives, and the Architect of the Capitol are hereby created a commission to be known as the commission for the enlarging of the Capitol Grounds. The commission shall have charge of the area between the Capitol and the Union Terminal Station, now owned by the Government, and such other parcels of land as may be added thereto, and is authorized to consider plans and estimates for the creation of a park area to enlarge the Capitol Grounds, both the plans showing the original scheme for the development of this area, and the alternative scheme for the development of this and added areas, and to recommend to the Congress such original and alternative plans or schemes with estimates of costs therefor, together with recommendations for the purchase of such other areas as may be considered necessary to give to the plans for the enlargement of the Capitol Grounds a suitable landscape treatment for the Capitol Building in relation to the landscape treatment with the proposed arrangement of the Mall area.

With the following committee amendments:

Page 1, line 5, after the word "chairman," insert "and ranking minority member"; and in line 6, after the word "chairman," insert "and ranking minority member."

The committee amendments were agreed to.

Mr. HOOPER. Mr. Speaker, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendments offered by Mr. HOOPER: Page 2, line 2, after the word "commission," strike out the remainder of lines 2, 3, 4, and 5, down to and including the word "and."

Page 2, line 7, after the word "grounds," strike out the words "both" and insert in lieu thereof the word "including."

Page 2, after line 16, insert a new section, as follows:

"SEC. 2. If the commission is unable to submit a final report before the expiration of the Seventieth Congress, those Members of the House of Representatives who are members of the commission at the date of expiration of such Congress, if Members elect to the succeeding Congress, shall continue as members of such commission until their successors are determined by the organization of the House of Representatives of the Seventy-first Congress."

The amendments were agreed to, and the bill as amended was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

REGULATING POSTAL RATES

Mr. GRIEST. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 12030) to amend Title II of an act approved February 28, 1925 (43 Stat. 1066, U. S. C., title 39), regulating postal rates, and for other purposes, as amended, which I send to the desk and ask to have read.

The Clerk read as follows:

Be it enacted, etc., That section 201, Title II, of the act of February 28, 1925 (43 Stat. 1066, U. S. C., title 39, sec. 281), is amended to read as follows:

"SEC. 201. The rate of postage on private mailing cards described in the act entitled 'An act to amend the postal laws relating to the use of postal cards,' approved May 19, 1898, shall be 1 cent each."

BUSINESS REPLY CARDS AND ENVELOPES

SEC. 2. Under such regulations as the Postmaster General may prescribe, it shall be lawful to accept for transmission in the mails without prepayment of postage business reply cards and letters in business reply envelopes, which have been sent out in the quantity and under the conditions he may establish, postage thereon at the regular rate, together with an additional postage charge of not more than 2 cents on each such card and letter, to be collected on delivery: *Provided*, That for the purpose of fixing the compensation and allowances at first, second, and third class offices credit shall be allowed only for the postage collected in addition to the regular rate on such cards and letters delivered at such offices: *Provided further*, That postmasters at offices of the fourth class shall be entitled to include in the amounts upon which their commissions on cancellations are based the amount of postage chargeable at the regular rate on such cards and letters mailed at their offices.

DEFICIENT POSTAGE

SEC. 3. All mail matter of the first class upon which one full rate of postage has been prepaid shall be forwarded to its destination, charged with the unpaid rate, to be collected on delivery. If the postage is short paid one rate, the additional charge shall be 2 cents, or the deficient postage. If it is short more than one rate, the deficient postage and an additional charge of 1 cent for each ounce or fraction thereof shall be collected.

SECOND-CLASS MATTER

SEC. 4. Section 202, paragraph (a) (2), of the act of February 28, 1925 (43 Stat. 1066, U. S. C., title 39, sec. 283), is hereby amended to read as follows:

"SEC. 202. (a) (2) On that portion of any such publication devoted to advertisements the rates per pound or fraction thereof for delivery within the eight postal zones established for fourth-class matter shall be as follows:

"For the first and second zones, 1¾ cents.

"For the third zone, 2½ cents.

"For the fourth zone, 4 cents.

"For the fifth zone, 4¾ cents.

"For the sixth zone, 5½ cents.

"For the seventh zone, 7 cents.

"For the eighth zone, and between the Philippine Islands and any portion of the United States, including the District of Columbia, and the several Territories and possessions, 7¾ cents."

TRANSIENT SECOND CLASS

SEC. 5. Section 203, Title II, of the act of February 28, 1925 (43 Stat. 1067, U. S. C., title 39, sec. 287), is hereby amended to read as follows:

"SEC. 203. The rate of postage on publications entered as second-class matter, when sent by others than the publisher or news agent, shall be 1 cent for each 2 ounces or fraction thereof."

THIRD-CLASS MATTER

SEC. 6. Section 206, paragraph (b), of the act of February 28, 1925 (43 Stat. 1067, U. S. C., title 39, sec. 291), is hereby amended to read as follows:

"(b) The rate of postage thereon shall be 1½ cents for each 2 ounces or fraction thereof, up to and including 8 ounces in weight, except that the rate of postage on books, catalogues, seeds, cuttings, bulbs, roots, scions, and plants, not exceeding 8 ounces in weight, shall be 1 cent for each 2 ounces or fraction thereof, except as herein provided for library books: *Provided*, That, under such regulations as the Postmaster General may establish for the collection of the lawful revenue and for facilitating the handling of such matter in the mails, it shall be lawful to accept for transmission in the mails, without postage stamps or with precanceled stamps affixed, separately addressed identical pieces of third-class matter in quantities of not less than 20 pounds, or of not less than 200 pieces subject to pound rates of postage applicable to the entire bulk mailed at one time: *Provided further*, That the rate of postage on third-class matter mailed in bulk under the foregoing provision shall be 12 cents for each pound or fraction thereof, except that in the case of books, catalogues, seeds, cuttings, bulbs, roots, scions, and plants the rate shall be 8 cents for each pound or fraction thereof: *Provided, however*, That the rate of postage on third-class matter mailed in bulk under the foregoing provisions shall be not less than 1 cent per piece."

FOURTH-CLASS MATTER

SEC. 7. Section 207 of the act of February 28, 1925 (43 Stat. 1067, U. S. C., title 39, secs. 240, 247, 293), is hereby amended to read as follows:

"SEC. 207. (a) Mail matter of the fourth class shall weigh in excess of 8 ounces, and shall include books, circulars, and other matter wholly in print (except newspapers and other periodicals entered as second-class matter), proof sheets, corrected proof sheets, and manuscript copy accompanying same, merchandise (including farm and factory products), and all other mailable matter not included in the first or second class, or in the third class as defined in section 206.

"(b) On fourth-class matter the rate of postage, except as herein provided for library books, shall be by the pound, as hereinafter provided, the postage in all cases to be prepaid by stamps affixed thereto or as otherwise prescribed by the Postmaster General.

"The postage on matter of the fourth class shall be as follows:

"On all matter mailed at the post office from which a rural route starts, for delivery on such route, or mailed at any point on such route for delivery at any other point thereon, or at the office from which the route starts, or on any rural route starting therefrom, and on all matter mailed at a city-carrier office, or at any point within its delivery limits, for delivery by carriers from that office, or at any office for local delivery, 7 cents for the first pound or fraction of a pound, and 1 cent for each additional 2 pounds or fraction thereof.

"For delivery within the first zone, except as provided in the next preceding paragraph, 7 cents for the first pound or fraction of a pound, and 1 cent for each additional pound or fraction of a pound (and except where the distance by the shortest regular mail route from the office of origin to the office of delivery is 300 miles or more, in which case the rates of postage shall be 8 cents for the first pound or fraction of a pound, and 2 cents for each additional pound or fraction of a pound).

"For delivery within the second zone, 7 cents for the first pound or fraction of a pound, and 1 cent for each additional pound or fraction of a pound (except where the distance by the shortest regular mail route from the office of origin to the office of delivery is 300 miles or more, in which case the rates of postage shall be 8 cents for the first pound or fraction of a pound, and 2 cents for each additional pound or fraction of a pound).

"For delivery within the third zone, 8 cents for the first pound or fraction of a pound and 2 cents for each additional pound or fraction of a pound.

"For delivery within the fourth zone, 8 cents for the first pound or fraction of a pound and 4 cents for each additional pound or fraction of a pound.

"For delivery within the fifth zone, 9 cents for the first pound or fraction of a pound and 6 cents for each additional pound or fraction of a pound.

"For delivery within the sixth zone, 10 cents for the first pound or fraction of a pound and 8 cents for each additional pound or fraction of a pound.

"For delivery within the seventh zone, 12 cents for the first pound or fraction of a pound and 10 cents for each additional pound or fraction of a pound.

"For delivery within the eighth zone and between the Philippine Islands and any portion of the United States, including the District of Columbia and the several Territories and possessions, 13 cents for the first pound or fraction of a pound and 12 cents for each additional pound or fraction of a pound:

"*Provided*, That the rate of postage on matter of the fourth class when mailed on rural routes shall be, for local delivery and for delivery within the first, second, and third zones, 2 cents less than the rates prescribed in this section, and for delivery within the fourth, fifth, sixth, seventh, and eighth zones, 1 cent less than the rates prescribed in this section.

"The classification of articles mailable, as well as the weight limit, the rates of postage, zone or zones, and other conditions of mailability under this section, if the Postmaster General shall find on experience that they or any of them are such as to prevent the shipment of articles desirable, or to permanently render the cost of the service greater than the receipts of the revenue therefrom, he is hereby directed, subject to the consent of the Interstate Commerce Commission after investigation, to re-form from time to time such classifications, weight limit, rates, zone or zones or conditions, or either, in order to promote the service to the public or to insure the receipt of revenue from such service adequate to pay the cost thereof.

"(d) Books, consisting wholly of reading matter and containing no advertising matter other than incidental announcements of books, when sent by public libraries, organizations or associations not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual, as a loan to readers or when returned by the latter to such public libraries, organizations, or associations shall be charged with postage at the rate of 3 cents for the first pound or fraction thereof, and 2 cents for each additional pound or fraction thereof, except that the rates now or hereafter prescribed for third or fourth class matter shall apply in every case where such rate is lower than the rate prescribed herein for books under this classification: *Provided*, That this rate shall apply only to such books as are addressed for local delivery, for delivery in the first, second, or third zone, or within the State in which mailed.

"Public libraries, organizations, or associations before being entitled to the foregoing rates shall furnish to the Postmaster General, under such regulations as he may prescribe, satisfactory evidence that none of the net income of such organizations inures to the benefit of any private stockholder or individual."

SPECIAL DELIVERY AND SPECIAL HANDLING

SEC. 8. Section 212, Title II, of the act of February 28, 1925 (43 Stat. 1069, U. S. C., title 39, secs. 165, 167), is amended to read as follows:

"SEC. 212. (a) To procure the immediate delivery of mail matter of the first class weighing not more than 2 pounds, stamps of the value of 10 cents shall be affixed (in addition to the regular postage); matter weighing more than 2 pounds and not more than 10 pounds, stamps to the value of 20 cents shall be affixed (in addition to the regular postage); and matter weighing more than 10 pounds, stamps to the value of 25 cents shall be affixed (in addition to the regular postage).

"(b) Mail matter of other than the first class bearing, in addition to the regular postage, a special-delivery stamp of the proper denomination or the equivalent thereof in ordinary stamps, with the words 'Special delivery' written or printed on the envelope or wrapper when ordinary stamps are used, shall receive the same expeditious handling and transportation as is accorded to mail matter of the first class and shall be accorded immediate delivery at the office of address, under such regulations as the Postmaster General may prescribe.

"(c) To procure immediate delivery of mail matter of other than the first class weighing not more than two pounds, stamps to the value of 15 cents shall be affixed (in addition to the regular postage); weighing more than 2 pounds but not more than 10 pounds, stamps to the value of 25 cents shall be affixed (in addition to the regular postage); and for matter weighing more than 10 pounds, stamps to the value of 35 cents shall be affixed (in addition to the regular postage).

"(d) For making special delivery there may be paid to the messenger or other person making such delivery 9 cents for matter of the first class weighing not in excess of 2 pounds, 10 cents for matter of other than the first class weighing not in excess of 2 pounds, 15 cents for mail matter of any class weighing more than 2 pounds but not in excess of 10 pounds, and 20 cents for mail matter of any class weighing in excess of 10 pounds.

"(e) For the purpose of this act the Postmaster General is authorized to provide and issue special-delivery stamps of the denominations 10, 15, 20, 25, and 35 cents."

So much of section 207 of Title II of the act of February 28, 1925 (43 Stat. 1067, U. S. C., title 39, sec. 294), as refers to the expeditious handling, transportation, and delivery of mail matter of the fourth class is hereby amended to read as follows:

"Whenever, in addition to the postage as hereinbefore provided, there shall be affixed to any parcel of mail matter of the fourth class a special handling stamp of the proper denomination, or the equivalent thereof in ordinary postage stamps with the words 'Special handling' written or printed upon the wrapper, such parcel shall receive the same expeditious handling, transportation, and delivery accorded to mail matter of the first class: *Provided*, That to procure special handling treatment of mail matter of the fourth class weighing not more

than 2 pounds, stamps to the value of 10 cents shall be affixed (in addition to the regular postage); weighing more than 2 pounds but not more than 10 pounds, stamps to the value of 15 cents shall be affixed (in addition to the regular postage); and on such matter weighing more than 10 pounds, stamps to the value of 20 cents shall be affixed (in addition to the regular postage).

EFFECTIVE DATE

SEC. 9. This act shall become effective July 1, 1928.

The SPEAKER. Is a second demanded?

Mr. BELL. Mr. Speaker, I demand a second.

Mr. GRIEST. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Pennsylvania [Mr. GRIEST] is entitled to 20 minutes, and the gentleman from Georgia [Mr. BELL] to 20 minutes.

Mr. GRIEST. Mr. Speaker, this bill if enacted, as the committee unanimously recommends, will be the first postal rate law in the history of the Congress to equalize and popularize by revision downward postal rates in all classes of mail. It is the result of an intensive study of postal rates by members of the Post Office Committee of the House, the late joint subcommittee of the House and Senate, and the Post Office Department during the period that has elapsed since the last postal rate bill was hurriedly constructed to meet the emergency caused by the salary bill for postal employees in 1925.

The pending bill corrects and modifies that act and other postal-rate enactments. It accomplishes an equitable readjustment and reduction of rates in all classes, the reduction being estimated, in aggregate, by the Post Office Department, which gives its approval to the bill, at $13,585,000. The bill also provides several new postal facilities with well-considered and moderate rates attached thereto.

That the bill is not perfect in all of its minutiæ goes without saying, but it is conceded to be a well-balanced measure and is as nearly perfect as a unanimous committee has been able to make it after exhaustive hearings and study. Permit me to send to the Clerk's desk for reading the following letter, which is somewhat personal, but came to me as chairman of the committee:

ROBERT COLLIER (INC.),
New York City, March 16, 1928.

Hon. W. W. GRIEST,
House of Representatives, United States,
Washington, D. C.

DEAR MR. GRIEST: You remember the story of the schoolboy who was called to the blackboard to do an example. Arriving at the correct solution, he turned expectantly to the teacher.

"That is good, Johnny," commended the teacher; "you did it very well."

"Good," retorted Johnny, disgustedly. "Hell, that's perfect!"

That's the way I feel about the new postal bill (H. R. 12030) which you have just reported to Congress. More power to you, Mr. GRIEST! You and your committee have done a fine job.

Cordially yours,

ROBERT COLLIER.

Many other letters of similar import have been coming to the committee. Not a single witness during the hearings but favored the passage of the bill even if his own particular recommendation or criticism was disagreed to. I am well convinced that there is general agreement by both the so-called "big" and "little fellows" who are users of the mails, that this bill should pass. To achieve such a situation, the House will realize that we had to overcome many difficulties and divergent views in order to frame provisions that would be acceptable both to the Post Office Department and to the users of the mails. This, I believe, has been accomplished sufficiently well to justify our committee's indorsement of the bill for passage by the House.

Mr. Speaker, I yield five minutes to the gentleman from Iowa [Mr. RAMSEYER]. I ask unanimous consent to revise and extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Iowa [Mr. RAMSEYER] is recognized for five minutes.

Mr. GRIEST. I also ask unanimous consent that all Members of the House may have the privilege of inserting their remarks in the RECORD on this bill for three legislative days.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RAMSEYER. Mr. Speaker, I do not know what I can say to elucidate this bill in five minutes. I agree with our chairman [Mr. GRIEST] that the bill is a good one and as nearly perfect as the Committee on the Post Office and Post Roads could make it. If there is any phase of this bill which anyone wants to have explained I shall willingly yield for questions. Before yielding I wish to state that this bill is the result of careful study. The postal salary and postal rate bill in 1925, you will remember, carried some increases in postage rates which I thought very unwise. Post cards, for example, were increased from 1 cent to 2 cents. That proved unprofitable and the rate has been restored to 1 cent. The rate on third-class matter, which is direct-by-mail advertising, was increased from 1 cent for 2 ounces to 1½ cents for 2 ounces. It resulted in diminishing the postal revenues.

Most of the provisions of this present bill passed the House during the last Congress in separate bills by unanimous consent. They went to the Senate, and the Senate passed its own bill, and then in conference we agreed to a rate bill substantially like this rate bill that is now before you. This bill, however, has a few new provisions. That rate bill would have been enacted into law at the last session of Congress but for the unfortunate filibuster in the Senate during the closing week of the last Congress.

In the bill before us the post-card rate has been reduced from 2 cents to 1 cent. As to second-class mail, you know we established a zone rate back during the war and provided for four increases; an increase in the fiscal year 1919, another in 1920, another in 1921, and then another in the fiscal year 1922. The users of second-class mail want to go back to the 1920 rate. This bill is a compromise and carries the 1921 rate.

The third-class rate stays at 1½ cents for 2 ounces. But we carry a provision here for bulk mailing; that is, when envelopes with stamps affixed or without stamps affixed are presented, all of the same size, either in 20-pound bulk, or 200 separate pieces, it is taken at the rate of 12 cents a pound. That means that each separate piece weighing 1⅓ ounces or less goes for 1 cent. According to the estimate of the Post Office Department from 80 to 85 per cent of third-class mail consists of pieces weighing less than 1⅓ ounces. That means that the bulk of third-class mail will hereafter enjoy a rate of 1 cent per piece. This rate, I think, will prove quite satisfactory to the users of third-class mail.

Mr. GREEN. Mr. Speaker, will the gentleman yield?

Mr. RAMSEYER. Yes.

Mr. GREEN. How does this bill take care of seed houses mailing out a small parcel of seed?

Mr. RAMSEYER. It gives them a flat rate of 1 cent for 2 ounces, or if offered in bulk, 8 cents a pound.

The SPEAKER. The time of the gentleman from Iowa has expired.

Mr. RAMSEYER. Is the time all taken?

Mr. GRIEST. No. I yield to the gentleman three addi- minutes.

The SPEAKER. The gentleman from Iowa is recognized for three additional minutes.

Mr. THURSTON. Mr. Speaker, will the gentleman yield?

Mr. RAMSEYER. Certainly.

Mr. THURSTON. On page 4 I notice there is a provision for catalogues. Would you object to including in that provision circulars?

Mr. RAMSEYER. Everything printed that goes into third class less than a catalogue or a book could be designated or classed circulars. There would be objection to the gentleman's proposal unless we should decide to go back to 1 cent for 2 ounces, which was the rate prior to 1925. The rule under which this bill is considered, amendments are not in order.

Mr. THURSTON. What is the practical aspect of that exception now?

Mr. RAMSEYER. It is that when circular mail is offered for mailing in bulk, the rate is 12 cents for each pound, which means that if the pieces do not weigh over 1⅓ ounces each, they go for 1 cent apiece.

Mr. HUDSON. Mr. Speaker, will the gentleman yield?

Mr. RAMSEYER. I yield.

Mr. HUDSON. In reference to section 2, was any representation brought before the committee as to what this might possibly do to the small retailers?

Mr. RAMSEYER. No.

Mr. HUDSON. It seems it will work a hardship to the small retailer and to the special advantage of the mail-order houses.

Mr. RAMSEYER. I do not think so. The mail-order houses are here and they are here to stay. Mail-order houses advertise largely through newspapers and catalogues. On the other hand

there are a lot of small business concerns and small factories which can not afford to advertise in the newspapers and which depend upon selling their goods almost exclusively on direct-by-mail advertising, using the third-class mail.

Mr. HUDSON. This will greatly stimulate their business?

Mr. RAMSEYER. I think it will help.

Mr. HUDSON. Therefore it must take business from somebody else.

Mr. RAMSEYER. Not necessarily.

Mr. HUDSON. It is a serious question, to my mind as a former retailer, as to what it will do.

Mr. RAMSEYER. I do not think it will be as serious as the gentleman thinks.

Mr. KNUTSON. How are the rates changed on large catalogues?

Mr. RAMSEYER. Well, large catalogues go by parcel post or fourth-class mail. They pay the regular parcel-post rates. There is only one other feature in this bill to which I wish to call your attention and that is the last part, the special handling and special delivery services combined on parcel post. In the bill of 1925 we inaugurated special handling, that is, if you paid 25 cents extra on a parcel it received the same expeditious handling that first-class mail received.

The SPEAKER. The time of the gentleman from Iowa has again expired.

Mr. GRIEST. Mr. Speaker, I yield the gentleman one additional minute.

Mr. RAMSEYER. Ordinarily, a parcel-post package does not travel with the same expedition as first-class mail, but if it had that 25 cents extra placed on it it would receive expeditious handling from the office of entry to the office of delivery, the same as first-class mail. When it got to the office of delivery it would have to take its turn in getting to the sendee, but now, with the combined special handling and special delivery, there is promise of greater expedition to those who want to pay for these new services. By paying a little extra you not only get expeditious handling from post office to post office, but you get immediate delivery at the post office of delivery.

The SPEAKER. The time of the gentleman from Iowa has again expired.

Mr. CRAMTON. Mr. Speaker, can the gentleman from Pennsylvania yield me one minute in order to ask a question?

Mr. GRIEST. Mr. Speaker, I yield the gentleman one minute.

Mr. CRAMTON. Referring to the so-called Watson bill, with reference to the delivery of parcel post C. O. D., which has not been ordered, is there anything in this bill covering that matter?

Mr. GRIEST. There is nothing in this bill in regard to that. This is purely a rate bill and we cut out all extraneous matters. The so-called Watson bill is now before our committee. I understand it has been favorably reported by a subcommittee, but it has not yet been acted upon by the full committee.

Mr. CRAMTON. I hope it will receive the same favorable report from the full committee.

Mr. BELL. Mr. Speaker, I yield five minutes to the gentleman from Louisiana [Mr. SPEARING].

Mr. SPEARING. Mr. Speaker and gentlemen, I do not rise in opposition to the bill. On the contrary, I voted in the committee to report it favorably and will vote for the bill on the floor of the House to-day, and I think it should be passed. However, in the committee I did offer an amendment to the second-class rates, particularly with reference to the rates on newspapers, and were it possible to offer an amendment now I would repeat the amendment here on the floor of the House and urge, as vigorously as I might, that it be adopted.

The situation with reference to newspapers is that under the war revenue law of 1917 an increase of rates was provided on newspapers and all other second-class matter. Those rates were increases of 25 per cent to 225 per cent more than they were before, effective July 1, 1918. There was another increase of 50 per cent to 450 per cent more than the prior rate, effective July 1, 1919, known as the 1920 rate, and another increase of 75 per cent to 675 per cent more than the original rate, effective July 1, 1920. That increase is what is known as the 1921 rate. The present bill proposes to restore the 1921 rate. There was a further increase under the war revenue law of 1917 of 100 per cent to 900 per cent more than the original rate, effective July 1, 1921. There was a slight change, a small increase and a slight decrease by act of February 28, 1925, effective April 15, 1925, which need not be considered here. It seems to me it would be perfectly fair to go back to the 1920 rate, and if ever the occasion presents itself I shall offer an amendment to that effect and urge it.

