10635. By Mr. CLARKE of New York: Petition of Ziba L. Tuttle and 17 residents of Smyrna, N. Y., urging passage of the stop-alien representation amendment to the United States Constitution; to the Committee on the Judiciary.

10636. By Mr. COLTON: Petition of the public-school children of the State of Utah and teachers, urging the creation of a memorial in the West to the memory of George Washington, the Father of our Country; to the Committee on Memorials.

10637. Also, memorial of the State of Utah, memorializing the Congress of the United States to reject the Bratton amendment to the Treasury and Post Office bill eliminating the Salt Lake Veterans' Hospital and regional offices at Salt Lake City; to the Committee on Appropriations.

10638. By Mr. CONDON: Petition of Agnes V. Hopkins, Clemence E. Martineau, Harriet E. Brukhardt, Charles M. Sullivan, and 270 other citizens of Rhode Island, protesting against any reduction or repeal of existing legislation beneficial to Spanish War veterans, their widows, or dependents; to the Committee on World War Veterans' Legislation.

10639. By Mr. DELANEY: Petition of the National Council of Jewish Women, protesting against the appropriation of $20,000,000 passed by the Senate for the maintenance of unemployed youth in military camps; to the Committee on Military Affairs.

10640. By Mr. FINLEY: Petition of citizens of Wayne County, Ky., protesting against repeal of the eighteenth amendment; to the Committee on the Judiciary.

10641. By Mr. GARBER: Petition of D. P. Trent, of Stillwater, Okla., urging support to reinstatement of Austin amendment to Treasury and Post Office bill; to the Committee on Appropriations.

10642. Also, petition of the Carlisle Study Club, Tonkawa, Okla., urging enactment of law to establish a Federal motion-picture commission; to declare the motion-picture industry a public utility; to regulate the trade practices of the industry used in the distribution of pictures; supervise the selection and treatment of subject material during the processes of production; provide that all pictures entering interstate and foreign commerce be produced and distributed under Government supervision and regulation; and urging support of Senate bill 1079 and Senate Resolution 170; to the Committee on Interstate and Foreign Commerce.

10643. By Mr. HANCOCK of New York: Petition of Rev. G. W. Taft and other residents of Onondaga County, favoring the stop-alien amendment to the Constitution; to the Committee on the Judiciary.

10644. Also, petition of Isabella Carver and other residents of Skaneateles, N. Y., favoring the stop-alien amendment to the Constitution; to the Committee on the Judiciary.

10645. By Mr. KELLY of Pennsylvania: Petition of Robert J. Lean Post, No. 600, American Legion, indorsing military construction plan for ending the present economic depression; to the Committee on Military Affairs.

10646. Also, petition of the Liberty Independent Republican Club, of Wilkinsburg, Pa., praying for immediate relief for suffering Americans; to the Committee on the Judiciary.

10647. By Mr. LINDSAY: Petition of John Dwight Sullivan, chairman aviation committee of the American Legion, State of New York, New York City, opposing provision of Navy appropriation bill limiting or striking out flying pay for Army and Navy officers as destructive of morale and incentive; to the Committee on Appropriations.

10648. By Mr. McFADDEN: Memorial of the Senate and House of Representatives of the State of Pennsylvania, by resolution adopted by the general assembly on February 20, 1933, that the present Congress of the United States refrain from taking any action that will decrease the strength and effectiveness of the armed forces of the United States and the several States thereof; to the Committee on Military Affairs.

10649. By Mr. PARKER of Georgia: Resolution of the General Assembly of the State of Georgia, indorsing the Smith cotton bill, introduced by Senator E. D. SMITH, of South Carolina, and passed by the Senate on Saturday, February 18, 1933, and urging the House of Representatives to pass the bill as passed by the Senate; to the Committee on Agriculture.

10650. By Mr. PERKINS: Petition of 19 residents of Sparta, Sussex County, N. J., favoring the stop-alien representation amendment to the United States Constitution; to the Committee on the Judiciary.

10651. By Mr. RUDD: Petition of John Dwight Sullivan, chairman aviation committee, the American Legion, State of New York, opposing the limiting or striking out flying pay for Army and Navy officers; to the Committee on Appropriations.

10652. By Mr. WELCH: Petition of California State Legislature, Assembly Joint Resolution No. 3, relating to memorializing Congress to adopt legislation permitting the manufacture and sale of light wines; to the Committee on Ways and Means.

10653. Also, petition of California State Legislature, Assembly Joint Resolution No. 2, adopted in assembly January 12, 1933, relative to memorializing Congress to propose an amendment to the Constitution of the United States repealing the eighteenth amendment and to provide for conventions in the several States to accomplish this purpose; to the Committee on the Judiciary.

10654. By Mr. YATES: Petition of Ethel Odelberg, 208 Fifth Avenue; Grace Ziegler, 1848½ Twenty-third Avenue; Hazel Eckstrom, 1833 Ninth Street; and other citizens of Moline, Ill., urging support of the stop-alien representation amendment; to the Committee on the Judiciary.

SENATE

FRIDAY, FEBRUARY 24, 1933

(Legislative day of Tuesday, February 21, 1933)

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

Mr. FESS. 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	Couzens	Keyes	Schuyler
Austin	Dale	King	Sheppard
Bailey	Davis	La Follette	Shipstead
Bankhead	Dickinson	Lewis	Shortridge
Barbour	Dill	Logan	Smith
Barkley	Fess	Long	Smoot
Bingham	Fletcher	McGill	Steiwer
Black	Frazier	McKellar	Stephens
Blaine	George	McNary	Swanson
Borah	Glass	Metcalf	Thomas, Idaho
Bratton	Glenn	Moses	Thomas, Okla.
Brookhart	Goldsborough	Neely	Townsend
Bulkley	Gore	Norbeck	Trammell
Bulow	Grammer	Norris	Tydings
Byrnes	Hale	Nye	Vandenberg
Capper	Harrison	Oddie	Wagner
Caraway	Hastings	Patterson	Walcott
Carey	Hatfield	Pittman	Walsh, Mass.
Clark	Hayden	Reed	Watson
Connally	Hebert	Reynolds	Wheeler
Coolidge	Johnson	Robinson, Ark.	White
Copeland	Kean	Robinson, Ind.	
Costigan	Kendrick	Russell	

Mr. SHEPPARD. I desire to announce that the senior Senator from Montana [Mr. WALSH] and the junior Senator from Tennessee [Mr. HULL] are necessarily out of the city.

Mr. NORRIS. I wish to announce that my colleague [Mr. HOWELL] is detained from the Senate by reason of illness.

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had passed without amendment bills of the Senate of the following titles:

S. 1044. An act authorizing the issuance to Cassie E. Howard of a patent for certain lands;

S. 2259. An act for the relief of Mathie Belsvig;

S. 4286. An act to authorize credit in the disbursing account of Donna M. Davis; and

S. 4287. An act for the relief of Harold W. Merrin.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

The message also announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 466. An act for the relief of the Allegheny Forging Co.; and

S. 4327. An act for the relief of Lizzie Pittman.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 785. An act to reimburse Earl V. Larkin for injuries sustained by the accidental discharge of a pistol in the hands of a soldier in the United States Army;

H. R. 2157. An act for the relief of Arthur I. Neville;

H. R. 5214. An act for the relief of Withycombe Post, No. 11, American Legion, Corvallis, Oreg.;

H. R. 6484. An act to grant lands in Alaska to the Yakutat & Southern Railway, a Washington corporation authorized to carry on its business in the Territory of Alaska;

H. R. 7409. An act for the relief of Chambliss L. Tidwell;

H. R. 8215. An act for the relief of the National Bank of Commerce, El Dorado, Ark.;

H. R. 8217. An act for the relief of the First National Bank of El Dorado, Ark.;

H. R. 9862. An act for the relief of the estate of Oscar F. Lackey;

H. R. 10169. An act authorizing adjustment of the claim of the Adelphia Bank & Trust Co. of Philadelphia;

H. R. 10800. An act for the relief of Joe Setton;

H. R. 10973. An act for the relief of Augustus Thompson;

H. R. 11902. An act for the relief of Robert D. Baldwin; and

H. R. 14724. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1934, and for other purposes.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 7521) to provide a new Code of Civil Procedure for the Canal Zone and to repeal the existing Code of Civil Procedure, and it was signed by the Vice President.

LEASE OF POST-OFFICE GARAGE, BOSTON, MASS.

Mr. MOSES submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 88) to authorize the Postmaster General to investigate the conditions of the lease of the post-office garage in Boston, Mass., and to readjust the terms thereof, 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 amendment numbered 1.

That the Senate recede from its disagreement to the amendments of the House numbered 2 and 4, and agree to the same.

Amendment numbered 3: That the Senate recede from its disagreement to the amendment of the House numbered 3, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by said amendment insert the following: "under the lease from March 23, 1931, but not in excess of "; and the House agree to the same.

GEO. H. MOSES,
TASKER L. ODDIE,
KENNETH MCKELLAR,
Managers on the part of the Senate.
HARRY T. HAINES,
LA FAYETTE L. PATTERSON,
FRANK H. FOSS,
Managers on the part of the House.

Mr. MOSES. I move the adoption of the report.

The motion was agreed to.

UNITED STATES GEORGIA BICENTENNIAL COMMISSION

Mr. GEORGE. Mr. President, I ask unanimous consent to enter notice of a motion to reconsider the action of the Senate regarding an amendment made by the House to the joint resolution (S. J. Res. 223) establishing the United States Georgia Bicentennial Commission, and for other purposes.

The VICE PRESIDENT. Without objection, the notice will be entered.

Mr. GEORGE. I now move that the House be requested to return the joint resolution and accompanying papers to the Senate.

The motion was agreed to.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a concurrent resolution adopted by the General Assembly of Pennsylvania, memorializing Congress to refrain from enacting legislation which would decrease the strength and effectiveness of the armed forces of the United States, which was ordered to lie on the table.

(See resolution printed in full when presented by Mr. DAVIS on the 23d instant, p. 4789, CONGRESSIONAL RECORD.)

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of the State of Washington, which was ordered to lie on the table:

UNITED STATES OF AMERICA,
STATE OF WASHINGTON,
DEPARTMENT OF STATE.

To all to whom these presents shall come:

I, Ernest N. Hutchinson, secretary of state of the State of Washington and custodian of the seal of said State, do hereby certify that the annexed is a true and correct copy of House Joint Memorial No. 11 as received and filed in this office on the 20th day of February, 1933.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the State of Washington. Done at the capitol at Olympia, this 20th day of February, A. D. 1933.

[SEAL.] ERNEST N. HUTCHINSON,
Secretary of State.
By A. M. KITTS,
Assistant Secretary of State.

House Joint Memorial 11

To the honorable the Senate of the United States:

Your memorialists, the Senate and House of Representatives of the State of Washington, in legislative session assembled, most respectfully represent and petition your honorable body as follows:

Whereas George Charles Walther, a citizen of Portland, Oreg., was accidentally shot by a Federal prohibition enforcement officer in 1923 and received injuries which have made him a cripple for life; and

Whereas the said George Charles Walther was a law-abiding citizen, who had no part in the criminal activities which resulted in the raid, but was merely an innocent bystander; and

Whereas a bill has been introduced in the United States Congress, and has passed the House of Representatives, to provide the said George Charles Walther with a pension of $100 per month for life, and the said bill is now before the Senate of the United States of America: Now therefore

Your memorialists petition and memorialize the Senate of the United States of America, now in session in Washington, D. C., to take immediate action to approve the measure which will grant a pension of $100 per month for life to the said George Charles Walther, and thereby provide him with the means of livelihood of which he was deprived by the action of a Government agent.

Passed the house February 17, 1933.

GEO. F. YANTIS,
Speaker of the House.

Passed the senate February 18, 1933.

VICTOR A. MEYERS,
President of the Senate.

The VICE PRESIDENT also laid before the Senate the petition of Ole R. Olson and sundry citizens of Washburn, Wis., praying for the appointment of R. A. Hering as postmaster at Washburn, Wis., which was referred to the Committee on Post Offices and Post Roads.

Mr. KING presented the following joint memorial of the Legislature of the State of Utah, which was ordered to lie on the table:

OFFICE OF SECRETARY OF STATE,
STATE OF UTAH.

I, M. H. Welling, secretary of state of the State of Utah, do hereby certify that the following is a full, true, and correct copy of Senate Concurrent Memorial No. 7, a memorial to the Congress of the United States protesting against the Bratton amendment to the Treasury and Post Office bill eliminating the Salt Lake Veterans' Hospital and regional offices at Salt Lake City, as appears on file in my office.

In witness whereof I have hereunto set my hand and affixed the great seal of the State of Utah at Salt Lake City this 21st day of February, 1933.

[SEAL.] M. H. WELLING,
Secretary of State.

A memorial to the Congress of the United States protesting against the Bratton amendment to the Treasury and Post Office bill eliminating the Salt Lake Veterans' Hospital and regional offices at Salt Lake City

Be it resolved by the Legislature of the State of Utah (the governor concurring therein)—

Whereas there is an urgent need for retention of the veterans' hospital and regional offices at Salt Lake City maintained to serve a large section of the intermountain region not otherwise served; and

Whereas it is proposed by an amendment to the Treasury and Post Office bill, in conference between the Houses of Congress of the United States, such amendment being known as the Bratton amendment to abolish such regional offices and to close such hospitals: Now, therefore, be it

Resolved by the Legislature of the State of Utah in regular session assembled, That the Congress of the United States be urgently requested to refrain from any act closing such regional offices and veterans' hospital at Salt Lake City; be it further

Resolved, That the secretary of state forward copies of this memorial to Utah's delegation in Congress.

The foregoing Senate Concurrent Memorial No. 7 was publicly read by title and immediately thereafter signed by the president of the senate, in the presence of the house over which he presides, and the fact of such signing duly entered upon the journal this 18th day of February, 1933.

J. FRANCIS FOWLES,
President of the Senate.

Attest:

LYMAN S. RICHARDS,
Secretary of the Senate.

The foregoing Senate Concurrent Memorial No. 7 was publicly read by title and immediately thereafter signed by the speaker of the house, in the presence of the house over which he presides, and the fact of such signing duly entered upon the journal this 20th day of February, 1933.

I. A. SMOOT,
Speaker of the House

Attest:

ERNEST R. MCKAY,
Chief Clerk of House.

Received from the senate this 20th day of February, 1933.
Approved February 20, 1933.

HENRY H. BLOOD,
Governor.

Received from the governor, and filed in the office of the secretary of state this 21st day of February, 1933.

M. H. WELLING,
Secretary of State.

Mr. REED presented a resolution adopted by council of the city of Beaver Falls, Pa., favoring the passage of legislation to authorize the Postmaster General to issue a special series of postage stamps of the denomination of 3 cents commemorative of the one hundred and fiftieth anniversary of the naturalization as an American citizen and appointment as brevet brigadier general of the Continental Army on October 13, 1783, of Thaddeus Kosciusko, which was referred to the Committee on Post Offices and Post Roads.

Mr. COPELAND presented resolutions adopted by local chapters of the Woman's Christian Temperance Union, of Clinton and Lockport, N. Y., remonstrating against the repeal of the eighteenth amendment to the Constitution or the modification of the Volstead Act, which were ordered to lie on the table.

He also presented a resolution adopted by Aerie No. 941, Fraternal Order of Eagles, of Elmira, N. Y., favoring the passage of legislation relative to foreclosures on real estate and deficiency judgments, etc., which was referred to the Committee on Banking and Currency.

He also presented a resolution adopted by the Bronxville Chapter of the Westchester County Realty Board, Bronxville, N. Y., relative to an inclosed plan to reduce mortgage interest, to spread two-thirds of one year's State and local taxes over 10 years, and to extend for a definite period the due date of all mortgages, which, with the accompanying papers, was referred to the Committee on Banking and Currency.

He also presented a resolution adopted by the New York State Horticultural Society at Rochester, N. Y., favoring representation of the apple and pear industries at the National Economic Conference to be held in 1933, which was referred to the Committee on Agriculture and Forestry.

He also presented a resolution adopted by the New York State Horticultural Society at Rochester, N. Y., favoring a cessation of the present economic war, a settlement of the foreign-debt question, the stabilization of exchange, and reciprocal trade agreements in order to restore international trade, together with a copy of an address made by R. G. Phillips, secretary, before that association on the apple export situation, which, with the accompanying papers, was referred to the Committee on Finance.

He also presented a resolution adopted by the executive committee of the Brig. Gen. Thaddeus Kosciusko Saratoga Battle Field Memorial Committee, Schenectady, N. Y., favoring the passage of legislation to commemorate the one hundred and fiftieth anniversary of the naturalization as an American citizen in 1783 of Brig. Gen. Thaddeus Kosciusko by the issuance of a special series of postage stamps in his honor, which was referred to the Committee on Post Offices and Post Roads.

PROHIBITION ENFORCEMENT

Mr. SHEPPARD presented a memorial of 317 citizens of Decatur, Tex., remonstrating against the passage of legislation to legalize the manufacture and sale of beer, which was ordered to lie on the table.

Mr. SHEPPARD also presented a memorial of 375 citizens of Lamesa and Dawson County, Tex., remonstrating against the passage of any measure looking toward the modification or repeal of the eighteenth amendment of the Constitution, which was ordered to lie on the table and to be printed in the RECORD, as follows:

DAWSON COUNTY ORGANIZATION,
UNITED FORCES FOR PROHIBITION,
LAMESA, TEX., *February 1, 1933.*

Hon. MORRIS SHEPPARD,
United States Senator, Washington, D. C.

HONORABLE SIR: We, the undersigned voters and citizens of Lamesa and Dawson County, wish to congratulate you on the great fight you are making for the cause of prohibition, and respectfully petition you to vote against any measure looking toward the modification or repeal of the eighteenth amendment.

J. H. Adkins, star route 2, Lamesa, Tex.; Mrs. J. H. Adkins, Lamesa, Tex.; Leta Adkins, Lamesa, Tex.; Vida Adkins, Lamesa, Tex.; John Allen, Lamesa, Tex.; J. A. Alsobrook, Lamesa, Tex.; Mrs. A. S. Alsobrook, Lamesa, Tex.; Earl W. Alsobrook, Lamesa, Tex.; J. Q. Anderson, route D, Lamesa, Tex.; Rena Belle Anderson, Lamesa, Tex.; Mrs. J. Q. Anderson, route D, Lamesa, Tex.; S. D. Austin, Lamesa, Tex.; Mrs. S. D. Austin, Lamesa, Tex.; W. P. Avriett, Lamesa, Tex.; Mrs. W. P. Avriett, Lamesa, Tex.; Carl Aycock, Lamesa, Tex.; Ervin T. Bailey, Lamesa, Tex.; Mrs. Ervin T. Bailey, Lamesa, Tex.; J. B. Baker, Lamesa, Tex.; Mrs. J. B. Baker, Lamesa, Tex.; Billie J. Baker, Lamesa, Tex.; Frances Baker, Lamesa, Tex.; Roma Baker, Lamesa, Tex.; Willard Baker, Lamesa, Tex.; J. M. Ballew, Pride, Tex.; Mrs. E. E. Ballew, Pride, Tex.; Ella Ballew, Pride, Tex.; C. A. Barron, Lamesa, Tex.; Mrs. C. A. Barron, Lamesa, Tex.; H. F. Barron, Lamesa, Tex.; Mrs. H. F. Barron, Lamesa, Tex.; J. E. Barron, Lamesa, Tex.; F. J. Barkhurst, Lamesa, Tex.; Mrs. F. J. Barkhurst, Lamesa, Tex.; J. M. Barrett, Lamesa, Tex.; Ernest Barrett, Lamesa, Tex.; Mike Barrett, Lamesa, Tex.; Ila Bartlett, star route 2, Lamesa, Tex.; Mrs. I. E. Bartlett, Lamesa, Tex.; W. W. Batie, Lamesa, Tex.; W. J. Beckham, Lamesa, Tex.; Mrs. W. J. Beckham, Lamesa, Tex.; R. T. Bedwell, Lamesa, Tex.; Mrs. R. T. Bedwell, Lamesa, Tex.; M. E. Boren, Lamesa, Tex.; Mrs. L. E. Bradshaw, route D, Lamesa, Tex.; Mrs. T. C. Brannon, Lamesa, Tex.; J. J. Brooks, Pride, Tex.; Mrs. May Brooks, Pride, Tex.; Edith Brookfield, Freona, Tex.; Mrs. R. G. Broughton, Pride, Tex.; Cecil O. Bryant, Lamesa, Tex.; Mrs. Cecil O. Bryant, Lamesa Tex.; G. T. Bryant, Lamesa, Tex.; Mrs. G. T. Bryant, Lamesa, Tex.; R. W. Bryant, Lamesa, Tex.; Vivian Bryant, Lamesa, Tex.; Mrs. C. B. Bucklew, Lamesa, Tex.; Clyde Bucklew, Lamesa, Tex.; Loyd Bucklew, Lamesa, Tex.; Palmage Brymer, Lamesa, Tex.; Henry Byrd, Lamesa, Tex.; Sam Callaway, motor route B, Lamesa, Tex.; B. J. Camp, Lamesa, Tex.; J. C. Camp, Lamesa, Tex.; D. M. Campbell, Lamesa, Tex.; G. C. Canon, Lamesa, Tex.; E. F. Carmichael, star route 2, Lamesa, Tex.; Mrs. E. F. Carmichael, Lamesa, Tex.; Mrs. J. H. Carmichael, Lamesa, Tex.; Jackee Carmichael, Lamesa, Tex.; Loree Carmichael, Lamesa, Tex.; Miss Bobbie Carmichael, Lamesa, Tex.; J. L. Carroll, Lamesa, Tex.; Mrs. J. L. Carroll, Lamesa, Tex.; Jesse Carroll, Lamesa, Tex.; L. H. Carlton, star route 4, Lamesa, Tex.; Mrs. L. H. Carlton, Lamesa, Tex.; Arthur Carlton, Lamesa, Tex.; George Carlton, Lamesa, Tex.; Jewell Carlton, Lamesa, Tex.; R. O. Carr, Lamesa, Tex.; O. S. Cates,