I do not think anyone disputes that the newspapers—the weekly periodicals to a large extent, and the monthly magazines to a certain extent—are matters of education. The running of the post office and the operations of carrying the mail—first class, second class, and all classes of mail—are matters of governmental function and are carried on for the purpose of increasing the means of communication between the people throughout the country and with other nations. We should encourage that. The evidence before the committee shows that as the result of the increases in the newspaper rates the circulation of certain papers has decreased. That has resulted because they have not been able to send their papers at the same rate they sent them before.

To my mind a newspaper is one of the greatest means of education that we have. It supplements the school education beyond expression. It gives the youth, particularly, knowledge of current events and of everyday happenings. It is history in the making. Show me a boy or a girl, a man or a woman, who keeps up with the current literature through the daily press and the weekly press, and I will show you a person who is well informed not only about current history but about history of years ago. It is an education; it is knowledge; and we should encourage it and we should increase the circulation. The increase in the postal rates had a tendency to discourage it, and, as I say, if it were possible I would offer an amendment urging the 1920 rate. Of course, that is not now possible, but I mention it at this time merely for the purpose of calling the matter to the attention of the House in the hope that when an opportunity does present itself the Members of the House will bear that fact in mind and will vote for such an amendment when it is offered or for such a proposition when it may come before the House in any form for action.

Mr. PEERY. Will the gentleman yield?

Mr. SPEARING. Yes.

Mr. PEERY. That opportunity will not come now?

Mr. SPEARING. Not on this bill at this time, but it may later on.

As indicated by its name, the war revenue act of October 3, 1917, was a war measure. It was, of course, necessary to raise increased and additional revenues. It was natural at that time to seek additional income from any and every source possible, including the Post Office Department. Many other activities were included as means of increasing the income of the Government. Practically every one of the increases which were necessitated by war conditions have been abolished. The only remaining ones are the so-called nuisance taxes and the additional charge of second-class postage. The act of February 28, 1925, to which I have already referred, made very little change in the second-class postal rates; in fact, one charge was increased from 5 cents per pound to 6 cents, while another was reduced from 7 cents to 6 cents, and a third, which affects very few newspapers, from 10 cents to 9 cents, so that for all practical purposes the existing rates are the same as those which have been in effect since July 1, 1921, being the fourth raise under the war revenue act of October 3, 1917. The newspaper publications did not at the time of the increase make any complaint, but the necessities of the case having ceased to exist, it is fair that the newspaper publications should be given consideration and that the extraordinary increases in the rates charged to them by reason of war conditions should be reduced. There is no pretense that the rates which existed prior to the war should be restored, but it is seriously urged that there is a middle ground which will be fair to the newspapers, the people, and the Post Office Department. It seems to me, and I insist, that no one can with reason complain if increases ranging from 50 per cent to 450 per cent more than the original rate are reinstated. Those are the increases effective July 1, 1919, and known as the 1920 rates. They should be restored. The pending bill restores the 1921 rates, with increases ranging from 75 per cent to 675 per cent over and above the rate which prevailed prior to the war, and, for that matter, during the first several years of that conflict. Those rates are too high and unreasonable, and there is nothing to justify them except the desire to obtain revenue for the Post Office Department.

As I have already said, the carrying of the mails is a governmental function. The Post Office Department is the only department of the Government that seeks to obtain a revenue from its operation, or, more properly speaking, for the services which it renders. Every other department of the Government renders services to the people free of charge. We all know the unlimited number of publications issued by the Agriculture Department and distributed free to the people. This is as it should be. I am not finding fault with that policy; on the contrary I approve it; because the distribution of the bulletins, the yearbooks, and other publications of the Agriculture Department result in the education of the people and the improvement of conditions in the country. That also is a governmental function. So, in the Department of Commerce an incalculable

amount of literature is distributed among the people for their education and for the improvement of conditions, economic and otherwise. The Public Health Service renders countless services to the people and likewise distributes free hundreds of thousands, and possible millions, of publications in pamphlet form and otherwise. This list could be increased to such an extent that it would be unreasonable to include in these few remarks the unlimited number of services which various departments of the Government render to the people without cost or charge to them.

What I have said of those other departments is true of the Post Office Department. It is as much a department of the Government as are the others. It is performing a governmental function just as truly as are the other departments. There is no pretense, and I am not contending, that the Post Office Department should render its services or perform its functions without compensation. The price demanded from those who use that department need not necessarily be the cost of the service, though each should bear some relation to the other.

As I have already indicated, the carrying of the daily newspaper, and in lesser degree the weekly publications, and the monthly magazines, is a means of educating the people just as is the distribution of the publications of the Agricultural Department, the Commerce Department, the Public Health Service, and of all those other departments of Government which issue and distribute literature of one kind or other to the people for their education, uplift, and improvement. In my judgment, there is nothing more important than the dissemination of news, of putting into the hands of the people the records of current events. It is a means of education that can not be obtained in the schools or colleges, but it is just as important as is the instruction in the educational institutions. The Government should do everything to encourage the distribution of newspapers, particularly the dailies, so that the people throughout the country will be more fully informed and advised of current events and happenings. To put postage rates on daily newspapers at a reasonable figure accomplishes, or in all events helps to accomplish, this purpose. It is undeniable that one of the principal causes of the advance and progress of this country is the daily newspaper and its distribution among the masses of the people, bringing to them knowledge of events which have happened, contemplation of those which might come to pass. The free interchange of news and views has done as much for the progress and advancement of this country as any one thing, if not more. This is not the time to limit, retard, or interfere with the distribution of the daily newspaper but to encourage it, and this can be done by restoring the 1920 rates which, as I have already indicated, are fair to the Government, to the people, and to the publishers.

This subject has been discussed and has been under consideration for several years. The justice and fairness of the 1920 rates were recognized by the special joint subcommittee of the Senate and of the House, which was created by the act of February 28, 1925, to study and consider the rearrangement of the postal rates which, as we have already seen, were increased purely and simply as a war measure. Thus, in a report made by that subcommittee to the House on May 11, 1926 (Rept. No. 1157, 69th Cong., 1st sess.), that committee said among other things:

> The committee recognizes a degree of force in the arguments submitted to it in favor of the 1920 rates for second-class matter. The figures presented by the Post Office Department do not, however, warrant a recommendation to this effect.

The dissemination of news and information, the education of the people, their uplift, improvement, and advancement are not properly matters of financial cost, but should be pursued as a governmental duty without regard or reference to the cost in dollars and cents. The results can not be measured by the rule of a dollar. It is not so treated in other departments of the Government and should not be in the Post Office Department. If the 1920 rates are fair they should be adopted irrespective of whether or not they insure sufficient revenue in money to satisfy those in charge of the Post Office Department.

It is true that in the report (No. 1006, 70th Cong., 1st sess.) of the committee on the pending bill (H. R. 12030) it is indicated that there are reductions from existing rates. That statement is literally true, but the "existing rates" are so much higher than were the rates which prevailed before the war that it is idle to talk about reductions. The rates recommended by the committee and carried in the bill are largely in excess of, and are general increases over, the rates which existed under normal conditions, and the rates should be restored to those which should properly prevail under the present normal conditions. Confessedly, the rates recommended in the bill are for revenue or, in all events, to prevent a decrease in revenue. As we have already seen, that is not the function of the Government and should not be made the excuse for charging a higher rate than is justified by the conditions of the case or situation.

Much more could be said in favor of a fair rate on second-class matter, and particularly to the daily newspapers, but under present conditions I have said enough, I trust, to draw to your attention what seems to me to be unfair and improper rates on second-class matter to the end that when a reduction of those rates is properly before the House for action the Members will give the subject their serious and favorable consideration to which it is entitled.

Mr. BELL. Mr. Speaker, I yield five minutes to the gentleman from New York [Mr. OLIVER].

Mr. OLIVER of New York. Mr. Speaker and gentlemen of the committee, this probably is the most difficult subject Congress has to deal with—the matter of rate making. I do not care what the rate is on, it becomes a complicated task and one which a new member on a committee finds it difficult to follow.

This bill has been declared by the gentleman from Pennsylvania [Mr. GRIEST] and by Mr. Robert Collier as a perfect bill. It may be perfect—at least, we had a committee which tried to make it as perfect as it could.

Mr. ARENTZ. Will the gentleman yield?

Mr. OLIVER of New York. Yes.

Mr. ARENTZ. Speaking about a perfect bill, it comes to mind that on page 8, line 17, the committee possibly had in mind helping the farmer, but it seems to me if you are going to be a real help to him you should exclude the provision requiring the consent of the Interstate Commerce Commission to an investigation with respect to weight limits, rates, zones, and so forth.

Mr. OLIVER of New York. I have not a copy of the bill before me, but I know the provision the gentleman alludes to.

Mr. ARENTZ. I admit frankly I do not know just what that provision means and I wish if the gentleman himself does not know about it that some member of the committee would give me light upon the subject.

Mr. KELLY. Will the gentleman yield?

Mr. OLIVER of New York. Yes.

Mr. KELLY. I would like to state to the gentleman that that is a provision of law that has been carried since the act of 1912. It is word for word the provision of law now and has been carried continuously with the idea of enabling the Postmaster General to go to the Interstate Commerce Commission and lay down a schedule if he desires to work out a rate which will pay the cost of the service. So far it has been left to the Post Office Committee of the House to suggest such a rate.

Mr. ARENTZ. There is no relief for the farmer.

Mr. OLIVER of New York. I hope the gentleman will yield to me now, as I have only five minutes and I want to use a few of them myself. I think farm relief is going to be up some time next week in a broader way than this, and I hope this will not be the only thing the gentleman has in mind to give to the farmers. [Laughter and applause.]

I was pointing out that it is a difficult thing for the Congress to make postal rates. There is a provision in the bill authorizing the Interstate Commerce Committee to make parcel-post rates so that the rates given to the Government will carry the cost. That is the provision the gentleman alludes to.

Mr. PEERY. Will the gentleman yield?

Mr. OLIVER of New York. Yes.

Mr. PEERY. I would like to ask the gentleman his opinion as to the rates given to newspapers and second-class matter.

Mr. OLIVER of New York. With respect to the rates on newspapers I would like to see those rates established in accordance with the suggestion of the gentleman from Louisiana [Mr. SPEARING], but we can not give everybody a break in the rates. We had a jump in the rates when we raised the postal salaries and it was a quick jump. It was a jump that was probably unscientifically made; in fact, I think almost all rates made by Congress are more or less unscientific, but we are now trying to get back to a normal condition and get back to that condition as fast as we can. This bill will cause a deficit of $13,500,000, according to the estimates of the Post Office Department. I want to discuss the subject of deficits.

Mr. WAINWRIGHT. Will the gentleman yield?

Mr. OLIVER of New York. Yes.

Mr. WAINWRIGHT. This bill has been referred to as a perfect bill. But was there not considerable protest before the gentleman's committee with regard to the third-class rates from the retail merchants and shopkeepers in the smaller towns who feel that their business will be affected by privilege accorded the large mail-order houses?

Mr. OLIVER of New York. No; there was hardly a word of protest about that.

Mr. WAINWRIGHT. Some of us have been receiving protests about that provision.

Mr. OLIVER of New York. That is the same old protest that was raised to the parcel post when it was said that the stores in the large cities would gobble up the trade of the merchants in the smaller towns. This probably ought to have been referred to as the perfect committee rather than the perfect bill, because we have a perfect chairman and a perfect ranking minority leader [Mr. BELL].

Mr. WAINWRIGHT. I admit the allegation so far as the committee is concerned, but I am not so sure about it so far as the bill is concerned.

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

Mr. BELL. Mr. Speaker, I yield one minute to the gentleman from Tennessee [Mr. BYRNS].

Mr. BYRNS. Mr. Speaker, I regret the committee did not feel it wise to report a provision in this bill restoring the 1920 rates for newspapers, particularly in the first, second, and third zones. For reasons expressed by the gentleman from Louisiana [Mr. SPEARING], I think such a provision would have been just and proper, and it also would probably have brought in more revenue.

Since no amendment can be offered under a motion to suspend the rules, it is my purpose to vote for this bill with the hope that the Senate may restore these rates and that they may be agreed upon in conference.

I have asked for this time particularly in order to call the attention of the House to a telegram on the subject from Maj. E. B. Stahlman, one of the most prominent citizens of the South and the owner and publisher of the Nashville Banner, of Nashville, Tenn., one of the leading newspapers of the country. Major Stahlman has made a very thorough and extended investigation, covering a period of several months, of newspaper rates as they relate to postal revenues.

The SPEAKER. The time of the gentleman from Tennessee has expired.

Mr. BYRNS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the manner indicated.

The SPEAKER. Is there objection?

There was no objection.

The telegram follows:

NASHVILLE, TENN., *February 17, 1928.*

Hon. JOSEPH BYRNS,

Member of Congress, Washington, D. C.:

I am sending this telegram to you as a Member from my district with the request to call together members of the Tennessee delegation and read it to them asking them to join you in supporting the reestablishment of the 1920 postal rate on newspapers. I have been quite ill, but improving, and the indications are that within a few weeks I shall be able to go to Washington. I would go to-day if I could, but I am not able. I must therefore rely upon my good friends to stand with me and the other newspapers of the State in an effort to secure justice in connection with this postal matter. I understand the House committee will likely report a bill for a return to the 1921 rate. There is nothing in that proposition that is worth anything to newspapers of the interior in the Banner class, whose mail circulation is practically confined to a 200-mile limit, and if there ever was a question that I have investigated with great care the postal matter is the one. In 1917 I spent months visiting Chicago, Cincinnati, St. Louis, Atlanta, and other large cities to enable me to reach a definite conclusion as to the cost of handling the newspapers at these different places, and spent a solid four months in Washington City to determine from the records of the department what the real cost of transportation and handling of newspaper mail would be. I then reached the conclusion that the cost of transporting newspapers under the contract made by the Post Office Department with the railroads would not exceed more than 12 cents per hundred pounds for the first zone of 50 miles, 29 cents for the second zone of 100 miles, and 56 cents for the third zone of 300 miles; and that the cost, including all terminal charges as well as transportation, would not exceed 17 cents for the first zone, 40 cents for the second zone, and 78 cents for the third zone. I say to you in all seriousness and candor that no changes have taken place nor arrangements made by the department with the railroads for transportation since 1917 that would change the rates in the slightest respect since I made this investigation. The present rate by mail is $2 per hundred pounds for the first two zones and $3 for the third zone. The rate the newspapers are asking is a return to the 1920 rate, which fixes $1.50 for the first two zones and $2 for the third zone.

The circulation of my newspaper is now 65,000, 35,000 of which could be sent by mail if the rates were right. I am sending nearly 25,000 by express and by trucks, because of the excessive postal rate. The department has been extremely unfair to the newspapers and lost a large revenue from the newspapers because of its unfair treatment of the newspapers. I don't care what the experts of the department and others may say, I am only saying what I know to be true; that is, that the talk about the newspapers being responsible for the deficit in the Post Office Department is without a shadow of justification. The 1920 rate would assuredly give the Government at least 100 per cent profit over and above the cost of transportation and handling, one of the things that ought to discredit the claims of the department experts who seek to support their contention by the statement that the overhead charge for carrying newspapers should be about $4.86 per 100 pounds, and that this applies to all distances carrying a newspaper 50 miles, as well as 1,000 miles. There never was a more preposterous suggestion, and especially in the light of the fact that the Interstate Commerce Commission, and even the department itself, established a rate of $1 per 100 pounds for carrying newspapers from New York, Boston, Philadelphia, etc., to Chicago and other western and southern cities, including Nashville, for a distance of 1,200 or more miles. I therefore reassert, and with emphasis, that there never was a time since the last contract was made by the department with the railroads some 15 years ago that the newspapers of the Banner's class were responsible for any deficit in the Post Office Department. May I not therefore ask that the solid Tennessee delegation unite with me in an effort to enact the 1920 basis of rates on newspapers and secure a vote on the question in the House. With profoundest respect and best wishes to all, believe me, your friend,

E. B. STAHLMAN.

Mr. BELL. Mr. Speaker, I yield five minutes to myself. [Applause.]

Mr. Speaker, as a matter of course, it will be impossible for anyone to discuss the provisions of this bill in the short time allotted for its consideration. I believe our committee has presented to the Congress the best postal rate bill we have ever presented. I believe it will come nearer giving general satisfaction than any bill we have ever presented.

Of course, there is some little dissatisfaction among newspaper people, but not very much. I believe they will be satisfied with the bill which we have adopted.

We have reduced the postage on post cards to one-half of the present rate. We found upon investigation that our rate of 2 cents on post cards was driving this class of mail from the mails and, therefore, we put it back at 1 cent, as I think it should have been. There was a popular demand for this reduction.

I would like to discuss at length, if I had the time, the rates on second-class matter, but in view of the fact that several members have discussed this and have expressed their opinions about it——

Mr. GREEN. Will the gentleman yield?

Mr. BELL. I will.

Mr. GREEN. If the gentleman has time in his discussion, I would like for him to bring out just what relief has been brought to the newspapers. There are several newspapers in my district that have requested relief along this line.

Mr. BELL. There is a reduction in second-class matter, that is, on the advertising portion, of $3,860,000, based upon the actual business handled in 1927, adjusted to the prospective business which will be handled during the fiscal year 1929. This, of course, inures to the benefit of users of the second-class matter.

It will be noted by investigation that these reduced rates on second-class matter amounts to about $3,000,000. It seems to me the newspapers will be satisfied with this.

Mr. GREEN. What would it reduce the revenues if we had gone to the 1920 rate?

Mr. BELL. I can not answer that question, because I did not investigate it. The present rate on newspapers, second class, is 2 cents per pound for the first and second zones, 3 cents for the third zone, 6 cents for the fourth, fifth, and sixth zones, 9 cents for the seventh zone, and 9 cents for the eighth zone, and between the Philippine Islands and any portion of the United States, including the District of Columbia and the several Territories and possessions. The net loss on zone rates of advertising matter is $58,000,000 per annum.

We combined the zones in 1925, as above outlined, but under the bill presented to you to-day we have the following zones, with rates submitted:

For the first and second zones, 1¾ cents.
Third zone, 2½ cents.
Fourth zone, 4 cents.
Fifth zone, 4¾ cents.
Sixth zone, 5½ cents.
Seventh zone, 7 cents.

For the eighth zone, and between the Philippine Islands and any portion of the United States, including the District of Columbia and the several Territories and possessions, 7¾ cents.

The rate of transient second class—that is, when sent by others than publishers or news agents—is reduced to 1 cent for each 2 ounces or fraction thereof. Your committee believes that this low rate to the users of this class of mail will stimulate its mailing and eventually produce some revenue to the department, although at present it appears that there will be a loss of about $100,000. This reduction will be a great saving to the people who use this particular service.

It will be remembered that in 1925, under an emergency bill, we increased the postage on post cards from 1 cent each to 2 cents. We now reduce this rate to 1 cent on each, believing this will ultimately bring back into the mails that which was lost on account of the increased rate of 1925.

BUSINESS REPLY CARDS AND ENVELOPES

This is an entirely new postal feature and it is estimated that this will increase the revenue to the department $4,000,000. This, however, is based upon claims made by prospective users of the new facility. A simple explanation of this facility is that a firm doing business in Chicago, for instance, may, in advertising its wares, inclose a postal card or envelope for reply without postage affixed, which when returned to the sender the regular rate will be paid, and, in addition, not more than 2 cents will be charged. A public demand for this service suggests that it will be popular with the business of the country generally and that it will be finally very profitable to the department.

DEFICIENT POSTAGE

All mail matter of the first class upon which one full rate of postage has been prepaid shall be forwarded to its destination, charged with the unpaid rate, to be collected on delivery. If the postage is short paid one rate, the additional charge shall be 2 cents, or the deficient postage. If it is short more than one rate, the deficient postage and an additional charge of 1 cents for each ounce or fraction thereof shall be collected.

This is an entirely new feature, not introduced as a revenue producing facility but as a penalty measure. It is estimated that this feature will produce revenue of approximately $75,000.

A reduction of 1 cent per piece on parcel-post matter will be quite a saving to farmers as well as business people, and while it may reduce the revenue of the department $2,000,000 or more, this special charge on parcel post, as carried in the emergency rate bill of 1925, was, I fear, not on a very fair basis.

LIBRARY BOOKS

On library books 3 cents shall be charged for first pound and 2 cents for each additional pound; a flat rate to the limit of first, second, and third zones or within the State in which such books are mailed, and in Texas and California. It is quite probable this will become a revenue producer.

So much has been said with reference to the deficit in the Post Office Department, and reasons assigned for such deficit, I feel impelled to submit the following table as shown by the annual report of the Postmaster General:

Profit on first class for 1927 was $83,174,429.

Loss on second-class matter for the same year was $84,022,702, less $9,000,000, for "free in county," leaving a loss to the department of $75,022,702 on second-class matter.

It has been charged, especially by new candidates for Congress, that millions multiplied by millions of dollars are spent annually by the Government and Members of Congress for penalty and franked matter, when in fact, the expenditure for both services is a mere bagatelle as compared with the enormous expenses of our Government.

The following is the report of the Postmaster General as to these much-misrepresented items of expenditures:

Penalty matter for 1927 was $6,263,620. Franked matter by Members of Congress and Senators for the same year was $520,691.23.

It is estimated that should this bill be enacted into law it will increase the deficit in the Post Office Department $13,000,000, which, when added to the deficit of 1927 of $29,000,000, will cause a deficit of about $42,000,000.

I feel it is proper for me to say in this connection that such a deficit as will be is not due to extravagance on the part of our post office officials, but it may be well said it is due to the splendid service given the people of this great country of ours—the greatest in the world, and my observation, after 24 years of continuous service in this House is that the present Postmaster General, Mr. Harry S. New, is one of the most capable officials the United States of America has ever had.

Mr. BELL. Mr. Speaker, I yield four minutes to the gentleman from Louisiana [Mr. ASWELL].

Mr. ASWELL. Mr. Speaker, this bill proposes a more general revision in postal rates than has ever been undertaken at one time. Great credit is due to the members of the Committee on the Post Office and Post Roads for working out this intricate measure, but I can not bring myself fully to agree with all its provisions.

I shall direct your attention specifically to the proposed adjustment of the rates on second-class mail matter.

Second-class mail consists of periodicals and newspapers that are issued at regular stated intervals and handled by the mails to a legitimate list of subscribers. From its inception it has been a wise policy of the Federal Government to favor this class of mail with postal rates that aid in the wise distribution of news and literature. It is not necessary at this time for me to prove the beneficial results of that policy, which policy has been the prime factor in creating a unity of thought and purpose in the development of the United States, in giving us one country, one people, one flag.

For many years prior to the war all publications having second-class mail entries were given a flat rate of 1 cent per pound regardless of distance and regardless of cost. This was a subsidized rate in that the revenue was less than the actual cost of the service, although no one definitely knows or ever will know what the actual cost is in handling any one class of mail matter.

At the outbreak of the war Congress found it necessary to find new means of raising revenues to carry on its operations. At first it was thought advisable to place a tax upon advertising matter, but that principle was abandoned. It was therefore decided to include in the war revenue act of 1917 a provision for increasing the postal rate on second-class matter, first by increasing the rate on the reading portion to 1½ cents per pound and by placing a much higher rate on the advertising matter. This was purely a war measure.

Congress realized that the burden of this proposed increase of 300 or 400 per cent was too great for the publishers to absorb at one time, therefore the bill provided for four yearly increases, the first to become effective July 1, 1918, and other increases at the beginning of each succeeding year. The final rates that became effective on the advertising portion ranged from 2 cents to 10 cents per pound, based upon the distance handled.

The publishers at first felt inclined to protest, but they realized it was a patriotic duty to acquiesce and thus do their part in the prosecution of the war; but they understood that this was to be a temporary measure and that the burden would be removed when the emergency passed.

Included in the same bill were several other tax items on transportation and postal matters. After the signing of the peace terms steps were taken for the repeal of other tax items. At the present time none of the transportation taxes remain except that on the advertising matter in newspapers and periodicals.

The publishers have realized that changed conditions have greatly increased the cost of the handling of mail matter and therefore recognized that the old rates were too low and that a compromise should be found. They have agreed that a fair basis would be reached by the elimination of one-half the raise, the last two of the four increases, which would leave in effect the rates that became effective on July 1, 1919, and generally known as the 1920 rates, which were the rates that were effective during the 1920 fiscal year.

It is true that the so-called cost reports of the Post Office Department indicate that second-class mail is carried at a tremendous deficit, and I do not care at this time to go into the details as to how those figures were obtained. Personally, I do not admit that there was any such deficit, because the results were obtained by prorating all expenses of the postal operations to the various classes of mail matter, regardless of the value of the services or the conditions under which rendered.

At the hearings conducted by the House committee there was a large amount of evidence introduced to prove that the present rates on second-class matter are higher in many cases than the cost of similar services by other means. This was proven conclusively by the fact that since 1920 there has been a tremendous increase in the volume of advertising matter published in periodicals and newspapers that could move at second-class mail rates. In fact, the department admitted at the hearings that the weight of this mail matter carried in 1927 was 31,000,000 pounds less than handled by them during the fiscal year 1920. It was also shown that the actual weight of the advertising matter in only 150 publications was 106,000,000 pounds greater in 1927 than in 1920.

This 106,000,000 pounds of these 150 publications is being distributed by commercial means other than by the Post Office Department and it only represents a part of the tremendous increase in this matter that could have been handled by the Post Office Department if the 1920 rates had remained in effect. In

other words the rates are higher than the traffic can bear. These facts prove, I think, that it will be an economically sound policy to adopt the 1920 rates on second-class matter.

Second-class mail rates are applicable to approximately 29,000 publications of various sizes and with many different conditions under which they are handled. Included in this classification are newspapers that are delivered free in the county of publication and therefore pay no revenue; then there is a group of some 6,000 publications to which Congress has given a special flat rate of 1½ cents per pound regardless of weight per piece, advertising content, or distance handled, and these factors are very important elements in determining the cost per pound. I recently read an analysis in regard to one of these publications with a national distribution and was amazed to see that the difference between the postage rate paid by it on its advertising content and the rate that would have been paid had the present zone rate been applied enabled the publication to save $205,000 per year. That is, this publication receives a subsidy of $205,000 per year as against its competitors for the advertisements carried by it. It is undoubtedly a wise policy to give this rate and it undoubtedly creates a deficit, but it must be kept in mind that that is part of the deficit on second class that is referred to by those opposed to a proper rate on portions of second-class mail and it has nothing whatever to do with the question involved of reducing the rate on the advertising portion of commercial publications to the 1920 basis.

This second-class grouping also includes many publications of unusually small size, with known cases of where it takes over 150 of them to make one pound and when it is remembered that a pound rate applies to them in the same manner as a pound rate applies to a publication weighing one pound, although the piece element of cost is only one-one hundred and fiftieth as great, it can easily be seen what the major portion of the deficit is on such mail matter. This is due entirely to a sound policy of Congress to help these small publications.

It was shown at the hearings that the actual deficit, if any exists, on the so-called zone-rate-paying publications is due to the rate on the reading matter, which is entirely a question of the governmental policy that has been in existence since the foundation of the Government, and that there would be no actual deficit on the advertising portion by itself if we restore the 1920 scale of rates on advertising matter in such publications.

As stated before, the present rates on this advertising matter is a result of a war revenue act to meet an emergency. That emergency has passed. This bill removes only one of those four yearly increases and would have the effect of restoring the so-called 1921 rates. This does not go far enough. Congress should take immediate steps to right this wrong by restoring the 1920 rates. This would be amply justified from an economical standpoint, because it would bring back to the mails a large volume of this second-class mail matter.

I regret that the House will not be permitted to-day to vote on an amendment restoring the 1920 rates, which, in my opinion, if properly debated, would be adopted; but in view of the fact that the Senate has on two occasions approved the 1920 rates on second-class mail matter, and with the hope that the Senate may do so again, with the conferees approving, I shall vote for the passage of this bill as it is written. [Applause.]

Mr. GRIEST. Mr. Speaker, I yield five and a half minutes to the gentleman from Pennsylvania [Mr. KELLY].

Mr. KELLY. Mr. Speaker and Members of the House, in the history of Congress there have been very few measures dealing with the revision of postage rates on so extensive a plan as this measure. While this bill does not cover all rates on mail matter, it does involve more than has been customary in such legislation, which has generally revised postal charges in piecemeal and by fractions.

The act of February 20, 1792, was the first postal rate bill under the Constitution. It served as the basis for all changes until the act of March 3, 1825, which repealed all previous rates but did not make any substantial changes in the new rates enacted.

The next revision was is 1851, and the schedules were again rewritten without any real departure from original principles. In 1863 another revision was made, which abolished the zone rates on first-class matter and established new postage charges.

The act of March 3, 1879, repealed all former rates and established the four classes of mail matter as we have them to-day. These 1879 rates were modified by bills dealing with separate classes. The 2-cent letter rate and the 1-cent a pound rate for second class were established in 1885.

These rates have been the basis during a generation. In 1917 zone rates were established for commercial second class. In 1925 we formulated a number of new rates in connection with the postal salary bill.

The 1925 changes taken with this bill before us to-day amount to a general revision of postage rates, one of the six measures of the kind in our history.

Each one of these general revisions has been followed almost immediately by laws making minor changes, indicating the strength of the protests against specific rates.

I give it as my belief that when this bill is finally enacted into law, there will be less dissatisfaction with its provisions and fewer appeals for changes than after any former rate revision.

I do not mean that this measure is perfect. I do mean that it is the result of years of patient study and considerable experimentation and resulting experience. Its provisions are not hastily drawn but are the fruits of many hearings where the representatives of every class of mail users have had their day in court. It carries with it the indorsement of the Post Office Department, whose official representative, Mr. Joseph Stewart, has made a commendable effort to cooperate with the Post Office Committee and the mail users in working out a postage-rate structure which shall be as just and fair as possible. I can not forbear to say also that the organizations representing the mail users, with few exceptions, have acted in a spirit of fair play, which proves that they consider the public interest as well as their own.

Some changes may yet be desired by certain of these organizations, but I am confident that not one of them will take the responsibility of opposing this bill exactly as it stands if such opposition should mean its defeat.

Mr. Speaker, this bill is founded on just and correct principles of postage rate making. It does not segregate the classes of mail matter and attempt to make each one self-sustaining as a unit. Such an attempt has never been seriously advocated in Congress, whose deliberate policies have made it impossible. It does not attempt to make users of paid mail matter pay for free services. This bill deals with all paid mail matter as a whole and provides aggregate revenue to cover all costs of the service given such mail matter. It puts paid mail matter on a self-sustaining basis.

Proper consideration is given the fact that the primary function of the Postal Service is to carry first-class mail matter. This great nation-wide communication organization must be maintained for that purpose. Therefore, it is fair to assess a considerable proportion of the overhead expense to this class of mail, and this is done by the retention, without change, of the 2-cent letter rate.

We have provided rates for commercial second class to assure payment of the cost of carrying the advertising portions, while the reading matter has a less-than-cost rate in accordance with traditional policy.

The third-class rates will pay all costs of handling, and the same principle is carried out as to fourth-class or parcel post.

Taking all paid mail matter in these four classes as a whole the revenues will be about $572,463,000. This is almost exactly the actual expenditures which will be required to handle this mail matter.

Mr. WAINWRIGHT. Mr. Speaker, will the gentleman yield?

Mr. KELLY. Certainly, I yield.

Mr. WAINWRIGHT. A great many of us have heard from the retail dealers, the merchants, in our districts, objecting to certain features of the bill, particularly that it favored the large mail-order houses at their expense.

Mr. KELLY. There are only three provisions in this bill over which there is the slightest controversy. The gentleman from New York refers to one of them, that dealing with third-class mail matter. I will say that the small dealers to whom he refers do not understand the provisions if they believe there is a discrimination. The fact is that this bill carries a preferential rate for catalogues under 8 ounces in weight. That rate is 1 cent for 2 ounces and applies any distance. The big mail-order houses, with their heavy catalogues, pay parcel-post rates by zones. Those rates are higher in all except the first, second, and third zones.

We also provide a rate on regular third class, which means 1 cent for 1⅓ ounces where as low as 200 pieces are mailed. This will serve even the smallest retailers in the country, as well as those who send out vast quantities at one mailing.

Mr. WAINWRIGHT. Would the gentleman say, then, that the fears of that class of merchants are ill founded, as far as the rates in this bill are concerned?

Mr. KELLY. Yes; and they will learn on experience that we have given them great advantages in this measure.

Mr. BLANTON. Will the gentleman yield?

Mr. KELLY. I yield.

Mr. BLANTON. Even though we can not amend this bill in any particular, the gentleman is for it.

Mr. KELLY. I am for it as a fair and square postage rate schedule which is built on proper principles.

Mr. BLANTON. Under the circumstances, I will vote for the bill with the gentleman. I follow my friend from Pennsylvania on postal matters.

Mr. KELLY. The gentleman does me high honor, and I appreciate it.

Now, Mr. Speaker, let me sketch the provisions of this bill. First, I will outline the changes and the new services provided which are not in the least controversial, since they have been approved without qualification by every party concerned.

POST CARDS AND PRIVATE MAILING CARDS

This bill restores the 1-cent rate on post cards and private mailing cards. For the past three years the rate has been 2 cents.

When this change was made it was estimated that 1,250,000,000 post cards and private mailing cards were being carried in the mails. Allowing for a reduction of 250,000,000 the new rate was estimated to bring in an additional $10,000,000 in revenue. It appears that a great mistake was made in the number formerly carried. In any case, the cost ascertainment for 1926 showed only 206,000,000 carried in 1926 and 183,000,000 in 1927.

It is probable that this increased rate has reduced postal revenues at least $6,000,000 a year. It is eloquent evidence of the fact that a rate may be higher than the traffic will bear and results in decreased receipts.

The department now estimates that the 1-cent rate will result in decreased revenues of $1,200,000 a year. It seems to me that assuredly the first year should witness the mailing of double the number now being carried, which would mean no loss in revenues.

COLLECT POSTAGE ON DELIVERY POST CARDS AND ENVELOPES

This bill authorizes a new postal facility which will be of great value to direct mail advertisers. It is provided that reply cards and envelopes may be mailed under proper regulations, and that they may be returned by the recipient and delivered to the sending firm without prepayment of postage.

A charge of not more than 2 cents on card or letter will be collected on delivery. It has been urged that persons who receive these reply cards for requesting catalogues, and so forth, do not use them often because they must affix postage or do not have the stamp available at the time. The advertiser will gladly pay the postage if the card is returned.

While this is a departure from the fixed rule that postage stamps must be affixed to mail matter, it is believed that it is justifiable and will be a valuable service while bringing in revenues sufficient to pay the cost. It is believed that it will lead to greatly increased use of the Postal Service. The department estimates increased revenues of $4,000,000 as a result of this new postal facility.

Postmasters in first, second, and third class offices will receive credit on the additional postage collected while postmasters of the fourth class will receive credit on the regular rate only.

SHORT-PAID FIRST-CLASS MATTER

This bill undertakes to provide a remedy for the abuse of sending first-class mail with deficient postage. There are some concerns which have made a practice of sending large amounts of this mail of greater weights than 1 ounce with only 2 cents postage affixed.

This practice entails much additional clerical work, and the carriers are obliged to keep separate records and collect the postage due. An attempt to end this practice is believed justifiable.

If the postage affixed is deficient by one rate, the charge is made 2 cents, which is the postage due. This will care for all cases of inadvertence and incorrect estimate.

If the shortage is more than one rate, there must be payment of the postage due and 1 cent additional for each ounce or fraction thereof.

TRANSIENT SECOND CLASS

What is known as second-class matter consists of newspapers and other publications mailed by others than publishers and news agents.

There was more widespread complaint about the rate on this class than on any other rate in that law. The old rate had been 1 cent for 4 ounces, and this was universally agreed to be too low. The act of 1925 made the rate 2 cents for 2 ounces up to 8 ounces, and parcel-post rates above.

The increase was too great, and resulted in a great falling off in the mail matter under this classification. The department reports that in 1923 about 109,000,000 pieces of transient second class were carried. In 1926 the number was about 49,000,000 pieces.

In 1923 the weight was reported as 43,000,000 pounds, and in 1927 as 11,000,000 pounds.

This bill cuts the current rate in two and makes it 1 cent for 2 ounces. The department estimates a net loss in revenues of $100,000. Surely the restoration of a great part of the pieces which have gone out of the mails will cover the estimated loss. The new rate will bring in 7 cents a pound and will pay for the entire cost of handling.

LIBRARY BOOKS

In this bill we have a new classification through which library books sent from and returned to libraries, organizations, and associations not organized for profit shall be given a special rate.

At the hearings before the committee a strong case was made for this provision. We have limited it within a distance of 300 miles or within the State in which mailed. The rate is 3 cents for the first pound and 2 cents for additional pounds.

The advantage may be seen by comparison with present parcel-post rates. For instance, a 2-pound book sent to local, first, and second zones now costs 8 cents. Under the new rate it will be sent for 5 cents. In the third zone the charge is 10 cents and under this bill it will be 5 cents.

It is said that there are 42,000,000 people living in rural areas in the United States, or in very small towns, where there are no public libraries. This low rate on books will enable these people to take advantage of libraries in the cities, and will serve in some degree as a means of educational advancement.

SPECIAL DELIVERY AND SPECIAL HANDLING

The act of February 28, 1926, established a new service known as "special handling." It was provided that the payment of 25 cents would secure to fourth-class mail matter the same expeditious transportation and handling as first class.

In view of the fact that this additional payment and the regular parcel-post rates are far less than the first-class rate this service offers a great advantage. However, it has not been as popular as had been expected.

In this bill we give a combined special delivery and special handling. Parcels up to 2 pounds will be 15 cents; between 2 and 10 pounds, 25 cents; over 10 pounds, 35 cents.

Those who desire only the special-handling advantage may have it for parcels up to 2 pounds by the payment of 10 cents; for parcels between 2 and 10 pounds, 15 cents; and over 10 pounds, 20 cents.

The bill also increases the fees paid to special-delivery messengers. For delivering mail matter of the first class up to 2 pounds, the fee will be 9 cents; for other than the first class, up to 2 pounds, the fee is 10 cents; for any class between 2 and 10 pounds, 15 cents; and for any class above 10 pounds, 20 cents.

Mr. Speaker, there is unanimous agreement as to the adoption of these provisions I have mentioned. Differences of opinion can only arise as to the specific rates recommended for advertising portions of commercial publications, circular mail, and parcels post.

Let us consider these rates so that the reasons for fixing these rates may be understood by all.

SECOND-CLASS MAIL RATES

For 11 years there has been continual agitation and protest, study and experimentation as to second-class rates. The war revenue act of 1917 established a new policy for these rates and assessed zone rates upon the advertising portions of commercial publications.

This class embraces all newspapers and other periodicals issued at stated intervals and entered under the postal requirements. These requirements as fixed by law are as follows:

First. The periodical must regularly be issued at stated intervals, as frequently as four times a year, bear a date of issue, and be numbered consecutively.

Second. It must be issued from a known office of publication.

Third. It must be formed of printed sheets of paper, without board, cloth, leather, or other substantial binding.

Fourth. It must be originated and published for the dissemination of information of a public character, or devoted to literature, the sciences, arts, or some special industry, and have a legitimate list of subscribers: *Provided, however*, That nothing contained herein shall be so construed as to admit to the second-class rate regular publications designed primarily for advertising purposes, or for free circulation, or for circulation at nominal rates.

According to the report of the Postmaster General for the fiscal year 1927, there are 29,531 publications entered in the various post offices as second-class mail matter under the above requirements of the law.

These publications having second-class entry are divided into a number of subclasses for various reasons. The main divisions as far as postage rates are concerned are as follows:

First. Free in county; that is, publications delivered free by the Post Office Department in the county of publication.

Second. Religious, scientific, fraternal, and so forth, publications not conducted for private profit, on which a flat rate of 1½ cents per pound applies regardless of distance carried or the advertising content.

Third. Other publications containing 5 per cent or less advertising, on which a flat rate of 1½ cents per pound applies.

Fourth. All other publications which take a combination rate of 1½ cents per pound on the reading matter, and a zone rate on the advertising portion which increases with the distance.

From the beginning of the United States Postal Service it has been the traditional policy to encourage the dissemination of knowledge and information by low postal rates on periodicals.

In 1793 President George Washington recommended that public prints be sent through the mails without any charge. In making this request of Congress, he said:

> There is no resource so firm for the Government of the United States as the affections of the people, guided by an enlightened policy, and to this primary good nothing can conduce more than a faithful representation of the public proceedings diffused without restraint throughout the United States.

The first congressional act dealing with postage rates fixed rates on letters by zones. A single letter sent 30 miles cost 6 cents; over 450 miles, 25 cents. Letters of two sheets took double rates. A letter weighing an ounce paid the rate of four single letters.

In this same bill newspapers carried 100 miles paid 1 cent and over 100 miles 1½ cents.

It may thus been seen that the original policy was to grant extremely low rates to newspapers and periodicals.

By the act of 1825 papers were ordered sent through the mails free for distances within 30 miles of the place of publication. This was repealed two years later and all papers made subject to postage, but all persons having the franking privilege were given the right to frank newspapers.

In 1851 weekly newspapers were ordered sent free within the county of publication.

In 1879 the rate was reduced to 2 cents a pound for all publications and this rate was further reduced to 1 cent in 1885.

This 1 cent a pound rate continued for 32 years or until the war revenue act of 1917.

Abuses were certain to creep in and a multitude of publications secured this low rate when by no stretch of the imagination could they be said to disseminate knowledge and information.

Postmasters General complained of the violation of the real purpose of these low rates. It was not the loss on legitimate newspapers which cried for remedy; it was the misuse of the second-class privilege.

In 1917, through the war revenue act, a change was made in the rates accorded second-class matter. While confirming the traditional theory of a very low rate on reading matter, the Ways and Means Committee differentiated between reading matter and advertising columns. The committee said in substance, "We will fix a permanent rate of 1½ cents a pound on reading matter in ordinary commercial publications any distance. We will fix zone rates on the advertising in four successive increases in order to make the advertising contents pay all the cost of handling such advertising matter.

Now, waiving the obvious argument that it is the advertising contents which make the publication possible, the fact remains that Congress did enact its determination to make the advertising part of the newspaper pay the cost, while the reading portions were deliberately given a rate much lower than actual cost.

The war revenue act of 1917 provided for four yearly increases and the act of 1925 made certain changes, as follows:

	July 1, 1918	July 1, 1919	July 1, 1920 [1]	July 1, 1921	Present rates [2]
	Cents	*Cents*	*Cents*	*Cents*	*Cents*
Other than advertising portion, all zones	1¼	1½	1½	1½	1½
Advertising portion:					
Zones 1 and 2	1¼	1½	1¾	2	2
Zone 3	1½	2	2½	3	3
Zone 4	2	3	4	5	6
Zone 5	2¼	3½	4¾	6	6
Zone 6	2½	4	5½	7	6
Zone 7	3	5	7	9	9
Zone 8	3¼	5½	7¾	10	9

[1] Rates in H. R. 12030.
[2] Act Feb. 28, 1925.

In this bill we have fixed the rates which went into force on July 1, 1920, and since they applied during the fiscal year 1921 are usually termed the 1921 rates.

To-day the rate on reading matter in all periodical publications is 1½ cents a pound, and it matters not whether it is sent 10 miles or 3,000 miles. For policy reasons that same rate applies to all portions of religious, scientific, and similar publications not published for profit. For administrative reasons it also covers all publications containing less than 5 per cent advertising.

This is the principle upon which second-class rates are assumed to be made:

> Reading matter at a nominal rate in order to encourage the widespread dissemination of intelligence and information; advertising portions of commercial publications must pay the cost of handling such portions.

That has been the plain purpose of Congress since 1917. The confusion and misunderstanding have been due to the cost-ascertainment reports which have counted all classifications of the second class together, and have not differentiated between reading matter and advertising matter. As a result, the loss shown gives an erroneous picture of the true situation.

That there is a great loss on the reading matter is accepted. It was so decreed by Congress when it took action, knowing that the cost is several times the charge of 1½ cents a pound.

The revenues from the advertising portions were designed to pay the additional cost of carrying such advertising matter and no more.

The real question involved is, "Will the rates carried in this bill bring in revenues to pay such additional cost of handling?"

To that question there can be but one answer after complete study. These rates will pay that cost and more besides.

The only place we can secure figures of any kind is in the cost ascertainment. I have pointed out many times that the methods used in this calculation are explicitly declared by the department not to be such as can be used for just rate making. In this report all classes of mail matter are treated in exactly the same manner, just as though a railroad company should apportion costs on carrying coal and automobiles on the same basis. It simply can not be done in determining costs.

However, taking these figures just as they are, with their unwarranted gains for first class and their unwarranted losses to second, third, and fourth classes, let us see what we shall find.

This report shows that the weight of the preferential rate publications, the religious, scientific, and so forth, is 144,339,000 pounds. On this weight, I was informed by the department, the loss is estimated at $16,000,000.

Now, the total weight of the publications paying zone rates for advertising is 1,249,960,000. The proportion of half reading and half advertising would make the weight of the reading matter 624,980,000 pounds. This is carried at the flat rate of 1½ cents a pound.

This is about four and one-half times the weight of the entire religious, scientific, and so forth, class, so that the loss in carrying the reading portions of these newspapers is about $72,000,000.

The cost ascertainment states that the loss on all second-class mail matter is $84,000,000. This includes the loss on free in county, religious, and scientific, 1 cent per pound for local delivery, etc. If we take the free in county, religious, scientific, and so forth, only at the estimates furnished me by the department, we must deduct $25,000,000, which would mean a loss of $59,000,000 on the zone-rate newspapers.

We have seen that the loss on the reading matter alone is $72,000,000. Therefore the difference is $13,000,000, which is the amount paid at present rates above the cost of handling such advertising portions.

It is estimated that the return to 1921 rates provided in this bill will reduce revenues by $3,860,000. On the calculation I have just given, there will still be receipts of considerably more than the additional cost of handling the advertising portions.

It is true that it is impossible to figure this out with exactness. The department has given other figures as to the losses on these various subclasses. Even using the apportionment expense as it is given in the cost ascertainment, I believe that under the rates carried in this bill the advertising portions will more than pay their own way.

Another justification for a reduction in these rates is found in the records of advertising matter handled by the Post Office Department since 1920.

In 1920 the weight of the advertising matter in all these publications subject to zone rates was 599,098,270 pounds.

In 1926, with the increases in second-class rates, the total of the advertising matter was 551,353,779 pounds. This was a reduction of 50,000,000 pounds in the advertising matter carried by the department, although there was a considerable increase in other classes of mail and also in the advertising matter in publications carried outside the mail.

The evident cause of this reduction is that the rates were high enough to drive considerable matter out of the mail, and it found other means of transportation.