star route 2, Lamesa, Tex.; Sam Cates, route 2, Aringer, Tex.; Walter Chambers; Mrs. J. J. Childers, star route 2, Lamesa, Tex.; R. W. Christopher, Lamesa, Tex.; E. R. Clark, route A, Lamesa, Tex.; Mrs. E. R. Clark, Lamesa, Tex.; Lee Clark, Lamesa, Tex.; Russell Clark, Lamesa, Tex.; Mrs. Russell Clark, Lamesa, Tex.; Blanton Clearman, Lamesa, Tex.; Hugh Clearman, star route 4, Lamesa, Tex.; Mrs. S. E. Cleveland, Lamesa, Tex.; Willie Belle Cleveland, Lamesa, Tex.; Rev. E. F. Cole, Lamesa, Tex.; J. A. Collum, Lamesa, Tex.; Mrs. J. A. Collum, Lamesa, Tex.; Beatrice Cooley, Lamesa, Tex.; Calvin Cooley, Lamesa, Tex.; E. L. Cooley, Lamesa, Tex.; G. D. Cooley, star route 4, Lamesa, Tex.; Hughie Cooley, Lamesa, Tex.; Jewel Cooley, Lamesa, Tex.; Ruby Cooley, Lamesa, Tex.; R. H. Cooley, star route 4, Lamesa, Tex.; Mrs. R. H. Cooley, Lamesa, Tex.; W. E. Cooley, Lamesa, Tex.; Vera Cooley, Lamesa, Tex.; A. B. Cooper, Lamesa, Tex.; Mary V. Cooper, Lamesa, Tex.; Mary Cooper, Lamesa, Tex.; Mrs. Nelson Cope, Lamesa, Tex.; Mrs. A. C. Costin, Lamesa, Tex.; Bernece Costin, Lamesa, Tex.; Mason Costin, Lamesa, Tex.; N. J. Costin, route 2, Lamesa, Tex.; C. F. Cox, Lamesa, Tex.; Mrs. C. F. Cox, route A, Lamesa, Tex.; C. F. Cox, jr., Lamesa, Tex.; Jana Ruth Cox, Lamesa, Tex.; Ruth Cox, Lamesa, Tex.; W. E. Cox, jr., Lamesa, Tex.; Harold B. Cozzens, Lamesa, Tex.; R. C. Crane, star route 1, Lamesa, Tex.; E. R. Creel, Lamesa, Tex.; G. E. Criswell, Ackerly, Tex.; Mrs. H. L. Crouch, Lamesa, Tex.; A. B. Crow, Lamesa, Tex.; Mrs. A B. Crow, Lamesa, Tex.; C. R. Crow, Lamesa, Tex.; Mrs. C. R. Crow, Lamesa, Tex.; O'Della Crow, star route 4, Lamesa, Tex.; J. W. Cundieff, Lamesa, Tex.; Mrs. J. W. Cundieff, Lamesa, Tex.; Miss Tammie Cundieff, Lamesa, Tex.; Mrs. Anna Davis, Lamesa, Tex.; Mrs. Clarence Davis, Lamesa, Tex.; C. S. Davis, Lamesa, Tex.; Mrs. L. F. Davis, Lamesa, Tex.; M. M. Debnam, Lamesa, Tex.; W. R. Dixon, Lamesa, Tex.; Mrs. W. R. Dixon, Lamesa, Tex.; Margarie Dobbs, Lamesa, Tex.; Leona Dollar, Lamesa, Tex.; Willie Dollar, Lamesa, Tex.; A. G. Donald, Lamesa, Tex.; Mrs. A. G. Donald, Lamesa, Tex.; J. E. Duke, star route, Lamesa, Tex.; J. D. Dyer, Lamesa, Tex.; Lillian L. Dyer, Lamesa, Tex.; Wilma E. Dyer, Lamesa, Tex.; G. E. Esmond, Lamesa, Tex.; Carlene Felts, Colorado, Tex.; Minnie Lee Felts, Colorado, Tex.; Mrs. B. W. Fields, Lamesa, Tex.; J. R. Flaniken, Lamesa, Tex.; Mrs. J. R. Flaniken, Lamesa, Tex.; E. J. Ford, Lamesa, Tex.; Mrs. E. J. Ford, Lamesa, Tex.; S. L. Forrest, Lamesa, Tex.; Mrs. S. L. Forrest, Lamesa, Tex.; Edwin Forrest, Lamesa, Tex.; Ernest Fortenberry, Pride, Tex.; Mrs. Ernest Fortenberry, Pride, Tex.; Mrs. F. L. Franklin, Lamesa, Tex.; G. C. Frutritt, Lamesa, Tex.; A. H. Furlow, star route 2, Lamesa, Tex.; Mrs. A. H. Furlow, Lamesa, Tex.; W. E. Gaines, Lamesa, Tex.; Mrs. W. E. Gaines, Lamesa, Tex.; Clifton Garvin, Lamesa, Tex.; J. J. Gentry, star route 2, Lamesa, Tex.; Mrs. J. J. Gentry, Lamesa, Tex.; Loyd T. Gentry, Lamesa, Tex.; W. H. Green, route C, Lamesa, Tex.; F. L. Gregg, Lamesa, Tex.; Mrs. F. L. Gregg, Lamesa, Tex.; Thelma Guerrant, Lamesa, Tex.; J. B. Hadaway, Pride, Tex.; Mrs. J. B. Hadaway, Pride, Tex.; M. F. Haggard, Lamesa, Tex.; Mrs. A. J. Hamilton, Lamesa, Tex.; Mrs. W. B. Hampton, Lamesa, Tex.; B. J. Hancock, route C, Lamesa, Tex.; E. D. Harrell, Pride, Tex.; T. S. Harrell, Pride, Tex.; Mrs. W. T. Harrell, Pride, Tex.; J. M. Harrington, Lamesa, Tex.; Mrs. J. M. Harrington, Lamesa, Tex.; Grace Harville, route 2, O'Donnell, Tex.; M. Hatch, Lamesa, Tex.; Mrs. Hawkins, Mail Route B., Lamesa, Tex.; Frank Hendricks, Lamesa, Tex.; W. B. Herndon, Lamesa, Tex.; Mrs. W. B. Herndon, Lamesa, Tex.; Hollis Herndon, star route 2, Lamesa, Tex.; Royce Herndon, star route 2, Lamesa, Tex.; Earline Hillman, Lamesa, Tex.; Mrs. R. C. Hocker, Pride, Tex.; O. D. Holloway, Lamesa, Tex.; Mrs. O. D. Holloway, Lamesa, Tex.; H. Holt, route D, Lamesa, Tex.; Mrs. H. Holt, route D, Lamesa, Tex.; J. H. Hubbard, route 2, Lamesa, Tex.; Artie Hughes, Lamesa, Tex.; A. C. Hughes, Chama, N. Mex.; Earl Hughes, Lamesa, Tex.; F. W. Hughes, Lamesa, Tex.; Mrs. F. W. Hughes, Lamesa, Tex.; I. N. Hughes, Lamesa, Tex.; Roy Hughes, Lamesa, Tex.; Dee Hull, Lamesa, Tex.; Mrs. Dee Hull, Lamesa, Tex.; Annie Jeffcoat, mail route D, Lamesa, Tex.; Essie Jeffcoat, Lamesa, Tex.; Tessie Jeffcoat, Lamesa, Tex.; B. J. Jones, Pride, Tex.; Mrs. B. J. Jones, Pride, Tex.; Cicel Jordan, Lamesa, Tex.; Mrs. Ollie Jordan, Lamesa, Tex.; Ralph Jordan, mail route A, Lamesa, Tex.; V. O. Key, Lamesa, Tex.; Floyd A. Kile, Lamesa, Tex.; Mrs. Vada Kile, Lamesa, Tex.; Robert H. Kirk, Lamesa, Tex.; Mrs. R. H. Kirk, Lamesa, Tex.; Agnes Keenum, Lamesa, Tex.; Oscar M. Land, Lamesa, Tex.; Mrs. O. M. Land, Lamesa, Tex.; Mrs. Orval Lawler, Lamesa, Tex.; Lester Lewis, Lamesa, Tex.; Mrs. O. W. Lightfoot, Lamesa, Tex.; M. C. Lindsey, Lamesa, Tex.; J. C. Loveless, Lamesa, Tex.; Mrs. J. C. Loveless, Lamesa, Tex.; Mrs. Mary A. Loveless, Lamesa, Tex.; J. R. Lowrie, Lamesa, Tex.; Jewell A. Lusk, Lamesa, Tex.; W. L. Marr, Lamesa, Tex.; Mrs. W. L. Marr, Lamesa, Tex.; Ethlyn Marr, Lamesa, Tex.; Mrs. C. H. Martin, Pride, Tex.; Ardis Middleton, mail route C, Lamesa, Tex.; C. W. Middleton, Lamesa, Tex.; I. V. Middleton, Lamesa, Tex.; Mrs. I. V. Middleton, Lamesa, Tex.; L. T. Middleton, Lamesa, Tex.; Mrs. L. T. Middleton, Lamesa, Tex.; S. C. Middleton, Lamesa, Tex.; Mrs. S. C. Middleton, Lamesa, Tex.; Rev. R. L. Miers, Lamesa, Tex.; Ruth E. Miers, Lamesa, Tex.; Grayce Miers, Lamesa, Tex.; A. J. Mitchell, Lamesa, Tex.; Mrs. A. J. Mitchell, Lamesa, Tex.; S. M. Mitchell, Lamesa, Tex.; Aubry Moore, Lamesa, Tex.; E. L. Moore, Lamesa, Tex.; Mrs. E. L. Moore, Lamesa, Tex.; Garland Moore, Lamesa, Tex.; Izara Moore, Lamesa, Tex.; R. W. Moore, Lamesa, Tex.; T. B. Moore, Lamesa, Tex.; Mrs. T. B. Moore, Lamesa, Tex.; W. S. Moore, Lamesa, Tex.; Mrs. W. S. Moore, Lamesa, Tex.; G. T. Morris, Lamesa, Tex.; J. L. Morris, Lamesa, Tex.; Mrs. J. L. Morris, Lamesa, Tex.; O. H. Morris, Lamesa, Tex.; Mrs. O. H. Morris, Lamesa, Tex.; Ben Mullings, Lockney, Tex.; Clyde Mullings, Lockney, Tex.; Mrs. Matt McCall, Lamesa, Tex.; J. W. McCauley, Lamesa, Tex.; Mrs. J. W. McCauley, Lamesa, Tex.; A. J. McDaniels, Lamesa, Tex.; Mrs. A. J. McDaniels, Lamesa, Tex.; W. H. McDougle, Lamesa, Tex.; Della McDougle, Lamesa, Tex.; Mrs. J. A. McMahan, Lamesa, Tex.; Merle McRorey, Lamesa, Tex.; Ernestine Nix, Lamesa, Tex.; Arther Nolen, Lamesa, Tex.; O. B. Norman, Lamesa, Tex.; J. T. Oates, Lamesa, Tex.; Ina Mae Padon, mail route B., Lamesa, Tex.; Terrie Padon, mail route B, Lamesa, Tex.; Loyd Payne, Pride, Tex.; Mrs. Loyd Payne, Pride, Tex.; Mrs. W. L. Payne, Lamesa, Tex.; L. C. Pendergraft, Lamesa, Tex.; G. E. Peterson, star route 2, Lamesa, Tex.; Joe M. Peterson, Lamesa, Tex.; J. M. Peterson, Lamesa, Tex.; Olen Peterson, Lamesa, Tex.; Mrs. P. E. Peterson, Lamesa, Tex.; W. E. Peterson, Lamesa, Tex.; Mrs. W. E. Peterson, Lamesa, Tex.; Marie Petteway, Lamesa, Tex.; W. W. Petteway, Lamesa, Tex.; Ebb Phillips, Lamesa, Tex.; C. B. Pope, Lamesa, Tex.; Addie Pounds, star route 4, Lamesa, Tex.; Bessie Edna Pounds, Lamesa, Tex.; J. W. Pounds, Lamesa, Tex.; Minnie Pounds, star route 4, Lamesa, Tex.; Ruby Pounds, Lamesa, Tex.; Leslie C. Pratt, Lamesa, Tex.; Mrs. W. P. Pratt, Lamesa, Tex.; Mrs. H. J. Price, Lamesa, Tex.; Mrs. A. A. Priddy, Lamesa, Tex.; J. H. Procter, Pride, Tex.; Mrs. J. H. Procter, Pride, Tex.; J. T. Pruitt, Sparenberg, Tex.; Mrs. L. T. Pruitt, Lamesa, Tex.; Marie Randolph, Lamesa, Tex.; G. S. Ragsdale, Lamesa, Tex.; John Ragsdal, Lamesa, Tex.; Mrs. Loo Randals, Lamesa, Tex.; Mrs. H. A. Randle, Lamesa, Tex.; Mrs. R. E. Reising, Lamesa, Tex.; Vivian Richardson, Lubbock, Tex.; W. E. Roberts, Lamesa, Tex.; Mrs. W. E. Roberts, Lamesa, Tex.; C. L. Robinson, Lamesa, Tex.; Ethel Robinson, Lamesa, Tex.; Frank Robinson, Lamesa, Tex.; Ira Robinson, Lamesa, Tex.; Mrs. Ira Robinson, Lamesa, Tex.; John Robinson, Lamesa, Tex.; Mrs. John Robinson, Lamesa, Tex.; Mrs. Leslie Robinson, Lamesa, Tex.; M. E. Robinson, Lamesa, Tex.; W. O. Robinson, Lamesa, Tex.; Mrs. W. O. Robinson, Lamesa, Tex.; Carl Rountree, Lamesa, Tex.; E. G. Salser, Lamesa, Tex.; Mrs. E. G. Salser, Lamesa, Tex.; Pib Salser, Lamesa, Tex.; L. A. Sasser, Lamesa, Tex.; Mrs. L. A. Sasser, Lamesa, Tex.; Grady Scott, Lamesa, Tex.; Mrs. Grady Scott, Lamesa, Tex.; Lora Self, Lamesa, Tex.; M. C. Shelton, Lamesa, Tex.; Mrs. M. C. Shelton, Lamesa, Tex.; Doyle Shillingburg, Lamesa, Tex.; Mrs. Doyle Shillingburg, Lamesa, Tex.; Pearlie Lee Shillingburg, Lamesa, Tex.; Mrs. H. A. Shipp, Lamesa, Tex.; Travis Simpson, Lamesa, Tex.; Mrs. Elmer J. Smith, route A, Lamesa, Tex.; Joe Smith, Lamesa, Tex.; Cecil Speck, Lamesa, Tex.; R. E. Speck, Lamesa, Tex.; Mrs. W. J. Stanfield, Lamesa, Tex.; Frank Stanley, Lamesa, Tex.; H. L. Stanley, mail route B, Lamesa, Tex.; Marshall Stanley, mail route B, Lamesa, Tex.; Mrs. T. D. Stanley, Lamesa, Tex.; T. J. Stanley, Lamesa, Tex.; Mrs. T. J. Stanley, Lamesa, Tex.; Glenwood Stovall, Lamesa, Tex.; Lilly Stovall, Lamesa, Tex.; W. P. Stovall, Lamesa, Tex.; Viola Stovall, Lamesa, Tex.; Mrs. J. M. Strawn, mail route B, Lamesa, W. W. Strong, Lamesa, Tex.; Mrs. W. W. Strong, Lamesa, Tex.; H. T. Stuart, Brownfield, Tex.; R. A. Stuart, Lamesa, Tex.; C. A. Summerlin, Lamesa, Tex.; Mrs. C. A. Summerlin, Lamesa, Tex.; Frances Audine Summerlin, Lamesa, Tex.; Lois Summerlin, Lamesa, Tex.; Mrs. J. L. Sypert, Lamesa, Tex.; Owen C. Taylor, Lamesa, Tex.; Mrs. Owen C. Taylor, Lamesa, Tex.; W. J. Taylor, Lamesa, Tex.; Mrs. W. J. Taylor, Lamesa, Tex.; T. E. Temple, Lamesa, Tex.; Mrs. T. E. Temple, Lamesa, Tex.; J. C. Thomas, Lamesa, Tex.; Walter Thomas, Pride, Tex.; Viola Thruston, Lamesa, Tex.; E. A. Todd, Lamesa, Tex.; Mrs. E. A. Todd, Lamesa, Tex.; Minnie Lee Todd, Lamesa, Tex.; J. E. Towns, Lamesa, Tex.; Mrs. R. R. Townsend, Lamesa, Tex.; Guy Travis, Lamesa, Tex.; A. C. Tune, Lamesa, Tex.; W. C. Tunnell, O'Donnell, Tex.; Mrs. W. C. Tunnell, O'Donnell, Tex.; C. O. Tucker, Lamesa, Tex.; Joe Tucker, Lamesa, Tex.; Mrs. C. A. Vance, Pride, Tex.; William H. Wallace, Lamesa, Tex.; Mrs. William H. Wallace, Lamesa, Tex.; Clarance Ward, Lamesa, Tex.; Mrs. Clarance Ward, Lamesa, Tex.; G. F. Ward, Lamesa, Tex.; Mrs. G. F. Ward, Lamesa, Tex.; Billie Ray Ward, Lamesa, Tex.; Forrest Ward, Lamesa, Tex.; Thomas Ward, Lamesa, Tex.; Jud Watson, Lamesa, Tex.; Mrs. K. D. Watson, O'Donnell, Tex.; K. D. Watson, O'Donnell, Tex.; A. G. Waugh, Lamesa, Tex.; W. T. Webb, Lamesa, Tex.; Mrs.

W. T. Webb, Lamesa, Tex.; D. G. Wells, Lamesa, Tex.; Mrs. M. E. Wells, Lamesa, Tex.; Mrs. L. W. West, Lamesa, Tex.; Mrs. H. G. Westbrook, Lamesa, Tex.; Gus White, Lamesa, Tex.; Ralph White, Lamesa, Tex.; Mrs. Vaughn White, Lamesa, Tex.; Verna White, Lamesa, Tex.; Marita Whitehead, Lamesa, Tex.; W. G. Whitehead, star route 2, Lamesa, Tex.; Harold Williams, Lamesa, Tex.; Mrs. Ray Williams, Lamesa, Tex.; E. V. Wilkes, Lamesa, Tex.; William A. Wilson, Lamesa, Tex.; Blaine Wiggins, Lamesa, Tex.; Mrs. Floyd Woods, Lamesa, Tex.; O. A. Woods, Lamesa, Tex.; W. M. Yates, Lamesa, Tex.; Mrs. W. M. Yates, Lamesa, Tex.; M. L. Youngblood, Lamesa, Tex.; Mrs. Mamie W. Youngblood, Lamesa, Tex.

WM. H. WALLACE, Jr.,
County Chairman, United Forces for Prohibition.

THE STATE OF TEXAS,
County of Dawson:

Before me the undersigned authority on this day personally appeared William H. Wallace, jr., who after being by me duly sworn states that he has in his possession the original signatures subscribed to the foregoing petition.

WM. H. WALLACE, Jr.,
County Chairman, United Forces for Prohibition.

Subscribed and sworn to before me this the 4th day of February, A. D. 1933.

[SEAL.] VIOLA THRUSTON,
Notary Public, Dawson County, Tex.

STABILIZATION OF COMMODITY PRICES

Mr. FRAZIER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter received from the secretary of state of North Dakota, together with a senate resolution passed by the legislature of that State in the nature of a petition to Congress, and that the matter be appropriately referred.

The letter and resolution were referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Bismarck, N. Dak., February 21, 1933.

Hon. LYNN J. FRAZIER,
Senate Office Building, Washington, D. C.

DEAR SIR: By direction of the senate, Twenty-third Legislative Assembly, State of North Dakota, now in session, we transmit senate resolution No. A 7, with a request that it be brought to the attention of the President and Vice President of the United States, and that it be given publicity by publication in the CONGRESSIONAL RECORD.

Very respectfully yours,

ROBERT BYRNE,
Secretary of State.
By CHARLES LIESSMAN,
Deputy.

Senate resolution A 7 (introduced by Senator Bonzer), memorializing the Congress of the United States in the interest of a speedy return of the commodity price level to the stage at which the bulk of existing debts were incurred, and its permanent stabilization at that stage, which object, in our judgment, can best be attained by prompt passage of legislation embodying the Tinnes plan to stabilize the buying power of money as set forth in the Burtness bills, H. R. 20 and H. R. 21

Be it resolved by the Senate of the State of North Dakota, That—

Whereas since the beginning of the present depression in July, 1929, the average of commodity prices, as shown by Government price statistics, has fallen more than 38 per cent, causing an increase of 58 per cent in the average buying power of money and a corresponding increase in the already unbearable burden of debts which, in justice, ought to be paid in dollars of the same buying power as the dollars borrowed; and

Whereas the instability of the buying power of our virtually unstandardized dollar wrongs, in turn, every class of our citizens in various ways, among which are the following:

It causes maladjustment of individual commodity prices, thereby throwing supply and demand out of balance; it causes business uncertainty which imperils enterprise; it distorts all credit and industrial contracts and renders unreliable all official and unofficial statistics written in terms of money. Debtors, employees, merchants, and producers are wronged by every decline of the commodity price level; and creditors, wage earners, people on fixed incomes, and consumers, as such, by every price level decline. Every depression greatly injures not only all producers of raw materials, dealers in merchandise, and owners of real estate but directly and indirectly all classes of our population. Bloating of the dollar's buying power by price-level depression causes a more general business disturbance and greater economic distress than does the lessening of its buying power by a general price advance. Though both are evils, inflation of the dollar is a greater evil than is a corresponding inflation of prices. If proof of this were needed, it could readily be found in the appalling number of bank, business, and farm failures since 1920, as compared with the few that occured during the price inflation 1915 to 1920. If proof of the equally serious, though less obvious, effects of a more prolonged and general price slump were needed, it could readily be found in the economic and political history of the two decades prior to 1897 as compared with the two decades following. Our vast war debt and a large part of the existing State, municipal, and private debts were incurred on a price level far higher than the present. The burden of those debts, therefore, was increased by the price slump of 1921 and further increased by the present depression which started in July 1929; and

Whereas eminent students of the financial and economic situation now fear a great prolongation of the present depression: Therefore be it

Resolved by the Senate of the State of North Dakota, That our Senators and Representatives in Congress be and are hereby petitioned and urged to use their best efforts to promote the prompt passage by Congress of legislation embodying the Tinnes plan to raise and stabilize the commodity price level as set forth in the Burtness bills, H. R. 20 and 21 of the present Congress; be it further

Resolved, That the Secretary of State be and is hereby directed to mail one or more copies of this resolution to each of the North Dakota Senators and Representatives in Congress with the request that it be brought to the attention of the President and Vice President of the United States and of the Speaker of the House of Representatives of the United States and given publicity by publication in the CONGRESSIONAL RECORD.

REPORTS ON DEPARTMENTAL FUNCTIONS—FORMS

Mr. WHEELER. Mr. President, in order that there may be uniformity in the reports required to be submitted by the heads of the various departments and establishments pursuant to Senate Resolution 351 and that the desired information may be reported in the detail believed to be necessary, I ask unanimous consent to have printed in the RECORD, so that they may be available to all to whom the resolution applies, three pro forma statements which have been designed to compile the information requested, in brief and understandable style. Before sending the statements to you, Mr. President, I should like, for the information of the Senate, to describe briefly their text and purpose.

In the first statement provision is made for a report on the cost of general departmental supervision analyzed into five major classifications or more if the reporting agency so desires. Following the report on general supervision, space is provided for reporting in total on the bureaus or other major classifications. As to each of the classifications reported, columns have been provided to show the number of employees, the annual expenditures, and the statutory authority. Subcolumns are provided under annual expenditures to show the amount spent for salaries and wages, other expenses, the amount spent from appropriated funds and from other funds such as trust funds, cooperative funds, so-called quasi public funds, and/or private funds.

In the second statement space is provided, first, for a general classification of expenses for the bureau or major division. The second part of this statement provides for a report on all functions, projects, activities, or any specialized line of work. This section constitutes an important feature of the whole report; and in order that it may be clearly understood that what is desired is a complete list of all lines of work conducted, I have deemed it worth while to include in the section an illustration.

The third statement calls merely for a complete list of all employees receiving $5,000 or more per annum.

I believe that a response to Senate Resolution 351 in the form of these statements will provide the Senate and the President with the kind of information that is absolutely essential to and indispensable for an intelligent consideration of the problems of reorganization and economy in the business of the Government. An analysis of the statements for the several departments and establishments will afford a cross-sectional view of activities through which overlapping, duplication, and misplaced or unrelated functioning will be brought to light so that they can be dealt with intelligently. A comparison of cost for similar operations will afford the basis for fixing standards of economy and efficiency.

The nature of the data called for is such as should be of inestimable value not only to the Senate and the President in this hour of need for a searching and intelligent analysis of the purposes for which our Government is spending more than $3,000,000,000 annually but also to the administrative heads of all departments and establishments, as it will afford

to such officials the basis for a close scrutiny of the activities under their respective jurisdictions.

With these brief remarks, I now send the statements to you, Mr. President, reiterating my request for unanimous consent to have them printed in the RECORD that they may, as I have said, be available to all to whom Senate Resolution 351 applies.

There being no objection, the matter was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

The PRESIDENT,

United States Senate, Washington, D. C.

SIR: The following report is submitted in accordance with Senate Resolution No. 351 to show all of the functions and/or activities conducted under the jurisdiction of this (department/establishment/corporation/agency), the statutory authority therefor, and the total annual expenditures thereon for the latest complete fiscal year wherever practicable or part thereof as indicated. There is also attached a list of employees receiving compensation at the rate of $5,000 or more per annum.

(Signature)

(Title)

STATEMENT 1

General supervision

	Number of employees	Annual expenditures					Statutory authority
		Salaries, wages	Other	From appropriated funds	From other funds		
					Amount	Source	
Administration expense:							
General (analyze or classify by specialized administration if desired)—							

Personnel							
Purchasing and warehousing							
Accounting and auditing (analyze or classify by specialized work if desired)—							

Disbursing and collecting							
Total general supervision							

Major classifications

(Bureau, etc.—Summaries from sheets attached)

Designation of bureau, etc.:							

Grand total (department, establishment, etc.)							

STATEMENT 2

Functions

(Department, establishment, corporation, etc.)

(Name of bureau, office, or major classification)

	Number of employees	Annual expenditures					Statutory authority
		Salaries, wages	Other	From appropriated funds	From other funds		
					Amount	Source	
General administration							
Personnel administration							
Purchasing and warehousing							
Accounting and auditing							
Disbursing and collecting							
Projects, activities, etc. (summary of details shown below)							
Total, bureau, office, etc. (carried forward to sheet No. 1)							
DESIGNATION							
List by title which will be briefly descriptive of work done by all projects, activities, etc., and show as to each the details required herein. To illustrate, in the Bureau of Agricultural Economics, Department of Agriculture, there is a primary function of market inspection of perishable foods under which several subactivities are conducted. The report thereon should be as follows:							
1. Market inspection, perishable foods							
(*a*) Inspection fruits and vegetables							
(*b*) Inspection dairy and poultry products							
(*c*) Inspection hay, broomcorn, and beans							
(*d*) Grading meats and meat products							
(*e*) Grading tobacco							
(*f*) Grading rice							
Total for bureau (carried forward above)							

STATEMENT 3

List of officers and employees receiving compensation at the rate of $5,000 or more per annum

Name	Designation	Annual compensation			Brief description of duties
		Base pay	Allowances	Total	

HOOVER DAM CONDITIONS DEMAND INVESTIGATION

Mr. ODDIE. Mr. President, the day following my presentation of the Boulder Canyon project and Hoover Dam problems on the floor of the Senate on February 15, 1933. I received the welcome news that the Federal district court in and for the State of Nevada denied the injunctions and dismissed the complaints in the pending tax suits brought by the Six Companies (Inc.) and the Secretary of the Interior against the State of Nevada and Clark County. The Federal court has upheld the position I have taken from the start in this matter.

Following my presentation in the Senate on February 15, 1933, of the serious conditions prevailing at Hoover Dam which demand investigation, I received a letter from Attorney General Mitchell dated February 16, to which I replied on February 20. I now submit these letters for insertion in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

FEBRUARY 16, 1933.

Hon. TASKER L. ODDIE,
United States Senate, Washington, D. C.

MY DEAR SENATOR: Noticing your comments in the CONGRESSIONAL RECORD of February 15 as to my action in authorizing the United States attorney in Nevada to file a brief as amicus curiæ in the case pending in the State of Nevada brought by Six Companies (Inc.), against A. J. Stinson, of Nevada, State mine inspector, I call your attention to the provisions of section 309, title 5, United States Code (R. S. sec. 359), which provides:

"The Attorney General may, whenever he deems it for the interest of the United States either in person conduct and argue any case in any court of the United States in which the United States is interested, or may direct the Solicitor General or any officer of the Department of Justice to do so."

And to the provisions of section 316, title 5, United States Code (R. S. sec. 367), which is as follows:

"The Solicitor General or any officer of the Department of Justice may be sent by the Attorney General to any State or district in the United States to attend to the interests of the United States in any suit pending in any of the courts of the United States, or in the courts of any State, or to attend to any other interest of the United States."

While the suit brought by the Six Companies is a private suit, it involves a question as to the operation of the laws of the State of Nevada within the Hoover Dam reservation and involves directly the question as to the extent of Federal jurisdiction over that area and the extent to which the State laws may operate within that area upon contractors performing work for the Federal Government. This is certainly a question which the United States has a direct interest in, and it is clearly the duty of the Attorney General to see to it that, through a brief as amicus curiæ or otherwise, every legitimate argument supporting the jurisdiction of the United States be presented to the court in order that the court may overlook nothing and have before it all information necessary to a just and sound conclusion. Have you any doubt that it is the duty of the Attorney General to take such action in such a case?

Your statement that Federal counsel has been provided at the expense of the American taxpayer and without cost to the contractor to sustain the efforts of a private corporation to undermine and destroy the sovereignty of the State of Nevada was hardly a fair statement of the situation. We have no interest in the contractor's affairs except in so far as they affect the interests of the Federal Government. But obviously any burdens cast by a State law upon contractors engaged in this governmental work may have a tendency to increase the cost of the work to the Federal Government or interfere with its operations. If the courts hold that the United States has exclusive sovereignty over this area, it will free the operations of the Federal Government from burdens of any State laws and place the Congress of the United States in a position to enact such regulations for this area as it sees fit.

With personal regards,
Very truly yours,

WILLIAM D. MITCHELL,
Attorney General.

FEBRUARY 20, 1933.

Hon. WILLIAM D. MITCHELL,
Attorney General, Washington, D. C.

MY DEAR MR. ATTORNEY GENERAL: This will acknowledge the receipt of your letter of February 16 with reference to the remarks made by me in the Senate on February 15, in which I questioned the action of the Attorney General in filing an amicus curiæ brief to support the Six Companies (Inc.), a private contractor, in suits in equity instituted by it with the object of evading the mine safety and tax laws of the State of Nevada.

One of the principal premises cited and relied upon by the plaintiff, the Six Companies (Inc.), the contractor, in these suits is the action of the Secretary of the Interior in attempting without adequate constitutional and statutory authority to create the so-called Boulder Canyon project Federal reservation of exclusive Federal jurisdiction. In my statements on the floor of the Senate on February 15, 1933, pages 4223 to 4235 of the CONGRESSIONAL RECORD, ample evidence was presented to confirm the inadequacy of constitutional and statutory authority upon which the Secretary of the Interior based his action in this matter.

Further to substantiate the soundness of my charges that the Secretary of the Interior and the Six Companies (Inc.) were proceeding without precedent and without adequate constitutional and statutory authority, the Federal district court in and for the State of Nevada did on February 15, 1933, deny the injunctions and dismiss the complaints in these pending tax suits so that the contractor, the Six Companies (Inc.) is liable for the payment of taxes to the county of Clark and the State of Nevada.

From your letter to me of February 16, 1933, I quote the last sentence, as follows:

"If the courts hold that the United States has exclusive sovereignty over this area, it will free the operations of the Federal Government from burdens of any State laws and place the Congress of the United States in a position to enact such regulations for this area as it sees fit."

Since you have anticipated so strongly that the courts would decide that the Secretary of the Interior had adequate constitutional and statutory authority to create a reservation of exclusive Federal jurisdiction whereby the Six Companies (Inc.) could evade the tax and other laws of the State of Nevada, it must come as a severe shock to you that the Federal district court has handed down decisions denying these tax injunctions and dismissing the complaints.

In my statement on the floor of the Senate on February 15, 1933, I did not question your legal authority to file an amicus curiæ brief in support of the private contractor, the Six Companies (Inc.). However, I did very seriously question your discretion and wisdom in filing such a brief without apparently having examined the constitutional and legal premises upon which the Secretary of the Interior was acting when he attempted to create the so-called Boulder Canyon project Federal reservation of exclusive Federal jurisdiction. As the properly constituted and authorized legal spokesman of the United States Government, it would seem to me that the paramount duty and responsibility of the Attorney General would have necessitated an examination of the constitutional and statutory premises upon which the Secretary of the Interior was acting in this matter. Have you any doubt that it is the duty of the Attorney General to make such an examination of the premises in cases where he is requested to render legal assistance to a private company?

With the ascertainment that the premises upon which the Secretary of the Interior was acting in this case were constitutionally and statutorily superficial, would it not then have been your paramount duty to have so advised the Secretary of the Interior and to have notified him that you could not assist the private contractor in this case? Have you any doubt that it would be the duty of the Attorney General so to act?

It should be emphasized that the Six Companies (Inc.) accepted this work for the Government at a definite figure and that any savings through relief from the payment of taxes or from using cheap but extraordinarily hazardous methods of construction would have benefited the company alone. None of these reductions of cost would have benefited the Government. You cite as a reason for your participation in these cases that you were acting to prevent increased costs to the Government. On this basis, therefore, you were not justified in your support of the private contractor, the Six Companies (Inc.), as the Government could not benefit by your action.

In the light of these facts and the action of the Federal district court in dismissing the complaints, I find that the criticisms I made on the floor of the Senate on February 15 of the action of

the Attorney General were not only not unfair but on the contrary too mild.

From the study which I have made of the matter since receiving your letter I feel justified in saying that the Attorney General not only should not have aided the private company, the Six Companies (Inc.), in its attempt to evade the mine safety and tax laws of the State of Nevada but the Attorney General should have advised the Secretary of the Interior of the inadequacy of the constitutional and statutory premises upon which he was acting and to have declined to file an amicus curiæ brief.

Very sincerely yours,

TASKER L. ODDIE.

PLAN FOR THE CALLING OF CONVENTIONS IN THE STATES

Mr. WALSH of Massachusetts. Mr. President, I request that a letter from the Liberal Civic League of Boston, containing a memorandum suggesting a plan for calling the conventions in the several States under authority of congressional action to act upon the question of ratifying the proposed twenty-first amendment to the Constitution, be printed in the RECORD, treated as a petition, and referred to the Committee on the Judiciary.

There being no objection, the letter and memorandum were referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

LIBERAL CIVIC LEAGUE (INC.),
Boston, Mass., February 21, 1933.

Hon. DAVID I. WALSH,
The Carlton Hotel, Washington, D. C.

MY DEAR SENATOR: In view of the highly conflicting opinion expressed by eminent constitutional authority as to the manner in which the procedure for the holding of conventions in the several States, to deal with the proposed twenty-first amendment of the Federal Constitution, should be set up, whether under the guidance of congressional action or upon initiative of the several States, I believe it to be of the utmost importance to our cause and to the welfare of the Nation that Congress should suggest an outline of procedure for the guidance of the several States.

If this is not done endless confusion and very much in the way of dilatory litigation will undoubtedly result, which might very seriously effect the ultimate success of ratification in the necessary 36 States.

Further, at this juncture when there is such a universal demand for economy in government, is it not highly essential that in dealing with the action of the States on the proposed twenty-first amendment, that any and all expense, other than what may be absolutely necessary to the occasion, should be eliminated.

The nature and form of the proposed amendment have been fixed by the Congress and can not be altered or amended by any State convention.

Consequently, the deliberative element is very greatly minimized. There can be no occasion for extended debate, nor is there any excuse for the assembling in any State of large and unwieldy convention bodies.

The suggestion already made in many States that these State conventions should be patterned in the matter of size upon existing legislative bodies, points to a possible aggregate expense of many hundreds of thousands of dollars if actually followed out in the setting up of these State conventions.

To meet the practical exigency of this situation I am sending you inclosed a skeleton draft of a plan that might be proposed by the Congress in the interests of legal clarity and basic economy.

You will note that this outline takes for its guide the machinery of the Electoral College, than which there is no better precedent in the premises.

If such a plan can be forthwith launched in and by the Congress, there is no good reason why effective representative conventions may not be held within the next six months in every State in the Union, at a minimum of expense and with a maximum degree of efficiency.

I shall appreciate knowing what your reaction is to this proposal at your earliest convenience and hope that I may have some word from you prior to the hearing here next Friday morning before the Committee on Constitutional Law.

Sincerely yours,

C. W. CROOKER.

[Memorandum]

A SUGGESTED PLAN FOR THE CALLING OF CONVENTIONS IN THE SEVERAL STATES UNDER AUTHORITY OF CONGRESSIONAL ACTION, TO ACT UPON THE QUESTION OF RATIFYING THE PROPOSED TWENTY-FIRST AMENDMENT OF THE FEDERAL CONSTITUTION

In the interest of economy, uniformity, and expedition, and, in the event that the amendment shall prevail, the forwarding of the day when the Government and the people shall again receive the benefit of the vast revenue concerned and so greatly needed to relieve taxation, the Congress outline the following plan for the holding of conventions in the several States.

The Congress herewith transmits the contemplated twenty-first amendment to conventions of the people of the several States, to be called and determined not later than November 4, 1933, and the result reported to Congress not later than December 1, 1933.

The Congress determines that uniform rule for these conventions shall be as follows:

The governor of each State shall forthwith nominate delegates equal to the number of that State's representation in the Electoral College, who are in favor of the adoption of the amendment and a like number of delegates who are opposed to its adoption.

These delegates shall agree to serve without pay and without expenses and shall further agree to meet at the statehouse on a date to be set by the governor within 15 days after the voting for delegates shall have occurred, for the purpose of forwarding the Congress the result of the convention.

After the required number of delegates have agreed to run under the designations requested, their names shall be entered in their separate groups and clearly designated as for or against the twenty-first amendment, in the same manner as the names and designations of electoral delegates are placed upon the ballot.

The voters, on or before November 4, at a general or special election to be called by the governor, shall place a cross against the group of delegates whose designation meets with their approval and the votes of the majority group shall be considered the decision of the convention of the people of that State within the meaning of the Constitution.

EXCLUSION OF TEMPORARY EMPLOYEES FROM ECONOMY ACT

Mr. WALSH of Massachusetts. Mr. President, I have a communication from a Member of the House of Representatives with reference to House Joint Resolution 547, which I should like to have printed in the RECORD and referred to the Committee on Appropriations, before which the resolution referred to is pending. The joint resolution merely provides that the so-called economy provisions of the legislative appropriation act for the fiscal year 1933 shall not apply to the additional employees employed in removing snow in the District of Columbia and to additional employees in the Post Office Department who were engaged in the handling of Christmas mail. I hope the committee will take prompt and favorable action.

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

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., February 20, 1933.

Hon. DAVID I. WALSH,
Senate Office Building, Washington, D. C.

DEAR SENATOR: I am inclosing copy of my bill, House Joint Resolution 547, with Report No. 1989, which was passed unanimously by the House to-day, February 20. Last Christmas, when thousands of men were employed for 2, 3, or 4 days—or longer—taking care of the extra volume of mail in the Post Office Department, 8⅓ per cent of their wages was deducted. This was due to the ruling of the Comptroller General on the theory that if they had worked for the entire year on the same basis of pay they would have received in wages in excess of $1,000.

Of course, Congress never intended that any reduction should apply to these men when the economy bill was passed in the last session. The same thing applies to the several hundred men who were employed in the District of Columbia in removing snow from the streets here a few months ago.

The inclosed bill is for the purpose of reimbursing these people for the money taken from their wages.

I will appreciate it if you will look into the matter and try to have action taken by the Senate on this meritorious bill before adjournment.

With kindest personal regards, I am, sincerely yours,

J. W. MCCORMACK.

REPORTS OF COMMITTEES

Mr. FRAZIER, from the Committee on Indian Affairs, to which was referred the bill (S. 5626) to amend the act of June 23, 1926, reserving Rice Lake and contiguous lands for the Chippewa Indians of Minnesota, reported it without amendment and submitted a report (No. 1282) thereon.

Mr. WHEELER, from the Committee on Indian Affairs, to which was referred the bill (S. 4960) to reduce the area of the Fort Peck irrigation project in the State of Montana, reported it with an amendment and submitted a report (No. 1283) thereon.

He also, from the same committee, to which was referred the bill (S. 5485) establishing a State game refuge on islands in the Egg Lakes in the White Earth Indian Reservation in the State of Minnesota, reported it with amendments and submitted a report (No. 1284) thereon.

Mr. KEYES, from the Committee on Public Buildings and Grounds, to which were referred the following bills and joint resolution, reported them severally without amendment and submitted reports thereon:

S. 5362. An act authorizing the Secretary of the Treasury to pay certain subcontractors for material and labor furnished in the construction of the post office at Las Vegas, Nev. (Rept. No. 1285);

S. 5660. An act authorizing the Secretary of the Treasury to sell certain Government property in St. Louis, Mo. (Rept. No. 1297);

H. R. 10749. An act to authorize acceptance of proposed donation of property in Maxwell, Nebr., for Federal-building purposes (Rept. No. 1286);

H. R. 13521. An act to transfer control of building No. 2 on the customhouse reservation at Nome, Alaska, to the Secretary of the Interior (Rept. No. 1287);

H. R. 14321. An act to authorize the Secretary of the Treasury, in his discretion, to acquire a new site in Huntsville, Ala., and to construct a building thereon for the accommodation of the courts, post office, and other Government offices (Rept. No. 1288);

H. R. 14489. An act relating to the construction of a Federal building at Mangum, Okla. (Rept. No. 1289); and

H. J. Res. 583. Joint resolution to provide for a change of site of the Federal building to be constructed at Binghamton, N. Y. (Rept. No. 1290).

Mr. COUZENS, from the Committee on Interstate Commerce, to which was referred the bill (H. R. 7432) to authorize the Interstate Commerce Commission to delegate certain of its powers, reported it without amendment and submitted a report (No. 1291) thereon.

Mr. TOWNSEND, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred the resolution (S. Res. 346) to pay certain expenses incurred in connection with the so-called Pritchard-Bailey contested-election case from North Carolina, reported it with amendments.

He also, from the same committee, to which was referred the resolution (S. Res. 349) creating a special committee of the Senate to investigate air mail and ocean mail contracts, reported it with an additional amendment.

He also, from the same committee, to which was referred the resolution (S. Res. 366) to pay to Matilda A. Barkley a sum equal to six months' compensation of the late Joshua W. Barkley, reported it without amendment.

Mr. SHORTRIDGE, from the Committee on Naval Affairs, to which was referred the bill (S. 5675) to effect needed changes in the Navy ration, reported it without amendment and submitted a report (No. 1292) thereon.

Mr. GOLDSBOROUGH, from the Committee on Naval Affairs, to which was referred the bill (H. R. 13026) to amend chapter 231 of the act of May 22, 1896 (29 Stat. 133, sec. 546, title 34, U. S. C.), reported it without amendment and submitted a report (No. 1293) thereon.

Mr. PATTERSON, from the Committee on Military Affairs, to which was referred the bill (H. R. 11035) for the relief of Price Huff, reported it with an amendment and submitted a report (No. 1294) thereon.

Mr. SCHUYLER, from the Committee on Military Affairs, to which was referred the bill (H. R. 2601) for the relief of William Mathew Squires, reported it without amendment and submitted a report (No. 1295) thereon.

He also, from the same committee, to which was referred the bill (H. R. 10070) for the relief of Beryl M. McHam, reported it with amendment and submitted a report (No. 1296) thereon.

Mr. REED, from the Committee on Military Affairs, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 1001. An act to authorize the Chief of Engineers of the Army to enter into agreements with local governments adjacent to the District of Columbia for the use of water for purposes of fire fighting only (Rept. No. 1298);

H. R. 6270. An act for the relief of Alexander F. Sawhill (Rept. No. 1300); and

H. R. 12769. An act to provide an additional authorization for the acquisition of land in the vicinity of Camp Bullis, Tex. (Rept. No. 1299).

RELOCATION OF STATUES IN THE CAPITOL

Mr. FESS, from the Committee on the Library, to which was referred House Concurrent Resolution 47, reported it without amendment, and it was considered by unanimous consent and agreed to, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Architect of the Capitol, upon the approval of the Joint Committee on the Library, with the advice of the Commission of Fine Arts, is hereby authorized and directed to relocate within the Capitol any of the statues already received and placed in Statuary Hall, and to provide for the reception and location of the statues received hereafter from the States.

PAYMENTS OF TUITION FOR INDIAN PUPILS IN OKLAHOMA

Mr. THOMAS of Oklahoma. Mr. President, from the Committee on Indian Affairs, I report back favorably without amendment the bill (S. 5684) to authorize the Comptroller General to allow claim of district No. 13, Choctaw County, Okla., for payment of tuition for Indian pupils.

The bill provides an authorization for the Comptroller General to approve a contract for the payment of the tuition of a hundred or more orphan Indian children who are now taken care of in a little orphans' home in Oklahoma. The money has already been appropriated and this is simply a sort of authorization. I ask unanimous consent for the present consideration of the bill.

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

There being no objection, the bill was read, considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General is hereby authorized and directed to allow payment of claims of the public school district No. 13, Choctaw County, Okla., for tuition of Indian pupils during the fiscal year 1931, in the sum not to exceed $3,435.61 from the appropriation entitled "Indian Schools, Five Civilized Tribes, Oklahoma, 1931."

ENROLLED BILL AND JOINT RESOLUTION PRESENTED

Mr. VANDENBERG, from the Committee on Enrolled Bills, reported that on the 23d instant that committee presented to the President of the United States the following bill and joint resolution:

S. 4020. An act to give the Supreme Court of the United States authority to prescribe rules of practice and procedure with respect to proceedings in criminal cases after verdict; and

S. J. Res. 48. Joint resolution to authorize the acceptance on behalf of the United States of the bequest of the late William F. Edgar, of Los Angeles County, State of California, for the benefit of the museum and library connected with the office of the Surgeon General of the United States Army.

BILLS INTRODUCED

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

By Mr. CAPPER:

A bill (S. 5687) granting the consent of Congress to agreements or compacts between the States of Kansas and Missouri for the acquisition and maintenance and operation of a toll bridge over the Missouri River at or near Kansas City, Kans., and for other purposes; to the Committee on Commerce.

By Mr. BORAH:

A bill (S. 5688) for the relief of Ernest W. Jermark; to the Committee on Claims.

By Mr. NEELY:

A bill (S. 5689) for the relief of Herbert L. Fisher; to the Committee on Military Affairs.

By Mr. THOMAS of Oklahoma:

A bill (S. 5690) to provide for a further extension of the time for the payment of certain income-tax deficiencies; to the Committee on Finance.

HOUSE BILLS REFERRED

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

H. R. 785. An act to reimburse Earl V. Larkin for injuries sustained by the accidental discharge of a pistol in the hands of a soldier in the United States Army;

H. R. 5214. An act for the relief of Withycombe Post, No. 11, American Legion, Corvallis, Oreg.;

H. R. 7409. An act for the relief of Chambliss L. Tidwell;

H. R. 8215. An act for the relief of the National Bank of Commerce, El Dorado, Ark.;

H. R. 8217. An act for the relief of the First National Bank of El Dorado, Ark.;

H. R. 9862. An act for the relief of the estate of Oscar F. Lackey;

H. R. 10169. An act authorizing adjustment of the claim of the Adelphia Bank & Trust Co. of Philadelphia;

H. R. 10800. An act for the relief of Joe Setton;

H. R. 10973. An act for the relief of Augustus Thompson; and

H. R. 11902. An act for the relief of Robert D. Baldwin; to the Committee on Claims.

H. R. 2157. An act for the relief of Arthur I. Neville; to the Committee on Military Affairs.

H. R. 6484. An act to grant lands in Alaska to the Yakutat & Southern Railway, a Washington corporation authorized to carry on its business in the Territory of Alaska; to the Committee on Public Lands and Surveys.

H. R. 14724. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1934, and for other purposes; to the Committee on Appropriations.

AMENDMENT OF THE BANKRUPTCY ACT

Mr. HASTINGS submitted amendments intended to be proposed by him to the bill (H. R. 14359) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto, which were ordered to lie on the table and to be printed.

Mr. BLAINE submitted an amendment intended to be proposed by him to House bill 14359, the bankruptcy bill, which was ordered to lie on the table and to be printed.

PRODUCTION COSTS OF GOAT, KID, AND CABRETTA LEATHERS

Mr. REED submitted the following resolution (S. Res. 370), which was ordered to lie on the table:

Resolved, That the United States Tariff Commission is hereby directed to investigate, for the purpose of section 336 of the tariff act of 1930, the differences in the cost of production between the domestic article and the foreign article, and to report at the earliest date practicable upon goat, kid, and cabretta leathers.

INVESTIGATION OF SHORT SELLING ON STOCK EXCHANGES

Mr. COSTIGAN. Mr. President, I request leave to submit a resolution designed to continue the stock-market investigation by the Committee on Banking and Currency and ask that it lie over under the rule.

In connection with the resolution, I request that there be printed in the RECORD, to accompany the resolution, an editorial from to-day's New York Times, entitled "Back to Conservative Banking."

The resolution (S. Res. 371) was read and ordered to lie over under the rule, as follows:

Resolved, That Senate Resolution No. 84, Seventy-second Congress, agreed to March 4, 1932, and continued in force by Senate Resolution No. 239, Seventy-second Congress, agreed to June 21, 1932, is hereby further continued in full force and effect until the expiration of the first session of the Seventy-third Congress.

The editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times of Friday, February 24, 1933]

BACK TO CONSERVATIVE BANKING

In the course of his testimony before the Senate Finance Committee, Mr. Aldrich, of the Chase Bank, touched upon the place and functions of the banks in helping the country out of the depression. They are to provide and safeguard credit. They are to do all within their power to maintain the standard of value and the soundness of the currency. In a word, they are to be the necessary and useful means of financing industry and commerce as revival comes. It is unnecessary to say that no banking authority would advocate a return to such activities of the banks as became too common in the flush years before the great crash of 1929. The sensational disclosures at Washington, not yet complete, show what happens when vast banking resources are made available for excesses of speculation. Through their subordinate companies, the so-called "affiliates," too many banks were infected by the mania of the time and became more like agencies for the flotation of securities than organizations for the regular supply of loans and discounts in ordinary business. But there is now reason to believe that the lesson of that folly has been learned and that at least for a long time to come the principles of conservative banking will be recognized and lived up to. The abuses of recent years, some of which the Glass banking bill would remove or correct, will certainly have fewer defenders after the wholesome publicity which has now set them in so vivid and startling a light.

SITE OF FEDERAL BUILDING IN BINGHAMTON, N. Y.

Mr. WAGNER. Mr. President, there was reported to-day from the Committee on Public Buildings and Grounds a joint resolution identical with a measure which I introduced in the Senate. The House joint resolution was unanimously reported by the committee in the House, unanimously passed by the House of Representatives, and also unanimously reported by the committee of the Senate. It simply proposes to change the location of a post-office site in the city of Binghamton, N. Y. Everybody there is in favor of it, including the chamber of commerce and all others interested. I know of no opposition at all to the measure, and I ask unanimous consent that it may now be considered and passed.

Mr. KING rose.

Mr. WAGNER. I might say, to allay the apprehension possibly of the Senator from Utah [Mr. KING] that it provides for no additional appropriation; in fact, there is a restriction that no more money shall be used than has already been appropriated. That is expressly provided in the joint resolution.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

Mr. KING. I want to ask just one question. It has been brought to my attention that a number of Senators—and the Senator from Massachusetts will corroborate what I am about to state—are protesting against the lavish expenditure by the Federal Government for post offices even in this period of depression. I was wondering if, in view of the extravagance which has characterized the Treasury Department during the past few years, it is building in Binghamton a structure which the people do not want or one which is greatly in excess of what is needed?

Mr. WAGNER. On the contrary, this appropriation was made some years ago, and it does not involve any of the questions in which the Senator from Utah and myself are very much interested.

Mr. VANDENBERG. Mr. President, will the Senator from New York yield to me?

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Michigan?

Mr. WAGNER. Yes.

Mr. VANDENBERG. May I say that I am thoroughly familiar with the entire situation, because a Detroit contractor was involved at one point, and everything the Senator from New York has stated respecting the equities is true, and in simple justice the joint resolution should be passed immediately.

Mr. WAGNER. I thank the Senator from Michigan.

Mr. COPELAND. Mr. President, I may say that, as my colleague has stated, this measure does not involve a new appropriation or any additional appropriation. I took pains to submit the matter to the Senator from Wisconsin [Mr. BLAINE], who is quite an authority on this subject, and I am sure there can be no objection to the passage of the joint resolution.

Mr. BLAINE. Mr. President, I have looked over the joint resolution and the report, and it is a little more involved than what has been stated by Senators. Perhaps it is not very material, but I think the joint resolution clearly expresses criticism of the lack of good judgment or of stupidity on the part of the Treasury Department or the department that has the power to select sites. There is that feature in reference to the measure.

Mr. WAGNER. As to the original location, I think that is true.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 583) to provide for a change of site of the Federal building to be constructed at Binghamton, N. Y., which was ordered to a third reading, read the third time, and passed, as follows:

Resolved, etc., That the Secretary of the Treasury is authorized and directed to cause the new Federal building at Binghamton, N. Y. (authorized by the second deficiency act, fiscal year 1931, approved March 4, 1931 (46 Stat. 1587)), to be erected on the Government-owned site located on the north side of Henry Street and extending northwardly between Washington and State Streets, in lieu of on the site of the present post-office building. For such purpose the Secretary is authorized and directed to (a) cancel the existing contract or contracts for the erection of such new building and make a settlement with the contractor for damages sustained by him as the result of such cancellation, or (b) effect a modification of such contract or contracts to provide for construction of the new building on the Henry Street site, and allow reasonable additional compensation for any damages or increased costs occasioned the contractor by the change to such new site.

SEC. 2. The Secretary of the Treasury is further authorized and directed to purchase additional land necessary to permit the construction of such new building on the Henry Street site.

SEC. 3. All obligations incurred and/or expenditures made in carrying out the provisions of this joint resolution shall be limited to the amount made available and fixed by existing law for the demolition of the old building and construction of such new building, and shall not be in excess of such amount.

SEC. 4. After occupancy of the new building constructed pursuant to this joint resolution, no rented postal station shall be maintained within 2,000 feet of such building.

SEC. 5. The act entitled "An act to authorize the sale of the Government property acquired for a post-office site in Binghamton, N. Y.," approved May 13, 1930 (46 Stat. 273), is amended to read as follows:

"That the Secretary of the Treasury is authorized and directed to transfer by the usual quitclaim deed to the city of Binghamton, N. Y., the southerly triangular portion (measuring approximately 59.84 feet on Washington Street and 159.75 feet on Henry Street), or such portion thereof as the Secretary may deem practicable, for the purpose of straightening out said Henry Street, of the Government property acquired for a post-office site in such city, fronting on the north side of Henry Street and extending northwardly between Washington and State Streets."

AMENDMENT TO BANKRUPTCY ACT

The Senate proceeded to consider the bill (H. R. 14359) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto, which had been reported from the Committee on the Judiciary with an amendment in the form of a substitute.

Mr. HASTINGS. Mr. President, on February 29, 1932, the President transmitted to the Congress a message recommending the strengthening of the procedure in the judiciary system, together with a report of the Attorney General on bankruptcy law and practices. On the same day I introduced a bill, prepared by the Department of Justice, which bill was a general revision of the bankruptcy act of July 1, 1898, and the various amendments thereto.

On March 1, 1932, an identical bill was introduced in the House. Subcommittees were promptly appointed by the Judiciary Committees of the respective Houses of Congress and held joint hearings during the months of April and May.

In that bill there was a new chapter to the bankruptcy act, known as Chapter VIII, entitled "Provisions for the Relief of Debtor." It contained four sections: Section 73, entitled "Compositions and extensions"; section 74, entitled "Assignments for the benefit of creditors"; section 75, entitled "Amortization of debts"; and section 76, "Corporate reorganizations."

The bill introduced in February, amending the bankruptcy law, involving many questions of policy, became very controversial, and the subcommittees have up to the present time made no reports to their full committees.

During the month of June there was introduced in the Senate a new bill covering section 76, Corporate reorganizations, and the new section thus written included railroads of all kinds. The bankruptcy act, it will be remembered, does not include railroads. At the beginning of the present session it appeared to be of the greatest importance to have the committee and the Congress pass upon two sections under this Chapter VIII. One, the compositions and extensions applying to individuals, and the other, corporate reorganizations, which, as I have stated, included railroads.

The House on January 30 passed H. R. 14359, including these two sections, but in preparing the bill had separated railroads engaged in interstate commerce from the corporate reorganization section and thus appeared three sections—one referring to the individual debtors, one to corporate reorganization, and the other to railroads engaged in interstate commerce.

The subcommittee of the Senate Judiciary Committee, taking this bill as a basis, made such changes in these sections as it deemed necessary. In the meantime, however, the Senator from Arkansas [Mr. ROBINSON] had given notice that he proposed to offer an additional section which should apply only to the farmer, and at his request the subcommittee considered this proposed amendment and incorporated it in its recommendations, thus making four sections under this new Chapter VIII.

On February 13, without having had as much opportunity to study the subject as was desirable, but remembering the importance of the legislation, the subcommittee laid the whole matter before the Judiciary Committee. That committee, realizing the impossibility of giving it full consideration in time to be considered by the present Congress, concluded to eliminate what were believed to be the most controversial sections, to wit, the corporate reorganization section and the sections dealing with railroads engaged in interstate commerce, and directed that a report be made to the Senate striking out the sections passed by the House and substituting in lieu thereof the sections relating to the individual debtor and the farmer. It is in that form that the bill comes before the Senate.

It must not be understood that the Judiciary Committee took any adverse action with respect to the corporation and railroad sections. It is important also to understand that the failure to act upon those two sections by the Judiciary Committee is no indication that the committee, or any member of it, fails to appreciate the importance of immediate legislation upon the two subjects covered by those sections. The committee faced, or at least believed that it faced, a situation which made it impossible for any legislation to be had upon this subject at the present session unless a portion of the bill was eliminated. There may have been differences of opinion among the members of the committee as to the relative importance of that which the committee passed upon and that which it failed to pass upon, but it was believed, at least, that that which was left out was the most controversial and therefore, from a practical point of view, was the most essential to eliminate.

I desire, in the first place, to take this opportunity to explain in some detail the purposes of the two sections that are left in the bill.

If it be true, as the committee has supposed, that these two sections are the least controversial of the four sections heretofore mentioned, and if it be true, as many of us believe, that it is important that the corporate and railroad sections be adopted, I express the hope that when we have finished with the two sections recommended by the committee the Senate will give consideration to amendments that may be offered touching the other two subjects in the order of their importance, and my own judgment is that the railroad section is the more important of the two.

Mr. President, I may say in this connection that I have prepared this morning and have sent to the desk, with the request that they be printed, two separate amendments which I propose later to offer to the bill as presented to the Senate by the committee, one referring to the railroads and the other referring to corporations.

I consulted some of the older Members of the Senate as to whether it was desirable, in view of the fact that I had made this report, that I myself should offer as amendments these two sections, and I was assured that it was perfectly proper for me to do so. Accordingly, at the appropriate

time I shall present them to the Senate. Having that in mind and with the hope that I may save time, I expect to discuss those two sections in some detail before I conclude this morning.

I desire to express the hope that the Senate will refuse to consider amendments affecting the old bankruptcy law which are not related to these two new sections. I make that suggestion for the reason that there are literally hundreds of proposals to amend the existing bankruptcy act; and, if the Senate should undertake to adopt the many proposals that have been suggested to the committee and to individual Senators, it would take many more days than is left in this Congress to consider them even casually. It would be very much like a proposal to change the tariff law upon one item. That subject, as we all know, when it is opened up means a general revision of the tariff act. The same thing would be true here with respect to the bankruptcy act; and, in view of the fact that that whole subject is now before the committee, it would seem to me unwise to adopt any rule of action other than that which I have suggested.

I desire to call attention to the fact that Chapter VIII is entitled "Provisions for the Relief of Debtors." My correspondence shows that this title has misled many people into believing that this proposed bankruptcy act was intended to do some miraculous thing for the people of the country.

At the invitation of the Washington Star I had the opportunity to make an address upon this subject, in which I endeavored to explain as best I could to the public just what was the object of this bill. I did not go into its details, but I hoped to explain it to the laymen and to the people generally over the country who were interested in bankruptcy legislation, because, on the one hand, they hope that it may bring them some relief, and, on the other hand, it has brought to them the fear that the bankruptcy law might destroy the security of the creditors of the country.

It may be wise—and I shall later consider whether it is—to reprint that speech in the RECORD. I do not want to repeat it; I think it is not necessary to do so for the benefit of the Senate for it would not be particularly helpful to the Senate, but I may conclude finally to ask the Senate to consent that the speech which I delivered over the radio may be printed in the RECORD at the conclusion of my remarks.