One of the fallacies in connection with second-class rates has been the belief that the loss in this class was due to the weight and volume of the large publications. The fact is that on any publication weighing a pound and over there is a profit to the department on the present rates and on the apportionment of cost used in the cost ascertainment. This was admitted at the hearings by the department representative.

The truth is that 70 per cent of the Post Office Department expense in carrying second-class mail is handling charge, and this is largely determined by the per piece cost. Some publications of this class run more than 100 pieces to the pound. The department must therefore handle, transport, sort, and deliver 100 pieces of this kind to one of a publication weighing 1 pound. Besides this, the leaflet publication usually carries less than 5 per cent of advertising and takes the 1½ cent a pound rate, while the heavy publication pays high rates on its advertising publications.

The representatives of the second-class mail users who pay zone rates requested a return to the zone rates known as the 1920 schedule. This would leave two of the four advances provided for by the war revenue act of 1917.

The publishers argued that these rates brought the best returns in revenue and that the later increases have diverted the mail to other means of handling. It was stated that in many instances these publications are being transported by private distribution systems.

The Post Office Committee of the House has for years studied this problem of second-class rates, which is the most difficult and involved of all postage rates. The numerous subclassifications and the variety of charges fixed for policy reasons add to the complex features involved.

This measure deals only with the advertising portions of the commercial publications. The return to 1921 rates is abundantly justified by the facts, and the committee urges its adoption.

THIRD-CLASS MAIL

Under this bill the users of third-class or circular mail will receive substantial benefits. According to the Post Office Department the rates provided will reduce the revenues for this class by $10,500,000 per annum.

Before the act of February 28, 1925, third-class matter covered printed matter weighing less than 4 pounds, and the rate was 1 cent for each 2 ounces or fraction thereof.

That act changed the third and fourth class limits and threw into third class all merchandise and printed matter weighing 8 ounces or less and provided a rate of 1½ cents for each 2 ounces. A preferential rate of 1 cent per 2 ounces was given books, catalogues, seeds, and so forth.

As applied to the bulk of third class the new rate meant an increase of 50 per cent. The action was taken in an effort to make this class pay the cost of service, which the cost ascertainment said it was failing to do by $16,291,000 per year.

It must be remembered that the transfer from fourth class of mail matter up to 8 ounces was a great reduction on a large quantity of mail, because the rate on such mail matter had been 1 cent an ounce up to 4 ounces and parcel-post zone rates beyond that weight.

However, the increased rate aroused great opposition. At the hearing before the Post Office Committee third-class mail users declared that it had reduced their mailings to a considerable extent. From all figures available it is probable that the rate has reduced the volume of third-class mail.

The bill before us does not restore the old rate of 1 cent for 2 ounces in so many words, but it accomplishes practically that result. Under the old rate the average circular sent weighed less than an ounce, but it required a 1-cent stamp. Under the quantity and pound provision carried in this bill the mailers will send circulars weighing up to 1⅓ ounces each for 1 cent.

Where 200 pieces, or 20 pounds in weight, of identical pieces are mailed the rate is 12 cents a pound, with a minimum charge of 1 cent for each piece. This will accommodate even the smallest mailers, since no one will send fewer than 200 pieces of this direct advertising mail matter.

It is also provided that precanceled stamps may be used and this will permit the mailers to use the pound rate and at the same time have individual stamps affixed. The bill permits the Postmaster General to require large users to route and sack their mail so that handling charges will be lessened.

While a very large loss in revenues is estimated as a result of these rates, I believe that experience will prove that revenues will eventually be increased because of them.

It is not fair to charge third class with the same apportionment of expense as first class receives. It is not given the same treatment. It is sorted and distributed by post-office clerks only after first-class mail is handled. It is sent to terminals instead of being distributed on postal cars. Letter carriers give preference to first class on delivery. There is no directory service such as is given first class. It is really fill-in mail and should be so considered in cost keeping.

I believe that the rate provided in this bill will increase the volume of third class and will result in greater returns than the present rates.

FOURTH-CLASS MAIL MATTER

By the reclassification in the act of February 28, 1925, there was taken from fourth class all packages weighing 8 ounces or less and there was added former third-class matter weighing over 8 ounces and not exceeding 4 pounds. There was no change in the specific zone rates, but a 2-cent service charge was added for all parcel post save that originating on rural routes.

At the time this change was made it was reported through the cost ascertainment that the loss on parcel post was approximately $7,000,000.

It is now estimated that the loss for 1927 was $4,479,000.

Under this bill the present rate on parcel post in the fourth, fifth, sixth, seventh, and eighth zones is reduced 1 cent. The preferential rate on parcel post originating on rural routes is still carried.

The Post Office Department estimates that the loss to revenues by this reduction will be about $2,000,000 a year.

It is generally agreed, and was so stated in the original parcel post law, that this class of mail matter should bear the total cost of the service. I admit that it is unfair to charge it with the same overhead cost as first class and it is probable that there will be no actual loss in fourth class after these rates go into effect.

However, any attempt to go further than we have done, especially as has been suggested, by the fixing of a rate of 5 cents for the local zone, would be disastrous.

Parcel-post and express matter handled by private companies are on a similar basis. The Interstate Commerce Commission fixes express rates. What is their method of fixing these rates? They have three factors. First, there is a 35-cent minimum terminal charge, and this applies to every shipment. If a shipper sends a 1-pound package 10 miles by express, this 35-cent charge must be paid. The second factor is the cost of straight transportation and the third is general overhead expense and the profit to the company.

This basis of rates was adopted after the most thorough consideration by the governmental body charged with the protection of the public. Can anyone argue that even the local rate of 7 cents provided in this bill is as high as it should be? The Post Office Department strongly urged a 10-cent rate in 1924, believing it to be necessary.

Think what must be done in handling a parcel in the local zone of New York City, for instance. The mailer goes to a substation. where a clerk weighs the parcel and sells the stamp. That stamp must be canceled. The parcel is routed by another clerk. It is sent to the main office or another substation by motor vehicle. It is again handled by a post-office clerk and is taken by a parcel-post carrier and dilvered to the addressee.

It is not like letters in first-class mail. Each parcel-post package is a separate and distinct handling. Only the efficiency of the Postal Service to-day prevents the present local rates from cutting disastrously into postal revenues. In many cities the parcel post is used by department stores for shipment of purchases.

Nor is the local rate and the other rates inclusive of a service charge for which no service is given. The so-called 2-cent service charge was adopted in 1925 as the most convenient plan of increasing the rate, so that it would include a slightly nearer approach to the charge which the express companies call a terminal charge. It was placed on the first pound for that purpose and no other.

Mr. Speaker, I have prepared a table which shows at a glance the changes made by this bill. It is as follows:

Statement showing comparison between old rates, 1925 rates, and proposed rates

Class	Mail matter	Old rate	1925 rates	Proposed rates
First	Post cards, private mailing	1 cent each	2 cents each	1 cent each.
Second	Transient	1 cent 4 ounces	2 cents 2 ounces; over 8 ounces, parcel post.	1 cent 2 ounces.
	Publishers:			
	Scientific, religious, etc., newspapers, periodicals, reading matter, 1½ cents pound.	1¼ cents pound	1½ cents pound	1½ cents pound.
	Advertising:			
	Zones 1 and 2	2 cents pound	2 cents pound	1¾ cents pound.
	Zone 3	3 cents pound	3 cents pound	2½ cents pound.
	Zone 4	5 cents pound	6 cents pound	4 cents pound.
	Zone 5	6 cents pound	do	4¾ cents pound.
	Zone 6	7 cents pound	do	5½ cents pound.
	Zone 7	9 cents pound	9 cents pound	7 cents pound.
	Zone 8	10 cents pound	do	7¾ cents pound.
Third	Printed matter	Up to 4 pounds, 1 cent each 2 ounces; over 4, parcel-post rates.	Under 8 ounces, 1½ cents 2 ounces; over, parcel post.	Under 8 ounces, 1½ cents 2 ounces; 200 pieces or 20 pounds, 12 cents pound.
	Books, catalogues, seeds, etc	Under 8 ounces, 1 cent 2 ounces; over 8 ounces parcel post.	Under 8 ounces, 1 cent 2 ounces; over, parcel post.	Under 8 ounces, 1 cent 2 ounces; over parcel post.
Fourth	Merchandise over 8 ounces:			
	Local zone	5 cents first pound; 1 cent each additional 2 pounds.	7 cents first pound; 1 cent additional 2 pounds.	7 cents first pound; 1 cent additional 2 pounds.
	Zones 1 and 2	5 cents first pound; 1 cent each additional pound.	7 cents first pound; 1 cent additional pound.	7 cents first pound; 1 cent additional pound.
	Zone 3	6 cents first pound; 2 cents additional	8 cents first pound; 2 cents additional	8 cents first pound; 2 cents additional.
	Zone 4	7 cents first pound; 4 cents additional	9 cents first pound; 4 cents additional	8 cents first pound; 4 cents additional.
	Zone 5	8 cents first pound; 6 cents additional	10 cents first pound; 6 cents additional	9 cents first pound; 6 cents additional.
	Zone 6	9 cents first pound; 8 cents additional	11 cents first pound; 8 cents additional	10 cents first pound; 8 cents additional.
	Zone 7	11 cents first pound; 10 cents additional	13 cents first pound; 10 cents additional	12 cents first pound; 10 cents additional.
	Zone 8	12 cents each pound	14 cents first pound; 12 cents additional	13 cents first pound; 12 cents additional.
	Mailed rural routes		2 cents less parcel	2 cents less local first, second, and third; 1 cent less fourth, fifth, sixth, seventh, and eighth zones.

Mr. Speaker, I have reviewed the provisions of this bill with a view to showing that they are sensible, fair, and consistent with proper methods and principles of postage-rate making.

This bill is built on the basis that the Post Office establishment is an institution for the service of the American people and not for profit making.

The postal experts in the department declare that it will reduce revenues by $13,500,000. At the same time there is a reported deficit in the department of $28,000.000.

What does that mean? It means that that so-called deficit is not a deficit at all and should not be covered from postal revenues. That deficit is made up of free and partly free services performed for the public by the nation-wide postal organization by direction of Congress.

When this bill was introduced it contained an accounting section known as section 7. It contained in part the provisions of H. R. 89 introduced by myself.

The Post Office Committee after consideration decided to report them as separate measures and they were approved by the subcommittee and the main committee at the same time and ordered on the calendar. In fact, H. R. 89 is the justification for this bill, which reduces revenues in the face of a so-called deficit.

If we eliminate the free and partly free services as a charge against postal revenues, there is no deficit to-day in the Postal Service. In spite of the estimated loss of $13,500,000 by the operation of this bill, I am certain that in two years there will be a gain rather than a loss through these rates.

The Postal Service of the United States is the greatest expense-absorbing industry in the world. Through normal increase in volume, increased efficiency of the personnel, almost a billion dollars of increased costs have been absorbed in the last eight years.

The Postal Service can take on increased volume without proportionate increase of cost. It has proved that in the past and it will prove it in the future. If we will set the compass definitely and permanently for the goal "Service not profits" we will witness achievements in efficiency and usefulness which will outdo the splendid accomplishments of the past.

The SPEAKER. The time of the gentleman from Pennsylvania has expired. All time has expired. The question is on the motion of the gentleman from Pennsylvania to suspend the rules and pass the bill.

The question was taken.

Mr. BLANTON. Mr. Speaker, I think there should be a record vote. At least, I ask for a division.

The House divided; and there were—ayes 220, noes 0.

So, two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

EXTENSION OF REMARKS—POSTAL RATES

Mr. O'CONNOR of Louisiana. Mr. Speaker, Members of the House, availing myself of the privilege granted to all Members of the House to extend their remarks on H. R. 12030, a bill to amend title 11 of an act approved February 28, 1925 (43 Stat. 1066, U. S. C., title 39), regulating postal rates, and for other purposes. I desire to say that I voted for the bill, but like many other Members regret that there was no opportunity to offer any amendment. The bill was considered and passed under a suspension of the rules, which procedure does not permit of any amendment but requires a two-third vote. The vote was unanimous, but I reiterate there were many Members who regretted that the bill was considered and passed under a suspension.

I was one of those who felt that the bill should have been considered either under the rules of the House on Calendar Wednesday or a special rule, which would have granted ample time for floor debate and that consideration which the importance of the bill justifies. To say that Congress under such circumstances as were met in the consideration of this bill under the suspension of the rule is a deliberative body is to make a mockery and a jest of the word. Five minutes given to members of the committee to present their views and answer questions in the National Assembly of the United States, the greatest territorial entity in existence with the possible exception of Russia and of a Republic whose boast is that it numbers a population of a hundred and twenty million souls all more or less interested in the pending bill, speaks for itself the travesty that parliamentary procedure sometimes assumes. Of course, there are many advocates of such a procedure who justify its operation on the ground that it is the most expedient way of securing the end in view, and they vindicate it further on the pretext that it is no more tyrannical, oppressive, or even absurd, than the previous question or the point of order. The point of order to a large extent prevents the House or its Committee of the Whole House from passing upon what, in some instances, is desirable legislation and places that authority in the hands of the Chairman of the committee or the Speaker of the House as the case may be. But, listen, if it is not promptly made the right to make it is lost. This is in mitigation of the harshness of the procedure and is an admission that it should be sustained only when the overwhelming necessity of the case demands. And listen, that which the Chairman of the Whole House or the Speaker of the Whole House may hold to be out of order can be made in order the following day by a rule from the Committee on Rules.

The ancient Egyptians were said to change the attitude of the people on many important matters by a parade of the priests of the temples holding on hieroglyphics that might not have been discernible or if that was so, not understandable by the masses who nevertheless were mysteriously impressed by the ceremony. We find that even such an august body as the House of Representatives yields complacently when a few written symbols are placed upon a piece of paper and are solemnly offered by the chairman of the Committee on Rules, the high parliamentary priests of our assembly. But that is another story and I may dwell upon it some other time. Why may I ask was this bill considered under a suspension of the rules?

Because the administration leaders knew that if the bill was considered under the ordinary rules the 1920 postal rates would be restored and that some deficit might occur as a result of that restoration. The House therefore had to be restrained from doing what it would have undoubtedly done had it been given the opportunity, for nearly everyone is convinced that the deficit would be negligible compared with the results that would flow from a cheap newspaper service. From the beginning of this Government it has been generally admitted that newspapers are an extension of the school system of this country, more certainly so than colleges, universities, and libraries. And yet the encouragement given to the newspaper extension of the school system as contrasted with the financial aid and assistance to the schools themselves by the Federal, State, and municipal governments is distressingly insignificant. Do not misunderstand me; I am not complaining about the expenditures made upon our schools. I am complaining as bitterly as I can at the lack of vision on the part of those whose duty it is to see and at their failure to give a modicum of encouragement to the newspapers and the magazines, the creators of that indispensable factor in the life of our great Republic, public opinion, which is the crystallization of national thought upon any subject.

The press—the newspapers aggregating 29,000—is the crowning glory of the educational system. No one disputes the educational value of journals, newspapers, magazines, weekly and monthly. No one disputes that public sentiment is crystallized into that overshadowing factor in the life of the Republic, public opinion by the newspapers of the country "I care not who write the laws of a country if you permit me to write its songs," said Fletcher. The average American may well stand up to-day and say, "I care not who write the laws of the country if you permit me to own its newspapers." That is an attestation of a power possessed by not one of the three coordinate branches of the Government, even if it is possessed by the three combined, which is doubtful. Jefferson in a day when newspapers had not become the intellectual force that they are to-day declared that if he had to choose between a country with a constitution and no newspapers and a country with no constitution and newspapers he would prefer and take the latter. I hope that the Senate will amend this bill so as to make for a return of the 1920 rates on newspapers and that the House will concur in that amendment, or if there be a conference report that the House will support that report in the event that it includes such a Senate amendment as I have referred to. If it be true that the pen is mightier than the sword, and that maxim of present-day life seems to be generally subscribed to, why worry about an insignificant deficit when we are appropriating hundreds of millions for guns and war vessels which, though necessary for national defense, are not such potent factors for the security of the Republic as the news which, on the wings of the morning, brings knowledge into millions and millions of homes throughout the length and breadth of the land. And knowledge means power, individually and nationally. "Ye shall know the truth and the truth will make you free."

Mr. NELSON of Missouri. Mr. Speaker, the bill H. R. 12030 has been referred to as a perfect bill. While I do not regard it as such, I believe that with possibly one exception, all the changes authorized in the bill are desirable.

My objection is that proposed reductions in postal rates are not sufficient. Take for instance, the small reduction given newspapers. It represents a cutting off of but one-fourth the amount represented in the various postage increases on newspapers since the World War. A 50 per cent reduction should have been granted at this time. The press of the country, notably the rural press, has given to the Government and to the promotion of local welfare many columns which, if paid for at regular rates, would have represented a very substantial source of income. To-day there is no greater stabilizing influence than a free, honest, and untrammeled press.

The return of the 1-cent private mailing card will be welcomed by users generally. When the rate was advanced to 2 cents, the use of such cards was very largely discontinued, with resulting loss to the Government.

Another feature of the bill in which I, as a Representative of a great agricultural district, am vitally interested has to do with the postal charges, including so-called special-handling and special-delivery charge on baby chicks. The central Missouri district which I represent produces annually some 5,000,000 baby chicks. Not only are shipments made locally, but they go to practically half the States in the Union. Ever since the unreasonable rates which the present bill seeks to correct, in a limited way, at least, went into effect I have had strong and proper protests from the owners of hatcheries. During a past session of Congress I took this matter up with the Post Office Department, but without satisfaction to myself or relief to those who were so directly interested. Postmaster General New, in a letter under date of September 18, 1925, and which was in reply to one I had written him, strongly defended the 25-cent charge which became effective April 15, 1925, and to which proprietors of hatcheries had objected. The fact that some concession is now proposed is proof that the complaint as registered was not without foundation.

On September 2, 1925, Mr. H. S. Smith, of the Smith Hatcheries, wrote:

> It is my opinion that this is an exorbitant charge for special handling of small boxes on short trips, even though they received the utmost care. I also do not believe the chicks receive any more special care than they did before this charge was placed on them. Just last week we had a shipment down in one of the Southern States that was carried over 100 miles beyond its destination, and the chicks were so weakened upon arrival that they all died the first day. The Postal Department is losing much business from the hatcheries because of this high charge. In most all cases where the chicks do not go out on the rural routes hatcheries are making shipment by express, as they have some protection in this way and the rates are very little more on small shipments and cheaper on large shipments.

After the adoption, in 1925, of the rates on shipments of baby chicks and which is now proposed to lower a little, George P. Player, of the Star Chick Hatchery, Westphalia, Mo., wrote in part:

> A box of 25 chicks that on April 14 cost 8 cents to ship, the same box cost 37 cents to ship on April 15. The 50-size and 100-size boxes increased proportionately, and it had the effect of our shipping everything we possibly could by express, both because the express rate was cheaper, and we could insure the packages and collect the money for damage from the express company, the latter of which we could not do when shipping chicks by parcel post. For instance, the postmaster accepts the shipment of chicks and insures them and it means only that the additional postage paid for insurance is all the sender can possibly get, i. e., which spells a loss—as the Government will not pay for lost shipments or damaged shipments of chicks even though they are insured. This increase in parcel-post rates has caused nearly all of the merchants who shipped stuff by parcel post to turn to express. This proves the fallacy of the increased rates.

On February 3, 1928, Mr. Player in a letter to Resse V. Hicks, managing director of the International Baby Chick Association, 127 Wirthman Building, Kansas City, said:

> It is a well-known fact that the volume of chick shipments has caused the Postal Department to sit up and take notice, so to speak, and the volume is ever increasing. Personally, I have always contended that the special handling charge meant nothing and was only one means of increasing the parcel-post rate. We actually have had more losses under the special handling charge methods than we had before it was assessed. I believe I have written you about this once before. The rates on baby chick shipments should be made the same as other parcel-post matter, weight taken into consideration. The tying of two boxes of chicks together is very detrimental and seldom do we ship chicks in this way.
>
> For your information, we do nearly all of our shipping by express as the rates on as many as 500 chicks or five boxes is anywhere from one-fourth to one-half lower for the same amount of weight as the parcel-post rate, and the express company insures our chicks, and no matter whether there is one or all dead, they pay the claims that are made. This the Government will not do with parcel-post shipments on chicks. As the matter stands regarding shipping, the express is far more preferable than parcel post.

In connection with this question, I include in full the following letter from the proprietor of one of the largest hatcheries in the United States:

> COLUMBIA, MO., *February 3, 1928.*
>
> Hon. W. L. NELSON,
> *Washington, D. C.*
>
> DEAR MR. NELSON: I have recently received information that some adjustment of postal rates was considered, and would especially call your attention to the fact that the hatchery men of the United States, who ship chicks by parcel post, are receiving comparatively no service for the special-handling stamp of 25 cents that we are requested to put on each package of chicks.
>
> The mail agents are destroying as many chicks as usual this spring by getting the boxes against hot pipes or hot radiators. They carry as many past the point of delivery and, in fact, we have never received any evidence of any service, either in care or time of delivery, at the post office, or in the mail car, since this special-handling stamp has been required.
>
> We believe it only fair that if they expect us to use this stamp—and it is a tax or expense to my business of several thousand dollars a year—that some visible service ought to be received for this outlay.

The fact of the business is, I am now shipping more than half of my output by express; first, on account of the expense being less to ship by express to many points; and, second, the extra service that the express company gives us.

We think it should be clear that the hatchery men have never asked for any adjustment of chicks at point of delivery; what they have asked for is a report of the condition of the chicks on delivery and, of course, adjustment could be made, based on this report.

The express company makes this inspection and also pays us for the dead chicks on arrival, without extra fee; and my settlements for losses on chicks with the express company last year were very satisfactory.

It does seem to me a little strange that the express company can carry 1,000 chicks, for instance, to some point in Virginia at a less charge, inspect the chicks when they arrive, take good care of them on the way—because they do—and agents follow implicit instructions to care for chicks; then when they arrive make the inspection, make the report, and then make payment for the dead chicks; and then give all this carriage and service at less cost than the Postal Service would cost us, even in the limited way that we get service at this time. At the same time the express companies are eager for this business, and it certainly pays them a profit.

We sometimes wonder if there is a concerted effort to turn this business back into private hands, or if private enterprise is so much more efficient and loyal than the public service that it gives this difference.

If for this special-handling fee the Post Office Department would give some sort of a reasonable guarantee or insurance on chicks, and at the same time provide for an inspection when the chicks arrive, it would be a service that is very essential and would, at least, furnish some reasonable grounds upon which to base the reasons for the change of the special-handling service.

There is no question but what the hauling of baby chicks is gradually drifting into the hands of the express company. We see no reason why the Postal Service should not be equal to the express service and at or below the price that they charge.

We believe that these facts ought to be brought out clear and presented to those who are interested in making fair adjustments.

We remain,

Very sincerely yours,

MISSOURI POULTRY FARMS,
Per MANUEL DRUMM.

An unreasonable charge in connection with the shipment of baby chicks means either lower prices paid farmers from whom the eggs are purchased or higher prices to be paid by the purchasers of baby chicks. So that any relief afforded in the way of lower rates, while it may result in increased business for the proprietor of hatcheries, is for the benefit of a vast number of people.

As the proprietor of the Versailles Missouri Hatchery, in protesting the higher rate at the time it went into effect, wrote:

Passing the expense on to the consumer does not solve the question, either, for any increase in cost at this time certainly does not stimulate business.

The rates on fourth-class matter up to the fourth zone remain unchanged. For the more distant zones a reduction, not of 1 cent per pound, but of 1 cent on the first pound only is made. This is so slight as to be only a gesture. Some real relief, while inadequate, is afforded in the proposed combined special delivery and special handling rate. Parcels up to 2 pounds would be 15 cents; for 2 to 10 pounds, 25 cents; over 10 pounds, 35 cents. Where special handling alone is desired charges would be, 2 to 10 pounds, 15 cents, and over 10 pounds, 20 cents.