As I said in the radio address to which I have referred, the creditor has no anxiety in these days to possess the physical property of the debtor. In many instances he is willing to give him additional time in which to pay. In many instances he knows that his debtor will not be able to pay, certainly not at the present time, and, unless some relief is granted to the debtor, he will not be able to pay at any time in the future. It is no benefit to the creditor, whether that creditor be an individual or a financial institution, to carry on his or its books obligations which the creditor knows can not be paid. On the other hand, the ambition, the energy, and the hope of many debtors have been ofttimes destroyed by a realization of the impossibility of meeting the obligations which they have made. The constant pressure which greets them every day for payment adds to their misery. It is no advantage to the creditor of such a debtor arbitrarily to refuse to cancel or reduce the obligation, depending upon the condition of the debtor. If, however, the creditor agrees to make such adjustments with his debtor as will inspire the debtor to new energy and new life, he has not only done a magnanimous thing for the debtor, but from a purely selfish point of view, he has increased the value of his own claim. I might illustrate the point I am endeavoring to make by a dozen examples that immediately come to my mind. But it seems to me that what I have said is a thing so well known that it must be admitted by thoughtful people everywhere.

One of the first lessons which the youth learns in the average American home of which we so proudly boast is that in order to be successful in life he must adopt one cardinal principle, and that is to pay his just debts. The average American who has had the advantages of such training as this looks with horror upon having to resort to the bankruptcy laws for relief. I have personally known of men who seriously considered ending their very existence rather than to be ever afterwards referred to as a person who escaped paying his debts by voluntary bankruptcy. I think this dread of adopting any such avenue of escape should be encouraged and the payment of debts associated always with honor and good conduct. I think also we should avoid as far as may be the use of the present economic conditions as a sufficient excuse. This principle must not, however, be carried so far as to sap the energy, ambition, and hope which has heretofore been the foundation of America's greatness.

Mr. President, in all the sections under this chapter it is contemplated that those seeking the relief shall never bear the stigma of "bankrupt," and in order to avoid it we have provided that they shall be referred to as "debtors." Indeed, these sections undertake to furnish relief for those who are not bankrupt, as that term has been defined under the old act. In all of these sections the person filing the application must allege one of two things, namely, that he is insolvent, which is the term used in the old law, but here is added another very important provision, "or unable to meet his debts as they mature." There are, therefore, two provisions. Insolvency means that he has not sufficient assets to pay his debts, while the other provision makes no such admission, but alleges that his financial condition is such that he can not meet his debts as they mature.

In the two sections referring to the individual and the farmer provision is made for the filing of a petition setting forth one or the other of these two financial conditions, and in the individual debtor section the court is immediately put in possession of the debtor's property through the appointment of a custodian or receiver, if that be found necessary, and immediately all proceedings against such debtor are stayed. Provision is made for the serving of notices upon his creditors, the filing of schedules, the examination of the debtor, the appointment of a trustee by the creditors, and so forth.

May I say at this point that the bill also provides—and all of these sections provide—that if there be an involuntary petition in bankruptcy filed by the creditors of any debtor, that debtor may, in his answer, seek this relief by setting up the claim that he can, if given proper time and under certain circumstances, rehabilitate himself under this section. If he sets that up when an involuntary petition has been filed against him, it is the duty of the court to examine it and find out whether or not he has brought himself within this section. If he has, then he is not declared a bankrupt but he proceeds as a debtor, and gets whatever relief this section of the bill can give him.

If the debtor's proposal be a composition, namely, a compromise with his creditors by which he is to pay in cash a sum less than the face value of their claims, or if his proposal be an extension of time for the payment of his debts, it becomes necessary for him to get a majority in number of all of his creditors, which number must also represent a majority in amount of all of his debts, to consent in writing to his proposal.

This is presented to the court; and then the bill provides that—

> The court shall confirm the proposal if satisfied that (1) it includes an equitable and feasible method of liquidation for secured creditors whose claims are affected and of financial rehabilitation for the debtor; (2) it is for the best interests of all creditors; (3) that the debtor has not been guilty of any of the acts, or failed to perform any of the duties, which would be a ground for denying his discharge; and (4) the offer and its acceptance are in good faith, and have not been made or procured except as herein provided, or by any means, promises, or acts herein forbidden.

This section distinctly provides also that the terms of an extension proposal may extend the time of payment of either or both unsecured debts as well as secured debts, provided the security is in the actual or constructive possession of the

debtor or of the custodian or the receiver. It can well be understood that the provision affecting secured creditors did not find its way into either the House bill or the Senate bill without a very serious discussion and the most careful consideration. I did not suppose, at the beginning of such discussion, that I could be persuaded to agree to write into any bankruptcy bill anything which would in any way affect a secured creditor; but I came to the conclusion that in these days of uncertainty and distress, with threats of physical violence to those in authority and with the duty resting upon them to uphold the law, it was wise to do something that would prevent an arbitrary and unreasonable secured creditor from foreclosing his lien and thus in many instances destroying the debtor as well as all of the claims of the unsecured creditor.

The committee had in mind in this connection the operation of the present law, which, under the decisions of the courts, gives to the bankruptcy court the authority to stay all proceedings against the debtor from the time he is adjudged a bankrupt until the estate has been administered. Using this as a basis and as a justification for dealing with the secured creditor, we have deliberately and purposely written into this bill the right of the court to extend the time for the payment of a secured debt as well as that of an unsecured debt. We think we have sufficiently safeguarded the position of the secured creditor in paragraph (i), page 45, by the language I am about to read.

I might say at this point that I have had many letters complaining about that section; and many lawyers and other persons interested and heads of large financial institutions have called upon me, complaining about that particular section. In most instances I have been able to satisfy the person who was there interested and disturbed, because he was representing some creditor, that this suggestion of extending the right of a creditor to compel the payment of his debt was not a very dangerous provision when all things were considered.

I have, however, reached the conclusion that the language as it appears in the bill might be improved somewhat, because it has been argued to me that this provision might also apply to the composition, and that if a majority in both number and amount of the creditors who were unsecured insisted upon settling their debts at so much on the dollar, they could thereby, notwithstanding this provision, compel the secured creditor to take less than the face value of his claim.

So, after conferring with the Solicitor General—with whom I have conferred upon all the provisions of this bill, and who has given to me a help which has made it possible for me to do the work that I have done with respect to it—we have said, if that be contended by anybody, that it is easily enough cured by writing into the bill some such language as this:

Provided, however, That such extension or composition shall not impair the lien or the amount due any secured creditor, but shall affect only the time and method of its liquidation.

I think I have some language that is a little better than that.

In the same connection, representatives of large corporations have come to me and asked what position the corporation was in which had made it a part of its business to guarantee the payment of mortgages that exist in the country—and there are millions and millions in number, and I suppose probably billions in amount, of that kind of mortgage.

There was submitted to me, just a few days ago, language which I think perhaps is as good as can be found to express what seems to be desirable in this connection, but which is not now in the bill. It has been suggested that at the end, or somewhere in this bill in this connection, we write in some such language as this:

Extensions or compositions made pursuant to the foregoing provisions of this act, and each and all of the terms of such extensions or compositions, shall inure to the benefit of mortgage companies and persons, firms, and corporations who, prior to the date of such extension or composition, shall hold or have guaranteed or insured the payment of such debt or debts, or any part thereof; and a copy of the order confirming such extension or composition, certified as required by the provisions of law with reference to judgments and proceedings in courts of the United States, shall be sufficient evidence that such extension or composition has been confirmed in any suit or proceeding brought against such mortgage companies, persons, firms, or corporations who shall hold or have guaranteed or insured the payment of such debts, or any part of them, whether secured on real estate or otherwise.

In other words, if some insurance company or some bonding company has guaranteed the payment of a $5,000 mortgage and the mortgagor takes advantage of this section of the bankruptcy act and succeeds in convincing the court that he is in financial difficulty and without relief the mortgage will be foreclosed, and the court finds that is equitable and not going to interfere with the payment of his debt ultimately, but is going to be merely a postponement of that debt—and I assume the court, in doing it, will not postpone it for a very long time, for fear that if they do postpone it for a very long time they may possibly prevent the mortgagee from collecting the whole of his debt—if the court takes that action, if the Congress adopts this provision which we have recommended, and writes it into this law, in an instance like that it would be manifestly unfair to permit that mortgagee to be able to go to the company that had guaranteed his mortgage and compel that company to pay perhaps the full face value of the mortgage as well as the interest, when in the meantime the court has stepped in and said to the mortgagee, "You can not collect your debt."

So, at the proper time, I shall offer that as an amendment. I think that helps the situation very much and relieves the anxiety of a great many of the concerns that are holding these mortgages.

In order for such secured creditor to be so affected it becomes necessary for the debtor to take into consideration the amount of such secured debt when he undertakes to get a majority in number and a majority in amount to consent to his proposal. That fact alone perhaps takes away from this bill a great benefit which a great many people believed was in it; and I think it is important that nobody should be deceived with respect to the effect of it.

What I have in mind in the language that I have used I will undertake to illustrate.

If there be a person who owes a $3,000 mortgage and $4,000 of unsecured debts, and that $4,000 is distributed among four people, as an illustration, the whole amount being $7,000, it would be necessary for him to get a majority in number and amount—namely, more than $3,500—before he could in any way affect this secured creditor. If he can get a majority in number and amount, and can convince the court that his proposal is not an inequitable thing for the mortgagee, under this bill the mortgagee may be compelled to withhold his foreclosure proceeding until the end of the time the court has specified.

On the other hand, suppose it be a debtor that has a $3,000 mortgage and $2,000 of unsecured debts. Then, before he can take advantage of this provision of this section in a way that will affect the secured creditor, he must get the secured creditor to agree, because, the secured creditor having three-fifths of the whole indebtedness, he can not under this act do anything without getting his consent.

So to that extent I take it that a lot of people who hope to get relief under this bill, if they have in mind holding back the foreclosure of the mortgage, will be greatly disappointed; but it seems to me we have gone just as far to relieve the debtor as it is possible to go without destroying the creditor.

In these days there is much talk and much effort being made to secure moratoriums on mortgages. The bill presented here makes no pretense of doing any such thing, and in that respect it may be disappointing to many persons. It is not expected that this bill will work any wonders. The chances are all of its provisions will not be applicable to more than a small percentage of the distressed debtors, but it is believed that it reaches a sufficient number to warrant the Senate giving immediate and careful consideration to it.

In this connection I desire to point out that in the House bill there was a provision for the extension of time of the

payment of debts, both secured and unsecured, without the consent of any of the creditors of the debtor. It would be necessary, however, as stated in that measure, before the court could confirm any such proposal, that it should be made to appear that the debtor's plan was a feasible method of financial rehabilitation and that it was to the best interest of all of the creditors. It seemed to the committee that it ought to be as easy to convince a majority in number and amount of the creditors that the plan suggested by the debtor was for the best interest of all of the creditors and thus get their written consent as it would be to convince the court. But there are additional reasons for not approving any such plan. It would be unfair to impose any such responsibility upon referees or Federal judges, or any other human being, for that matter. Federal judges, as a rule, might, if they had time to investigate and thoroughly consider the matter, be relied upon to do justice between a debtor and his creditor, but in these distressing times, with debtors striving to hold on to their property until conditions improve, the job of deciding whether there was merit in the debtor's application would be too great for human endurance. The result would be utter confusion. The Federal courts would be flooded with applications and the bitter feeling of disappointed and incensed debtors greatly increased.

Paragraph (o) of the House bill sets up a new schedule of fees. It provides that the clerk shall receive $2, and if the total assets of the estate amount to no more than $10,000, the referee shall receive $10, and the filing fee in each case shall be $5, making a total fee of $17 in the case of a debtor having $10,000 of assets.

Bearing in mind such an estate might have several hearings and numerous creditors and thus involve a great amount of work, it is believed that to so limit the amount charged would greatly handicap the administration of this section. In the amendment proposed by the committee this section has been stricken from the House bill.

Somewhere, I think in paragraph (m) of that section, there is a provision written into the bill which would enable the court to fix the fees not exceeding those fixed by the old bankruptcy act, and we have reached the conclusion that with that proviso, which I had overlooked at the time I prepared these remarks, the bill will properly take care of the expenses, and that these amounts written in by the House are probably not sufficient to enable the act properly to be administered.

Mr. President, I think I have covered that particular section, and I want to take up the next section recommended by the committee—that is, section 75, which relates to agricultural composition and extension.

SECTION 75, AGRICULTURAL COMPOSITIONS AND EXTENSIONS

This section in many respects follows section 74 relative to individual debtors. There are some very important differences, however, to which I desire to call attention.

As section 74 was originally drawn it included the farmer and gave him all of the advantages that were given to the individual debtor. The section now presented to the Senate provides that upon the application of 15 farmers in any one county, the district court having jurisdiction of that territory shall appoint a referee, who shall be known as a conciliation commissioner. The act provides that he shall be familiar with agricultural conditions but shall not be engaged in the farm-mortgage business, the business of financing farmers, or transactions in agricultural commodities, or the business of marketing or dealing in agricultural commodities, or the furnishing of agricultural supplies.

It also provides that the district court may, if it be found necessary or desirable, appoint a suitable person as a supervising conciliation commissioner.

I may say that, having drawn this section which pertained to the farmer alone, we struck out of the section relating to the individual the word "farmer," leaving this as the only section that would give the farmer relief. But upon further consideration, although no change has yet been made in the bill, I am satisfied that we should not leave it in that condition, because there may be, and I think and hope there are, many farmers in this country who would not be able to avail themselves of this section, because it provides, in the first place, that there shall be 15 in number in a single county before the judge is authorized to appoint such conciliation commissioner. But that is a matter of detail, which can be taken care of at any time.

Paragraph (q) provides that the conciliation commissioner shall upon request assist the farmer in preparing and filing his petition, and in all matters subsequent thereto arising under this section, and that the farmer shall not be required to be represented by an attorney in any proceedings under the section.

It has been alleged in the criticism of this plan that the selection of a conciliation commissioner who, for the purpose of this section, is a referee in bankruptcy, is the selection of a judge who is bound, under the circumstances, to have more sympathy for the debtor than he has for the creditor. The advice of the conciliation commissioner is sought by the farmer in the first instance; he is directed under the measure to prepare the necessary petitions of the farmer, and the farmer is not required to be represented by an attorney in any proceedings under this section.

It is contended that in a contest between a person who claims to be a creditor and the farmer, the conciliation commissioner acting as a judge will, because of his previous conferences with the farmer, be in a disagreeable position.

Another objection to this plan is that before a farmer can get any relief under either of these sections, it will be necessary for him to get 14 other farmers, living in his county, to join him in making his original application for the appointment of a conciliation commissioner. This objection can be remedied by so modifying the section relative to the individual debtor as to permit the farmer to make application under its provisions, if he so desires. I referred to that just a moment ago.

The object of the appointment of a conciliation commissioner is to make it less difficult for the farmer to obtain relief under this bill. There is another important reason also. This bill provides that the conciliation commissioner shall receive for his services the total sum of $10, paid out of the Treasury of the United States. At the time of the filing of the petition the farmer must deposit $10 toward the payment of all other expenses in connection with his application. In view of the fact that the costs of the referee are taken care of by the Federal Government, and that no provision is made for the appointment of a trustee, the only other actual expenses would be the cost of subpœnaing and paying witnesses in case of a contest of some kind. It is believed by the committee that the $10 paid by the farmer will pay all of these expenses. The cost to the Federal Government, therefore, would be $10 in each case, plus the expenses of a supervising conciliation commissioner if any such were appointed, who under the act is to be paid not more than $5 per day, plus his actual expenses; this to be paid out of the Federal Treasury also.

It will be observed that this schedule of fees is probably considerably less than the fees recommended by the committee in the section referring to individual debtors.

There is another difference in the operation of these two sections. It is not contemplated that any trustee shall be appointed for the farmer and, therefore, the physical possession of his property will be left with him. We have provided that the court shall exercise such control over the property as the court finds necessary, thus the technical legal title to the farmer's property may be temporarily taken from him.

That, of course, is quite necessary and quite important, because if we take the technical title away from him, then he is in the position of acting as his own trustee; and if he takes things and does anything with them without the consent of the court, he would become criminally liable.

Some very definite objections to this whole section were raised in the Judiciary Committee, and I am hoping that it will be adequately debated and carefully considered, as I am sure it will be, before any definite action is taken upon it. I have no doubt but that the section can be improved

upon, and I shall gladly cooperate in any effort in this direction.

Mr. President, I thought it would save time for me to prepare, in part, at least, what I desired to say with respect to this bill. I covered the two sections which were before the Senate. But I think it desirable that I should at the same time explain the importance of these other two sections.

I think the adoption of the section pertaining to the railroads is the more important of the two, and for two reasons.

As I have stated, I think the adoption of the section pertaining to the railroads is the more important of the two, and for two reasons. First, the railroads are a public necessity; and secondly, they are not so readily adaptable to equity receiverships as are ordinary corporations. An equity receivership, as everyone knows, requires an ancillary receiver in every jurisdiction where the railroad corporation has property. In addition to that, the railroad must continue to be operated, and the operation under such a complicated scheme is frightfully expensive and necessarily less efficient.

The section proposed gives to the Federal court in the jurisdiction where the railroad has its principal offices, or where it has its domicile, control over the entire property of the railroad, regardless of where it may be located. This means that one receiver or one trustee is all it is necessary to appoint in order to control the whole operation of that particular road.

The section, as prepared by this committee, is, we believe, amply safeguarded. We have not overlooked the fact that the Interstate Commerce Commission is intended to have a great control over the railroads of the Nation. We have therefore provided that every debtor railroad desiring relief under this section shall, after filing its petition with the court, submit such plan of reorganization to the Interstate Commerce Commission. Full powers are given that commission to hear the railroad representatives and its creditors upon any plan proposed. The commission may approve the plan proposed, change it, if it finds it desirable, or it may adopt a plan proposed by the creditors. Special direction is given to the commission to approve no plan unless it is equitable and in the interest of the public. If the plan approved by the commission shall be accepted by two-thirds of any class of debtors, it shall immediately be binding upon that whole class. Ample provision is made for the class of creditors who do not accept the plan, whereby an appraisal of the value of their claims may be had, and thereupon they shall be paid in cash or securities that are equal to cash.

I think, as now drawn, we have stricken out the provision referring to securities which are equal to cash.

It has been pointed out that, under the present conditions, it is not possible for a railroad corporation to make any adjustment with any class of security holders because of its inability to get all of them to agree to the plan. It is well known that there are always some creditors who refuse to join in corporate reorganization, hoping and believing that they can thereby secure for themselves a greater amount for their holdings than is being given the group that is willing to make such readjustments.

There are some details in the bill which it might be necessary to discuss. I shall for the moment touch upon only two or three of the most controversial ones.

In the bill as it passed the House it is provided that the judge can not appoint a trustee under this section unless such trustee has been recommended by the Interstate Commerce Commission. Our committee changed that and provided that the commission should select a panel of trustees, from which the judge might select one or more. It also provided that the judge might select one not mentioned in the panel, provided such selection was approved by the commission. The question has been raised as to whether it would be possible for the commission to select a panel beforehand from which a desirable trustee could be selected under the terms of the bill. A temporary trustee is to be appointed as soon as the bill is filed in the court. This becomes necessary in order to preserve the property and prevent equity suits being brought by the creditors. Members of the Senate may have different views upon this subject, but, in my judgment, it is not important enough to justify delay in passing the bill. Finally, we have stricken it all out and left a provision which I have prepared, and left it entirely to the court in the selection of the trustee.

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

The PRESIDING OFFICER (Mr. FRAZIER in the chair). Does the Senator from Delaware yield to the Senator from Wisconsin?

Mr. HASTINGS. I yield.

Mr. BLAINE. The Senator's suggestion implies that the Judiciary Committee had done something respecting the railroad provision and the corporation provision. I do not believe the Senator intends to imply that the Judiciary Committee took any action upon those provisions.

Mr. HASTINGS. The Senator evidently did not hear the beginning of my address in which I explained clearly that the Judiciary Committee had not done any of these things and had not given them consideration. The only thing I said with respect to the Judiciary Committee was that it could not be said—and could not be inferred from the action of the Judiciary Committee—that that committee was opposed to either of the sections or does not fully realize the importance of their adoption.

Mr. BLAINE. But the Senator does not imply that the Judiciary Committee considered those two sections in any respect in reporting out the bill?

Mr. HASTINGS. I have with the greatest care tried to make it clear that the Judiciary Committee is not responsible in any sense for the two sections.

Mr. BLAINE. What the Senator is now reporting are his own views and not the views of the Judiciary Committee?

Mr. HASTINGS. That is correct.

Mr. BRATTON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Delaware yield to the Senator from New Mexico?

Mr. HASTINGS. I yield.

Mr. BRATTON. The Senator pointed out the differences between the House bill and the bill prepared by the Senator with respect to the appointment of trustees. I understood him to say that now he has stricken out everything and left the appointment of the trustee entirely to the judgment of the court.

Mr. HASTINGS. That is correct.

Mr. BRATTON. When and where was that done?

Mr. HASTINGS. May I say to the Senator in reply that I am now talking about an amendment which I myself am introducing and for which I am wholly responsible. I did not intend to imply that any other member of the committee was responsible for it in any way. If I gave any such impression it was not intentional. The amendment which I expect to offer to the bill with respect to the railroads has not had the approval of even the subcommittee of the Judiciary Committee. The full committee having instructed me to report to the Senate the two sections, and there being such pressure on me by Members of the Senate and others to see whether it is possible to have adopted the railroad section in particular and the corporate reorganization section if possible, I have given considerable time in trying to perfect that amendment to meet the various views of many persons, hoping that by meeting those views it would be possible for me to get them through the Senate.

Mr. WAGNER. Mr. President——

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

Mr. HASTINGS. I yield.

Mr. WAGNER. Has the full committee considered the railroad reorganization section at all?

Mr. HASTINGS. It has not. In presenting the matter to the Senate the Senate does not have the advantage of the matured consideration of the Judiciary Committee upon this subject.

Mr. WAGNER. May I ask the Senator another question?

Mr. HASTINGS. Certainly.

Mr. WAGNER. I know the Senator has given a great deal of time, study, and thought to the subject. I would like to

ask the Senator how long he has taken in his preparation of that particular provision? I am asking only for the purpose of emphasizing that I think it will be difficult for the Senate in the closing days of the session to pass upon so complex a proposition.

Mr. HASTINGS. I can not give the Senator accurate information, but I can say that there are not enough days left in this Congress for the Senate to give as much time to it as I have given.

Mr. LA FOLLETTE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Delaware yield to the Senator from Wisconsin?

Mr. HASTINGS. I yield.

Mr. LA FOLLETTE. May I ask the Senator from Delaware whether he thinks such an important piece of legislation as the two sections he is now discussing, and which he has offered as an amendment to the bill, should be disposed of in the closing hours of the Congress without their first having been considered by a committee?

Mr. HASTINGS. I think the Senate may very well doubt that. If I may be permitted, I should like to proceed and explain the sections, a thing I did not originally intend to do, but I think I can do it in a little while. If I might be permitted to explain the two sections that I expect to propose as an amendment to the bill, I shall then suggest to the Senate that we dispose of the two sections which were submitted by the committee to the Senate, and then, and not until then, I will undertake to take much of the time of the Senate on the other two proposals. That is the way I would like to see it work out, but I would like to invite attention to my proposed sections while I am on the subject and would like to explain them. I want to comment also upon the importance of having some legislation at this session upon the subject matters covered by them.

Let me say to the Senator from New York [Mr. WAGNER] and to other Senators that the railroad section, as I expect to present it to the Senate, is not of my own creation, certainly not solely my own creation. The Solicitor General has given much time to it and has assisted me in talking to lawyers all over the country who found objections to it. He has taken it up with the representative of the railroad executives and with the Interstate Commerce Commission, and it has been changed from time to time to meet the objections and suggestions that have been made by the various groups. In that group was also a representative of the New York group which has been studying the railroad situation.

As I believe I said, the amendment which I shall propose strikes out the selection of any panel of trustees and deprives the Interstate Commerce Commission of having anything to do with it, because, after a good many conferences in regard to it, it was believed that it would be easier to select a person for a particular railroad job than it would be to undertake to select a panel and take the chance of that panel including the man who was particularly qualified for it.

In that connection let me invite the attention of the Senate to the fact that the moment the bill is filed, without knowing whether it is possible to get the necessary votes of the creditors to put any plan through, but the moment it is filed by the corporation, a trustee is appointed for the purpose of preserving the property.

In that same connection I might point out that it is not left alone to the railroad to present the bill to the court declaring itself insolvent or unable to meet its debts and that it is desirable to have reorganization, but 5 per cent of the indebtedness of the railroad as shown by its last report may take such action—not, however, until the matter has been heard by the Interstate Commerce Commission. That is, a minority group can not go and make difficulties for the railroad without first having submitted their objections and their ideas to the Interstate Commerce Commission. The Interstate Commerce Commission undoubtedly knows more about the condition of all the railroads than any other one agency in the Government, or outside of the Government for that matter. So there are two ways in which the matter may be brought to the court. But, whenever it is brought, there must instantly be appointed, at least temporarily, a trustee. I do not know whether it is advisable to have the Interstate Commerce Commission submit a panel of trustees or not. That is certainly not important enough to defeat the measure.

Another change made in the House bill referred to "special masters." The House provided that six special masters should be appointed by the President and confirmed by the Senate, and from such a panel so selected the judge should pick a special master if it became necessary to appoint anyone to aid him. The report on the House bill by the Judiciary Committee indicates that the purpose of this plan was to build up a group of specialists upon this subject who would be more efficient than persons who might be selected by the district court.

The House provided that such special masters shall not receive salaries, but shall be allowed fees for their services. Bearing in mind that such special masters in order to be helpful to the court ought to be outstanding lawyers, and realizing that outstanding lawyers would not give up their practice and sit around and wait to be selected from such a panel it was believed that the worthy object which the House had in mind could not be thus realized. In order, however, to avoid the possibility of a district judge selecting some person that he desired to favor instead of the person who could best do the work, the alternative suggestion has been written into the Senate section, providing for the selection by the circuit court in each of the 10 circuits of a panel of three, from which the district judge might make his selection. This plan has the additional advantage of having a person selected in the circuit where the litigation is pending. It was believed that it would be less expensive to take a person from the circuit where his work would be close to his own office than it would be to perhaps drag him across the continent in order to perform the same service.

Just here it might be well to state that the general impression that receivers, trustees, and special masters are treated too liberally by the district courts has been considered and in order that the Federal judges may be relieved of some such responsibility, provision is made that these fees shall be reviewed by the Interstate Commerce Commission and the maximum amount fixed by it. This certainly ought to be a sufficient safeguard.

The bill, with respect to the corporate reorganization, is somewhat along the same lines except, of course, the Interstate Commerce Commission is not mentioned in connection with it. Under the corporate reorganization section there are two ways in which the matter can be gotten into court. The debtor corporation may make the application stating that it is insolvent or unable to meet its obligations as they mature, and that it desires to present a plan to its creditors for reorganization. The other way is if there be creditors of the corporation who file an involuntary petition of bankruptcy against that corporation alleging that it is bankrupt and so on; then in such instances the debtor may, in its answer, set up the same things which it could set up if it were filing a petition in the first instance. Those are the two ways in which the debtor gets into the court under this section.

Then, adequate provision is made for the appointment of a trustee if it be found necessary and for notices to be sent to creditors, and so on.

There is one paragraph in that section about which some complaint has been made, a complaint which I think is not well founded when read in connection with the whole bill. There is a provision for the submission of the plan to the creditors of the corporation at any meeting called for that purpose. That plan may be submitted by the debtor; it may be submitted by the creditor; it may be submitted by a stockholder; but, in order to present any plan at all, there must be obtained the consent of 10 per cent of the creditors of the corporation. The purpose of writing that provision in the bill was to save time and prevent a multitude of plans being suggested without having very much back of them.