While commending the bill as a whole I entertain the hope that the Senate may see fit to change it in some particulars and especially as regards the matters to which I have referred.

BATTLE FIELD, KINGS MOUNTAIN, S. C.

Mr. JAMES. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 11140) to provide for the inspection of the battle field of Kings Mountain, S. C., with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk reported the Senate amendment.

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, is that an omnibus provision in the Senate amendment?

Mr. McSWAIN. No; it is not. It is a provision to the effect that the commission created by this bill shall work in conjunction with the War Department commission.

Mr. CRAMTON. Mr. Speaker, if the gentleman will yield, this amendment just demonstrates how entirely unnecessary is the bill. We have a general commission authorized to study all of these old battle fields, to do what is proposed to be done in this special bill. Having passed a special bill for the gentleman's important battle field, the Senate put on an amendment providing that the special commission shall advise the general commission.

I believe that it is well. I favor the amendment because I think it ought to be demonstrated to the House that we do not need these special commissions.

Mr. BULWINKLE. Mr. Speaker, will the gentleman yield?

Mr. CRAMTON. I will if I have time to yield.

Mr. BULWINKLE. I wish to say to the gentleman that the commission already created in the War College never has been on the battle field at all.

Mr. CRAMTON. They better get out on it and thus avoid having things put over them.

Mr. LAGUARDIA. I believe when special bills come in for specific battle grounds they will be referred to the general commission.

Mr. O'CONNOR of Louisiana. Mr. Speaker, will the gentleman yield for a question?

Mr. CRAMTON. If I have time to yield, I will.

Mr. O'CONNOR of Louisiana. When do you expect the report from this general commission? I have been waiting for a report from that commission for many moons.

Mr. CRAMTON. I have not been worried by the delay.

Mr. O'CONNOR of Louisiana. You are not interested.

Mr. McSWAIN. There is no commission. The authority is conferred on the Secretary of War alone, and unless requested by somebody to do anything no action is taken by the department.

Mr. O'CONNOR of Louisiana. I understand the Secretary of War is authorized to appoint a commission.

Mr. McSWAIN. Yes. It consists of Army officers.

Mr. O'CONNOR of Louisiana. And they never report.

The SPEAKER. The question is on agreeing to the Senate amendment to the House bill.

The Senate amendment was agreed to.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. WURZBACH, for 10 days, on account of important business;

To Mr. THOMPSON, indefinitely, on account of sickness in his family;

To Mr. TATGENHORST, for 10 days, on account of important business;

To Mr. RAGON, indefinitely, on account of illness; and

To Mr. BURTON, for to-morrow, to attend the funeral of the late Senator WILLIS.

THE PINK BOLLWORM

Mr. EDWARDS. Mr. Speaker, I ask unanimous consent to extend my remaks on the pink bollworm in Georgia by inserting a telegram.

The SPEAKER. The gentleman from Georgia asks unanimous consent to extend his remarks in the RECORD by inserting a telegram, as indicated. Is there objection?

There was no objection.

Mr. EDWARDS. Mr. Speaker, under the leave to extend my remarks in the RECORD on the pink boll weevil in Georgia, I include the following telegram:

ATLANTA, GA., *March 31, 1928.*

Hon. CHAS. G. EDWARDS,
House of Representatives, Washington, D. C.:

I have canvassed pink bollworm menace thoroughly with State Entomologist Worsham. Am convinced necessity imperative take immediate stringent step. If future profitable cotton growing Georgia is to continue, I earnestly appeal to you, as friend Georgia agriculture, to employ every effort secure favorable action Agricultural Committee and of Congress behalf House Joint Resolution 237, providing $5,000,000 appropriation for eradication pink bollworm. Am advised less amount inadequate. Agricultural Committee meets Monday morning.

F. H. ABBOTT,
Secretary Georgia Association.

THE NEED FOR AN ADDITIONAL FEDERAL JUDGE IN THE EASTERN DISTRICT OF NEW YORK

Mr. BACON. Mr. Speaker, I ask unanimous consent to extend my remarks on a bill which I have introduced and insert therein certain data prepared for me by the clerk of the Federal Court for the Eastern District of New York.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BACON. Mr. Speaker, on Friday I extended my remarks in the RECORD showing the need for an additional Federal judge

in the eastern New York district. In these remarks I referred to certain data and tables prepared by the clerk of the United States court for that district showing the business before this court. They are as follows:

STATEMENT AND TABLES FURNISHED BY THE CLERK, UNITED STATES DISTRICT COURT, EASTERN DISTRICT OF NEW YORK

The increase of business in the eastern district of New York during the past year has been phenomenal. If the slacker cases are eliminated in the totals for the year 1920, as they should be, we find that 2,034 regular proceedings were commenced in this court for the fiscal year of 1920 and 3,271 in 1921. This is an increase of 60 per cent. The increase in some of the departments is even greater. The figures for the present fiscal year indicate that this increase will be maintained or, rather, augmented. There was an increase in bankruptcy in one period of over 300 per cent and in admiralty 400 per cent. There have been days when over 20 admiralty suits have been commenced and from 10 to 15 bankruptcy petitions filed.

The following statement of business in 1906 makes an interesting comparison:

Proceedings commenced

	Cases
Admiralty	185
Law and equity	126
Bankruptcy	256
Criminal cases	74
Civil United States	14
Total	655

In 1911 the total number of cases commenced was 1,009. It was deemed necessary at that time to have two judges, thus increasing the capacity of the court by 100 per cent. Furthermore, in 1906 the judge of this district devoted a great deal of his time to criminal trials in the southern district of New York. In 1920 the business had more than doubled the figures given in 1911, and in 1921 it had more than trebled 1911.

After Judge Veeder was appointed, the judges arranged schedules of assignments so that one judge for a period of two months did the trial work, such as admiralty, law and equity, and criminal cases, while the other judge would take the motion calendars, occupying practically the whole of Wednesday and Friday afternoons of each week, and the naturalization calendar, which took up the whole of Thursday morning. In this way the judge would have Monday, Tuesday, and half of Wednesday, Thursday, and Friday to use for the purpose of attending to the ex parte business and for the purpose of going over testimony and considering cases tried before him and submitted to him for decision during the preceding two months. In very many cases judges had to read over 500 or 1,000 pages of testimony, voluminous briefs, and examine the law in opinions of courts. This practice prevailed until 1917, when the judge in charge of trials was compelled to assign the criminal work to the judge taking the ex parte and motion work. For some time this judge took, in addition to the motions and ex parte work, criminal trials on Mondays and Tuesdays. The pressure of business continued to increase, and for over a year now it has been the practice of one judge to try equity, common-law, and admiralty cases, while the other judge did all of the ex parte work—that is, applications for orders, etc.—general-motion calendar on Wednesdays at 2 o'clock, naturalizations on Thursday morning, bankruptcy calendar on Fridays at 2 o'clock, and criminal trials at every other moment that it was possible for him to be on the bench. The result has been that instead of deciding cases tried before him during the preceding months, during office hours, it was necessary for him to come down to his chambers during the evenings and on Saturday afternoons and Sundays. It is no uncommon thing for the judges to spend from half past 8 in the morning until after 6 in their chambers, go to dinner, and return, working until after 11 at night. If they did not do this they generally took home work which occupied them during the whole evening. It is difficult to think of judicial work in terms of mechanical labor when one considers the mental strain. It is not too much to say that the judges in the eastern district of New York often work from 60 to 70 hours a week. The result of this terrific strain is seen in the breakdown of Judge Chatfield and his serious illness.

Going over the calendars in admiralty for many years, it is found that the new calendars made up in October every year usually average about 75 cases. The calendar this year for October 1 had about 300 cases on it, and many more have been added since that time. The law calendar has increased and so has the equity.

During the fiscal year ended June 30, 1921, 150 civil cases were tried in the court in addition to criminal trials. This does not convey strictly an idea of the amount of work done, for the reason that while two admiralty cases may be tried in one day, it is also possible to have one admiralty case take over two weeks to try. It is not so long ago that one criminal case took a period of nine months for the trial in this district. Conditions indicate that instead of there being a slackening up of business, there will be a greater increase this year than in previous years. In addition to the regular proceeding referred to, there are many special matters, such as habeas corpus, and many applications in special matters not in regular cases.

The naturalization work is limited because of the fact that the judges can not devote more time for hearing naturalization proceedings. If more time, a half day each week, could be given to this part of the work, it would be possible to double the number of applications filed, thus relieving the situation. As it is, applications are of necessity refused, to the great inconvenience of those desiring citizenship.

The three judges are constantly occupied; one of the three takes ex parte work, motions, and naturalizations. On Mondays he may have a bankruptcy case to hear or may be able to devote his time to deciding matters already submitted or cases tried before him, being interrupted by the presentation of orders for the appointment of receivers and for various other applications. On Tuesday morning the naturalization calendar of from 300 to 600 cases has to be attende dto. Wednesday is general-motion day with a calendar of some 50 or more motions. There are motions in equity, law, and admiralty, as well as various miscellaneous applications and habeas corpus proceedings. This takes the whole morning, going on often into the afternoon. Many of the motions are sharply contested and need study and research. On Thursday the judge is again occupied with naturalization, practically for the whole morning. On Friday morning there are from 40 to 60 motions in bankruptcy. The entire morning is devoted to this. Thus it will be seen that the judge holding this part has very little time for the study of his cases.

A second judge holds criminal term. The criminal term is held every month.

This leaves one judge to try equity, law, and admiralty. It is impossible to have this class of cases tried during the months of July, August, and the early part of September. It is thus to be seen that there are nine months in the year in which trials can be had. Under the present conditions, therefore, there are three for equity, three for admiralty, and three for common law.

Take up the consideration of the admiralty calendar, which now consists of 876 cases, an increase of 146 since the 1st of October, although an admiralty term was held in November by Judge Campbell, at which time 110 cases were disposed of.

It must be evident that if 100 cases are disposed of each month, it would take over eight months of continuous trials to clear up the admiralty calendar. As only three months may be devoted to this each year, it is easy to see that we are three years behind at the present time.

The law calendar now consists of 203 cases. On October 1 there were 173; 73 have been added since and during two terms 143 cases were disposed of. The two terms were held because it was possible to get an outside judge to hold one term.

Table showing business in United States district court, Brooklyn, N. Y.

Class of case	1911	1912	1913	1914	1915	1916	1917	1918	1919
Cases in which United States not a party:									
Admiralty—									
Cases commenced	224	226	259	319	493	469	431	422	389
Cases terminated	193	190	210	232	262	295	2,321	284	289
Law and equity—									
Cases commenced	121	139	61	164	181	142	126	217	190
Cases terminated	110	124	114	92	112	160	[1] 1,681	101	91
Bankruptcy—									
Cases commenced	490	516	778	553	616	592	601	480	392
Cases terminated	355	532	781	503	605	587	560	533	434
United States cases:									
Criminal—									
Cases commenced	129	88	99	107	100	146	106	1,000	862
Cases terminated	116	76	166	76	134	178	110	897	893
Trials	11	13	23	17	28	23	12	73	52
Fines imposed	$44,462.00	$18,879.10	$2,298.00	$3,863.00	$13,365.00	$10,244.68	$7,635.00	$24,840.01	$20,116.00
Collected	$32,391.00	$3,679.10	$1,958.81	$963.00	$3,061.00	$9,925.68	$7,444.00	$5,518.01	$11,393.00
Civil—									
Cases commenced	45	182	120	6	31	54	36	26	53
Cases terminated	59	140	100	49	46	75	37	17	51

[1] At request of Attorney General, all cases in which no proceedings have been taken for a period of more than five years were dismissed.

Table showing business in United States district court, Brooklyn, N. Y.—Continued

Class of case	1920	1921	1922	1923	1924	1925	1926	1927
Suits United States not a party:								
Admiralty—								
Cases commenced	543	863	1,046	818	1,205	1,352	1,273	1,164
Cases terminated	351	435	453	537	529	826	291	844
Law and equity—								
Cases commenced	173	321	294	432	995	757	707	932
Cases terminated	93	191	163	131	143	554	238	904
Bankruptcy—								
Cases commenced	362	583	859	891	898	1,023	901	1,031
Cases terminated	450	321	.....	551	737	946	945	933
United States cases:								
Criminal—								
Commenced	[1] 2,890	1,328	652	1,117	3,130	2,492	2,608	2,349
Terminated	563	1,179	.....	1,032	2,429	2,022	2,363	2,360
Trials	61	108	.....	83	300	175	121	121
Fines imposed	$26,874.00	$76,571.50	.....	$104,000.00	$299,419.00	$318,479.00	$284,321.00	$216,526.00
Fines collected	$23,474.50	$39,564.50	.....	$49,129.00	$251,960.00	$284,182.00	$237,149.00	$196,162.00
Civil—								
Commenced	66	176	65	352	871	929	931	903
Terminated	30	77	42	232	384	628	708	1,232

[1] This includes 2,100 indictments in so-called slacker cases.

Table showing business in United States District Court, Southern District of New York

Class of case	1923	1924	1925	1926	1927
Suits, United States not a party:					
Admiralty—					
Cases commenced	787	494	348	383	914
Cases terminated	819	913	1,321	658	1,164
Law and equity—					
Cases commenced	1,193	1,021	1,073	961	1,328
Cases terminated	1,043	959	2,148	917	1,641
Bankruptcy—					
Cases commenced	2,471	2,260	2,075	1,871	1,676
Cases terminated	1,615	1,776	3,132	2,162	2,350
United States cases:					
Criminal—					
Commenced	2,919	3,777	3,887	3,243	2,059
Terminated	2,559	6,616	4,895	6,225	2,135
Trials	114	258	134	186	157
Fines imposed	$346,506	$488,972	$369,650	$273,883	$204,336
Fines collected	$154,014	$384,461	$290,145	$214,600	$297,379
Civil—					
Commenced	1,149	1,271	1,060	2,205	1,985
Terminated	793	611	829	2,293	3,236

POSTAGE RATES

Mr. GREEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a short letter received from Mr. W. T. Arnold on the bill just passed. It is a very short letter.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. GREEN. Mr. Speaker, under permission given me to extend my remarks, I include herewith copy of letter received from Hon. W. P. Arnold, same relative to reduction of postal rates. This postage reduction bill undoubtedly should become a law this session of Congress:

Hon. R. A. GREEN,

Member of Congress, Washington, D. C.

DEAR MR. GREEN: I am in receipt of your letter of December 6 and assure you that the Gainesville Sun will appreciate any efforts you may put forth to have our second-class postage rates lowered.

With best wishes and kindest regards, I am,

Sincerely your friend,

W. P. ARNOLD,
Manager the Gainesville Sun.

MUSCLE SHOALS

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the bill H. R. 12448, concerning Muscle Shoals.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. McSWAIN. Mr. Speaker, in order that there may be full explanation by giving full information on the point of why the Committee on Military Affairs did not approve and recommend the passage of the only proposition before it looking to the private operation of the Muscle Shoals properties, I submit, in order to save the trouble of restating the case, a very brief interview given by myself to one of the daily newspapers of the city of Washington on the day the committee acted. This is not offered by way of apology, because the committee need not apologize for safeguarding public property and insuring national defense:

MCSWAIN SAYS UNITED STATES IS FORCED TO RUN SHOALS

By JOHN J. MCSWAIN, South Carolina Member House Military Affairs Committee

Undoubtedly the House Military Affairs Committee would prefer private operation of Muscle Shoals. Practically every member of the committee, with one exception, earnestly sought to obtain a satisfactory lease for private operation.

But the committee was unwilling to surrender our property at Muscle Shoals to any lessee on his own terms. That project was constructed primarily to insure a domestic supply of nitrates for use in war. Thus it is essentially a munition plant and is as essential to national defense as an arsenal to manufacture arms, or a shipyard to build battleships.

VALUABLE TO UNITED STATES

The Government is already in business at Muscle Shoals, producing and selling electric power. Common sense dictated that instead of being a constant expense, such as a munitions factory, arsenal, shipyard, battleship, or an army, that here at Muscle Shoals the plant may be not only self-sustaining and eventually pay for itself but may render a highly valuable economic function.

The only proposal for private operation before the committee was that of American Cyanamid Co. I did my best to get it in such shape as would be acceptable to the committee. I offered more than 100 amendments and practically all of them were accepted by the Cyanamid Co. and incorporated in its proposal, except three, and those three constituted the stumbling blocks, and a little explanation will show why we have been driven to Government operation.

First, the committee insisted on a recapture clause to the effect that if the company ceased to manufacture fertilizer for a period of three years, having failed to manufacture it so cheaply and of such kinds as to induce the farmers to buy it, the Government should have the right to take possession of the property, declare the lease terminated, but pay the reasonable value of any plant it may have constructed upon the property.

AUDIT PROVIDED

This seemed manifestly fair and just to both the Government and the lessee, if the lessee had faith in its power to make a success of the fertilizer proposition.

Second, adequate audit and accounting of the books and business methods of the lessee to insure that the calculation of costs and, therefore, of prices for fertilizer were correctly made.

I considered that the provisions of the bill were utterly inadequate to insure the discovery of the truth.

Third, sufficient power in the farmer board to decide and determine the kinds of fertilizer which should be manufactured.

If the lessee wished to keep the mere letter of the contract but violate its main purpose, and convert it into a power proposition pure and simple, it could manufacture the required number of tons of fertilizer of a kind that would not sell, put that fertilizer in storage, and divert all of the power to other purposes than the manufacture of fertilizer.

When the American Cyanamid Co. refused to make these essential concessions, there was nothing left for the committee except the best and most efficient plan of Government operation that could be worked out.

A mere casual reading of the report of the Committee on Military Affairs, being report No. 1095, will disclose the fact that not only since the passage of the national defense act of June 3, 1916, but since the Military Affairs Committee took definite action upon a proper policy with reference to Muscle Shoals, as shown by the committee action of April 24, 1922, through the action of Congress itself in creating the joint commission of

1926 and the action of the President's commission of 1925 and the action of the Committee on Military Affairs in 1927, there has been a consistency and continuity in the views of all responsible and thoughtful persons with reference to Muscle Shoals properties.

POLICY OF COMMITTEE

In fact, the Committee on Military Affairs for the Sixty-ninth Congress laid down as one of its fundamental and guiding principles the proposition that any lease of the Muscle Shoals property must contain a forfeiture or recapture clause of both the power rights and the fertilizer provisions if there was any failure to produce nitrates in at least 40,000 tons per year. But it was found provided in the same proposition that if such failure to produce nitrates in a minimum stipulated amount should not be due to the neglect, misconduct, or fault of the lessee, then such forfeiture or recapture would not include the loss of the reasonable value of the property placed upon the Muscle Shoals plant by the lessee, but that the lessee should be reimbursed by the Government for the reasonable value of such property at the time of such recapture. This was an exceedingly liberal proposition and was made to induce any proposed lessee to consent to the recapture or forfeiture clause whereby both the power and the nitrogen-producing plants should return to the Government in the event of a failure by the lessee to produce the minimum amount of nitrates.

From the very beginning it has been a fundamental axiom that the power and the fertilizer aspects of this proposition must remain interlocked and interlinked with each other and must not be separated. It was realized that the extreme value of the power must be employed as an inducement to carry the fertilizer side of the proposition, not that the fertilizer business will be at a loss or not self-sustaining, but that the special interests, whether financial, power, or fertilizers, whose financial state in the existing fertilizer industry may be injuriously effected, will naturally discourage in every possible way the success of the fertilizer project. Therefore the two have been tied together and the committee has consistently stood by that elemental proposition.

REASONABLE PROPOSAL REFUSED

The very great liberality of the proposal by the committee in 1927 to bind the Government to refund to any lessee that might undertake to manufacture fertilizers at Muscle Shoals and find the same unprofitable, due to the failure of the farmers to buy the same, must be emphasized in order to demonstrate the extreme desire of the committee to insure private operation at Muscle Shoals. It means this: Rather than go into Government operation and have the Government spend $10,000,000, for illustration, at Muscle Shoals to try out the proposition as to fertilizers, it was concluded that it would be better to have some private operating agency make the experiment and place its own plant upon the Government property, and if the fertilizer business failed, then let the Government take the plant over at a cost, we will say for illustration, of $10,000,000. The plant established by the lessee would then be the property of the Government. It might be useless to the Government, but it would be paying $10,000,000 to demonstrate two things; first, whether or not fertilizers can be successfully manufactured at Muscle Shoals at a cost below the existing prices of fertilizers; and second, whether or not private operation at Muscle Shoals would be a success.

The American Cyanamid Co., by its president, Mr. Bell, declined to consider amending its offer so as to incorporate this very liberal provision. Its original offer would contain a provision whereby the Government was to refund to the lessee certain expenses incurred by it, even if the lease should be terminated by reason of the default and intentional violation of the lessee of its contract. Our proposition was to refund the cost of a fertilizer plant to the lessee only when the lessee had acted in good faith and had tried to make the fertilizer business good, and had failed for causes beyond his control.

THE POOR MAN'S CHANCE

I argued to the proposed lessee, the American Cyanamid Co., that our proposition was very much like a partnership arrangement between a rich man and a poor man to go into business together. The rich man says to the poor man, "Take my factory and put up some of your money, to wit, less than 10 per cent of the value of my factory and use your money for operating expenses. If you succeed, then you shall have one-half of all the profits, though you have invested less than 10 per cent of the capital. If you fail, I will pay you back all the money that you have put into the business, so that you will have had a chance to make large profits and will not lose a cent. If any money is lost, I will lose it."

This was a perfectly safe proposition for the lessee. It was a game of "heads you win; tails I lose." To continue the illustration—the United States Government, if it should build Dam No. 3 and Cove Creek Dam, as proposed by the American Cyanamid Co., would thus have invested in the whole property approximately $250,000,000. On the other hand, the American Cyanamid Co. would have invested a minimum of $10,000,000 and a maximum of $35,000,000. In any event, the amount would be about 10 per cent on an average of the investment by the Government.

The committee said to the American Cyanamid Co., "We are so anxious to have the private operation of the fertilizer business at Muscle Shoals that we will authorize you to go to work and put up a fertilizer plant to cost, say about $10,000,000. You proceed to manufacture fertilizers and if at the end of say 15 years, you have failed for any reason other than your own intentional fault or misconduct, then we will take all the property back, including the value of the property that you have placed upon our land, and pay you the reasonable value of same."

If the lessee should manufacture fertilizers much cheaper than private industry is doing, and should manufacture such kinds of fertilizers as would appeal to the tastes of the farmers, then the business would be certain to be a success, and the lessee would make enormous profits out of the business. If on account of circumstances beyond the control of the lessee it should fail, nevertheless it would get its money back.

TIMIDITY OF AMERICAN CYANAMID CO.

Contrast this proposition of the Committee on Military Affairs with the proposition that faced the American Cyanamid Co. when it made its investment about 20 years ago on the Canadian side of the Niagara River at Niagara Falls. Then the American Cyanamid Co. invested about $20,000,000 in a plant to fix atmospheric nitrogen which was then in an experimental stage. The American Cyanamid Co. was putting in $20,000,000 upon a commercial uncertainty. But its promoters had confidence in the future and in their ability to meet future conditions. However, the present management of the American Cyanamid Co. seems to have no confidence in its ability to meet future conditions and competition at Muscle Shoals. The fixation of atmospheric nitrogen is now a practical industrial fact. It is no longer an experiment as it was 20 years ago. There is a great, not only nation-wide but world-wide, demand for concentrated fertilizers.

The American Cyanamid Co. would have every fact in its favor to enable it to manufacture fertilizers at Muscle Shoals more cheaply than private industry can manufacture them anywhere else. Mr. Bell, president of the American Cyanamid Co., admitted this to be a fact. Yet, in the face of these conditions, Mr. Bell would not agree to manufacture fertilizers at Muscle Shoals under a guaranty from the Government that if he failed his investment would be refunded. In the face of this plain, clear situation, how could anybody expect the Committee on Military Affairs to execute a lease with the American Cyanamid Co.?

VITAL TO NATIONAL DEFENSE

Since Muscle Shoals is vital to the national defense to insure a domestic supply of nitrogen, it must remain the property of the Government. Since we have been unable to obtain a satisfactory contract for the private operation of this property, which is primarily a munitions plant, the Government must proceed to operate it in some manner itself. We are therefore put to the election between the method of operation proposed by the Senate Joint Resolution 46, ordinarily called the "Norris bill," and the plan proposed by the House as a substitute for the Norris bill, to wit, operation by a corporation governed by five directors appointed by the President and confirmed by the Senate. Now, which of these two methods is the better under the circumstances?

We have examined, in the Committee on Military Affairs, the Secretary of Agriculture and those officers in his department that would be in charge of experimentation in the methods and processes of manufacturing fertilizers and in charge of such mass production as the Secretary might decide to bring about. This examination by the Secretary and his chief advisers in the department has satisfied me, and evidently satisfied the overwhelming majority of the committee that it would be a waste of time and money and property to put the development of the fertilizer project in the hands of the Department of Agriculture.

They frankly and unequivocally state that they do not believe in mass production of fertilizer by the Government. Furthermore, they say that they do not believe that the Government can manufacture fertilizer at Muscle Shoals and pay to sell the same as cheaply as it is now manufactured and sold by private industries. Therefore, since they state that they can not manufacture fertilizers so as to compete with private manufacturers

and since they confess they do not believe in the project, it is manifest that they will not try hard and would rather let the fertilizer manufacture drift upon the rocks in order to corroborate their own beliefs and in order to make their own predictions come true.

ATTITUDE OF DEPARTMENT OF AGRICULTURE

Furthermore, it was manifest from the testimony of the officers of the Department of Agriculture that their experiments in the processes of manufacturing fertilizers at Muscle Shoals would help nobody but the manufacturers of fertilizer. These officers of the Department of Agriculture frankly stated that they would only seek by experimentation to ascertain new and more economical and more efficient methods of producing fertilizers, by the fixation of atmospheric nitrogen, and by the blast-furnace method of extracting phosphorus and by the latest methods of extracting potash. After these processes had been developed at the expense of many millions of dollars to the taxpayers, they proposed to turn over all discoveries and inventions and improved methods to the private manufacturers of fertilizer for their use. The result would be that the private manufacturer using these improved methods and devices would be able to produce the fertilizers more economically, but he would continue no doubt to sell the fertilizer at the same high price to the farmers. The net result of the experiments proposed to be conducted at Muscle Shoals by the Department of Agriculture would therefore be not to help the farmers by giving them cheaper fertilizers or better fertilizers or more fertilizers but would be to help the private fertilizer manufacturer by enabling him to make a larger margin of profit between his cost of production and his selling price.

I hardly think that this result was intended either by the friends of the Norris bill or the advocates of Government operation. Hence, it was manifest to the Committee on Military Affairs that it would be worse than futile to deliver the manufacture of commercial fertilizers at Muscle Shoals into the hands of the Department of Agriculture.

ONLY RECOURSE POSSIBLE

Therefore the committee was forced to originate such a legislative device for the operation of the Muscle Shoals properties as would insure its management by those friendly to the mass production of concentrated fertilizers at the lowest possible price and of such kinds as to prove attractive to the farmers of the Nation. We therefore resorted to the plan of having the corporation exercise its powers through five directors, one of whom who would come up for confirmation by the Senate each year, and thus maintain a close contact between the board and the Senate. It is presumed from the overwhelming vote received in the Senate by the Norris bill that the Senate is and probably will be for a great many years entirely friendly to the project of manufacturing fertilizers in substantial quantities at Muscle Shoals. We furthermore wrote into the bill certain negative and positive qualifications for persons to be appointed and confirmed as directors. First, we stipulated the negative qualifications that the directors must not have any financial investments in existing public-utility corporations selling and distributing electric power. Next, they must not have any financial interest as stockholders or otherwise in the fertilizer manufacturing industry. Neither must they have any financial interest in any business which would be adversely and injuriously affected by the success of the fertilizer project at Muscle Shoals. Second, we set up the positive and affirmative qualification for the members of the board of directors that they must profess a belief in the feasibility and wisdom of the purpose and plan of the bill to manufacture concentrated fertilizers at Muscle Shoals in mass quantities. The only way by which it may be ascertained if these directors do profess such belief is for the President in nominating them and for the Senate in confirming them to ascertain their views. It would seem that this is a simple matter, easily ascertained and administered.

PLAN OF OPERATION

Every reasonable effort being thus made to place the management in the hands of the friends of the plan to manufacture fertilizers in mass quantities, next a framework and set-up is contemplated that should insure efficiency and economy in the administration of the business. The board will enact general rules and prescribe general regulations for the conduct of the business. Next the board will elect one general manager as the chief executive officer and will upon his recommendation elect two assistant managers, one for electric power and the other for fertilizers. The board is instructed to set up a system of organization and business management that will fix responsibility and accomplish efficiency through a gradation of responsibility through chiefs and subchiefs, through foremen and subforemen running through each department of the business and thus contemplating something like military discipline heading up in the general manager and branching out from him through the two assistant managers. The general manager will have the power to "hire and fire" all employees, and thus we seek to insure subordination to his instructions and discipline in the organization. No greater power is vested in the superintendent of a cotton mill or the superintendent of a railroad or the president of a bank. We feel that this method and system of organization will guarantee efficiency in the human agencies necessary to keep the machinery going. If efficiency is thus procured, undoubtedly fertilizers will be produced at Muscle Shoals at very low cost.

PRIVATE OPERATION PREFERRED

The committee would much prefer the private operation of the Government properties at Muscle Shoals. As a general policy we are opposed to the Government operation for the production in mass quantities of commodities that private industry is equipped to produce. But the situation at Muscle Shoals is peculiar. It was constructed primarily for the production of nitrates for use in war. This would constitute it a munition plant whose operation is essentially a Government function. In the next place, the Government is already in business at Muscle Shoals in the production and sale of power, and has been so engaged in business for several years. It has not been proposed by anyone that the Government should sell this property and part with the fee-simple title. But it has been insisted by many, with which we agree, that the Government should lease the property for a long term for operation by private capital in the production of nitrates and fertilizers, so that the plant may thereby be kept in a "stand-by" condition for the fixation of atmospheric nitrogen, so that in the event of war it may be taken over by the Government, if necessary, and its entire capacity employed in the production of explosives or the constituents of explosives.

But our peculiar problem has not been the settlement of the general principle of private ownership and private operation as against public ownership and public operation. We have been faced with an actual condition and not a theory. We have as a matter of national-defense policy the Government ownership of this property, just as we have the Government ownership of arsenals, navy yards, aircraft factories, battleships, and warehouses for the storing of arms and arsenals.

It appears to me, viewed from the broad policy of national defense, that the Congress was wise when in 1916 in the national defense act it enacted section 124 into law in the following language:

> Authorize the President to make or cause to be made such investigation as in his judgment it is necessary to determine its cheapest and most available means for the production of nitrates and other products for munitions of war, and useful in the manufacture of fertilizers.

If we had no adequate source for the production of nitrate explosives from atmospheric nitrogen, and if an enemy fleet should get control of the seas and thus prevent transports from bringing Chilean nitrates to our shores, or if enemy airplanes or battleships should destroy our short route through the Panama Canal by bombing our locks, then our means of national defense would be otherwise made impotent and defenseless.

Without nitrates, explosives would be impossible; without explosives, guns of all kinds, both large and small, would be useless and powerless; without explosives, bombing airplanes, however long the range and however powerful the lift, would be ineffective and harmless. Consequently, as a national defense proposition, which is first and foremost in our eyes, the maintenance and the provision in an up-to-date condition for the fixation of atmospheric nitrogen is a high imperious national duty.

But there was only one proposal for the private operation of this property, and your committee, by one of its subcommittees, sat day after day for many weeks during the last session of the Sixty-ninth Congress taking testimony and considering in minutest detail the terms of the proposed private lease with the principal executive officer of the proposed lessee. Your committee offered a large number of amendments to the bill offered at the instance of the Air Nitrates Corporation and its parent corporation, the American Cyanamid Co., and nearly all of these amendments were accepted finally by the proposed lessee and characterized by it in a letter as "constructive amendments." However, there were some very vital and fundamental differences of views by the proposed lessee and the committee that we have been utterly unable to reconcile.

We have been willing to give great advantage and inducement to a private corporation, holding out reasonable promise of large profits, in order to obtain a contract for private operation. But we have been unwilling to depart from the fixed policy of the Government as announced in the national defense

act of 1916 and as later announced by the joint resolution of Congress adopted the — day of ———, 1926, creating the joint commission to negotiate for the lease of the Muscle Shoals property and from the principles and policies that your committee has laid down and followed for several years, that have been reported to the House of Representatives and constitute a part of its records, and that for the approval of the great majority of the Members that have studied and investigated this question.

Herein below we will set out in detail just the point of difficulty and of difference and of departure between your committee and the Air Nitrates Corporation of America.

THE POLICY OF THE CONGRESS

The Congress in 1926 adopted a concurrent resolution setting up a joint congressional committee for the purpose of negotiating for a lease of the Muscle Shoals property. The Congress by said resolution set out in specific words its view of the policies and principles that should prevail in the writing of such lease, and the following is the second paragraph of the resolution:

The committee is authorized and directed to conduct negotiations for a lease or leases (but no lease or leases shall be recommended which do not guarantee and safeguard the production of nitrates and other fertilizer ingredients, mixed or unmixed, primarily as hereinafter provided) of the nitrate and power properties of the United States at Muscle Shoals, Ala., including the quarry properties at Waco, Ala., for the production of nitrates primarily and incidentally for power purposes, such power to be equitably distributed between the communities and States to which it may be transported, in order to serve national defense, agriculture, and industrial purposes, and upon terms which, so far as possible, shall provide benefits to the Government and to agriculture equal to or greater than those set forth in H. R. 518, Sixty-eighth Congress, first session, except that the lease or leases shall be for a period not to exceed 50 years.

EFFECT OF PROPOSED POLICY

If the bill as now proposed by this report should be enacted into law it will in no way prevent the subsequent leasing of the Muscle Shoals property to any private person or corporation. We have carefully safeguarded the committing of any power to the proposed corporation that might be in conflict with a transfer of the possession and control and operation of the property at any time in the future, however near or however remote.

The bill provides that it is subject to repeal in whole or in part. Every person contracting with the corporation does so with this notice. The 10-year term of the proposed general manager is to end upon the repeal or specific amendment of this act to that effect. Any contract for the sale of power that might be made by the corporation for a 10-year period in one case or for a 15-year period in a certain other case would probably be such a contract as any lessee in the future might be willing to make, and would at least take the property subject to such contract and fulfill the same. Probably any lessee in in the future would find such existing contracts and fixed sources of revenue quite desirable. Furthermore, the operation through the proposed corporation will demonstrate conclusively many questions now disputed that might otherwise have to be settled at the expense and loss of a lessee. For example, the operation under the corporation will settle the question as to whether or not the nitrate plant No. 2 can and will produce nitrates, with certain modifications and additions, of such a quality and at such prices as will prove attractive to the American farmers. If it proves utterly unsatisfactory, that ends the question; if it proves successful, in like manner the question is settled. If it proves unsuccessful, other methods can and will be tried out, because we believe that the American engineer and scientist is just as proficient as the engineer and scientist of other nations, where they are undoubtedly succeeding to an eminent degree in the manufacturing of concentrated fertilizers at relatively very low prices.

Happily, Muscle Shoals is one munition factory and one arsenal and one agency of national defense that is capable of being useful to the people in time of peace and of paying its own way by producing a commodity which is essential to American agriculture, which in turn is the foundation stone upon which rests the whole national economic and social superstructure.

THE PROCESS TO BE USED

It will be observed that the committee directs the corporation to begin the manufacture of concentrated fertilizers by the use of the existing cyanamide plant after the same shall have been modernized. Many well-advised persons have insisted that we should scrap nitrate plant No. 2 as impractical, because of the high consumption of power per unit of production. But again we are faced with a practical situation. We have this plant which has cost us about $55,000,000. We have power in great abundance. It seems to us that the sensible, businesslike proposition is to begin by using the existing facilities and continue to use them until they are demonstrated to be either a success or a failure. In the meantime and at the same time the corporation may employ any other process, and by employing the two or more processes be able to compute the relative cost of production. In this connection it may prove feasible to use the building and certain parts of the equipment in nitrate plant No. 1 in order to make a fair experiment and clear demonstration of its feasibility as a synthetic-process plant. No private business man scraps and entirely discards machinery and equipment that have cost large sums of money until experience has demonstrated their impracticability for manufacturing purposes.

In this connection the committee has empowered and directed the corporation to construct a phosphoric-acid plant, so that the nitrate produced may be combined with phosphoric acid into a desirable form of fertilizer. The cyanamide alone might be unattractive to users. The board will also have the right to establish a potash plant if its production at that place appears feasible. In the meantime, until the phosphorus plant shall have been constructed and put in operation, the board has the power to buy phosphoric acid from private producers and may buy potash from private producers and mix one or more of these ingredients with nitrogen produced at Muscle Shoals so as to put upon the market a complete fertilizer product.

The first five years is to be manifestly a period of experimentation on a great scale. In order to give the fertilizer end of the experiment a fair chance to succeed, it is not only provided that the fertilizer shall be sold at cost but that the cost itself shall be reduced by the net receipts from the sale of electric power. In other words, the entire plant is dumped into the fertilizer hopper for the first five years. In order to familiarize the farmers with this concentrated fertilizer and its use, the board may donate 5 per cent of the annual production to county demonstration agents to be by them demonstrated to farmers to be used for experimental purposes. If the surplus accumulation for any one year is more than 25 per cent of the annual capacity, then an additional 10 per cent may, upon the unanimous approval of the board, be donated in like manner for experimental purposes. Thus at the end of five years we will know something about this fertilizer business. If it can not succeed with all its inducements and assistance proposed to be rendered under this bill, if the same shall be administered by friendly hands, then it is hopeless.

We believe that the President will try to select experienced business men reasonably friendly to the fertilizer project contemplated by this bill and that the Senate will exercise a reasonable discrimination in confirmation. These business men will outline a system of business, both for operation and sale, and place the actual administration of details in the hands of a general manager with two assistant managers.

It is proposed and suggested that the organization under a general manager and two assistant managers, who will have the right to employ and discharge all other clerks, office help, foremen, agents, and laborers generally, will give such direct and central control, heading up to a single responsible person, as to insure efficient administration and energetic discipline. It will be possible so to organize the business by a gradation of chiefs and subchiefs, with responsibility for their respective divisions, as to make an organization to function efficiently and systematically.

I realize that the suggestion of a maximum of $50,000 for the combined three salaries of the general manager and two assistant managers may seem high; but I think it is in line with good business principles to select these three men of a very high class, with business experience and executive ability. To find such men and to induce them to leave the present employments that they are certain to have will necessitate the board offering salaries that may appear high. But it must be remembered that their tenure is very uncertain. The tenure may be determined by the board; or this act may be repealed at any time. Due to such uncertainty, we must pay slightly higher salaries than the same men are now receiving in private industries with prospects of an indefinite continuance and with prospects of increase in salary and perhaps an interest in the business itself.

But after five years, the period of experimentation will be over. If the fertilizer business proves successful, then at the expiration of the first five-year period the fertilizer business must go not only on a self-sustaining basis but it must pay a profit of 4 per cent on the annual turnover into the Treasury of the United States. At the same time, the net proceeds from the sale of electric power must go into the Treasury of the United States. We believe that the sums of money derived

from these two sources will be such as to reimburse the Government in the end for its investment in this problem. But in any event, the property remains the property of the Government. The possession, use, and control only are delivered in trust to the corporation for the purpose of being operated in the interest of national defense and of interstate commerce. The Government can recapture the property at any time upon the outbreak of war upon the declaration of a national emergency by Congress. The great experiment proposed here will not prove very expensive to the Government, and if it proves a success it will not only repay the Government but will prove profitable and will retain the title to the property to the Government and will prove a vast boon to agriculture and will prove a powerful agency of national defense.

By section 124 of the national defense act of 1916 the Muscle Shoals project was dedicated to the national defense for all time; but as a common-sense proposition, in the interest of economy and in order to insure the latest and most improved methods of the fixation of atmospheric nitrogen, the plant was to be employed in peace for the manufacture of concentrated fertilizers.

When the offer of Henry Ford was before the House these fundamental principles were consistently adhered to, and admitted on all sides as sound. The Committee on Military Affairs from the very beginning has had certain fundamental principles before it, and the Congress has been advised by various reports from that committee that these principles have guided the committee in its action. Finally, when the House joint resolution was passed in 1925, under which the joint committee functioned in 1926, in the effort to negotiate leases with private operating agencies, the joint resolution itself expressed the will of Congress that fertilizers in time of peace should be guaranteed by any lessee. Again, during the last session of the Sixty-ninth Congress, the Committee on Military Affairs reported to the House its inability to conclude any lease or to agree upon any bill, and reiterated its views in accordance with the established policy of the Congress and of the committee.

Hence it is aside from the mark for anyone now to pretend that the manufacture of concentrated fertilizers in large quantities at Muscle Shoals is novel or revolutionary or an afterthought or an experiment in socialism. It has been the deliberate policy of the Congress for 12 years, based upon the action of both Houses, signed by the President, and reiterated by subsequent Congresses, committees, and joint commissions.

Again, in 1926, the President of the United States appointed a commission to study, consider, and report its conclusions as to the proper policy to be pursued by the Government with reference to Muscle Shoals. That committee of eminent business men, public servants, and technical experts reported, recommending that if a private lessee could be obtained, who would guarantee and insure the manufacture of fertilizers according to the original plan and intention, then such lessee should be signed; but the commission went on to say with great reluctance that if no such satisfactory lease could be made, then the Government might be forced into the operation of the plant itself for the production of fertilizers in mass quantities.

So now we are up against a situation, a condition, a fact, that must be faced and can not be sidestepped nor evaded. We are not creating a new state of facts; we are not permitted to express our preferences. We have no opportunity to apply our theories. We must do something with the properties at Muscle Shoals which the Government now owns and has owned for more than 10 years, and has spent more than $150,000,000 in said properties.

Shall we give it away? Manifestly not. Shall we continue to operate it as we are now operating it? That would be manifestly unbusinesslike, because the net returns are less than $1,000,000 a year. Shall we lease it to just anybody that will take it on his own terms? That could not be justified. We do not give away or lease without consideration or sell for a bagatelle our arsenals, our shipyards, our navy yards, our airplane factories, or our munition plants. In a certain sense Muscle Shoals is the greatest and most vital munition plant in the Nation. Without it or its equivalent every gun might be silenced, every battleship useless, and every bombing airplane powerless. So we must keep Muscle Shoals and keep it in condition to manufacture nitrates for explosives in the event of an emergency. Keeping it, shall we let it stand by idle and be a constant charge upon the Treasury, or shall we use common sense, as Congress contemplated in 1916 and has been contemplating ever since, and use that power and plant for the fixation of atmospheric nitrogen, and combine the same with other elements of plant food and sell the same to the farmers at reasonable prices, and thus make the plant not only self-sustaining, but earn sufficient money there, in the end to reimburse the Government for all of its original investment.

The SPEAKER. The Clerk will report the next bill.

CONSENT CALENDAR

DISBURSEMENTS TO NATIONAL GUARD OFFICERS AND ENLISTED MEN

The next business on the Consent Calendar was the bill (S. 2537) to amend section 110, national defense act, so as to provide a better administrative procedure in the disbursements for pay of National Guard officers and enlisted men.

The title of the bill was read.

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

Mr. LAGUARDIA. While this will, no doubt, relieve the accounting in some measure, will it aid in greater supervision and in better accounting and better attendance at drill? The gentleman will remember that last year during the debate on the Army appropriation bill I made a statement that was somewhat surprising. After that unfortunately several National Guard officers were indicted for doing the very thing I called attention to. Will the issuance of these pay checks aid in the greater supervision of accounts?

Mr. McSWAIN. I think it will. It is true I am familiar with it only in a general way. The gentleman from Ohio [Mr. SPEAKS] had to leave a few minutes ago in order to attend the funeral of the late Senator Willis. But I understand it will improve the supervision of accounts, since the accounting and pay officers will move into different zones at different times, and they can go from one zone to another; and in that respect I believe it will result in greater efficiency and economy. The fellow who knows can best look behind the paper and ascertain if the facts correspond with the surface appearance.

Mr. LAGUARDIA. I believe that.

Mr. GREEN. So do I.

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

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the second paragraph of section 110, national defense act, as amended, be, and the same is hereby, amended to read as follows:

"All amounts appropriated for the purpose of this and the last preceding section shall be disbursed and accounted for by the officers and agents of the Finance Department of the Army, and effective as soon as practicable after July 1, 1928, all disbursements under the foregoing provisions of this section shall be made for such three-months periods for the various units of the National Guard as shall be prescribed in regulations issued by the Secretary of War and on pay rolls prepared and authenticated in the manner prescribed in said regulations: *Provided*, That for the period necessary to put into operation the payment plan herein provided for, the Secretary of War is authorized to fix initial pay periods of less than three months for such number of units as he may deem necessary: *And provided further*, That stoppages may be made against the compensation payable to any officer or enlisted man hereunder to cover the cost of public property lost or destroyed by, and chargeable to, such officer or enlisted man."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the last vote was laid on the table.

QUALIFICATIONS FOR NATIONAL GUARD STATE STAFF OFFICERS

The next business on the Consent Calendar was the bill (H. R. 239) to amend section 110 of the national defense act by repealing and striking therefrom certain provisions prescribing additional qualifications for National Guard State staff officers, and for other purposes.

The title of the bill was read.

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

Mr. CRAMTON. Reserving the right to object, the form of this bill, I think, can be improved. I presume it will be made satisfactory by an amendment.

Mr. BLACK of Texas. Mr. Speaker, may I inquire of the author of the bill just what provision of the national defense act is repealed by this bill?

Mr. FURLOW. The bill was sent to me by the War Department. I have read the War Department's letter of transmittal. The bill amends section 110. The only thing this will accomplish is this: At the present time when there is a vacancy in the National Guard staff an appointment must be made to fill that vacancy from the National Guard itself. This would make it possible to make that appointment irrespective of whether or not the man had served in the National Guard. The reason for that is this, because at the present time we have lots of

World War veterans who are qualified for the position but they are not eligible for appointment under the amendment, which was put in at the time the national defense act was passed.

Mr. BLACK of Texas. In other words, there are men available who have had sufficient military experience but really have not served in the National Guard.

Mr. FURLOW. Who are not in the National Guard now.

Mr. BLACK of Texas. And the repeal of this provision will permit the Secretary of War to make appointments of that kind?

Mr. FURLOW. That is right. That is as I understand the bill.

Mr. LAGUARDIA. I do not think the Secretary of War makes these appointments.

Mr. McSWAIN. They are made by the Chief of the Militia Bureau.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the following provisions, to wit, "nor to any State, Territory, or District, or officer or enlisted man in the National Guard thereof, unless and until such State, Territory, or District provides by law that staff officers, including officers of the finance, inspection, quartermaster, and medical departments hereafter appointed shall have had previous military experience and shall hold their positions until they shall have reached the age of 64 years, unless retired prior to that time by reason of resignation, disability, or for causes to be determined by a court-martial legally convened for that purpose, and that vacancies among said officers shall be filled by appointment from the militia of such State, Territory, or District," contained in the last paragraph of section 110 of the national defense act as amended by the act approved September 22, 1922 (42 Stat. L. 1036), be, and the same are hereby, repealed and stricken therefrom.