Just as is done in the railroad section, in this section it is made necessary for the debtor to secure two-thirds in number of any class of creditors. Having gotten two-thirds of such number that class is bound. In the railroad section I did not mention, I think that two-thirds of any class bind the whole class and compel them to accept even though they be secured creditors. There has been much controversy with respect to that provision, though not so much in the case of the railroad section as in the case of the corporate section. To most of us it seems desirable that the two-thirds shall be compelled to bind the one-third; but, bearing in mind always that the minority must be protected, in the corporate reorganization section we have provided for an appraisal of that one-third value which is left out and the payment of that one-third in cash, putting such creditors in the same class in which are put the class of creditors where the consent of two-thirds is not obtained. I am not sure that I have made myself clear with respect to that, and I will repeat a portion of it.

If there are three classes of creditors in a railroad corporation—I am taking a railroad in this instance—and two-thirds of the number in the first class agree to the plan and two-thirds in the second class agree to the plan but only 50 per cent of the third class agree to it, the first class and the second class are bound, but no one in the third class is bound. Then, under the proposed act, the court undertakes to appraise that property, as it appraises property under the old bankruptcy act, and pays to those in the third class in cash.

When we come to the corporate reorganization section we have not written such provision in it, because we were afraid to do so, believing that there would be serious objection to it; and I myself do not know whether I am for it or against it. In the case of the corporate reorganization section this arrangement is provided: There are the same three classes. If two-thirds of the first class agree and two-thirds of the second class agree, the other one-third in both of those classes are put in the same position as those in the third class where a two-thirds majority is not obtained, and under those circumstances an effort is made to appraise the value of the holdings of those minority groups and to pay them in cash. This applies, however, to secured creditors only.

It has been argued by lawyers who are engaged in reorganizing corporations that unless we make it possible for the creditors voting two-thirds to bind the one-third, then the bill will not amount to anything. I disagree with that view; I do not believe it is correct at all; but, with these two thoughts passing through my mind, I undertook to find some sort of a compromise between the two. So I have written into one of the bills a provision to the effect that instead of being compelled to pay cash to the one-third of the creditors, in either instance, or the whole class that objects in another instance, instead of being compelled to go out in the market and raise the cash I have provided that if the judge should find it desirable he might compel them to take marketable securities which were equivalent to cash.

I have been convinced, after much criticism of that provision, that it probably did not amount to very much and that we are back to where we were, either to the point of permitting two-thirds to control the whole class or to let the one-third have an opportunity to have the property appraised and get their money in cash.

Mr. President, there is one other provision in this bill that is very controversial. The House wrote into the bill a provision to the effect that none but natural persons should be appointed receivers or trustees under this bill, except that for certain reasons appearing wise to the court, he might appoint a corporation, but that should not be done in a multiplicity of cases. That provision was written in the bill for one specific purpose. That purpose was to prevent the judges in the southern district of New York, there being eight of those judges, from appointing a certain trust company as permanent receiver in all bankruptcy cases.

It is stated that that practice has been going on now for some years, that there are as many as 5,000 such cases, and that the courts referred to have a standing rule appointing one particular trust company receiver in bankruptcy cases. As we hear about that, and if we do not happen to know anything about it, it strikes us as more or less of a shocking thing for a court to do, and in the city of New York there is a very great feeling with respect to it among the judges and among the members of the bar, the judges, on the one hand, with many members of the bar agreeing with them, and a great many members of the bar disagreeing with them. The courts call attention to the fact that some two or three years ago there was a scandal in New York City with respect to bankruptcy cases, and the court was compelled to adopt some such drastic rule as this in order amply to protect the creditors of bankrupts' assets. The lawyers, on the other hand, say in reply that those irregularities grew out of the delinquencies of one Federal judge, who subsequently resigned; that the bar associations of New York City have spent $75,000 of their own money cleaning up that particular mess; and that, having been as patriotic as that, having taken that much pride in their own profession, it is cruel and wrong for the courts now to take away from them that which under normal conditions would be a part of their work.

There is much to be said, and much has been said, about that contention. Every day and several times a day I have been importuned with respect to it. There are Members of Congress who are insisting upon one thing and the Federal judges and a number of very excellent lawyers in New York who are insisting upon another. My own judgment is that under the present plan the creditors receive a greater sum out of the bankruptcy proceedings than they otherwise would, but I hesitate to put myself in a position of supporting what appears on its face to be a monopoly; and so I am in great distress with respect to it.

I have undertaken to reach some compromise with respect to that provision, and I have written into the amendment which I propose to offer a provision which I think may be reasonably satisfactory. That provision prohibits the court from adopting any such rule and leaves the individual judge to follow the practice, if he may think it is wise, or to follow some other practice if he thinks it unwise. That is my recommendation with respect to this subject. It is the only way of which I know to get out of it.

Mr. President, I may say in conclusion——

Mr. GEORGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Delaware yield to the Senator from Georgia?

Mr. HASTINGS. I yield.

Mr. GEORGE. The Senator has pointed out some of the serious objections that have been raised to the corporate and railway provisions of the amendment which he proposes to offer. I should like to ask the Senator if the Judiciary Committee has given any close study to the general question of public policy involved in permitting a railway corporation or any other corporate entity to become a voluntary bankrupt?

Mr. HASTINGS. I do not know how many members of the committee have done so, but the committee, as a whole, has not. The committee, as a whole, has not considered either the railroad section or the corporate reorganization section.

Mr. GEORGE. Wholly aside from all the objections about which the Senator is talking, does he not think that the Judiciary Committee ought to give very careful consideration to the broad question of policy involved in permitting in a respite law voluntary bankruptcy on the part of a corporation—any sort of a corporation, but particularly a corporation such as a public carrier? There is a moral restraint, however the law may be framed, against the individual going into bankruptcy or taking shelter under a debtor's respite law of any character, but there is not any moral restraint at all operating on the conscience of a corporation when it is offered shelter under such a device—if I may refer to it as a device—as these two sections, just from a hurried reading of them, impress me as being.

I am not a member of the Judiciary Committee, and I should like to know if the committee has passed upon this broad and, as I think, all-controlling question of public policy. The Senator, I understand, says the committee has not done so.

Now I want to ask the Senator with reference to the individual provisions; that is, the sections that permit the individual or the farmer to come in. I did not have the opportunity of hearing all that the Senator said, and I do not find anything in the report on this particular question.

The individual debtor, or, let us say, farmer, may avail himself of the protection afforded by this part of the bill, and he may stay all proceedings by secured creditors. As I understand, of course the lien of the secured creditor is in no wise affected, but the manner and method and time of procedure on the part of the creditor are under the control of the court. I believe that is correct.

Take the ordinary case of the secured creditor who holds a lien against the property of the individual, but who also has the guaranty of a guaranty company for the payment of interest or discharge of the lien. Is there any provision in the bill which would protect that guarantor, or would he simply be left out in the cold while his debtor went in under the stay law and had the protection of the court?

Mr. HASTINGS. Some time earlier in my remarks I called attention to and read what I later proposed that would take care of that guarantor.

Mr. GEORGE. I did not hear the Senator. I was wondering about that, because frequently the guarantor would be called upon to make payment of maturing interest, but, of course, his hands would be stayed. He could not call on the debtor, because the debtor would have the protection of the court.

Mr. HASTINGS. I think it would be admitted that that ought to be done.

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

Mr. HASTINGS. I yield to the Senator from Arkansas.

Mr. ROBINSON of Arkansas. The Senator stated earlier in his remarks, when the Senator from Georgia was absent, that it was his intention to offer certain language which he read to the Senate, covering the point which the Senator has raised.

Mr. GEORGE. I did not hear that. I was anxious about it.

Mr. HASTINGS. Now, may I say in reply to the Senator's suggestion that, of course, I think it is unfortunate that the Senate does not have before it, when it comes to consider a bill of this importance, the benefit of the most careful study by the whole Judiciary Committee. I for one should have hesitated about trying to get a report from the committee to the Senate without that careful study except for the fact that since it was known that I was chairman of the subcommittee considering this matter it has been urged upon me so often and so vigorously by all classes of people, and I have been so impressed with the statements that the chances were that it would go a long way toward helping us out of our present condition, that I have been willing at least to give whatever time I could give to it, and to bring it to the Senate and discuss it as frankly as I could with the Senate, in the hope that with a frank discussion of the measure and a study by the Senators who would interest themselves in it, as most of them undoubtedly will, for a period of three or four days, it would be possible for us at this session of the Congress to pass a bill that would be perfectly safe and would, after all, be well considered, although it did not have the advantage of the study of the Judiciary Committee.

Mr. GEORGE. I am sure that I appreciate the attitude of the Senator; and I appreciate his desire to open up any defensible avenue of escape for the railway companies, or other corporations for that matter, in this great emergency. I must remind the Senator, however, that those of us who are not members of the Judiciary Committee probably have followed our usual custom, especially under the pressure of this hard session, and have shunted aside everything that came to our desks about this important suggestion, in reliance upon the advice of the full committee finally upon all of the questions.

I find myself in that position; and I wanted to know if the committee had given consideration to what seems to me to be the first, primary consideration with reference to these particular provisions. I am not suggesting, however, that the Senator is not prepared to give us the same information that the full committee would, and I am sure I can say to the Senator that I know that his desire is to present to the Senate a measure that may be of real help to the industry and commerce of the country at this time.

Mr. HASTINGS. I might say, in further reply to the Senator, that it was suggested to me yesterday that it was perfectly possible to have this bill rushed through the Senate. It was believed that the Senate was in a frame of mind to legislate, and this was a good opportunity to get this bill through.

It may be, and I think it usually is, in the Senate, that we depend upon our committees. I know it is with respect to my own attitude. I depend largely upon the committees, and I follow the recommendations of the committee unless I have heard the debate and have made up my mind that the committee was wrong with respect to the matter under consideration.

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

Mr. HASTINGS. I yield.

Mr. ROBINSON of Arkansas. I should like to make a suggestion which I believe may meet the approval of the Senator from Delaware and which I am certain will be gratifying to a number of Senators, including some who are members of the Judiciary Committee.

The Senator has said that it is his purpose to proceed with the two sections that have been reported by the committee, and with that policy I am in hearty accord.

May I suggest to the Senator that it be at least tentatively understood that when those two sections have been disposed of and agreed upon, if an agreement is reached, it may then be practicable to lay aside temporarily the bill and take up some other matter, so as to afford an opportunity for a further study of the two sections that were eliminated by the action of the Judiciary Committee.

I am convinced, if I may make that statement now, that it is very desirable and essential that some provision be incorporated with respect to railroad reorganizations. It is not my intention to go into a discussion of that subject at this time, but I think the Senate will desire an opportunity to pass upon it.

If we can dispose of these two sections to-day and then take up some other matter, laying aside the bill temporarily, and let the remaining two sections go over so as to afford that opportunity for study which I think we all admit is necessary, I believe it will tend to strengthen the bill, particularly in relationship to the two sections referred to.

I think I ought to add this:

I am among those who have been pressing for action on this bill, particularly as it relates to the farmer. As stated by the Senator from Delaware, I offered the amendment that was incorporated with certain changes as section 75 of the pending bill; and the Senator from Delaware worked day and night in his effort to get action and to bring the subject matter before the Senate. He is to be highly commended for the diligence he has shown. At the same time, other members of the committee and Members of the Senate have not had opportunity to make a study, particularly of the corporate-reorganization and railroad-reorganization sections; and it seems to me that in the interest of effective action it might be well to dispose of the two sections first referred to by the Senator, the one relating to individual and the other to farmer compositions, and postpone until to-morrow consideration of the other sections.

How does that appeal to the Senator?

Mr. BRATTON and Mr. LA FOLLETTE addressed the Chair.

The PRESIDENT pro tempore. To whom does the Senator from Delaware yield?

Mr. HASTINGS. I yield to the Senator from New Mexico.

Mr. BRATTON. Mr. President, I appreciate the indulgence of the Senator from Delaware in order that I may make a brief statement with respect to my attitude touching these two sections—the one relating to corporate reorganization and the other relating to railroad reorganization.

Permit me to say in a preliminary way that I commend the Senator from Delaware, the chairman of the subcommittee, for the extraordinary diligence with which he has handled the measure. The bill was referred to a subcommittee of three members, the Senator from Delaware being chairman, the Senator from Rhode Island [Mr. HEBERT] and I being the other two members.

The Senator from Delaware has devoted himself industriously and energetically to the bill; but I have given it very little consideration, and I think the same is true of the Senator from Rhode Island. In fact, the chairman of the committee prepared and gave to the Senator from Rhode Island and to me each a copy of a tentative report of his consideration of the measure, such report reaching us only two or three days before the bill was reported to the full committee.

So, Mr. President, in the final analysis of the situation, only one member of the Judiciary Committee has given prolonged consideration to this important measure. As a member of the subcommittee and as a member of the full Committee on the Judiciary, I do not think we would be justified in passing during the closing days of this session a measure so far-reaching in its effects as the section touching railroad reorganization.

Entertaining that belief, I made a motion in the full committee that those two sections be dropped from the measure—that is to say, the one touching corporate reorganizations, the other touching railroad reorganizations—and that the remaining two sections, dealing with individual debtors and farmers, be reported to the Senate.

We are in the closing days of a strenuous session of Congress, one which has exacted heavy duties of every Member of this body. This measure is far-reaching in its possibilities. It is my judgment that action on the corporate-reorganization section and on the railroad-reorganization section should be deferred.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator from Delaware give me leave to make a statement for the benefit of the Senator from New Mexico?

Mr. HASTINGS. I yield.

Mr. ROBINSON of Arkansas. The provisions that have been stricken out by the action of the Judiciary Committee having relation to corporate reorganizations and railroad reorganizations are in the House bill.

Mr. HASTINGS. That is correct.

Mr. ROBINSON of Arkansas. And, of course, they will be in conference, no matter what may be the policy of the Senate in striking them out.

It was my thought that perhaps, if the Senate should avail itself of the suggestion which I made a few moments ago, greater freedom of action could be assured the conferees if the Senate were afforded the opportunity to pass on the amendments which the Senator from Delaware has worked out, and which he has stated it is his purpose to offer on the floor, in order that the Senate might have the opportunity of determining that question and the further question as to the relative merits of the House provision—which, as I have stated, will be in conference anyway—and the amendments which the Senator from Delaware expects to propose. I think it would be sound policy, if we can do so, to consider those amendments so as to liberalize the powers of the conferees.

Mr. BRATTON. Mr. President, will the Senator indulge me for just a moment? Then I shall not trespass further on his time.

Mr. HASTINGS. I yield.

Mr. BRATTON. Of course, whatever action the Senate takes should be taken with all of the deliberation available to us in the closing days of the session. I freely concede that, and while legislation on this subject may be both important and necessary, I still doubt whether the Senate has available to it now sufficient time to enable it to give to this legislation the consideration it deserves and demands.

I hope very much, therefore, that we may defer action on these two sections until the Senate may have available to it enough time so that at least several members may devote themselves to it with interest and devotion comparable to the industry with which the Senator from Delaware has applied himself to the bill.

Mr. LA FOLLETTE. Mr. President, will the Senator from Delaware yield to me?

Mr. HASTINGS. I yield.

Mr. LA FOLLETTE. May I make a suggestion for the consideration of Senators who are interested in this measure? I agree with everything that has been said by the Senators who have spoken concerning the importance of the legislation under consideration. My understanding is, however, that the Committee on the Judiciary reported the pending amendment with the understanding that it was not possible, in the time remaining, to pass upon the section dealing with corporations and the section dealing with railroads.

If it is desired—and if the Senate feels that it is necessary—that these two important sections of the bill should be acted upon at this session, may I suggest the advisability of recommitting the bill to the Committee on the Judiciary without further debate, permitting that committee to take up and consider the two amendments which the Senator from Delaware has offered, thus affording some agency to act for the Senate which will be enabled to draw into the discussion and into the work of perfecting those amendments persons outside of the Senate who have given a great deal of study to these two sections of the bill, and whose advice in the matter, I think, will be very helpful to the Senate.

The only objection I see to the suggestion offered by the Senator from Arkansas is that if we lay this matter aside there will be no group of Senators upon whom will be fixed the direct responsibility of attempting to pass upon these two important sections of the bill. In the meantime the Senate will be working upon other matters of importance, and when we come to resume the consideration of the bill we will find ourselves in just the same situation in which we are at the present time.

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

Mr. HASTINGS. I yield to the Senator from Indiana.

Mr. WATSON. I would like to ask the Senator whether or not the provisions of the bill, aside from the two under consideration, are of sufficient importance to justify the Senate's acting upon them and passing them without immediate consideration of the two which are now being discussed?

Mr. HASTINGS. My own judgment is that there are Members in the House and Members in the Senate some of whom believe that the first section is the most important section in the bill. There are others who believe that the section relating to the farmer is the most important section in the bill. There are others who believe that the corporate reorganization section is the most important, and many believe that the railroad section is the most important of them all.

As I have stated, the Committee on the Judiciary did not undertake to state which was the more important and which was the less important, but, following the suggestion of the Senator from New Mexico, the Committee on the Judiciary directed that those be presented to the Senate which seemed to be less controversial than any others, and which could be explained very much more easily and could be understood by the Senate very much more easily than the other two sections.

I have gotten myself into this great difficulty here with respect to the two sections by undertaking to go through with an explanation of the whole bill in the first instance. What I intended to do was not exactly what the Senator

from Arkansas suggested, but I did not intend that the Senate should get into any controversy or argument with respect to the corporate and railroad sections, until we had passed upon that which had been recommended by the committee.

Having gotten that much done, I, of course, am not in a position to insist, and will not for a moment insist, that the Senate act upon these two sections which the Committee on the Judiciary did not have an opportunity to pass upon, unless the Senate agrees with me that these things are of such paramount importance that the Senate ought to be willing and ought to endeavor, sitting as a committee of the whole, if you please, to understand these two sections, and to see to it that, if it is possible to do so, the country get whatever advantage is possible from such legislation.

Mr. WATSON. Mr. President, will the Senator yield further?

Mr. HASTINGS. I yield to the Senator.

Mr. WATSON. I would like to ask the Senator whether or not he wants the bill passed with the two sections out?

Mr. HASTINGS. The question is not what I want done; it is what the committee recommended. I am here representing the committee, and will not knowingly do that which the committee does not want me to do in connection with the bill.

Mr. WATSON. From the discussion here of this phase of the subject, I have been led to understand that the committee had made no recommendation.

Mr. HASTINGS. They have made recommendations on two sections, on the two sections which are believed to be least controversial, although one member of the committee is very much opposed to the farm section.

Mr. WATSON. What were the two sections?

Mr. HASTINGS. The individual-debtor section and that which pertains to the farmer alone.

Mr. WATSON. They are of sufficient importance to be passed, are they not, without regard to the others?

Mr. HASTINGS. I have no doubt but that they are sufficiently important.

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

Mr. HASTINGS. I yield.

Mr. DILL. I want to say just a word in response to the suggestion of the Senator from Wisconsin about referring the bill back to the Committee on the Judiciary. If that is done, there will be no chance of the bill's being considered any further at this session.

Mr. HASTINGS. That is correct.

Mr. DILL. Let me call attention to my reason for saying that. The corporate section and the railroad section involve the possibility of reorganizing the capital structure of literally billions of dollars of property of corporations in this country, and it seems to me that the only hope of getting any legislation of this kind is to pass the pending bill, and let the Committee on the Judiciary in the special session which will follow this take up these other matters, because, as one member of the Committee on the Judiciary, I am unprepared to discuss intelligently this subject. I do not know what it involves. I should like to have hearings, and I think other members of the committee would like to have hearings, on these sections, because they are so vast in their ramifications and effects.

Mr. LA FOLLETTE. Mr. President, will the Senator from Delaware yield to me?

Mr. HASTINGS. I yield.

Mr. LA FOLLETTE. I merely wish to say, in response to the statement made by the Senator from Washington, that I have no desire to prevent action on this subject at this session. What I had in mind was that if the Senate is determined to pass on it, it would be better for the Committee on the Judiciary to take the bill over the week-end, and endeavor to work out something which it could sponsor and recommend, than it would be for us to proceed here on the floor of the Senate to try to write as important a piece of legislation as this. Senators will recall that in connection with important bills where we have attempted to do that, from the point of view of technical draftsmanship they should bring a blush of shame to the face of every Senator who has anything to do with them.

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

Mr. HASTINGS. I yield.

Mr. ROBINSON of Arkansas. Does not the Senator from Wisconsin realize, as stated by the Senator from Washington, that to recommit the bill means no bill for this session—means its defeat, unalterably and definitely?

Mr. LA FOLLETTE. Mr. President, if the Senator from Delaware will permit, I do not believe that is true. I believe that if the bill were sent back to the Committee on the Judiciary to-day and they were given an opportunity to study the amendments offered by the Senator from Delaware to-morrow and over the week-end, on Monday the committee could report back its recommendations in the premises.

Mr. ROBINSON of Arkansas. I will rest the matter on the statements made to me by members of the Committee on the Judiciary, that if the bill be recommitted there can be no action on it during this session. I know that the Senator from Wisconsin has no motive to defer or prevent action. Nevertheless the inevitable effect of his suggestion for a recommittal would be to prevent legislation.

Mr. LA FOLLETTE. If that be true, Mr. President—with the indulgence further of the Senator from Delaware—may I say that if it is impossible for the 15 members of the Committee on the Judiciary, devoting undivided attention to this matter for two or three days, to work out any solution of it, how much more preposterous it is to suppose that 96 Senators here on the floor of the Senate can write legislation properly drawn to treat with the two important sections the Senator from Delaware has offered?

Mr. FESS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Delaware yield to the Senator from Ohio?

Mr. HASTINGS. I yield.

Mr. FESS. I was impressed with the suggestion of the Senator from Arkansas the moment he made it. My correspondence indicates that there is very wide interest in this subject. That section which refers to the farmer is claiming an enormous amount of attention in my section of the country, and I think it is universally conceded that the two sections which are submitted should be passed, if we do not get anything more.

I do think, also, that the two amendments which the Senator from Delaware is proposing are important enough to have a little consideration given to them. We possibly would get farther if we proceeded on the suggestion of the Senator from Arkansas to lay the bill aside for a time, after which we could take up the measure and have a discussion of these two items. If we recommit the bill, Senators understand what procedure would be necessary to get it back on the floor, while if it is laid aside, I could call it up at any minute, or any other Member of the Senate, by calling for the regular order, could bring the bill before us immediately.

It seems to me it is worth while, in view of the fact that we want these two sections if we do not get anything more, to give time to consider the other two, but let us not send it back where it could not be gotten before us again and we could not call it up. I am very much impressed with the suggestion of the Senator from Arkansas.

Mr. BRATTON. Mr. President, will the Senator from Delaware yield?

Mr. HASTINGS. I yield.

Mr. BRATTON. I agree with the Senator from Arkansas that if the bill is referred back to the Committee of the Judiciary the result will be no legislation at this session. I agree likewise with the Senator from Washington, that we do not have sufficient time to give thorough consideration to the section relating to railroad reorganization, because it is complicated and involves the capital structure of railroad companies. That was the very reason that moved me to offer the suggestion in the Committee on the Judiciary that the two sections, one relating to individual debtors and

the other to farmers, be reported to the Senate, and the other two highly complicated sections be dropped until a subsequent time when we would have an opportunity to study them carefully. It seems to me that if we should proceed to consider the two sections now before the Senate and pass the bill in that form, the body at the other end of the Capitol would readily concede that this body had not had adequate time to study the other two sections, and that they would be willing to recede on those two sections, thus allowing those two phases of the legislation to go until the extra session of the Congress. I hope very much that course may be followed.

Mr. BYRNES. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Delaware yield to the Senator from South Carolina?

Mr. HASTINGS. Certainly.

Mr. BYRNES. I would like to ask the Senator from New Mexico if the bill was temporarily laid aside, as suggested by the Senator from Arkansas [Mr. ROBINSON], whether it would be feasible for the Judiciary Committee then to proceed to the consideration of the amendment which will be offered by the Senator from Delaware? Every member of the Senate concedes the importance of legislation on the subject, and because of the emergency and of the necessity for the legislation and for its consideration, I wonder if the Judiciary Committee could not proceed to consider that question? They have at hand the hearings held in the House and the discussions there. My opinion is that very careful consideration was given to the matter at the other end of the Capitol and that we have the basis of the measure now in the bill as it came from the House. I ask the Senator whether he thinks it possible for the committee to work it out upon that basis?

Mr. BRATTON. As one member of the committee I do not believe so. The Senator knows the many mistakes that have been made in passing legislation during the closing days of a hard-pressed Congress. We have not dealt with a subject during recent times more comprehensive, more complicated, and more far-reaching in its possibilities than the section relating to railroad reorganization. We could make some tremendous mistakes of serious consequence through hasty action. It seems to me that it is advisable to wait until we have the time to give that particular section the calm, deliberate, cautious study that the public interest requires; at least that is my view.

Mr. HASTINGS. Mr. President, may we proceed to the consideration of the two sections and then, when those two sections are offered in the form of an amendment, the Senate can reach an agreement as to what it desires to do with them, whether it wants further to consider them or to follow the suggestion of the Senator from Arkansas and lay aside the bill. If the Senate wants to do that I shall not object.

Mr. NORRIS. Mr. President, I desire to make a statement in reference to the situation. I have not been able to take the floor previously because the Senator from Delaware [Mr. HASTINGS] has occupied it.

In my judgment we are confronted with a very serious proposition for legislation and I want to give the Senate a picture of what happened in the Judiciary Committee and the viewpoint of that committee that moved them to take the action they did take.

In the first place, everybody concedes the importance of the legislation. I know of no Senator who does not believe we ought to legislate on the subject and on all the subjects included in the bill. It is not because any member of the committee or any other Member of the Senate wanted to avoid that kind of legislation that the Judiciary Committee took the action it did.

I realize, too, that it is not only important but that it is extremely urgent. It is an emergency, perhaps, with which we are confronted. If we look at it in a fair, logical way, we must reach the conclusion, I believe, that we are confronted with an impossibility. Either we must delay the consideration of the legislation or we must act blindly and take the bull by the horns and pass something without knowing what it is. It may be, considering the terrible condition with which the country is confronted, that the latter course would be justified; but if that course is to be taken, then, on behalf of myself as chairman of the Judiciary Committee and on behalf of the committee itself, I want the Senate to act in the light and with the knowledge of what the Judiciary Committee did, or rather failed to do.

So far as I am personally concerned—and this may not apply to other members of the committee—it presents a very embarrassing situation. Perhaps what I am about to say is of itself a criticism of the Judiciary Committee, or more particularly of its chairman. Perhaps it is a justifiable criticism. I do not want to be relieved from any responsibility in that respect. I know that so far as I am concerned, for the last six or seven years I have realized there existed what seemed to me to be an important step in legislation that Congress ought to take, and that was to revise the bankruptcy act. I have in a quite general way given a good deal of consideration to it in times that are past, without ever once attempting to frame a bill that would meet the difficulties of the situation.

It became very urgent in the last session of Congress, because other persons took it up. Recommendations were made that we pass some law upon the subject. I had accumulated some information on the subject. I have never utilized it because it was a physical impossibility for me to give the attention to this important question that it deserves. With my limited ability I was unable to reach a conclusion myself without thorough study, and I have never had time to make such a thorough study as the question requires. Neither have the Judiciary Committee ever had that time.

If we are going to legislate properly on the subject, in my judgment there are quite a number of experts in different parts of the country who ought to be called before the committee in order to give us the benefit of their judgment. There are men in different parts of the United States who have made a study of the question, some of them from a very practical standpoint. I am thinking now of Judge Clark, of New Jersey, Federal district judge, who has given a great deal of attention to it and has practiced in his own court what he thinks ought to be done. Some of the very interesting things he has done ought to be considered by the committee that is framing a law on the subject. The committee ought to have his advice and the benefit of his experience gained from dealing with this question in the eastern part of the United States where so many bankruptcies have occurred and where some of the abuses under the present law came to his notice and under his consideration.

Professor Frankfurter has given a great deal of study to the question. He has written several very illuminating articles and has supplied some Members of the Senate, including myself, with some illuminating discussions of the various phases of the question.

But, Mr. President, the Judiciary Committee have had before them proposed legislation on various subjects that have taken all of their time. In all the time I have been a member of that committee I have never known a session of Congress where there was so much and such varied legislation coming before that committee as has been before it during the last session and the present session. This question is one, but it was never taken up for consideration. It was never reached by the committee. Perhaps we were at fault in not considering it. It may be that somebody else in charge of the committee would have handled it more successfully, and those questions would have been taken up and others which we considered would have been thrown aside.

The general bill on bankruptcy was referred to the Judiciary Committee during the last session of Congress. It was referred to a subcommittee. The Senator from Delaware [Mr. HASTINGS], who has just addressed the Senate, was chairman of that subcommittee. The Senator from Rhode Island [Mr. HEBERT] and the Senator from New Mexico [Mr. BRATTON] were other members of the subcommittee. The subcommittee gave a great deal of consideration to the subject. They held very extended hearings and called a great many witnesses before them.

In the meantime the question became more acute. In the meantime at this session of Congress some other particular questions, like the railroad situation and some legislation that it was thought might through bankruptcy proceedings help the farmers of the country, were brought up. They were comparatively new subjects and were referred to the subcommittee. They were considered by the subcommittee.

When the subcommittee reported to the full committee not many days ago, the committee in the best of faith and without ever once trying to indicate or intimate that the subjects proposed for legislation were unimportant or that they were not extremely important or that they ought not to be legislated on, realized that the 4th of March is only a few days away. They believed, and I do not believe anyone can contradict it successfully, that to give attention to these subjects as they ought to be considered would make it a physical impossibility for us to report the bill and expect it to be passed and put on the statute books before the 4th of March.

We were confronted with the fact that on the 4th of March we have to adjourn. There is no escape from it. There is no way we can avoid it. Here came this proposed legislation which was referred to the committee. Realizing that the controversial questions involved in the railroad portion of the bill and in the general corporations portion of the bill were so great that there would be a great deal of the debate both in the Senate and in the House, realizing that only a few days remain of this session and that we have appropriation bills and other legislation that have to be enacted before the 4th of March, the committee decided the way we did, much to our regret, because we felt that we were forced into it. We thought there was no escape from it. We did not want to present to the Senate, and as chairman of the Judiciary Committee I personally did not want to present to the Senate anything on an important subject like this that would come from the committee without the committee having carefully and fully considered it. We did not have the time to consider it and give full and due and proper thought to the varied subjects involved. We knew there would be considerable disagreement among members of the committee as to what ought to be contained in the legislation as it related to railroads and general corporations.

In the meantime we knew, and had known for several years, of the abuses that have been going on, particularly in some of the Federal courts in the East, coming from receiverships. For instance, in one of the courts in New York I understand a general order was made appointing the Irving Trust Co. receiver in all cases. When a receivership case came before the court and a receiver was appointed, it automatically meant the Irving Trust Co. The Irving Trust Co. was made the receiver. I understand right now on the dockets of the courts of the city of New York there are cases—and there have been a good many such cases, I am told by members of the bar; I have no personal knowledge of them—where the Irving Trust Co. is both plaintiff and defendant in the same suit. They have to sue themselves and they have to defend when they are sued by themselves. So we may have the Irving Trust Co. as receiver for corporation A, plaintiff, and the Irving Trust Co. as receiver for corporation B, defendant, and so on, something in the manner of the interlocking directors of corporations. These receiverships take on such a form that it only requires a glance to see that there is something wrong with the system.

Mr. CLARK. Mr. President, let me inquire if the Irving Trust Co. is one of the companies which were listed on the chart which the Senator referred to yesterday?

Mr. NORRIS. It was.

Mr. LONG. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Louisiana?

Mr. NORRIS. Yes.

Mr. LONG. Do I understand the Irving Trust Co. is both plaintiff and defendant on the docket of litigated cases?

Mr. NORRIS. Yes.

Mr. LONG. I wonder how many such instances as that there may be?

Mr. NORRIS. I do not know how many there may be, but I have been told by members of the bar of New York City that there are a good many.

Mr. LONG. I am wondering how much we are going to lose and what difference it makes what we do lose?

Mr. NORRIS. I do not know. I mention that to show the necessity for some legislation.

Mr. President, I agree with every word that is said by Senators when they point to the importance of this bill and the necessity for some legislation of this character, but if anyone will try to go into the bankruptcy statutes and the railroad statutes applying to receiverships he will find that he has on his hands a task of great difficulty which it will be almost impossible to perform to his own satisfaction in one day or one week; it is a mammoth proposition.

So we are going to legislate on the question, probably, and if we shall legislate we are going to have to take a jump in the dark, so far as the Senate is concerned. We may come out all right, but I want to call the attention of the Senate to the position taken by the Judiciary Committee. The members of that committee realized the situation; they saw no escape from ill-considered legislation, with the possibility of jokers. We were dealing with legislation affecting some of the biggest corporations in existence, and many of us felt that we ought to deal with this subject with some care; that we ought to make the necessary investigations before we deal with it. On the other hand, comes the claim—and it is a well-founded claim and I do not dispute it—that the railroads particularly are in a terrible condition; that some legislation in regard to receivership ought to be enacted, and that some legislation in regard to corporate reorganization ought to be enacted.

In the case of railroad receiverships I have known, and I think every Senator has known for years, that very great abuses have grown up in many of the Federal courts. Not only in the case of railroads but in the case of other corporations judges have appointed some favored person as receiver and some other favored person as attorney for this corporation and that corporation and the next corporation, and later allowed them large fees. I have only to call the attention of the Senate to the receivership case of the Chicago, Milwaukee & St. Paul Railroad several years ago, a matter which has been referred to many times on the floor of the Senate. In that instance receivers were appointed and attorneys were appointed and enormous fees were allowed to receivers and enormous fees were allowed to the attorneys, and also bonuses were given at the end, often $50,000, $60,000, or $75,000, all paid out of the bankrupt's property. Rather sometimes it is a system of confiscation, under which the small creditor gets nothing, and the big corporation which starts the receivership proceeding expects to freeze out a whole lot of the little fellows. That is an important matter to consider. No man can deny that a condition of that kind ought to be rectified, and ought to be rectified by legislation, although by proper practice the judges of the Federal courts, if they in real good faith exercised their judgment under the law as it stands now, could put an end to 95 per cent of these abuses.

It often happens that a railroad or other corporation is thrown into the hands of a receiver intentionally by some of the alleged stockholders or bondholders, with the idea of freezing out the smaller holders of bonds and of stocks. They get the advice of the ablest lawyers in the world to bring about a condition under which they will be enabled to ask and obtain the appointment of a receiver. Then when the receiver is appointed, the judge has very often appointed as receivers the very men who wrecked the institution, and, in addition to that, has appointed as attorneys for the receivers the men who gave the proper advice so that the corporation could be wrecked, and such receivers and attorneys have been allowed fees that were bigger than they used to get while they were engaged in the wrecking business. These abuses in our judicial procedure stand out like sores on the body politic.

I can see that such conditions ought to be remedied, but we are confronted now with a proposition to remedy them

in two or three days; that is what we are up against. We can not do it. Much as I should like to do it, it is an impossibility. So we have the choice. I am not advising the Senate which course it should follow. Perhaps we ought to enact this legislation without consideration, on the theory that it may be that we can not make it any worse; but if I could have my way about it, and we had to vote without more consideration, I should like to take the House bill and add to it the amendment applying to the farmers which the Judiciary Committee suggested, let it go at that, and take a chance on it. I want the Senate to know, if there are evils or jokers that afterwards are shown up in this proposed law, if it shall be passed, that at least the Senate had the truth told them through the Judiciary Committee so that the responsibility for anything wrong can not be shouldered upon that committee.

I am not even saying, Senators, that the right way is to pass this legislation and make this jump in the dark, although perhaps that is the best thing to do; but we are confronted with the fact that on the 4th of March all pending bills and proposed legislation of all kinds unacted upon will be dead and we will have to commence over again. So the Judiciary Committee thought they would take the suggested remedy that will help the farmers of the country, although there is some dispute about it; and the benefit which may be derived from it, I think, is vastly overestimated by those who are behind it. I do not look for very great assistance to the farmers even if that provision shall be included in the bill, but I may be wrong. I am willing to take it. We did take it in the Judiciary Committee, and we thought, since it is impossible, for the lack of time alone, to consider the other controversial question, we would legislate on this question and put that through at this session, and at the special session commence on the other work.

Mr. WAGNER. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from New York?

Mr. NORRIS. I yield.

Mr. WAGNER. I should like to ask the Senator from Nebraska, the chairman of the Committee on the Judiciary, whether or not the full committee considered all the criticisms and suggested changes—a memorandum of which I hold in my hand, comprising quite a lengthy document—made by the Interstate Commerce Commission to the proposed legislation in reference to the railroads?

Mr. NORRIS. No; the committee did not do so. The Senator has asked a very proper question, and I should like to say to him that the Judiciary Committee had this measure up only at one session. They gave no consideration to any of the items in the bill except the one of which I have spoken. After debating it among themselves for some time, they reached the conclusion which I have tried to make plain to the Senate, that it was a physical impossibility to get this bill through if it was given proper consideration at this session. We are not to blame for the fact that we are proceeding in a short session of Congress. We realize that one man, if the discussion goes along a few days more, can prevent the passage of any legislation if he wants to take advantage of parliamentary procedure and engage in a filibuster, and a few men can defeat any bill now on the calendar before the 4th of March if they want to do it. Realizing that these matters contained bitterly controverted propositions, we decided not to take them up at all, because we believed it would be futile to try to do it. And now, Mr. President, it seems to me that the wise thing to do, if we are going to decide to pass this legislation, would be to pass the House bill with the one amendment to which I have referred, and let it go at that.

Mr. President, I now want to call the attention of the Senate to a sample of what we may expect. I hold in my hand a letter signed by Representative CELLER, of New York. It is directed and was sent to the Senator from Montana [Mr. WALSH], but, because of the absence of that Senator, the matter has been referred to me. I only read this letter in order to show what we may expect in the way of controversy. There can be no question about it being honest controversy, and the bill will be full of such controversy.

Mr. LEWIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Illinois?

Mr. NORRIS. I yield.

Mr. LEWIS. As the able chairman of the Judiciary Committee is about to descant upon some of the possible inconsistencies or annoying features of the bankruptcy bill, may I take the liberty to inform him that just now telegrams are coming from my State, Illinois, asking me if this proposed bankruptcy legislation will continue to embrace trust companies and railroads. May I ask the able chairman if he can inform me if the bill is so framed at this time?

Mr. NORRIS. The House bill contains provisions of that kind. They are in the bill as it passed the House.

Mr. President, this letter reads:

> I invite your attention to the provision of S. 5551, committee print No. 2 (bankruptcy bill), of February 10, 1933, subdivision (o), page 25, which is as follows:
>
> "(o) No court shall by rule require the appointment in any proceeding under the provisions of section 74 or section 75 of this act of any corporate trustee in all or any class of cases which may be brought: *Provided, however*, That the judge approving the petition or answer in any such proceeding shall not by this provision be restricted in his appointment of any qualified trustee, whether corporate or individual."
>
> The companion provision, which I had inserted in the House bankruptcy bill, is as follows:
>
> "(m) Whenever in this act the words 'receiver' or 'trustee' are used, same shall mean a natural person, except, however, upon good cause affirmatively shown by any interested party or parties that it is for the best interests of the debtor or the plan generally, the court may appoint a corporation, but such corporation shall not be appointed in a multiplicity of cases."

Any Senator can see that that controversy between those provisions—the one in the House and the one in the Senate—is subject to a great deal of debate. What does "multiplicity of cases" mean? The evil that they are striking at is the same in both cases. The language to accomplish it is very different. It is doubtful in my mind whether either provision reaches the difficulty. The proviso in one case permits the thing to be done that it makes illegal in the first part of the paragraph; and the other provision makes legal the very thing that is denounced in the first part of the sentence, in my judgment.

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

Mr. NORRIS. Let me finish this. The Congressman goes on:

> Both these provisions are aimed principally at the monopoly now enjoyed by the Irving Trust Co., of New York, in all receivership cases. The New York State Bar Association, the New York County Lawyers' Association, the Brooklyn Bar, the Federal Bar, and all county bar associations in the metropolitan area have gone on record as being opposed to this gigantic monopoly.
>
> The Irving Trust Co. is receiver in over 5,000 cases.

Where is the Senator who asked me how many cases there were? He seems to have disappeared, whoever he was.

> The Senate provision aforesaid provides that there shall be no standing receiver, but limits that prohibition to sections 74 and 75 of the bill—

Now, notice:

> These are new portions of the bill—and limit the prohibition further only in the case of the appointment of trustees. These limitations render the Senate provision useless. The prohibition should apply to all provisions of the Bankruptcy Act, old as well as new. The prohibition should also apply against the appointment of a standing receiver as well as a standing trustee.

I think the argument made by Congressman CELLER in this letter is perfectly logical; and yet it is an illustration showing how easy it will be, in a complicated thing like a bankruptcy act, to let jokers of this kind creep in.

Mr. HASTINGS. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Delaware?

Mr. NORRIS. Let me finish the letter, and then I will yield. I will yield now, however. I will not read the balance of the letter.

Mr. HASTINGS. I think the Senator will be interested to know that the first provision he finds in the Senate bill relative to the rules was prepared by myself in an effort to

compromise between these conflicting views, and the writing in of the word "trustee" was done by mistake. I intended to correct that here by writing in "receiver and trustee"; but, after long conversations with many people, this was as close as I could come to making any suggestion that came anywhere near getting them together upon this controversial matter.

Mr. NORRIS. I thank the Senator for his interruption; but it only illustrates what is bound to be in this legislation. I warn the Senate that there probably will be hundreds of such things in this very lengthy and complicated piece of legislation.

Mr. President, I intended to read a communication from Judge Clark, a very illuminating memorandum of considerable length, and also one from Mr. Frankfurter, but I do not want to take up the time. I realize that if a Senator talks more than 10 minutes now he probably will be charged, and perhaps justly, with filibustering, because the 4th of March is right here in sight. I only want to repeat, in closing, what I have tried to say before, that the Judiciary Committee have not undertaken to shirk any responsibility. They were acting in the best of faith. They believed that they were confronted with an impossible condition. They knew that if they reported a complicated piece of legislation here, it would be easy to kill it. If they gave it the proper consideration in the committee, it would take several days. Without any question, it would take at least that long. There ought to be a week's consideration by any committee that handles it, without anything else to intervene or to interfere with it; and that, we know, is an impossibility just before the 4th of March.

Senators and Representatives have on their hands a multitude of things that they can not throw overboard and cast aside, and devote all their time to one thing, and when they realize that even if they did they would be unable to do a good job they hesitate to go into it, because they feel, and I think rightly, that they are only going up against a tree anyway in the end; that if they do try to bring in the right kind of legislation that is of a controversial nature in a short session this near the end of it, it is going to be an impossibility to enact it into law unless we surrender everything to everybody who makes any demand.

The statement of the Senator from Delaware that the language that he drew here, which he now sees has omitted a very important thing in that it does not apply to receivers, but only to trustees, and that he made a mistake in doing so, is an illustration that these honest mistakes will creep in when we are dealing with legislation of this importance, and the most technical legislation that I have had anything to do with, unless it be the legislation that we passed at the last session of the Congress in regard to labor and capital and the limiting of injunctions in labor disputes.

So, Mr. President, the committee thought that the only logical course it could adopt, unless we let something go through without consideration, was to take the action it did, and report back in favor of passing the particular provision in regard to farmers. I have not any doubt but that the House gave good consideration to this bill, and I would rather take the House bill than to take a bill that came even from the Judiciary Committee where they were unable to give it consideration. I think it would be a serious mistake.

EXPENSES, SPECIAL COMMITTEE ON CONSERVATION OF WILD-LIFE RESOURCES

Mr. TOWNSEND. From the Committee to Audit and Control the Contingent Expenses of the Senate, I report back favorably, with amendments, Senate Resolution 340, increasing the limit of expenditures by the special committee investigating the conservation of wild-animal life; and I ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The amendments were, in line 5, after the word "purposes," to strike out "$10,000" and insert "$7,500," and in line 6, after the word "authorize" and before the period, to insert a comma and the following: "and said resolution No. 246 hereby is continued in full force and effect until final report of its activities with recommendations is made by said committee to the Senate," so as to make the resolution read:

Resolved, That the special committee authorized and directed by Senate Resolution No. 246 on April 17, 1930, to investigate the conservation of wild-animal life hereby is authorized to expend in furtherance of such purposes $7,500 in addition to the amounts heretofore authorized, and said resolution No. 246 hereby is continued in full force and effect until final report of its activities with recommendations is made by said committee to the Senate.

The amendments were agreed to.

The resolution, as amended, was agreed to.

LIZZIE PITTMAN

Mr. BLACK. I ask the Chair to lay before the Senate the action of the House of Representatives on Senate bill 4327.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 4327) for the relief of Lizzie Pittman, which was, on page 1, line 5, to strike out "$250" and insert "$350 in full settlement of all claims against the Government."

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

The VICE PRESIDENT. The question is on the motion of the Senator from Alabama.

The motion was agreed to.

AGRICULTURAL DEPARTMENT APPROPRIATIONS—CONFERENCE REPORT

Mr. McNARY submitted the following report, which was read:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13872) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1934, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 7, 8, 12, 13, and 20.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 6, 9, 10, 11, 18, and 19, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$85,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$1,583,822"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$5,655,822"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$12,754,854"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$375,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$411,810"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$100,209,091"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 14 and 15.

CHAS. L. MCNARY,
HENRY W. KEYES,
ARTHUR CAPPER,
JOHN B. KENDRICK,
E. D. SMITH,
Managers on the part of the Senate.

J. P. BUCHANAN,
JOHN N. SANDLIN,
M. J. HART,
ROBT. G. SIMMONS,
JOHN W. SUMMERS,
Managers on the part of the House.

Mr. McNARY. I ask unanimous consent for the immediate consideration of the report. I shall withdraw it if it leads to any debate.

Mr. KING. Mr. President, I have no objection to the immediate consideration of the report. I ask the Senator if the Democratic Members of the conferees agreed to the report.

Mr. McNARY. Oh, yes. All agreed; and I may say that in the case of the only three items that are of any interest, involving increases by the Senate, we receded on all save one, where we took a smaller amount.

Mr. KING. So that the Senate conferees did get something out of the conference?

Mr. McNARY. Very little, however.

Mr. KING. I wish I could say the same thing for other Senate conferees.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

TREASURY AND POST OFFICE APPROPRIATIONS

Mr. ODDIE submitted the following report, which was read:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13520) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 4, and 12.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 5, 6, 10, 11, and 13, and agree to the same.

The committee of conference report a disagreement on amendments numbered 1, 7, 8, 9, 14, 15, 16, 17, and 18.

TASKER L. ODDIE,
REED SMOOT,
HIRAM BINGHAM,
L. J. DICKINSON,
HENRY W. KEYES,
GEO. H. MOSES,
CARTER GLASS,
KENNETH MCKELLAR
(Except amendment No. 12),
SAM G. BRATTON,
JAMES F. BYRNES,
ELMER THOMAS,
Managers on the part of the Senate.

JOSEPH W. BYRNS,
WILLIAM W. ARNOLD,
LOUIS LUDLOW,
WILL R. WOOD,
M. H. THATCHER,
Managers on the part of the House.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. KING. Mr. President, does the Senator ask for the consideration of the report at this time?

Mr. ODDIE. Yes.

Mr. KING. 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	Couzens	Keyes	Schuyler
Austin	Dale	King	Sheppard
Bailey	Davis	La Follette	Shipstead
Bankhead	Dickinson	Lewis	Shortridge
Barbour	Dill	Logan	Smith
Barkley	Fess	Long	Smoot
Bingham	Fletcher	McGill	Steiwer
Black	Frazier	McKellar	Stephens
Blaine	George	McNary	Swanson
Borah	Glass	Metcalf	Thomas, Idaho
Bratton	Glenn	Moses	Thomas, Okla.
Brookhart	Goldsborough	Neely	Townsend
Bulkley	Gore	Norbeck	Trammell
Bulow	Grammer	Norris	Tydings
Byrnes	Hale	Nye	Vandenberg
Capper	Harrison	Oddie	Wagner
Caraway	Hastings	Patterson	Walcott
Carey	Hatfield	Pittman	Walsh, Mass.
Clark	Hayden	Reed	Watson
Connally	Hebert	Reynolds	Wheeler
Coolidge	Johnson	Robinson, Ark.	White
Copeland	Kean	Robinson, Ind.	
Costigan	Kendrick	Russell	

The VICE PRESIDENT. Ninety Senators have answered to their names. There is a quorum present.

Mr. ODDIE. Mr. President, I move that the conference report be agreed to.

Mr. McKELLAR. Mr. President, I think I ought to have a word or two to say about this report before a vote is taken.

The Senate will recall that last summer a resolution was adopted continuing the Economy Committee, and that committee has been serving ever since.

My recollection is that the bill carried provisions which it was estimated would result in economies, under the Budget estimates sent in by the President, of about $225,000,000 or $230,000,000. According to estimates I have made—I will not say according to estimates by others—the conferees struck about $205,000,000 out of the economy bill.

They struck out the Bratton amendment, which would have required a saving of 5 per cent, and that, I estimate, would have amounted to around $150,000,000. They struck out the Robinson amendment as to aircraft, which amendment eliminated a provision under which pure subsidies were being paid to aircraft companies in the amount of $19,000,000. They struck out the amendment as to tax refunds, which in my judgment would have saved at least $50,000,000 more. Tax refunds have been costing us something like $100,000,000 for the last several years, and that sum is a very modest sum in comparison with what they cost us before. They ran up to as high as $300,000,000 in one year, and when we remember that the individual income taxes now produce about $132,000,000, if I recall the figure correctly, it is easily seen that we are paying back in refunds very nearly as much as we are collecting from the taxpayers.

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

Mr. McKELLAR. I yield.

Mr. BINGHAM. The Senator has not been quite correct in his statement as to what the conferees agreed upon. The conferees have come to no agreement whatsoever with regard to the Bratton amendment. That is still in disagreement.

Mr. McKELLAR. Mr. President, technically that may be true, but it is not so actually, for the reason that the House conferees took back the Bratton amendment with a recommendation that it should be disagreed to, and the House has disagreed to it, as I understand it.

Mr. BINGHAM. If the Senator will pardon me, all that is now before us are certain items, including the air mail item, in which the Senator is particularly interested, from which the Senate conferees have receded, and one or two items from which the House conferees have receded. The entire economy part of the bill is still in disagreement, and

on it there has been no vote at all, and I hope it will be sent back to conference for further conference. That contains the Bratton amendment.

Mr. McKELLAR. Mr. President, that is technically true, but I want to say that the 3 Democratic conferees from the House and the 2 Republican conferees from the House, constituting a unanimous vote of that body in conference, and the 6 Republican members constituting the Senate conferees, joined together to cut out all these economies. They were opposed to all of these economies. They were opposed to the Bratton amendment.

Mr. BINGHAM. Mr. President, there was no vote in conference whatever on the Bratton amendment. The Senate conferees did not recede at all.

Mr. McKELLAR. I did not say there was a vote. I said they were unanimously opposed to the Bratton amendment, and the Senator knows that is a correct statement. They were all oppposed, unanimously opposed, to striking out the aircraft subsidy. They were all opposed to the tax-refund amendment. They were all opposed to striking out the Bureau of Efficiency provision. In other words, they virtually absolutely destroyed all semblance of economy that was proposed in the bill.

The Economy Committee worked for nearly three months to bring about these economies. In my judgment it did a most excellent work. Yet, when we got into conference, the 3 Democratic Members of the House and the 2 Republican Members of the House, and the 6 Republican Members of the Senate, joined together and they virtually took out all of the economies from the bill.

That is what it means; that is what it does. It should not have been done. I do not approve it. With that statement I leave it to the Senate.

Mr. BINGHAM. Mr. President, I want to make a very brief statement. The statement made by the Senator from Tennessee is entirely misleading. It is true in so far as the votes cast on the floor for certain items in which the Senate is interested are concerned. It is true, on my own behalf, that I voted against the Bratton amendment. It is not true that in committee I opposed it, nor did the other Republican members of the conference oppose it. I think the Senator from Iowa [Mr. DICKINSON], who is sitting in the Chamber, a member of the conference, will agree with me that the Republican members of the conference made no effort whatsoever to withdraw from the proposal with regard to the Bureau of Efficiency provision, with regard to the Bratton amendment, or with regard to the other matters the Senator has mentioned. We did find that the House was adamant in regard to the air mail contract item, and that is the only matter of importance mentioned by the Senator which the conferees, by the vote, indicated they withdrew from.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Does the Senator from Connecticut yield to the Senator from Tennessee?

Mr. BINGHAM. I yield.

Mr. McKELLAR. I merely want to recall the Senator's attention to what happened about the air subsidy amendment. The Senate conferees, I think by a majority of one, voted to sustain that amendment, or not to put it in disagreement. I left the meeting of the conferees last Saturday morning assuming that that vote was final. I never dreamed of its being anything else. I had to be here on the floor of the Senate in connection with the cotton bill; and while I was here, although I sent a request down to the committee not to vote on that amendment further while I was absent, to let it go over until I could come back, a short time afterwards I was informed that the committee had voted again and had voted it out.

Mr. ODDIE. Mr. President, will the Senator from Connecticut yield to me?

Mr. BINGHAM. I yield.

Mr. ODDIE. In regard to what the Senator from Tennessee has just said, I wish to state that the conferees sent up to the floor of the Senate a request to the Senator from Tennessee that he be present in order that the conferees could finally determine their action on this air mail amendment.

Mr. McKELLAR. Mr. President, I did not get that request.

Mr. ODDIE. Word came down that Senator McKELLAR could not come at that time. It was necessary for us to conclude the meeting, and we took a final vote on the amendment, and the result is known.

In regard to the economy provisions, I am going to ask that the Senate insist on its amendments, and that this matter be sent back to a new conference.

The PRESIDING OFFICER. If the Chair may be permitted to interpose a suggestion, the economy provisions are not involved in the conference report.

Mr. BINGHAM. I thank the Chair. That is a matter which I have been endeavoring to explain to several who are not quite clear as to what is before us. The matters which are before us are certain amendments in the Treasury-Post Office part of the bill from which the House conferees have receded, also certain matters from which the Senate conferees have receded. A number of matters are still in disagreement, a few of them of minor importance, in the Treasury-Post Office part of the bill, and some of very great importance in the rest of the bill, known as the economy provision. There is no agreement on the part of the conferees in regard to those matters.

It is true the House has discussed them. Members of the conference on the part of the House have gone back for information and instruction as to how they are to proceed. But I understand from the chairman of the committee in charge of the bill, the Senator from Nevada [Mr. ODDIE], that he does not propose at all to withdraw from the Senate's action in regard to the economy provision of the bill. Therefore the statements made by the Senator from Tennessee are entirely misleading in regard to the action of the Senate conferees on that part of the bill.

Mr. McKELLAR. Mr. President——

Mr. BINGHAM. There has been no action taken by the Senate conferees, except to maintain——

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Tennessee?

Mr. BINGHAM. Just as soon as I finish the sentence I will yield.

Mr. McKELLAR. I do not like the word the Senator uses when he says my remarks are "misleading." What does the Senator mean by that?

Mr. BINGHAM. The Senator means this: That when the Senator from Tennessee says that the Senate conferees yielded on all the economy features he coupled together with the air mail provision, in which he is interested, the Bratton amendment.

Mr. McKELLAR. Mr. President, I explained exactly about the Bratton amendment, and the Senator knows I did, if he heard me. The Senator is undertaking to mislead the Senate as to what was done. The Senator knows that at least these three major items of economy, namely, the Bratton amendment, the air-subsidy amendment, and the tax-refund amendment, which constitute over $200,000,000 of economies, are as dead as Hector by reason of the action of the conferees. There is nothing misleading about that, and the Senator knows it.