Mr. CRAMTON. Mr. Speaker, I offer an amendment. At the end of line 9, strike out the period and insert in lieu thereof the following.

The SPEAKER. The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: On page 2, line 9, strike out the period after the word "therefrom," insert a comma and the following: "so that said paragraph when so amended will read as follows: Except as otherwise specifically provided herein, no money appropriated under the provisions of this or the last preceding section shall be paid to any person not on the active list, nor to any person over 64 years of age, nor to any person who shall fail to qualify as to fitness for military service under such regulations as the Secretary of War shall prescribe."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

LONGSHOREMEN'S AND HARBOR WORKERS' COMPENSATION ACT

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 12320) to amend the longshoremen's and harbor workers' compensation act. This is an emergency measure.

The SPEAKER. The Chair will ask the gentleman from Pennsylvania whether he regards it as a measure of such emergency that time is a vital question?

Mr. GRAHAM. I think it is, sir, for this reason: The proponents of the longshoremen's compensation law were under the impression that when suit was brought against a deputy commissioner the litigation would be defended by the district attorney of the district in which the litigation would arise. Litigation has been started and the Attorney General has ruled that it is not obligatory upon the district attorney to take up and defend this litigation. This bill simply provides that it shall be the duty of the district attorney in the district in which the litigation arises to defend it; that is, to defend the deputy commissioner who is sued. Only a few cases of this kind are likely to arise, but when they do arise they must be defended. It is nobody's business to do so unless we pass this legislation.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in any court proceedings under section 21 or other provisions of the longshoremen's and harbor workers' compensation act, it shall be the duty of the district attorneys of the United States in the judicial district in which the case is pending to appear as attorney or counsel on behalf of the United States Employees' Compensation Commission, or its deputy commissioner, when either is a party to the case or interested, and to represent such commission or deputy in any court in which such case may be carried on appeal.

Mr. GRAHAM. Mr. Speaker, I desire to correct a word in the bill. In line 5 the bill provides for district attorneys instead of district attorney.

The SPEAKER. The gentleman from Pennsylvania offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GRAHAM: Page 1, line 5, strike out the word "attorneys" and insert the word "attorney."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

WRITS OF ERROR

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 12441) to amend section 2 of an act entitled "An act in reference to writs of error," approved January 31, 1928, Public, No. 10, Seventieth Congress.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent for the present consideration of House Bill 12441. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of an Act entitled "An act in reference to writs of error," approved January 31, 1928, Public, No. 10, Seventieth Congress, be, and it is hereby, amended to read as follows:

"SEC. 2. The statutes regulating the right to a writ of error, defining the relief which may be had thereon, and prescribing the mode of exercising that right and of invoking such relief, including the provisions relating to costs, supersedeas, and mandate, shall be applicable to the appeal which the preceding section substitutes for a writ of error."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

The SPEAKER. The Clerk will resume the calling of the calendar.

ADDITIONAL CIRCUIT JUDGE FOR THE NINTH JUDICIAL CIRCUIT

The next business on the Consent Calendar was the bill (H. R. 8295) for the appointment of an additional circuit judge for the ninth judicial circuit.

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 President be, and he is hereby, authorized to appoint, by and with the advice and consent of the Senate, an additional circuit judge for the ninth judicial circuit.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

TERM OF COURT AT BRYSON CITY, N. C.

The next business on the Consent Calendar was the bill (H. R. 8835) to amend section 98 of the Judicial Code, as amended, to provide for terms of court at Bryson City, N. C.

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 seventh paragraph of section 98 of the Judicial Code be, and it is hereby, amended to read as follows:

"Terms of the district court for the western district shall be held in Charlotte on the first Mondays in April and October; at Shelby on the fourth Monday in September and the third Monday in March; at Statesville on the fourth Mondays in April and October; at Asheville on the first Mondays in May and November; and at Bryson City on the fourth Mondays in May and November: *Provided*, That the cities of Shelby and Bryson City shall each provide and furnish at their own expense suitable and convenient places for holding the court at Shelby and Bryson City. The clerk of the court for the western district shall maintain an office, in charge of himself or a deputy, at Charlotte,

at Asheville, at Statesville, at Shelby, and at Bryson City, which shall be kept open at all times for the transaction of the business of the court."

With the following committee amendment:

Page 1, line 9, strike out the word "first" and insert in lieu thereof the word "second."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

SALARIES OF JUDGES OF PORTO RICO

Mr. KIESS. Mr. Speaker, I ask unanimous consent to return to the bill (H. R. 10952) to fix the salaries of certain judges of Porto Rico, the gentleman from Missouri having withdrawn his objection.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

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 following salaries shall be paid, in monthly installments, to the several judges hereinafter mentioned in lieu of the salaries now provided by law, namely:

To the chief justice of the Supreme Court of Porto Rico, $10,500 per year; and to each of the associate justices thereof, $10,000 per year.

SEC. 2. This act shall take effect on the first day of the first month next following its approval.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

DISPOSITION OF CERTAIN LANDS IN FLORIDA

Mr. SINNOTT. Mr. Speaker, I ask unanimous consent that the next bill on the calendar (H. R. 11281) be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

AMENDMENT OF THE GENERAL LEASING ACT

The next business on the Consent Calendar was the bill (H. R. 10885) to amend sections 23 and 24 of the general leasing act approved February 25, 1920 (41 Stat. L. 437).

The Clerk read the title of the bill.

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

Mr. SCHAFER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. ARENTZ. Will the gentleman withhold that?

Mr. SCHAFER. This is an important bill opening up some new lands.

Mr. ARENTZ. Is the gentleman referring to Calendar No. 523?

Mr. SCHAFER. Yes.

Mr. ARENTZ. This bill opens up no new lands, and this is done at the suggestion of the Secretary of the Interior to equalize the royalty between lands taken up under the 1920 act and lands under the 1925 act when you are taking up potash ground.

Mr. LAGUARDIA. Any oil in it?

Mr. ARENTZ. No oil whatever. If a man wants to lease a piece of potash ground he has to pay 12½ cents royalty, and if the British outfit wants to take soda, borax, or potash they only pay 2 per cent. Do you want to handicap the American citizen and make him pay 12½ cents royalty and a dollar an acre a year rent when the British can monopolize the entire proposition and only pay 2 per cent?

Mr. LAGUARDIA. How did this discrimination come about?

Mr. ARENTZ. Because it was not contemplated that soda and borax would come together in the same area.

Mr. SCHAFER. If this is to clear up any discrimination between an American citizen and foreign parties I will not object.

Mr. ARENTZ. That is exactly what it does.

The Clerk read the bill, as follows:

Be it enacted, etc., That sections 23 and 24 of the general leasing act approved February 25, 1920 (41 Stat. L. 437), are hereby amended to read as follows:

"SEC. 23. That the Secretary of the Interior is hereby authorized, under such rules and regulations as he may prescribe, to grant to any qualified applicant a prospecting permit which shall give the exclusive right to prospect for chlorides, sulphates, carbonates, borates, silicates, or nitrates of sodium, in lands belonging to the United States for a period of not exceeding two years: *Provided*, That the area to be included in such a permit shall not exceed 2,560 acres of land in reasonably compact form.

"SEC. 24. That upon showing to the satisfaction of the Secretary of the Interior that valuable deposits of one of the substances enumerated in section 23 hereof have been discovered by the permittee within the area covered by his permit and that such land is chiefly valuable therefor, the permittee shall be entitled to a lease for any or all of the land embraced in the prospecting permit at a royalty of not less than 2 per cent of the quantity or gross value of the output of sodium compounds and other related products at the point of shipment to market; the lands in such lease to be taken in compact form by legal subdivisions of the public land surveys or, if the land be not surveyed, by survey executed at the cost of the permittee in accordance with regulations prescribed by the Secretary of the Interior. Lands known to contain valuable deposits of one of the substances enumerated in section 23 hereof and not covered by permits or leases shall be subject to lease by the Secretary of the Interior through advertisement, competitive bidding, or such other methods as he may by general regulations adopt and in such areas as he shall fix, not exceeding 2,560 acres. All leases under this section shall be conditioned upon the payment by the lessee of such royalty as may be fixed in the lease, not less than 2 per cent of the quantity or gross value of the output of sodium compounds and other related products at the point of shipment to market, and the payment in advance of a rental of 25 cents per acre for the first calendar year or fraction thereof, 50 cents per acre for the second, third, fourth, and fifth calendar years, respectively; and $1 per acre per annum thereafter during the continuance of the lease, such rental for any one year to be credited against royalties accruing for that year. Leases under this section shall be for a period of 20 years, with preferential right in the lessee to renew for successive periods of 10 years upon such reasonable terms and conditions as may be prescribed by the Secretary of the Interior unless otherwise provided by law at the expiration of such period: *Provided*, That nothing in this act shall prohibit the mining and sale of sodium compounds under potassium leases issued pursuant to the acts of October 2, 1917 (40 Stat. L. 297), and February 7, 1927 (44 Stat. L. 1057), nor the mining and sale of potassium compounds as a by-product from sodium leases taken under this section: *Provided further*, That on application by any lessee the Secretary of the Interior is authorized to modify the rental and royalty provisions stipulated in any existing sodium lease to conform to the provisions of this section."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

MESSAGE FROM THE SENATE

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. 8725) entitled "An act to amend section 224 of the Judicial Code."

The message also announced that the Senate had agreed to the amendment of the House of Representatives to the bill (S. 380) entitled "An act for the relief of Charles H. Niehaus."

ENROLLED BILL SIGNED

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled a bill of the following title, when the Speaker signed the same:

H. R. 9020. An act to amend an act entitled "An act to establish a Code of Law for the District of Columbia," approved March 3, 1901, and the acts amendatory thereof and supplementary thereto.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 43. An act for the relief of Frederick N. Carr;

S. 46. An act for the relief of Daniel F. Roberts;

S. 138. An act for the relief of Thomas Johnsen;

S. 1899. An act for the relief of Clifford D. Ham, collector general of customs, administrator of Corinto Wharf, Republic of Nicaragua;

S. 2657. An act for the relief of George W. Boyer; and

S. 2020. An act for the relief of Leonidas L. Cochran and Rosalie Cochran Brink.

LEAVE TO ADDRESS THE HOUSE

Mr. HASTINGS. Mr. Speaker, I ask unanimous consent that to-morrow, immediately after reading the Journal and disposition of business on the Speaker's table and any special orders, I may address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. CRAMTON. Mr. Speaker, I would like permission to speak for five minutes after the other special orders and the gentleman from Oklahoma has used his time.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

LEAVE TO THE JUDICIARY COMMITTEE TO SIT DURING SESSION OF THE HOUSE TO-MORROW

Mr. DYER. Mr. Speaker, I ask unanimous consent that the Judiciary Committee may sit to-morrow during the session of the House.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

ADJOURNMENT

Mr. TILSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock p. m.) the House adjourned until to-morrow, Tuesday, April 3, 1928, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for Tuesday, April 3, 1928, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON AGRICULTURE

(10 a. m.)

To provide for the eradication of pink bollworm and authorizing an appropriation therefor (H. J. Res. 237).

COMMITTEE ON THE DISTRICT OF COLUMBIA—SUBCOMMITTEE ON THE JUDICIARY

(10 a. m.—room 277)

To amend subchapter 1 of chapter 18 of the Code of Laws for the District of Columbia relating to degree-conferring institutions (H. R. 7951).

SUBCOMMITTEE ON STREET, AVENUES, AND TRAFFIC

(10.30 a. m.)

To consider the bills on the calendar.

COMMITTEE ON THE JUDICIARY

(10 a. m.)

To prohibit the sending and receipt of stolen property through interstate and foreign commerce (H. R. 10287).

COMMITTEE ON MILITARY AFFAIRS

(10 a. m.)

To amend section 127a, national defense act, as amended and approved June 4, 1920 (H. R. 11273).

COMMITTEE ON PATENTS

(10 a. m.)

To amend sections 1 (e) and 25 (e) of the act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909 (H. R. 10655).

COMMITTEE ON FOREIGN AFFAIRS

(10.30 a. m.)

Authorizing assistance in the construction of an inter-American highway on the Western Hemisphere (H. J. Res. 259).

COMMITTEE ON NAVAL AFFAIRS

(10.30 a. m.)

To consider the private bills on the calendar.

COMMITTEE ON THE PUBLIC LANDS

(10.30 a. m.)

To establish the Ouachita National Park in the State of Arkansas (H. R. 5729).

COMMITTEE ON FLOOD CONTROL

(10 a. m.)

To provide for the topographic mapping and the measurement of river discharge of the alluvial valley of the lower Mississippi River and in such other areas as have an immediate bearing on the solution of flood problems of the Mississippi River Basin (H. R. 11142).

EXECUTIVE COMMUNICATIONS, ETC.

424. Under clause 2 of Rule XXIV, a letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination and survey of mouth of Roanoke River, N. C. (H. Doc. No. 211), was taken from the Speaker's table and referred to the Committee on Rivers and Harbors and ordered to be printed, with illustration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. REID of Illinois: Committee on Flood Control. S. 3740. An act for the control of floods on the Mississippi River and its tributaries, and for other purposes; with amendment (Rept. No. 1100). Referred to the Committee of the Whole House on the state of the Union.

Mr. MORROW: Committee on Irrigation and Reclamation. H. R. 10786. A bill authorizing surveys and investigations to determine the best methods and means of utilizing the waters of the Gila River and its tributaries above the San Carlos Reservoir in New Mexico and Arizona; without amendment (Rept. No. 1101). Referred to the Committee of the Whole House on the state of the Union.

Mr. UNDERHILL: Committee on Claims. H. R. 12236. A bill to provide an appropriation for the payment of claims of persons who suffered property damage, death, or personal injury due to the explosion at the naval ammunition depot, Lake Denmark, N. J., July 10, 1926; with amendment (Rept. No. 1102). Referred to the Committee of the Whole House on the state of the Union.

Mr. VESTAL: Committee on Patents. H. R. 8913. A bill to amend sections 27, 42, and 44 of the act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909; with amendment (Rept. No. 1103). Referred to the House Calendar.

Mr. PORTER: Committee on Foreign Affairs. S. 2549. An act providing for payment to the German Government of $461.59 in behalf of the heirs or representatives of the German nationals, John Adolf, Hermann Pegel, Franz Lipfert, Albert Wittenburg, Karl Behr, and Hans Dechantsreiter; without amendment (Rept. No. 1105). Referred to the Committee of the Whole House on the state of the Union.

Mr. PORTER: Committee on Foreign Affairs. H. R. 9569. A bill authorizing the payment of an indemnity to the British Government on account of the death of Reginald Ethelbert Myrie, alleged to have been killed in the Panama Canal Zone on February 5, 1921, by a United States Army motor truck; without amendment (Rept. No. 1106). Referred to the Committee of the Whole House on the state of the Union.

Mr. PORTER: Committee on Foreign Affairs. H. R. 12179. A bill to provide for the reimbursement of the Government of Great Britain on account of certain sums expended by the British chaplain in Moscow, the Rev. F. North, for the relief of American nationals in Russia in 1920; without amendment (Rept. No. 1107). Referred to the Committee of the Whole House on the state of the Union.

Mr. COLE of Iowa: Committee on Foreign Affairs. H. J. Res. 145. A joint resolution to provide for the payment of an indemnity to the Chinese Government for the death of Chang Lin and Tong Huan Yah, alleged to have been killed by members of the armed forces of the United States; without amendment (Rept. No. 1108). Referred to the Committee of the Whole House on the state of the Union.

Mr. TEMPLE: Committee on Foreign Affairs. H. J. Res. 146. A joint resolution to provide for the payment of an indemnity to the Dominican Republic for the death of Juan Soriano, who was killed by the landing of an airplane belonging to the United States Marine Corps; without amendment (Rept. No. 1109). Referred to the Committee of the Whole House on the state of the Union.

Mr. PORTER: Committee on Foreign Affairs. H. J. Res. 148. A joint resolution to provide for the payment of an indemnity to the British Government to compensate the dependents of Edwin Tucker, a British subject, alleged to have been killed by a United States Army ambulance in Colon, Panama; without amendment (Rept. No. 1110). Referred to the Committee of the Whole House on the state of the Union.

Mr. PORTER: Committee on Foreign Affairs. H. J. Res. 149. A joint resolution to authorize an appropriation for the compensation of William Wiseman; without amendment (Rept. No. 1111). Referred to the Committee of the Whole House on the state of the Union.

Mr. PORTER: Committee on Foreign Affairs. H. J. Res. 150. A joint resolution to provide for the payment of an indemnity to the Government of the Netherlands for compensation for personal injuries sustained by two Netherlands subjects, Arend Kamp and Francis Gort, while the U. S. S. *Canibas* was loading on May 1, 1919, at Rotterdam; without amendment (Rept. No. 1112). Referred to the Committee of the Whole House on the state of the Union.

Mr. COLE of Iowa: Committee on Foreign Affairs. H. J. Res. 151. A joint resolution to provide for payment of the claim of the Government of China for compensation of Sun Jui-chin for injuries resulting from an assault on him by a private in the United States Marine Corps; without amendment (Rept. No. 1113). Referred to the Committee of the Whole House on the state of the Union.

Mr. PORTER: Committee on Foreign Affairs. H. J. Res. 153. A joint resolution for the contribution of the United States in the plans of the organization of the International Society for the Exploration of the Arctic Regions by Means of the Airship; without amendment (Rept. No. 1114). Referred to the Committee of the Whole House on the state of the Union.

Mr. PORTER: Committee on Foreign Affairs. H. J. Res. 154. A joint resolution authorizing payment of the claim of the Norwegian Government for interest upon money advanced by it in connection with the protection of American interests in Russia; with amendment (Rept. No. 1115). Referred to the Committee of the Whole House on the state of the Union.

Mr. PORTER: Committee on Foreign Affairs. H. J. Res. 152. A joint resolution authorizing and requesting the President to extend invitations to foreign governments to be represented by delegates at the International Congress of Entomology to be held in the United States in 1928; without amendment (Rept. No. 1116). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. GUYER: Committee on Claims. H. R. 5398. A bill for the relief of the heirs of the late Dr. Thomas C. Longino; with amendment (Rept. No. 1104). Referred to the Committee of the Whole House.

Mr. PORTER: Committee on Foreign Affairs. S. 3506. An act for the relief of the owners of the British steamship *Larchgrove;* without amendment (Rept. No. 1117). Referred to the Committee of the Whole House.

Mr. PORTER: Committee on Foreign Affairs. S. 3507. An act for the relief of the Eagle Transport Co. (Ltd.) and the West of England Steamship Owners' Protection and Indemnity Association (Ltd.); without amendment (Rept. No. 1118). Referred to the Committee of the Whole House.

Mr. PORTER: Committee on Foreign Affairs. H. R. 12189. A bill for the relief of Marie Rose Jean Baptiste, Marius Francois, and Regina Lexima, all natives of Haiti; with amendment (Rept. No. 1119). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 8469) granting a pension to Beulah J. Berry; Committee on Invalid Pensions discharged, and referred to the committee on Pensions.

A bill (H. R. 12548) for the relief of Margaret Vaughn; Committee on Claims discharged, and referred to the Committee on Naval Affairs.

A bill (H. R. 12613) granting a pension to Margaret Kropp; Committee on Invalid Pensions discharged, and 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. EVANS of California: A bill (H. R. 12615) to increase the pensions of persons who have lost the sight of both eyes in line of duty while in the military or naval service of the United States; to the Committee on Pensions.

By Mr. GRIEST: A bill (H. R. 12616) to amend section 6 of Title I of the act of February 28, 1925 (43 Stat., p. 1060, U. S. C., title 39, sec. 116); to the Committee on the Post Office and Post Roads.

By Mr. HUDSPETH: A bill (H. R. 12617) for the erection of a public post-office building at Midland, Midland County, Tex., and appropriating money therefor; to the Committee on Public Buildings and Grounds.

By Mr. LaGUARDIA: A bill (H. R. 12618) to amend the immigration act of 1924; to the Committee on Immigration and Naturalization.

By Mr. ROWBOTTOM: A bill (H. R. 12619) to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Evansville, Ind.; to the Committee on Interstate and Foreign Commerce.

By Mr. PARKER: A bill (H. R. 12620) to authorize the unification of carriers engaged in interstate commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CROWTHER: A bill (H. R. 12621) to authorize the Secretary of War to lend War Department equipment for use at the annual State convention of the American Legion of New York; to the Committee on Military Affairs.

By Mr. CRAIL: A bill (H. R. 12622) to amend section 200 of the World War veterans' act of 1924, as amended; to the Committee on World War Veterans' Legislation.

By Mr. DE ROUEN: A bill (H. R. 12623) granting the consent of Congress to the Louisiana Highway Commission to construct, maintain, and operate a free highway bridge across the Sabine River at or near Starks, La., on the Evangeline Highway, known by the State of Louisiana as route No. 7, to connect at or near Deweyville, Tex.; to the Committee on Interstate and Foreign Commerce.

By Mr. HOFFMAN: A bill (H. R. 12624) to amend section 17 of the act of June 10, 1922, entitled "An act to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service," as amended; to the Committee on Military Affairs.

By Mr. HUDSPETH: A bill (H. R. 12625) to provide a salary for the referee in bankruptcy for the Pecos division of the western judicial district of Texas; to the Committee on the Judiciary.

By Mr. JENKINS: A bill (H. R. 12626) relating to the immigration of certain relatives of United States citizens and aliens lawfully admitted to the United States; to the Committee on Immigration and Naturalization.

By Mr. JOHNSON of South Dakota: A bill (H. R. 12627) to provide for the establishment of a commissioned medical service in the United States Veterans' Bureau; to the Committee on World War Veterans' Legislation.

By Mr. BROWNING: A bill (H. R. 12628) granting an increase of salary to all rural carriers in the Rural Mail Delivery Service; to the Committee on the Post Office and Post Roads.

By Mr. JONES: A bill (H. R. 12629) to create a new division of the District Court of the United States for the Northern District of Texas; to the Committee on the Judiciary.

By Mr. SINNOTT (by department request): A bill (H. R. 12630) to repeal the desert land laws; to the Committee on the Public Lands.

By Mr. BERGER: A bill (H. R. 12631) to establish a national forest reserve and a national park in each of the several States, to promote reforestation, and for other purposes; to the Committee on Agriculture.

By Mr. PURNELL: A bill (H. R. 12632) to provide for the eradication or control of the European corn borer; to the Committee on Agriculture.

By Mr. McLEOD: Joint resolution (H. J. Res. 259) authorizing assistance in the construction of an inter-American highway on the Western Hemisphere; to the Committee on Foreign Affairs.

By Mr. PORTER: Joint resolution (H. J. Res. 262) requesting the President to extend to the Republics of America an invitation to attend a conference of conciliation and arbitration to be held at Washington during 1928 or 1929; to the Committee on Foreign Affairs.

By Mr. REID of Illinois: Resolution (H. Res. 155) providing for the consideration of S. 3740, "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes"; to the Committee on Rules.

MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

By Mr. HOFFMAN: Memorial of the Legislature of the State of New Jersey, requesting the Congress of the United States to authorize the Postmaster General to issue a special series of postage stamps commemorative of the one hundred and fiftieth anniversary of the Battle of the Monmouth; to the Committee on the Post Office and Post Roads.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADKINS: A bill (H. R. 12633) granting an increase of pension to Mary E. Conley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12634) granting an increase of pension to Mary E. Booker; to the Committee on Invalid Pensions.