Mr. BINGHAM. Again I say, Mr. President, that no action which the conferees have taken has any reference whatsoever to the Bratton amendment, or the so-called savings from refunds, in which the Senator from Tennessee is interested. No action has been taken by the conferees on those matters. Those matters are still in disagreement. It is the intention of the chairman of the committee in charge of the bill to ask that they still be in disagreement and go back to conference.

The Senate conferees are in no way responsible for the action the House may have taken in regard to those matters,

and therefore, with all due respect to my friend from Tennessee, I merely wanted to state that there are certain Senators who do not understand the present situation with regard to the conference report. His opening remark plunged them into further misunderstanding of the situation, because he combined in the same paragraph matters which have been decided by the conference and which are now in the report with matters which are still in disagreement.

Mr. KING. Mr. President, will the Senator suffer an interruption?

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Utah?

Mr. BINGHAM. I yield.

Mr. KING. If I understand the able Senator from Connecticut, there are some items upon which an agreement has been reached between the two Houses, but the important ones, as I understand his position, although I do not quite agree with him, are still in dispute. Why bring the report to the floor of the Senate until the conferees have fully agreed or found it impossible to agree? Why take it up piecemeal and deal with what the Senator seems to regard as less important? Why not bring the matter all here at the same time?

Mr. BINGHAM. There are two reasons for it. In the first place, it has been done frequently and is a custom of long standing, especially when there is what is called new legislation in the bill, for the conferees to report agreement in regard to certain matters and disagreement in other matters and have the bill sent back to conference. The Senator well knows that has been done time and again.

In the second place, it was done at the specific request of the House conferees and in order to oblige the situation as they saw it, and for no other reason.

Mr. FESS. Mr. President——

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

Mr. BINGHAM. I yield.

Mr. FESS. Under the rules of the House the conferees could not act without first going back to the House for instructions.

Mr. BINGHAM. That is correct.

Mr. FESS. We do not have such a rule here, but they have it there, and that answers the question of the Senator from Utah.

Mr. BINGHAM. That is true.

Mr. BORAH. Mr. President, may I ask the Senator from Connecticut a question?

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Idaho?

Mr. BINGHAM. I yield.

Mr. BORAH. I am still somewhat in doubt as to what the situation would be in case we adopt the motion of the Senator from Nevada [Mr. ODDIE], who is in charge of the conference report. Just what will we have passed upon and taken out of conference if and when we shall adopt his motion?

Mr. BINGHAM. We will have passed upon a few of the amendments in the Treasury and Post Office Department appropriation bill itself, apart from the economy provision. In other words, we will have passed on about 10 or 12 amendments which are in that part of the bill dealing with the Treasury and Post Office Departments and will not have passed on any amendment in the economy part of the bill or those sections added subsequent thereto.

Mr. BORAH. Will we pass upon that portion of the bill which has reference to reorganization?

Mr. BINGHAM. No. That is in disagreement and we will ask that that be sent back to conference.

Mr. BORAH. Then, as I understand it, the economy part of the bill and the provisions with reference to granting powers for reorganization will be sent back to conference?

Mr. BINGHAM. Those are in disagreement and it is our wish that they be sent back to conference.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Utah?

Mr. BINGHAM. I yield.

Mr. KING. Unfortunately I was called from the Chamber and did not hear the statement made by the Senator from Tennessee [Mr. MCKELLAR] or the opening observations submitted by the Senator from Connecticut. My understanding, however, is at variance with the statement just submitted by the Senator from Connecticut. I have understood that the House conferees have affirmatively acted upon the so-called Bratton amendment and economy provisions, and it is a mere matter of form to present the conference report or the partial conference report here at this time and appoint conferees and again send the matter back to conference; that the House has already acted on the matter, or the House conferees have done so at least, and that there is no particular expectation of securing any different results from those which have thus far been achieved. If I am in error I shall be glad to be corrected.

Mr. BINGHAM. The Senator is in error in this regard. There has been no agreement in the conference with regard to those portions of the bill known as the economy provisions and the reorganization provisions to which the Senator from Idaho [Mr. BORAH] just referred, and the sections following them. Those are still in disagreement. There are one or two minor matters in disagreement in that part of the bill dealing with the Treasury Department. My recollection is that the matter regarding the price of paper per pound is still in disagreement, though the Senator from Tennessee [Mr. MCKELLAR] will correct me if I am in error about that. There has been no agreement reached in regard to these matters.

It is true the House conferees went back to the House for instructions with regard to the matters of new legislation. They have received those instructions, but in order that we may work out, in a full and free conference with the House, the matters concerned in section 14, the economy provision, and Titles III and IV, it is necessary to send the matter back to conference and get the best agreement we can with the House.

Mr. BORAH. Mr. President, I want to ask another question of the able Senator from Connecticut [Mr. BINGHAM]. If we adopt the motion of the Senator from Nevada, does it place the Senate at any disadvantage whatever either in conference or here with reference to considering the matters to which we have not agreed?

Mr. BINGHAM. None whatever. They are still in conference. Of course, the House conferees have found out how far the House is willing to go in certain matters. They come back to conference with certain instructions from the House. If the Senate conferees are unwilling to agree to those instructions, then the matter must go back for further instruction. But we are under no disadvantage whatever in regard to the matters which have not been agreed to by the Senate conferees and the House conferees.

Mr. BYRNES. Mr. President, is it not a fact that the situation is brought about by reason of the House rules, under which the chairman of the House conferees, when the bill was returned to the House, offered one amendment to the bill, which amendment contained the so-called economy provision, and now when it comes to the Senate we are taking the whole amendment referring to the economy provision back to conference to be agreed upon by the conferees, if it be possible?

Mr. BINGHAM. Yes; including the Senator's provision regarding reorganization. The whole matter is in disagreement and will go back to conference.

Mr. MCKELLAR. Mr. President, I would like to have the attention of the Senator from Idaho [Mr. BORAH] just a moment. While technically these matters will be in disagreement, yet when the conferees meet here is what will take place: The House members will say, "We have had a vote in the House on the Bratton 5 per cent amendment and we are precluded from doing anything about it. It is a matter of necessity for us to do nothing about it. It is absolutely necessary, if we are going to have an agreement, for us not to accede to it." They have already voted on it in the House, we will be told.

So with the tax-refund matter and the Bureau of Efficiency matter, and so with everything except the provision which gives the President the right to consolidate commissions, bureaus, and other agencies of the Government. That is the only matter that is really actually in conference between the two Houses. As to the others, we will be precluded by a vote which the House has already had.

Mr. BORAH. We can ourselves reject the report when it comes back?

Mr. McKELLAR. Oh, yes. The Senate will have the right to do that. Of course in the situation as it is now, we are obliged to go back to conference in order to straighten out the Senate.

Mr. ROBINSON of Arkansas. Mr. President, as a matter of fact the conference report, to which it is moved we shall agree, accomplishes very little. It does not affect what appear to me to be the vital issues in conference. It does not involve the subject matter of real dispute. For instance, the conference report is "that the House recede from its disagreement to the amendments of the Senate numbered 2, 5, 6, 10, 11, and 13, and agree to the same."

Amendment No. 2 relates to the appropriation for the Customs Service, and the agreement increases the appropriation as provided by the Senate amendment by about $2,400,000.

Amendment No. 5 is a mere technical correction in the text of the appropriation relating to the Bureau of Printing and Engraving.

Amendment No. 6 is another technical correction relating to the Public Health Service.

Amendment No. 10 has relation to the acquisition of sites or of additional land in connection with the appropriation for public-building construction.

Amendment No. 11 provides, as proposed by the Senate, that the American Red Cross Building may be served with heat from the Government central heating plant.

Amendment No. 13 exempts, as proposed by the Senate, the use of automobiles by the President from the general restriction of use of Government automobiles.

The further agreement is as to amendments numbered 3, 4, and 12, that the Senate recede from those amendments, so that what is actually involved in this conference report is of relatively little importance.

Mr. BORAH. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Idaho?

Mr. ROBINSON of Arkansas. Certainly.

Mr. BORAH. Really, then, very little is settled by the adoption of the report?

Mr. ROBINSON of Arkansas. Absolutely.

Let me say further, Mr. President, that in all probability the Senator from Tennessee [Mr. McKELLAR] has correctly appraised the true situation as to what will be the final result of the conference. I do not concede that it is involved in the present motion, but all the circumstances indicate that he has anticipated what will probably result. The present motion is merely clearing the way for a future motion which will eliminate the result of the work of many months on the part of the economy committee, but, as stated by the Senator from Idaho, we will have an opportunity to pass on that question when the conference report comes back again. But let Senators remember and see if the Senator from Tennessee [Mr. McKELLAR] for once in his life has not proven himself entitled to the title of "prophet."

Mr. ASHURST. Mr. President, I should like to ask the Senator from Connecticut [Mr. BINGHAM] respecting the matter beginning on page 75, known as section 11. It will be remembered that the Senate inserted a provision to the effect that certain employees in hospitals, where they worked overtime, should be entitled to an equal shortening of workdays thereafter. I am advised that the conferees have inserted the word "not" directly to change the meaning of the amendment.

Mr. BINGHAM. Mr. President, may I say to the Senator that the matter in which he is interested is still in disagreement. The Senator from Nevada [Mr. ODDIE], in reporting the conference, is dealing with matters which concern wholly the Treasury Department and the Post Office Department. I rose to explain that the matters mentioned by the Senator from Tennessee [Mr. McKELLAR] and others and that part of the bill with which I have had particular connection as chairman of the Economy Committee, are not now before us at all, but those matters are still in disagreement.

May I say to the Senator from Arizona that when the conferees met, the first thing the House conferees said to us was that a very large part, more than nine-tenths, of the matters in disagreement between the two Houses were such that they would be unable to reach any conclusion about them because they regarded them as new legislation which must be taken back to the House. There was no attempt on the part of the Senate conferees to dodge the issue. We took up that in regard to which they were willing to come to a decision. That as to which they were unable to come to any decision we had of necessity to let go back for further conference.

In further answer to what the Senator from Arizona said, that in which he is interested is in that part of the bill which is not now before us and is still in disagreement. I understand the object of the Senator from Nevada [Mr. ODDIE] is to move that the Senate further insist upon its amendments and that the matter be sent back to further conference.

Mr. ASHURST. I thank the Senator from Connecticut.

Mr. ROBINSON of Arkansas. I think we might agree to the motion that is pending. I do not see that very much is to be accomplished by agreeing to it or by disagreeing to it. Later there will inevitably arise a contest here that will be of importance and that will determine the other issues involved in this proposed legislation. When those issues are brought in, we shall probably meet them as best we can.

Mr. KING. Mr. President, I am glad when I find myself in agreement with my leader. I am now, however, not in agreement with him. I do not accept the view presented by him and others that the matters under consideration are relatively unimportant. Items increasing the expenses of the Government ought not to be considered unimportant at this time.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Tennessee?

Mr. KING. I yield.

Mr. McKELLAR. I desire to make this statement to the Senator and to the Senate. I think the Senator from Arkansas is entirely right in saying that the pending motion is not relatively important, because the matter has to take that course in order to reach a final conclusion; but my purpose in making a statement about it at this time was to let the Senate know that the conferees have already virtually, in substance and in fact, done away with nine-tenths of the economies that the Economy Committee of the Senate had brought about, and I thought it was a good time to let the Senate know just what had occurred and not wait until the final conference report came in to apprise the Senate of that fact.

Mr. KING. Mr. President, I understand that frequently, as suggested by the Senator from Connecticut [Mr. BINGHAM], a partial agreement upon the part of conferees is reported back to the respective Houses, and after action, affirmative or negative, the matters in dispute go back to conference; but I submit that there is no rule, certainly in this body, and I am not advised that there is one existing in the other legislative body, that requires conferees to return to their respective Houses with partial reports. Most conference reports show an agreement with respect to all matters in controversy.

Now, we are called upon to approve the action of the conferees in eliminating an important amendment adopted by the Senate, which struck out a subsidy of $19,000,000 for air mail contracts. After earnest and lengthy discussion over several hours, the Senate voted to strike out the entire item. We are informed what fate awaited the action of the Senate. The conferees restored the item of $19,-

000,000, thus nullifying the action of the Senate. They also ignored the action of the Senate in several other matters, two of which I shall refer to in a moment, thus adding $3,000,000 to the tax burdens of the people.

Mr. President, I do not agree with the position taken by the Senator from Connecticut that approval of this partial report will not affect the ultimate determination of items of dispute when the appropriation bill is again considered by the conference committee. There is such a thing—and it is not unparliamentary to comment upon it—as mutual concessions by conferees; I shall not use what might be denominated an improper word by saying "trading," but it is known that concessions are made, and mutual concessions oftentimes result in a compromise agreement, under which there is unison of action upon the part of the conferees.

Now, if we approve the action of the conferees in restoring the subsidy of $19,000,000, which was the subject of controversy, and in restoring the other items to which I shall refer in a moment, and the bill goes back to conference, obviously the Senate conferees are partially disarmed; they do not have before them these items which they may employ in securing or urging reasonable concessions with respect to other items which may be in disagreement between the two bodies.

Mr. President, I do not agree with the statement made that this item of $19,000,000 is not a question of importance. After, as I said a moment ago, prolonged discussion and considerable controversy, the Senate took affirmative action. It was brought to the attention of the Senate during the consideration of that item that the Postmaster General had made contracts which many considered as improvident, and that he intended to enter into other contracts and to make extensions, notwithstanding there were pending a resolution and another measure in this body and, as I am advised, a resolution in the other legislative body which forbade further contracts being let under existing law. But, notwithstanding these pending measures, and notwithstanding the discussion which took place in the Senate, as I am advised, the Postmaster General immediately let other contracts and extensions, paying no attention whatever to the action of the Senate or to the manifest desire on the part of Members of the Senate that there should be a halt in the letting of contracts until an investigation of the entire question of air mail subsidies was conducted.

I do not know why the conferees receded from the Senate amendment striking out the $19,000,000 appropriation. Why not disagree to this partial report and let the matter go back to conference, so that those items which we are asked now to accept may still be in conference and our conferees may obtain the benefit of using them in the final adjustment of all controversial items that may be brought to the attention of the conference committee? I appeal to the Senate to reject the conference report.

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

Mr. KING. I yield to my friend from Arkansas.

Mr. ROBINSON of Arkansas. The Senator from Utah is entirely correct. One of the amendments from which, it is observed, the Senate recedes is the appropriation of $19,000,000 for air mail subsidies which was stricken out on my motion for the purpose of forcing an investigation of the manner under which existing contracts have been let and for the best means of reducing expenditures in that behalf.

Mr. MOSES. Mr. President, if the Senator from Utah will permit, may I ask if the Senator from Arkansas is reading from the statement of the managers on the part of the House?

Mr. ROBINSON of Arkansas. Oh no, I am making a statement in my own behalf and I am making the statement in my own language. Why does the Senator ask me that question?

Mr. MOSES. I have not seen the printed statement submitted by the managers on the part of the House, and I wondered if that is the document the Senator holds in his hand?

Mr. ROBINSON of Arkansas. Yes; that is the document I hold in my hand, if that is material, and I can give further information as to the manner in which I am holding it, if the Senator desires.

Mr. MOSES. No; I am not asking for any further explanation on the part of the Senator.

Mr. ROBINSON of Arkansas. Mr. President, I have not observed that the air mail amendment was one of the amendments from which the Senate conferees receded. It appears that this appropriation is for the execution of contracts which have heretofore been made. I shall insist upon the passage of the resolution of the Senator from Alabama or some similar resolution opening up the proceedings under which these contracts were entered into. I do not wish to be placed in the attitude of repudiating contracts that are in force, but I do think that, under the existing law, if the committee had taken the time and trouble, it could have reduced this appropriation by several million dollars and not worked any serious detriment to the air mail service.

I do not believe, from the limited study I have been able to make, that any more improvident action has been taken in connection with the business of the Government than that taken in relation to these air mail contracts. I expect if the subject is opened up and the facts are brought out that they will reveal partiality, unnecessary expenditures, and many proceedings that are justly to be censured and criticized.

Mr. MOSES. Mr. President——

Mr. ROBINSON of Arkansas. I yield to the Senator from New Hampshire if I have the right to do so.

The PRESIDING OFFICER. The Senator from Utah has the floor.

Mr. KING. I yield to the Senator from New Hampshire, not for gymnastics, but for a question.

Mr. MOSES. I want to make a statement as one of the conferees.

Mr. KING. If I do not lose my right to the floor, I am glad to yield to my friend.

Mr. MOSES. Of course, I can have no quarrel with the beliefs expressed by the Senator from Arkansas. There are many beliefs held by many people with which I am not in full agreement. That does not constitute a source of controversy between them and me.

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

Mr. MOSES. I have not the floor.

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Arkansas?

Mr. KING. Mr. President, a parliamentary inquiry: May I yield the floor and not lose my right to the floor?

Mr. ROBINSON of Arkansas. I will not interrupt the Senator.

Mr. MOSES. What I wanted to say was this——

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. MOSES. As a conferee on the part of the Senate on many appropriation bills, I have never gone into the conference room except in the belief that regardless of my personal opinion of the action taken by the Senate there was but one course open to me as a conferee on the part of the Senate, and that was to maintain the position taken by the Senate.

With reference to this particular item, while it is not the practice to reveal in detail what takes place in conference, I think the Senate ought to know that the Senate conferees were resolute in standing by the amendment which the Senate had made with reference to the air mail. The House conferees were adamant in the position which they took; and an unprecedented course was pursued in connection with this item, in that the conferees gave a hearing to two Members of the House, the chairman of the House Committee on the Post Office and Post Roads and the most active member of that committee, the Representative from Pennsylvania.

Those two Representatives consumed the better part of a forenoon session of the conferees in setting up the fact that the Post Office Committee in the House was now engaged in

formulating a bill to deal with the whole subject of air mail contracts as they exist and of air mail contracts as they may be let in the future.

Following that presentation of the conferees, the Senate members of the conference discovered that the resistance which they had encountered on the part of the conferees on the other side of the table had been very much fortified; and, Mr. President, as reluctantly as I submitted in another conference yesterday with reference to the amendments which the Senate had adopted in connection with the Children's Bureau, I had to succumb to the force majeure which did not permit the conference to move unless we had surrendered.

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

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Arkansas?

Mr. MOSES. Yes; I yield.

Mr. ROBINSON of Arkansas. What is the advantage of agreeing to this conference report?

Mr. President, I said a few moments ago, in answer to a question of the Senator from Idaho, that I did not see any great advantage to be gained by refusing to agree to the motion that is pending, because it relates for the most part to relatively unimportant matters; but in view of the fact that the real controversies in the bill are not resolved by this agreement, and that the Senate conferees have conceded at least one important amendment—the air mail subsidy amendment, for which they stood with such unfaltering loyalty and courage while the opposition was assaulting them with all the force and organization that have been described by the Senator from New Hampshire—what is the advantage in agreeing to this conference report, which, with the exception of the air mail amendment, deals only with relatively unimportant matters, unless it is to clear the way for a recession on the part of the Senate conferees respecting the all-important issues involved in this bill?

Mr. MOSES. Mr. President, the Senator from Arkansas and I, in our conversations and in our exchanges on the floor, are accustomed to deal one with the other in absolute frankness. I will say now in absolute frankness to the Senator from Arkansas that I can not see any very great advantage to be gained, except that, having gone so far in agreement, the House having agreed so far with what the conferees have done, the conference will be diminished in its scope and in its time.

Mr. ROBINSON of Arkansas. Will the Senator yield further?

Mr. MOSES. Yes, indeed.

Mr. ROBINSON of Arkansas. It appears, then, that what will actually happen will be that the conferees on the part of the House get what they desire if we agree to this motion, and they will have the long chance of getting everything they desire after we have done that. I think we might just as well take the whole thing back to conference.

That is all I have to say about it.

Mr. MOSES. I am not sure that the application of the doctrine of chances——

Mr. ROBINSON of Arkansas. May I say to the Senator that I have been called from the Chamber temporarily on a very urgent mission.

Mr. MOSES. I will say to the Senator from Arkansas that I shall hold no Parthian arrows on his departure.

I must say, however, that this conference, prolonged as it was, covering almost an entire week, dealt with every subject in controversy in a spirit of complete, accurate examination of the problems presented; and any Senator here who has served upon conference committees, especially conference committees dealing with appropriation bills, can well understand what I mean when I say that the Senate conferees found themselves in a situation where nothing in connection with the bill could move unless we disposed of this item, and we had to dispose of it in the manner which we employed, otherwise there would have been no bill at all.

If this report, as now presented, is not agreed to in the manner proposed by the motion of the Senator from Nevada, I think that we gravely endanger the entire bill in the lifetime of this Congress. If that is what the majority of the Senate desires, I am in no position to make great resistance; but since we have violated no precedent, since this partial report is no novelty in the Senate, since the motion of the Senator from Nevada is entirely proper, since its adoption, as I view the situation, will expedite the consideration and the enactment of the entire measure, I hope that the Senate may agree to the motion proposed by the Senator from Nevada.

Mr. REED. Mr. President, will the Senator yield for a question?

Mr. MOSES. Yes, indeed.

Mr. REED. Will it in any way improve the chances of the House being able to impose its will upon us on the economy section of the bill if we now approve this partial report?

Mr. MOSES. I can not see that, Mr. President.

Mr. REED. If the Senator will yield to me, I can not see it either; but I can see this——

Mr. MOSES. The Senator from Arkansas intimated that that would be the case, but I could not see it. I do not see it now.

Mr. REED. The Senator from New Hampshire answered the Senator from Arkansas that he saw no real importance in acting on this partial report now. It seems to me there is a very great importance in it.

Mr. MOSES. No; I said "except"——

Mr. REED. I hope the exception will include this thought:

There may be a minority of the Senate that would want to vote against this partial report because of the rejection of the airplane item. There may be another minority of the Senate that would want to vote against the solution of the economy-section difficulty. Those two minorities, added together, may make a majority that would defeat the bill.

Mr. MOSES. That is entirely possible.

Mr. REED. We avoid that by acting on the bill piecemeal.

Mr. AUSTIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. AUSTIN. Would a motion to instruct the managers on the part of the Senate be in order if the pending motion should be agreed to?

The PRESIDING OFFICER. The present occupant of the chair does not think so.

Mr. AUSTIN. Mr. President, I desire to call attention to a peculiar situation here.

The PRESIDING OFFICER. The Senator from New Hampshire has the floor.

Mr. MOSES. I should like to comment upon the suggestion made by the Senator from Vermont, and then I will yield the floor to him. It is not possible to recommit a bill to conferees with instructions. That may not be done.

I now yield the floor.

Mr. AUSTIN. Mr. President——

Mr. BLACK. Mr. President, will the Senator from New Hampshire yield?

Mr. MOSES. I have yielded the floor to the Senator from Vermont, but if the Senator from Alabama wishes to ask me a question, I will retain it for that purpose.

Mr. BLACK. I have here a report, and I desire to be sure as to whether or not it is correct as to what the conference has agreed on.

Mr. MOSES. Is it the document which the Senator from Arkansas held in his right hand?

Mr. BLACK. No; I have not the one which the Senator from Arkansas had. This is the one I have in my left hand.

I find that, according to the report, the House has receded on three or four amendments.

Amendments Nos. 2 and 3, the report says, make a technical correction.

No. 4 appropriates $30,800,000, as proposed by the House, instead of $29,800,000, as proposed by the Senate.

No. 5 makes a technical correction in the text of the appropriation for the Bureau of Engraving and Printing.

No. 6 makes a technical correction in the text of the appropriation for freight, and so forth, under the Public Health Service.

As to amendment No. 10, the House seems to have yielded on this point, besides the technical matters: The action of the conferees strikes out, as proposed by the Senate, the authority in the House bill for "acquisition of sites or of additional land." The House gained that point.

Mr. DICKINSON. No; the Senate gained that point.

Mr. BLACK. What is that, may I ask the Senator?

Mr. MOSES. Inasmuch as I am continuing to hold the floor, the Senator from Iowa [Mr. DICKINSON] can answer that question much better than I, because that action was taken by the Senate upon an amendment offered from the floor by the Senator from Iowa.

Mr. BLACK. And that has been stricken out?

Mr. DICKINSON. It has been agreed to.

Mr. MOSES. It has been agreed to on the part of the House; and while it does not change the sum of money involved in any of the public-buildings construction—there already being $80,000,000, as I recall, remaining in the fund for the acquisition of sites under the authorizations already made—it brings to a temporary halt the extension of public-building construction throughout the country. If I have compacted it too much in my statement, the Senator from Iowa, who is the author of the amendment, may have the floor in my time to answer.

Mr. BLACK. The two amendments on which, as I find from this report, the House yielded to the Senate, are No. 11 and No. 13. No. 11 provides that the American Red Cross Building may be served with heat from the Government central heating plant; and No. 13 exempts, as proposed by the Senate, the use of automobiles by the President from the general restriction on use of Government automobiles.

Mr. MOSES. The Senator must not forget No. 10, which we have just discussed, and on which the Senate won a signal victory.

Mr. BLACK. How much is involved in that victory?

Mr. MOSES. Not a nickel, Mr. President. That is to say, it makes no change in the sum of money appropriated, but it does make a very complete change in the method in which the fund is to be administered.

Mr. BLACK. As I understand it—and I want to be sure—I find that amendment No. 2 makes a technical correction.

No. 3 makes a technical correction.

No. 4 makes a $1,000 correction.

No. 5 makes a technical correction.

No. 6 makes a technical correction.

No. 10 changes no appropriation of any kind.

On No. 11 the House yields to the Senate on supplying heat to the American Red Cross.

On No. 13 the House yields to the Senate with reference to the use of automobiles.

In return for that the Senate yields on the $19,000,000 subsidy for air mail. [Laughter.]

Mr. MOSES. Mr. President, I must protest that the Senator from Alabama is not entitled to infringe upon the privilege of Yankee trading, especially when he is talking with me. If he wishes to summarize this conference report in a mathematical sense by setting up that the Senate yielded on amendments numbered 1, 2, 3, and 4, and the House yielded on amendments numbered 5, 6, 7, and 8, that, of course, is demonstrable with a piece of chalk and a blackboard.

That, however, is not the manner in which conferences perform their functions. That is not the manner in which appropriation bills are formulated. That is not the manner in which the Government is carried on.

Mr. BLACK. I agree to that.

Mr. MOSES. We did not act in that manner in the conference. We were confronted, as Grover Cleveland said, not with a theory but with a condition. Some time the Senator himself will be wrestling in conference on an appropriation bill, and he will discover that those things which we are now exposing to the Senate as having taken place in the conference room over this measure are the things which constantly take place.

It is a matter of adjustment; it is a matter of retreat where retreat is strategic; and on this particular item of $19,000,000, which seems to be the immediate crux of the controversy here in the Senate in connection with this report, the Senate conferees were moved to their action especially by reason of the unexampled manner in which the House presented its view; that is, the House conferees being reinforced by the chairman of the House Committee on Post Offices and Post Roads, and by the most active member of that committee, who came to us and, as I have already said, consumed a whole forenoon session in explaining what the House intended to do.

Mr. BLACK. Mr. President, if the Senator will yield, I simply wanted to get down to the issue as I see it. If I am incorrect, I want to understand it.

The chief thing at issue here is the $19,000,000 appropriation. Of course, no one would attach any importance in a conference to the heat that is supplied to the Red Cross.

Mr. MOSES. Mr. President, if the Senator wishes to discuss that item, I will say to him that, so far as I was concerned as a Member of the Senate, when the amendment was offered here, and as a conferee on the part of the Senate, I did not believe in the amendment in the form in which the Senate adopted it. I felt that while it was very desirable that the buildings of the Red Cross should be heated from the central heating plant, I felt constantly that it would be necessary to enlarge the central heating plant in order to take care of them, and there was no appropriation made in the bill to take care of that. It is true that the Red Cross would pay for the piping which connected it with the steam mains, and would pay for the steam they used, but in the event that the central heating plant had to be enlarged, as I firmly believe must be the case, there was no appropriation made for that extra expense on the part of the Government.