By Mr. AYRES: A bill (H. R. 12635) granting a pension to Delia B. Crafts; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12636) granting an increase of pension to Mary Ruckle; to the Committee on Invalid Pensions.

By Mr. CHINDBLOM: A bill (H. R. 12637) granting jurisdiction to the Court of Claims to hear the case of David A. Wright; to the Committee on War Claims.

Also, a bill (H. R. 12638) for the relief of David A. Wright; to the committee on War Claims.

By Mr. CRAIL: A bill (H. R. 12639) granting a pension to Bernard N. Daugherty; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12640) granting an increase of pension to Katherine L. Severance; to the Committee on Invalid Pensions.

By Mr. EVANS of Montana: A bill (H. R. 12641) to correct the military record of George A. Cole; to the Committee on Military Affairs.

By Mr. FREE: A bill (H. R. 12642) granting a pension to Joseph Hodgson; to the committee on Pensions.

By Mr. FREEMAN: A bill (H. R. 12643) granting an increase of pension to Addie A. Turner; to the Committee on Invalid Pensions.

By Mr. GIBSON: A bill (H. R. 12644) granting an increase of pension to Addie J. Green; to the Committee on Invalid Pensions.

By Mr. KENDALL: A bill (H. R. 12645) granting an increase of pension to Abby Fordyce; to the Committee on Invalid Pensions.

By Mr. KIESS: A bill (H. R. 12646) granting an increase of pension to Jennie M. Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12647) granting an increase of pension to Louise Pease; to the Committee on Invalid Pensions.

By Mr. KORELL: A bill (H. R. 12648) for the relief of S. L. Roberts; to the Committee on Claims.

By Mrs. LANGLEY: A bill (H. R. 12649) granting a pension to Pearl Estridge; to the Committee on Pensions.

By Mr. McSWAIN: A bill (H. R. 12650) granting an honorable discharge to John F. Fleming; to the Committee on Military Affairs.

By Mr. MENGES: A bill (H. R. 12651) for the relief of Artemus W. Pentz; to the Committee on Claims.

Also, a bill (H. R. 12652) for the relief of Andrew Amsbaugher; to the Committee on Military Affairs.

By Mr. MILLIGAN: A bill (H. R. 12653) granting a pension to James R. McCarty; to the Committee on Invalid Pensions.

By Mr. MURPHY: A bill (H. R. 12654) granting an increase of pension to Mary Wallace; to the Committee on Invalid Pensions.

By Mrs. NORTON of New Jersey: A bill (H. R. 12655) granting an increase of pension to Annie M. Hollis; to the Committee on Invalid Pensions.

By Mr. PURNELL: A bill (H. R. 12656) granting an increase of pension to Mont Graham; to the Committee on Pensions.

By Mr. RANSLEY: A bill (H. R. 12657) for the relief of Harry W. Koch, trading as H. W. Koch & Co.; to the Committee on Claims.

By Mr. TEMPLE: A bill (H. R. 12658) granting a pension to Jennie Mae Parkinson Dunkle; to the Committee on Pensions.

By Mr. WEAVER: A bill (H. R. 12659) for the relief of Ben F. Draper; to the Committee on Claims.

By Mr. HASTINGS: Joint resolution (H. J. Res. 260) for the relief of Eloise Childers, Creek Indian, minor roll No. 354; to the Committee on Indian Affairs.

Also, joint resolution (H. J. Res. 261) for the relief of Effa Cowe, Creek Indian, new-born roll No. 78; to the Committee on Indian Affairs.

PETITIONS, ETC.

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

6285. Petition of the Chamber of Commerce of Pittsburgh, Pa., favoring the revision of postal rates; to the Committee on the Post Office and Post Roads.

6286. Petition of the city council of Los Angeles, Calif., favoring the passage of Senate Joint Resolution 87 and House Joint Resolution 196, for the continuance and development of the American Green Cross and its work; to the Committee on Education.

6287. By Mr. ADKINS: Petition of citizens of Arthur, Ill., urging the passage at this session of Congress of the Civil War pension bill; to the Committee on Invalid Pensions.

6288. Also, petition by citizens of the State of Illinois, protesting against compulsory Sunday observance bill now before Congress; to the Committee on the District of Columbia.

6289. By Mr. AYRES: Petition of citizens of Wichita, Kans., in favor of Curtis-Reed educational bill; to the Committee on Education.

6290. By Mr. CARTER: Petition of the Berkeley Teachers' Association, of Berkeley, Calif., indorsing the Curtis-Reed bill; to the Committee on Education.

6291. By Mr. COOPER of Wisconsin: Petition of citizens of Racine, Wis., urging passage of bill to increase pensions of Civil War widows; to the Committee on Invalid Pensions.

6292. By Mr. CRAIL: Petition of Reserve Officers' Association, Long Beach (Calif.) Chapter, for the national defense act; to the Committtee on Naval Affairs.

6293. Also, petition of Gov. C. C. Young and sundry officials of the State of California, favoring the resolution introduced by Congressman Porter in House bill 11192; to the Committee on the Judiciary.

6294. Also, petition of Ernest A. Love Post, of the American Legion; Buckey O'Neil Post, No. 541, Veterans of Foreign Wars; and Fort Whipple Chapter, No. 3, Disabled American Veterans, for the passage of House bill 11350; to the Committee on World War Veterans' Legislation.

6295. By Mr. CROWTHER: Petition of citizens of Schenectady, N. Y., in behalf of House bill 11410; to the Committee on the Judiciary.

6296. By Mr. DALLINGER: Petition of certain citizens of Medford, Mass., urging enactment of legislation increasing pensions of Civil War veterans and their widows; to the Committee on Invalid Pensions.

6297. Also, petition of certain citizens of Massachusetts, urging the enactment of the Welch bill (H. R. 6518); to the Committee on the Civil Service.

6298. By Mr. EVANS of California: Petition of Therma Ruoff, of Baldwin Park, Calif., and 35 other citizens, for the relief of the permanently disabled emergency officers of the World War; to the Committee on World War Veterans' Legislation.

6299. By Mr. DEMPSEY: Petition of citizens of Buffalo, N. Y., favoring the Sproul bill (H. R. 11410) to amend the prohibition act; to the Committee on the Judiciary.

6300. By Mr. EVANS of Montana: Petition of Miss Hannah Burke and other residents of Butte, Mont., urging that the name of Commodore John Barry be placed on the Arlington Amphitheater; to the Committee on the Library.

6301. Also, petition of Kitty Mee and other residents of Anaconda, Mont., urging that the name of Commodore John Barry be added to the names of heroes on the Arlington Ampitheater; to the Committee on the Library.

6302. By Mr. FISHER: Petition of Abram Jackson and 113 citizens of Memphis, Tenn., favoring pensions to Civil War veterans and their widows; to the Committee on Invalid Pensions.

6303. By Mr. FROTHINGHAM: Petition of Atlantic Improvement Association, Atlantic, Mass., in relation to House bill 11922, "A bill to authorize the Secretary of the Navy to lease the United States naval destroyer and submarine base, Squantum, Mass.," and requesting Congress to so restrict this lease that oil manufacture, oil storage, chemical works, and all other so-called nuisance industries shall be prohibited on these premises; to the Committee on Naval Affairs.

6304. By Mr. GALLIVAN: Petition of P. B. Heintz, president and general manager National Casket Co., 60 Massachusetts Avenue, Boston, Mass., recommending favorable consideration of Senate bill 668, providing for the repeal of the war-time 50 per cent surtax on travel collected by the railroads; to the Committee on Ways and Means.

6305. By Mr. GARBER: Petition of rural letter carriers of Payne County, Okla., in regard to postal legislation; to the Committee on the Post Office and Post Roads.

6306. Also, petition of C. B. McCartney, chief clerk, district No. 3, Railway Mail Service, Oklahoma City, Okla., in support of House bill 11622; to the Committee on the Post Office and Post Roads.

6307. Also, petition of George T. Miller, president Oklahoma Rural Letter Carriers' Association, Mutual, Okla., in support of Gibson amendment; to the Committee on the Civil Service.

6308. Also, petition of Business and Professional Women's Club of Blackwell, Okla., by Grace Fondray, secretary, urging Federal responsibility in the flood-control problem; to the Committee on Flood Control.

6309. Also, petition of F. P. Beard, of Texhoma, Okla., in opposition to the passage of House bill 10958; to the Committee on Ways and Means.

6310. Also, petition of McManus-Heryer Brokerage Co., of Oklahoma City, Okla., in opposition to the passage of House bill 6679; to the Committee on the Judiciary.

6311. Also, petition of W. B. Estes, secretary of Chamber of Commerce of the State of Oklahoma, in regard to flood control of the Mississippi River, stating that such measures should be national in their character and contemplate the requirements of the entire Mississippi basin; to the Committee on Flood Control.

6312. By Mr. GARDNER of Indiana: Petition of Charles L. Stone and 80 other citizens of New Albany, Floyd County, Ind., urging that immediate steps be taken to bring to a vote a Civil War pension bill in order that relief may be accorded to needy and suffering veterans and widows; to the Committee on Invalid Pensions.

6313. By Mr. GIBSON: Petition of residents of Williamstown and Groton, Vt., protesting against proposed legislation for compulsory Sunday observance in the District of Columbia; to the Committee on the District of Columbia.

6314. By Mr. HADLEY: Petition of residents of Lynden, Wash., urging enactment of the National Tribune's Civil War pension bill; to the Committee on Invalid Pensions.

6315. Also, petition of residents of Port Angeles, Wash., urging enactment of the National Tribune's Civil War pension bill; to the Committee on Invalid Pensions.

6316. By Mr. HASTINGS: Petition of citizens of the city of Okmulgee, Okla., and vicinity, favoring an increase of pensions to soldiers and sailors of the Civil War and their widows; to the Committee on Invalid Pensions.

6317. By Mr. HERSEY: Petition of Barbara Brannen and other residents of Oakfield, Me., urging passage of the National Tribune's Civil War pension bill; to the Committee on Invalid Pensions.

6318. Also, petition of Laura A. Farrell, Millinocket, Me., and many others, urging passage of the Civil War pension bill; to the Committee on Invalid Pensions.

6319. By Mr. HOOPER: Petition of Sarah Longman and 30 other residents of Athens, Mich., urging to bring to vote a Civil War pension bill; to the Committee on Invalid Pensions.

6320. By Mr. HOPE: Petition signed by ex-service men of Hutchinson, Kans., requesting the passage of the Tyson-Fitzgerald bill; to the Committee on World War Veterans' Legislation.

6321. By Mr. HOWARD of Nebraska: Petition signed by 75 persons, sent by W. P. Hansen, Archer, Nebr., praying for legislation for the relief of suffering veterans and widows of Civil War; to the Committee on Invalid Pensions.

6322. By Mr. JENKINS: Petition for redress of grievances, requesting that George F. Ormsby, of Toledo, Ohio, be permitted to testify before the Subcommittee on the District of Columbia; to the Committee on the District of Columbia.

6323. By Mr. JOHNSON of Texas: Petition of Rio Grande Oil Co., of Los Angeles, Calif., favoring House bill 8219, for flood control, and urging its support; to the Committee on Flood Control.

6324. By Mr. KING: Petition of the National Tribune's Civil War pension bill, signed by Priscilla M. Robertson, 145 North Eighth Street, Quincy, Ill., and 59 other citizens of Quincy, Ill.; to the Committee on Invalid Pensions.

6325. By Mr. KORELL: Petition of citizens of Portland, Oreg., urging passage of the National Tribune's Civil War pension bill; to the Committee on Invalid Pensions.

6326. By Mr. KVALE: Petition of residents of Osakis, Minn., urging passage of the National Tribune's Civil War pension bill; to the Committee on Invalid Pensions.

6327. By Mr. LINDSAY: Petition of the Hamilton Club, of Chicago, Ill., petitioning Congress to support the Navy program now pending; to the Committee on Naval Affairs.

6328. Also, petition of Hamilton Club, of Chicago, petitioning Congress to enact proper flood-control measures to be followed by appropriate legislation covering sundry subjects of national importance; to the Committee on Flood Control.

6329. Also, petition of S. D. McComb, manager, Marine Office of America, 53 Beaver Street, New York, appealing that special consideration be given to a letter addressed to the chairman and members of the Committee on the Merchant Marine and Fisheries of the House of Representatives in the matter of House bills 2 and 10765, "To create, develop, and maintain a privately owned American merchant marine," on the ground that marine insurance is an important factor in the financial and commercial life of New York City and furnishes employment to thousands of citizens, paying large Federal and municipal taxes. Also petitioning that supplemental letter dated March 31, 1928, be likewise given thoughtful consideration; to the Committee on the Merchant Marine and Fisheries.

6330. By Mr. MAJOR: Petition of citizens of Glasgow, Mo., urging the passage of legislation providing increased pensions for Civil War soldiers and their widows; to the Committee on Invalid Pensions.

6331. By Mr. MAPES: Petition of N. J. Jonker, president Men's and Women's Bible Class, Trinity Reformed Church, Holland, Mich., and 97 other members of that class, recommending the enactment of House bill 78, the Lankford Sunday closing bill; to the Committee on the District of Columbia.

6332. By Mr. MARTIN of Massachusetts: Petition of Harry P. Sturdy and 41 other residents of Norton, Mass., urging the enactment of increases in pensions for Civil War veterans and their widows; to the Committee on Invalid Pensions.

6333. By Mr. MEAD: Petition of Hamilton Club, of Chicago, in favor of the Navy program; to the Committee on Naval Affairs.

6334. Also, petition of Hamilton Club, of Chicago, pertaining to flood control; to the Committee on Flood Control.

6335. By Mr. MILLER: Petition of sundry citizens of Scandinavian descent, of Seattle, Wash., protesting changes in the present basis for determining quota allotments under the immigration act of 1924; to the Committee on Immigration and Naturalization.

6336. By Mr. MOORE of Kentucky: Petition signed by George Arbuckle, Pleasant Walker, and 110 other voters of Central City, Muhlenberg County, Ky., urging that immediate steps be taken to bring to a vote a Civil War pension bill in order that relief may be accorded to needy and suffering veterans and widows; to the Committee on Invalid Pensions.

6337. Also, petition signed by W. H. Bogan, Lizzie Turner, Fillmore Taylor, Tommie Jones, and Henrietta Taylor, residents of Franklin, Simpson County, Ky., urging that immediate steps be taken to bring to a vote a Civil War pension bill for the relief of needy and suffering veterans and widows; to the Committee on Invalid Pensions.

6338. Also, petition signed by V. Rigsby, Charles Beach, T. B. Blewett, Mrs. Joe Chaney, R. L. Mitchell, and Mrs. Hershel Chaney, voters of Simpson County, Ky., urging that immediate steps be taken to bring to a vote a Civil War pension bill to relieve veterans and widows; to the Committee on Invalid Pensions.

6339. By Mr. O'CONNELL: Petition of L. J. Lambert, St. Paul, Minn., favoring the passage of the McSwain bill (H. R. 11756) to correct certain injustices in the promotion list of the Army; to the Committee on Military Affairs.

6340. Also, petition of the Outdoor Life, Outdoor Recreation, Denver, Colo., favoring the passage of the Copeland bill, the 15-daily limit on ducks; to the Committee on Agriculture.

6341. Also, petition of the Hamilton Club, of Chicago, favoring the enactment of proper legislation looking toward flood control; that Congress also is hereby urged to view of the national character of said problem to assume the entire financial responsibility for the engineering work, construction, etc.; to the Committee on Flood Control.

6342. Also, petition of the Hamilton Club, of Chicago, favoring the naval program now pending before the Congress; to the Committee on Naval Affairs.

6343. By Mr. ROWBOTTOM: Petition of the American Legion posts of Lawrence and Monroe Counties, located at Bedford and Bloomington, Ind., that in the construction of veterans' hospitals and other buildings of a permanent nature under the jurisdiction of the United States Veterans' Bureau, that Indiana limestone be specified as a material to be used in the construction thereof; to the Committee on World War Veterans' Legislation.

6344. By Mr. SINNOTT: Petition of numerous citizens of Baker, Oreg., in behalf of an increase in pensions for Civil War veterans and their widows; to the Committee on Invalid Pensions.

6345. By Mr. SWING: Petition of citizens of San Diego, Calif., protesting against compulsory Sunday observance laws; to the Committee on the District of Columbia.

6346. By Mr. TEMPLE: Petition of Washington-Greene Counties Druggists' Association, in support of the Capper-Kelly fair trade bill (H. R. 11); to the Committee on Interstate and Foreign Commerce.

6347. Also, petitions of a number of residents of Washington and Greene Counties, Pa., urging the passage of legislation increasing the rate of pension to Civil War veterans and widows of Civil War veterans; to the Committee on Invalid Pensions.

6348. By Mr. WATSON: Petition signed by 72 residents of Norristown, Pa., urging the enactment of legislation carrying the rates proposed by the National Tribune, in order that relief

may be accorded to needy and suffering veterans and widows; to the Committee on Invalid Pensions.

6349. By Mr. WEAVER: Petition of citizens of Asheville, N. C., asking for the passage of Sproul bill (H. R. 11410) amending the Volstead law; to the Committee on the Judiciary.

6350. Also, petition of citizens of Cherokee County, N. C., asking for increase of pension for Civil War veterans and their widows; to the Committee on Invalid Pensions.

6351. By Mr. WELCH of California: Petition from the United States Employees' Association, San Francisco, Calif., containing 49 signatures of citizens of San Francisco, favoring the passage of House bill 6518, to reclassify and increase the salaries of Federal employees; to the Committee on the Civil Service.

6352. By Mr. WINGO: Petition of citizens of Huntington, Ark., advocating increased pensions for veterans of the Civil War and their widows; to the Committee on Invalid Pensions.

SENATE

TUESDAY, *April 3, 1928*

(Legislative day of Monday, April 2, 1928)

The Senate reassembled at 12 o'clock meridian, on the expiration of the recess.

The VICE PRESIDENT. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, communicated to the Senate the resolutions of the House adopted as a tribute to the memory of Hon. FRANK B. WILLIS, late a Senator from the State of Ohio.

The message also announced that the House had passed, without amendment, the following bills of the Senate:

S. 2537. An act to amend section 110, national defense act, so as to provide better administrative procedure in the disbursements for pay of National Guard officers and enlisted men;

S. 2827. An act granting the consent of Congress to the States of South Dakota and Nebraska to construct, maintain, and operate a bridge across the Missouri River at or near Niobrara, Nebr.;

S. 2950. An act to amend the second paragraph of section 67, national defense act, as amended;

S. 3131. An act to provide additional pay for personnel of the United States Navy assigned to duty on submarines and to diving duty; and

S. 3558. An act authorizing Point Pleasant and Henderson Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Kanawha River at or near Point Pleasant, W. Va.

The message further announced that the House had agreed to the amendment of the Senate to the bill (H. R. 11140) to provide for the inspection of the battle field of Kings Mountain, S. C.

The message also announced that the House had passed the following bills of the Senate severally with an amendment, in which it requested the concurrence of the Senate:

S. 1822. An act to authorize the Secretary of War to transfer or loan aeronautical equipment to museums and educational institutions;

S. 3118. An act to authorize the construction of a temporary railroad bridge across Pearl River at a point in or near section 35, township 10 north, range 6 east, Leake County, Miss.; and

S. 3119. An act to authorize the construction of a temporary railroad bridge across Pearl River in Rankin County, Miss., and between Madison and Rankin Counties, Miss.

The message further announced that the House had passed the bill (S. 2301) to create a commission to be known as the commission for the enlarging of the Capitol Grounds, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 15. An act authorizing an appropriation to enable the Secretary of the Interior to carry out the provisions of the act of May 26, 1926 (44 Stat. L. 655), to make additions to the Absaroka and Gallatin National Forests, and to improve and extend the winter-feed facilities of the elk, antelope, and other game animals of Yellowstone National Park and adjacent land;

H. R. 239. An act to amend section 110 of the national defense act by repealing and striking therefrom certain provisions prescribing additional qualifications for National Guard State staff officers, and for other purposes;

H. R. 441. An act to authorize an appropriation to pay half the cost of a bridge and road on the Hoopa Valley Reservation, Calif.;

H. R. 475. An act to permit taxation of lands of homestead and desert-land entrymen under the reclamation act;

H. R. 5495. An act to provide for cooperation by the Smithsonian Institution with State, educational, and scientific organizations in the United States for continuing ethnological researches on the American Indians;

H. R. 5590. An act to authorize appropriations for construction of culverts and trestles in connection with the camp railroad at Camp McClellan, Ala.;

H. R. 6669. An act fixing the salary of the Public Printer and the Deputy Public Printer;

H. R. 6862. An act authorizing and directing the Secretary of the Interior to investigate, hear, and determine the claims of individual members of the Sioux Tribe of Indians against tribal funds or against the United States;

H. R. 7223. An act to add certain lands to the Gunnison National Forest, Colo.;

H. R. 7463. An act amending an act entitled "An act authorizing the Chippewa Indians of Minnesota to submit claims to the Court of Claims";

H. R. 7475. An act to provide for the removal of the Confederate monument and tablets from Greenlawn Cemetery to Garfield Park;

H. R. 8132. An act authorizing the appropriation of $2,500 for the erection of a tablet or marker at Medicine Lodge, Kans., to commemorate the holding of the Indian peace council, at which treaties were made with the Plains Indians in October, 1867;

H. R. 8295. An act for the appointment of an additional circuit judge for the ninth judicial circuit;

H. R. 8546. An act authorizing an appropriation of $2,500 for the erection of a tablet or marker at Lititz, Pa., to commemorate the burial place of 110 American soldiers who were wounded in the Battle of Brandywine and died in the military hospital at Lititz;

H. R. 8559. An act to amend section 58 of the act of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes";

H. R. 8742. An act to authorize the Secretary of War to convey to the city of Baton Rouge, La., a portion of the Baton Rouge National Cemetery for use as a public street;

H. R. 8835. An act to amend section 98 of the Judicial Code, as amended, to provide for terms of court at Bryson City, N. C.;

H. R. 9047. An act to authorize appropriations for the construction of roads at the Presidio of San Francisco, Calif.;

H. R. 9363. An act to provide for the completion and repair of customs buildings in Porto Rico;

H. R. 9483. An act to provide for the acquisition of rights of way through the lands of the Pueblo Indians of New Mexico;

H. R. 9485. An act authorizing Roy Clippinger, Ulys Pyle, Edgar Leathers, Groves K. Flescher, Carmen Flescher, their heirs, legal representatives, and assigns, to construct, maintain, and operate a bridge across the Wabash River at or near McGregors Ferry in White County, Ill.;

H. R. 9570. An act to provide for the transfer of the returns office from the Interior Department to the General Accounting Office, and for other purposes;

H. R. 10288. An act to provide for a uniform retirement date for authorized retirements of Federal personnel;

H. R. 10643. An act authorizing the Gulf Coast Properties (Inc.), its successors and assigns, to construct, maintain, and operate a bridge across Lake Champlain at or near Rouses Point, N. Y.;

H. R. 10885. An act to amend sections 23 and 24 of the general leasing act approved February 25, 1920 (41 Stat. L. 437);

H. R. 10952. An act to fix the salaries of certain judges of Porto Rico;

H. R. 11203. An act granting the consent of Congress to the counties of Telfair and Coffee to construct, maintain, and operate a free highway bridge across the Ocmulgee River at or near the present Jacksonville ferry in Telfair and Coffee Counties, Ga.;

H. R. 11212. An act authorizing Paul Leupp, his heirs, legal representatives, or assigns, to construct, maintain, and operate a bridge across the Missouri River at or near Stanton, N. Dak.;

H. R. 11265. An act authorizing the 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.;

H. R. 11266. An act authorizing the St. Albans 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.;