The Senator may read the numbers in the document he holds in his hand from 1 to 18, and he will find many of them which, in their essence, seem to be simple. He may find some of them which may seem to deal with subjects with which the Congress of the United States should have no business. But he can not find an item there in the 18 amendments as to which there was not a division of opinion on both sides of the table; that is to say, between the Senate conferees and the House conferees; nor can he find a single item wherein the conferees on the part of the Senate did not go, as they regarded it, the limit in supporting the views of the Senate.

Mr. BLACK. Mr. President, may I ask the Senator one other question?

Mr. MOSES. Certainly.

Mr. BLACK. If the Senate accepts this partial report, and it goes back to conference, as I see it, there are no more technical corrections our conferees would have an opportunity to trade on, are there?

Mr. MOSES. I am not sure, because I have not studied the bill from a grammatical point of view, but in view of the suggestion made by the Senator from Alabama, I may find some further make-weights.

Mr. BLACK. I think the Senator can. I think he did well in his efforts.

Mr. KING. Mr. President, I am glad to be associated with my leader, the Senator from Arkansas, in opposition to the motion of the Senator from Nevada to approve the partial report submitted by him. The Senator from Arkansas, after learning the issues involved in the matter before us, takes the position that the conference report should be rejected. I feel sure that a majority of the Senate, after knowing what the question before the Senate is, will join those who are opposing the motion to adopt the conference report.

I am curious to know why the Senator from New Hampshire, in view of his statements that two Representatives not members of the conference committee appeared before the committee and gave information bearing upon the $19,000,000

air mail subsidy, did not afford opportunity to Senators or others who opposed the subsidy to appear before the conferees and submit information relative to the question involved.

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

Mr. KING. I yield.

Mr. DICKINSON. I think it is only fair to suggest that the two Members from the House, Representative MEAD and Representative KELLY, were invited there at the suggestion of the House conferees to outline their plan as to how to approach this mail matter.

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

Mr. KING. I yield.

Mr. BINGHAM. May I say to the Senator that they did not come before the conferees to argue one way or the other in regard to the appropriation, or the amendment striking it out. They came to explain to us, at the request of the House conferees, what the plan of Mr. KELLY, the original author of the air mail bill, and the chairman of the committee, was in regard to future air mail contracts. They outlined to us the bill which they had in course of preparation, and, which since then, if I am correctly informed, has been reported out of committee, and is now being considered by the House. They offered it, not exactly in the nature of a compromise, but in the nature of a cure for some of the matters which had been brought up on the floor and referred to as being undesirable in the past. It was largely because of the very excellent statement they made with regard to the proposed changes in legislation that the Senate conferees felt that they were justified in withdrawing from the Senate amendment.

Mr. KING. Mr. President, the statement just made by the Senator corroborates the views expressed by the Senator from New Hampshire and justifies the conclusion that the conferees did not regard the views of the Representatives as irrelevant to the matter under consideration. It matters not the purpose for which the two persons referred to appeared before the conference committee, or who invited them to appear. It is unimportant as to whether they voluntarily appeared or did so at the instance of some committee of the House. The fact is they did go and I think the statements of the Senators from New Hampshire and Connecticut warrant the inference that the statements made by the Representatives had some influence upon the committee. I make no criticism whatsoever because of the appearance of any person before conference committees. Indeed, there are many occasions when the conferees are justified in seeking information with respect to items in bills which they are considering. If conferees need additional information concerning controversial matters, I see no reason why they may not, with propriety, obtain data to aid them in reaching just and fair conclusions. I am only suggesting that where persons appear before conference committees to explain controversial items, it would seem proper to permit persons who entertain different views concerning the issues involved to meet the committee and present their side of the question.

I should have been glad to have had the Senator from Alabama, who is familiar with this matter, afforded an opportunity to appear and explain the proposed bill which the Senator says has been introduced in the House, and show its futility and also its irrelevancy to the question involved in the air mail subsidy which the Senate eliminated from the bill, but which the conferees have restored.

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

Mr. KING. I yield.

Mr. BINGHAM. May I remind the Senator that the most ardent advocate of the proposed striking out of the air mail appropriation was a conferee, was there during the discussion, and that he made no move whatsoever to invite the Senator from Alabama or anybody else to aid him in cross-examining the House witnesses or to suggest that any other witnesses be called.

Mr. KING. I do not want to say that there was any dereliction upon his part, but it does seem to me that where witnesses are permitted to appear before conferees in advocacy or in explanation of controversial items, where it is known that there are other persons opposed to those items, particularly Members of the Senate or of the House, equal opportunity should be given them to present relevant facts and express their views in opposition to the views tendered by the voluntary witnesses or the invited witnesses who appear before the committee.

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

Mr. KING. I yield.

Mr. ODDIE. No request was made at all before the conferees that any witnesses from the Senate be present. The Senate had already heard a vast amount of testimony on this air mail question.

Mr. KING. But the Senator, knowing the attitude of the Senate, was receiving statements from persons who volunteered to appear or who were requested to appear to present views bearing upon the $19,000,000 appropriation.

Mr. ODDIE. Mr. President, I can not agree with the Senator in that statement at all. The suggestion was made by some one that these Members of the House could give some testimony to the conferees which would be valuable to them in regard to future air mail legislation that the House was working on.

In that connection, Mr. President, I want to say that a few days ago the Senator from Alabama requested of me that the Committee on Post Offices and Post Roads of the Senate act on his resolution providing for a complete and thorough investigation of the air mail operations and contracts. I called the commitee together as quickly as I could, and within a day the committee met, heard the Senator from Alabama, adopted an amendment offered by the Senator from North Dakota [Mr. NYE] to Senator BLACK's resolution, which was agreed to by the Senator from Alabama. The committee acted favorably on this resolution and the favorable report of the committee was presented to the Senate, and I believe is on the calendar now.

Mr. BLACK. Mr. President, will the Senator from Utah yield to me?

Mr. KING. I yield.

Mr. BLACK. It is not on the calendar; it went to the Committee to Audit and Control the Contingent Expenses of the Senate, but I hope it will be on the calendar to-day. I do not know whether the Committee to Audit and Control has acted upon it or not. If it does not, I may state that I expect to move to discharge the committee as soon as possible.

Mr. FESS. Mr. President, will the Senator from Utah yield to me?

Mr. KING. I yield.

Mr. FESS. I did not understand the inquiry of the Senator from Alabama. Did he refer to the resolution he introduced?

Mr. BLACK. Yes.

Mr. FESS. It was acted upon to-day.

Mr. BLACK. It has been acted upon?

Mr. FESS. Yes.

Mr. BLACK. Has the report been made?

Mr. FESS. I think not. It is in the hands of the chairman of the committee, but the report will be made to-day.

Mr. ODDIE. Mr. President, will the Senator from Utah yield to me just a moment?

Mr. KING. I yield.

Mr. ODDIE. I wanted to state to the Senator that the Committee on Post Offices and Post Roads, of which I am chairman, acted expeditiously in this matter, and did everything it could to get the resolution of the Senator from Alabama acted on promptly and favorably.

Mr. KING. Mr. President, I think the statements which have been made thus far justify the position which I have taken and the position just taken by the Senator from Arkansas [Mr. ROBINSON]—that this partial report should be rejected and that the matter should be sent back to conference.

The Senator from Alabama has just shown incontrovertibly that the Senate conferees yielded upon substantially all matters in disagreement between the conferees of the

House and the Senate and covered by this report before us. True there are a number of items on which, it is stated, the House receded, but they were technical matters, nothing substantive, nothing important. The $19,000,000 item, which was important, received the coup de grâce at the hands of the committee.

I stated a moment ago, and I beg pardon for repetition, that it is important when conferees of the two Houses meet to adjust matters of disagreement growing out of amendments offered by the House or the Senate, or both, they should approach their task with the understanding that the rights of each House should be respected and that by discussion and conciliation the differences might and should be ironed out. If we accept a partial report, which is neither conciliation nor concession upon the part of the House, it is obvious that when the bill goes back to conference the Senate conferees will be at a disadvantage; they will have no ground for legitimate bargaining, no opportunity to obtain concessions or compensation for surrenders made.

I submit, Mr. President, that the Senate, in view of the importance of this item and in view of the position which the Senate took when it struck out the air mail subsidy, the report should be rejected and the matter be sent back to conference.

Mr. President, I call attention to two others upon which the Senate acted when the bill was before this body. It was brought to the attention of the Senate that the appropriations for the expenses of the Bureau of Customs and the Internal Revenue Bureau were entirely disproportionate to their activities and achievements; that the costs of collecting revenue were too great, and the appropriations evidence a disregard of economy, and a concession to extravagance and inefficiency. It was shown that a number of years ago, when the revenues collected by these two bureaus were very much greater than recent and present collections, and the costs of collection were but a small percentage of the costs now incurred in collecting customs and internal revenue, amendments which I offered were, after discussion, adopted. One of the amendments reduced by $1,000,000 the amount for the collection of customs and $2,000,000 for the cost of collecting internal revenue. Figures presented showed that in 1912, when the customs collected amounted to more than $300,000,000, the appropriation for their collection was only $10,000,000. In 1914 the collections were nearly $300,000,000 and the costs of collection were $9,000,000. In 1915 the collections were $209,000,000 and the appropriation for the purpose of collecting the same were $9,000,000.

In 1932, when the customs collected were $331,000,000, the sum of $22,000,000 was appropriated to pay the employees and the other costs of collection, or $6.87 for every $100 collected, as against 65 cents per $100 in earlier days. In other words, in 1932 it cost $6.87 to collect each $100. For 1933 the customs receipts were considerably less and the appropriation for the year was $22,000,000, or approximately $7 for every $100 collected. The appropriation bill for the next fiscal year carried, as I recall, $22,000,000, though it is certain the customs dues will be less than for this fiscal year. This means that approximately $8 was carried in the bill to meet the costs of collecting $100.

There can be no justification for this enormous increase in the costs of this bureau, but the bill came to the Senate burdened with bureaucratic demands. I insisted that the appropriation be reduced several million dollars, but was opposed by some members of the committee, as well as a number of other Senators. After discussion I succeeded in reducing the amount $1,000,000. I thought that Senators on the other side of the aisle, knowing that a new administration is coming in, and that there would be some Democrats in the bureau, would have joined with Democrats in voting for a larger reduction in this item. But after a hard fight only $1,000,000 were saved. But the conferees have repudiated the Senate's action on this item and restored the House provision.

But having secured only a small reduction of $1,000,000, which still allows $7 to $8 to collect each $100, as against 50 to 75 cents per hundred dollars a number of years ago, our efforts for economy are frustrated by the conference.

I now refer to the Internal Revenue Bureau. When the Senate was considering the item to meet its costs for the next fiscal year I showed that the annual costs for a number of years, going back to 1912, was materially less than for the past five or six years. My recollection is that it cost nearly five times as much to collect $100 last year and the year preceding as it did in the years 1912, 1913, and 1914. As the years went by the costs increased, notwithstanding the diminution in receipts from taxes and from the collections made by this bureau.

In 1913 the appropriation for the entire bureau was only $5,000,000; in 1914 it was only five million and odd dollars. In 1915 it was $6,000,000, and in 1917 it was $7,000,000. In 1918, when the total taxes collected were more than $4,000,000,000 as against less than $500,000,000 or $600,000,000 collected by this bureau in 1913 and 1914, the appropriation for the bureau was more than $27,000,000. The cost was only $5,000,000 a few years before, with the amount of revenue collected not very much larger.

In 1921, $33,000,000 was appropriated for the bureau, and the collections were $4,595,000,000, but the cost of collection was only 72 cents per $100 collected. In 1922 there was another $1,000,000 added to the appropriation, making a total of $34,000,000, with diminishing receipts totaling $3,197,000,000, but it cost $1.07 to collect each $100.

In 1923 $36,000,000 were given to the bureau for the collection of $2,621,000,000, or $1.39 per hundred dollars collected. But the machinery in the bureau kept increasing, the personnel was enlarged, the number of agencies and subagencies multiplied, and the costs increased so that last year it cost more than $2.50 to collect each $100, although the total amount collected was very much less than in preceding years to which I have called attention.

For the present fiscal year the cost will be more than $3 for each $100 collected, as against 33 cents, 53 cents, 50 cents, and 72 cents for each $100 collected during the years 1913, 1914, 1915, and 1916. In other words, as the revenue has decreased the expense per $100 collected has increased to more than $3 at the present time. Notwithstanding this showing the Senate refused to make reasonable reductions, but finally consented to reduce the appropriation $2,000,000. With this concession the bill carried a huge sum, enough to pay more than $3 for each $100 collected for the next fiscal year. But the conferees were unwilling to accept this small reduction, and restored the House provision.

Mr. President, I have taken the time of the Senate to challenge attention to the action of the conferees with respect to three items. In my opinion we should reject the conference report and insist that the Senate's action, so manifestly just, be approved.

Mr. AUSTIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. AUSTIN. The economy part of the bill is said not to be before the Senate at the present time. That provision was originally numbered 19. Afterwards it was numbered 16, and at the present time it is numbered 14.

As that original section of the bill called the economy provision was before the Senate, it contained a clause relating to permanent annual appropriation laws, so that thereafter the appropriations must be made annually by the Congress. Among those were the Morrill Act creating colleges for agricultural experimentation and industrial education, agricultural extension service, and vocational education, the latter two known as the Smith-Lever Act and the Smith-Hughes Act. Those two provided for cooperation between the Federal Government and the several States, and that cooperation extended into the States and even included industrial organizations.

The next parliamentary step in connection with it was an amendment adopted by the Senate after debate, in the course of which debate those who had charge of the economy provision of the measure accepted the amendment, and the Senate understood—at least this much of the Senate

understood and a large part of the United States understood—that the conferees on the part of the Senate would at least advocate the sustaining of that amendment.

I do not undertake to be censorious or to say what the details of the transaction were, but such handling of the matter occurred in conference as that a report was made and appears here, which reads in part as follows:

As to this amendment—

Meaning the whole economy amendment—

the managers on the part of the House expect to offer a motion to recede and concur with an amendment, striking out all of the matter proposed to be inserted by the Senate amendment and inserting in lieu thereof other matter.

That the House did. Now, we find that we are confronted, as we consider the question whether we are to adopt or reject the pending motion, with a proposed bill differing entirely from the Senate measure containing section 14, which reads as follows:

SEC. 14. All laws providing for specific annual appropriations are hereby modified so that after June 30, 1934, in lieu of appropriations made therein, the sums available for the purposes of such laws shall be such sums, not exceeding the amounts now provided in such laws, as may hereafter be provided therefor from time to time by Congress.

In other words, the House has passed upon the matter. The House has adopted a section relating to the subject matter which is wholly and entirely different from that which the Senate adopted as an original provision relating to permanent annual appropriations. Here we are asked to adopt a fraction of the business that was transacted by the conference. What is the effect of doing that? What goes back to conference? Does the conference consider again that which it has already passed upon in respect of these permanent annual appropriations, or is the debate closed? However, we in the Senate are in a position where we can not save ourselves in this matter.

Mr. President, to address a parliamentary inquiry in a few words to the Chair, I ask: Will section 14 of the House amendment to Senate amendment No. 14—the economy provision—which was formerly section 16, when it was acted upon by the Senate, be considered any further in conference or is the matter closed?

The VICE PRESIDENT. The conference report pending before the Senate at this time covers only those amendments of the Senate on which the conferees have agreed, and does not include the matter referred to by the Senator from Vermont. If the conference report shall be agreed to on the propositions submitted, then action may be had by the Senate upon the amendments which have not been agreed to by the other House; and the Senate may disagree to the House amendment to the Senate amendment and send it back to conference or consider it on the floor of the Senate, and amend the amendment to the Senate amendment adopted by the other House.

Mr. AUSTIN. A parliamentary inquiry, Mr. President.

The VICE PRESIDENT. The Senator will state it.

Mr. AUSTIN. Will the amendment which was agreed to by the other House on February 21, 1933, as a substitute for the economy provisions of the appropriation bill for the Treasury and Post Office Departments follow immediately the vote which is about to be taken; that is, will it be pending following the adoption or rejection of the report that is now before the Senate?

The VICE PRESIDENT. The logical order, after agreeing or disagreeing to the conference report, would be to pass upon the separate amendments of the House to the Senate amendments still in disagreement as they are presented to the Senate, or if they are presented en bloc, they may be divided and a separate vote may be had upon each one or upon any one of the number, or they all may be sent to a further conference.

Mr. BORAH. Mr. President, as I understand, what is known as the Austin amendment is not affected by any action which we may take upon the pending conference report?

The VICE PRESIDENT. The amendment referred to by the Senator will not be affected by whatever action may be taken on the pending motion.

Mr. BORAH. Mr. President, I do not desire to discuss the conference report, but I sincerely hope that it may be disagreed to. There are a number of items in the bill which are of very great importance, and it seems to me that we can better deal with it as a whole than by piecemeal. So I wish to express my hope that the entire bill will go back to conference.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Nevada that the conference report be agreed to.

Mr. NEELY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. NEELY. If the conference report shall be adopted, will not the Austin amendment thereby in its purposes be entirely defeated?

The VICE PRESIDENT. No; it has nothing to do with the conference report. It will have to be presented to the Senate after the conference report shall have been acted upon, if it is agreed to; and if the conference report is rejected, of course, the whole matter goes back to conference. If the conference report shall be agreed to, however, House amendments to the so-called Austin amendment and the other Senate amendments will be submitted to the Senate for such action as the Senate may desire to take.

Mr. NEELY. Mr. President, I ask unanimous consent to have noted in the RECORD 48 telegrams which I have received in the last few hours from West Virginians in behalf of the retention of the Austin amendment.

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

There being no objection, the telegrams in the nature of petitions, praying for the retention of the so-called Austin amendment in the Post Office Department appropriation bill pertaining to the agricultural extension service item, were ordered to be noted in the RECORD and to lie on the table, as follows:

From E. B. Ruppenthal, president, Morgan Fruit Growers (Inc.), of Berkeley Springs; George W. Myers, jr.; W. T. McDonald; J. W. Lynch, member, Jefferson County executive committee; J. H. Abbot, assessor of Kanawha County; Charles C. Lewis, first president Kana Cooperative Farm Bureau 1914, and J. M. Slack, county clerk of Kanawha County, all of Charleston; the Marion County Farm Bureau, by A. L. Thomas, secretary, and Mrs. J. E. Watson, of Fairmont; J. M. Downs, of Farmington; J. Alfred Taylor; G. A. Stickler, president Fayette County Farm Bureau, of Fayetteville; R. F. Hatton, president Ritchie County Farm Bureau, of Harrisville; Wade H. Gwinn, of Hinton; W. H. Crowder, H. H. Cox, M. M. Tyree, Blanche C. Meadows, Farm Bureau, all of Huntington; Mineral County Farm Bureau, by D. A. Arnold, president, and J. W. Carskadon, of Keyser; G. C. Board, of Marlinton; Carroll R. Miller, secretary, West Virginia Horticultural Society, of Martinsburg; F. C. Welton; Herman Sions; Roy Sions; H. C. Welton; Albert Leatherman and C. U. Fout, all of Moorefield; Carlton Harris, secretary Marshall County Farm Bureau, of Moundsville; John H. Mayhew, president Hancock County Farm Bureau, of New Cumberland; Beatrice Yeater, of New Martinsville; C. E. Phillips, president Wood County Farm Bureau; Mrs. Minnie Prince, president Cedar Grove Farm Women's Club of Wood County; Mrs. W. N. Kellar, president Sand Hill Women's Club; Mrs. O. W. Barnett, president Mineral Wells Farm Women's Club; Executive Committee of the West Virginia Cooperative Association; E. S. Humphreys, president West Virginia Farm Bureau; Mrs. O. M. Weaver, president Farm Women's Club of Wood County, and E. F. Schneider, vice president Wood County Farm Bureau, all of Parkersburg; Dayton R. Stemple, president Barbour County Wool Growers' Association, and A. L. Proudfoot, president Farm Bureau of Barbour County, of Philippi; Jackson County Farm Bureau, by G. H. Castrup, secretary, of Ripley; D. D. Cunningham, of Rivesville; Henry W. Campbell, secretary, Hampshire County Farm Bureau, of Romney; L. E. Reynolds, T. J. Taylor, and F. B. Glenn, president Pleasants County Farm Bureau, all of St. Marys; G. M. Lewis, president Brooke County Farm Bureau, and S. P. Waugh, of Wellsburg; Lewis County Farm Bureau, by W. O. Lunsford, secretary, of Weston, and Doddridge County Farm Bureau, by R. F. Randolph, of West Union, all in the State of West Virginia, which were ordered to lie on the table.

Mr. ODDIE. Mr. President, I hope this conference report will be agreed to as it is presented. I will say to the Senator from West Virginia [Mr. NEELY] that I am personally very much in favor of the Austin amendment, and I

hope that will be disposed of as the Senate disposed of it previously by adopting it as offered by the Senator from Vermont [Mr. AUSTIN].

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. TYDINGS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

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

Ashurst	Coolidge	Hebert	Pittman
Austin	Copeland	Johnson	Reed
Bailey	Dale	Kean	Reynolds
Bankhead	Davis	Kendrick	Robinson, Ark.
Barbour	Dickinson	Keyes	Robinson, Ind.
Barkley	Dill	King	Russell
Bingham	Fess	La Follette	Schuyler
Black	Fletcher	Lewis	Sheppard
Blaine	Frazier	Logan	Shortridge
Borah	George	Long	Smith
Bratton	Glass	McGill	Steiwer
Brookhart	Glenn	McKellar	Stephens
Bulkley	Goldsborough	McNary	Trammell
Bulow	Gore	Metcalf	Tydings
Byrnes	Grammer	Moses	Vandenberg
Capper	Hale	Neely	Wagner
Caraway	Harrison	Norris	Walsh, Mass.
Carey	Hastings	Nye	Watson
Clark	Hatfield	Oddie	Wheeler
Connally	Hayden	Patterson	White

The VICE PRESIDENT. Eighty Senators have answered to their names. A quorum is present. The question is on the motion of the Senator from Nevada [Mr. ODDIE].

Mr. BINGHAM. Mr. President, I hope the Senate will not throw into the discard all the conferees did as the result of meeting every day and almost all day for nearly a week. The Senate conferees worked as hard as they could with the conferees on the part of the House to assure an agreement. We have agreed on certain amendments, and the House has accepted the conference report. The most important part of the bill is still in disagreement. That will have to go back to conference. If the Senate shall not accept this conference report and shall send it back to conference, then we will have to begin de novo, with the House conferees annoyed by our action and unable to understand why the Senate went back on its conferees on the matters on which they finally succeeded in agreeing. I hope that this little conference report, which does not represent a very large part of the bill, but does represent a lot of work, will be agreed to.

The VICE PRESIDENT. The question is on agreeing to the conference report.

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

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

Mr. GLENN (when his name was called). I have a general pair with the senior Senator from Virginia [Mr. SWANSON]. In his absence, I withhold my vote.

Mr. SHORTRIDGE (when his name was called). I have a general pair with the senior Senator from Montana [Mr. WALSH], and withhold my vote.

The roll call was concluded.

Mr. MOSES. I have a general pair with the senior Senator from Louisiana [Mr. BROUSSARD]. He being absent, I withhold my vote. If at liberty to vote, I should vote "yea."

Mr. FRAZIER. I wish to announce that the senior Senator from Minnesota [Mr. SHIPSTEAD] is detained from the Chamber on account of illness. If present, he would vote "nay."

Mr. McKELLAR (after having voted in the negative). Has the junior Senator from Delaware [Mr. TOWNSEND] voted?

The VICE PRESIDENT. That Senator has not voted.

Mr. McKELLAR. I have a general pair with that Senator, which I transfer to the senior Senator from Florida [Mr. FLETCHER], and will let my vote stand.

Mr. WHEELER (after having voted in the negative). I transfer my pair with the Senator from Idaho [Mr. THOMAS] to the Senator from Oklahoma [Mr. THOMAS], and will let my vote stand.

Mr. SHEPPARD. I desire to announce the absence on official business of the Senator from Virginia [Mr. SWANSON], the Senator from Florida [Mr. FLETCHER], the Senator from Illinois [Mr. LEWIS], the Senator from Colorado [Mr. COSTIGAN], the Senator from Tennessee [Mr. HULL], and the Senator from Oklahoma [Mr. THOMAS].

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

The Senator from Connecticut [Mr. WALCOTT] with the Senator from Tennessee [Mr. HULL];

The Senator from Nebraska [Mr. HOWELL] with the Senator from Illinois [Mr. LEWIS]; and

The Senator from Minnesota [Mr. SCHALL] with the Senator from Colorado [Mr. COSTIGAN].

The result was announced—yeas 36, nays 38, as follows:

YEAS—36

Austin	Davis	Hebert	Reed
Barbour	Dickinson	Kean	Reynolds
Bingham	Fess	Kendrick	Robinson, Ind.
Bratton	Glass	Keyes	Schuyler
Brookhart	Goldsborough	Long	Smith
Byrnes	Grammer	McNary	Steiwer
Carey	Hale	Metcalf	Vandenberg
Copeland	Hastings	Oddie	Watson
Dale	Hatfield	Patterson	White

NAYS—38

Ashurst	Caraway	King	Russell
Bailey	Clark	La Follette	Sheppard
Bankhead	Connally	Logan	Stephens
Barkley	Coolidge	McGill	Trammell
Black	Dill	McKellar	Tydings
Blaine	Frazier	Neely	Wagner
Borah	George	Norris	Walsh, Mass.
Bulkley	Gore	Nye	Wheeler
Bulow	Harrison	Pittman	
Capper	Hayden	Robinson, Ark.	

NOT VOTING—22

Broussard	Howell	Schall	Thomas, Okla.
Costigan	Hull	Shipstead	Townsend
Couzens	Johnson	Shortridge	Walcott
Cutting	Lewis	Smoot	Walsh, Mont.
Fletcher	Moses	Swanson	
Glenn	Norbeck	Thomas, Idaho	

So the conference report was rejected.

Mr. GLASS. Mr. President, I desire to say for the RECORD, for any interpretation that anybody may want to give it, that I voted one way and prayed the other way. [Laughter.]

Mr. WHEELER obtained the floor.

Mr. LONG. Mr. President, will the Senator from Montana yield to me?

Mr. WHEELER. I yield.

Mr. LONG. Is that the usual course of the Senator from Virginia?

Mr. GLASS. The Senator from Louisiana would not understand anything that I might say about prayers. [Laughter.]

REMONETIZATION OF SILVER

Mr. WHEELER. Mr. President, I am doubtful whether anybody would understand what anybody said about prayers.

I send to the desk a concurrent resolution adopted by the General Assembly of the State of Indiana, which I ask to have read and referred to the Committee on Finance.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the resolution will be read.

The resolution was read and referred to the Committee on Finance, as follows:

A concurrent resolution indorsing the passage of Senate bill 2487, introduced in the Senate of the Congress of the United States by BURTON K. WHEELER, relative to the coinage of silver

Whereas there is pending in the Senate of the Congress of the United States a measure, known as Senate bill 2487, introduced by BURTON K. WHEELER, the United States Senator from Montana, providing for the free and unlimited coinage of silver on the basis of 16 ounces of silver to 1 ounce of gold; and

Whereas we believe and maintain that international bimetallism should be promptly accomplished, if possible; but if not, then the United States, as a creditor nation of the world, should, with the aid of as many nations as possible, or, if necessary, alone, in the common cause of humanity and for their economic betterment, proceed to adopt and establish bimetallism on the ratio of 16 ounces of silver to 1 ounce of gold: Therefore be it

Resolved by the House of Representatives of the General Assembly of the State of Indiana (the Senate concurring), That the

General Assembly of the State of Indiana indorse and urge the passage of Senate bill 2487, introduced by BURTON K. WHEELER, providing for the free and unlimited coinage of silver at the ratio of 16 ounces of silver to 1 ounce of gold.

SEC. 2. The clerk of the house of representatives is hereby instructed to send a copy of this resolution to the President elect of the United States and to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States and to each United States Senator and Member of the Congress from Indiana.

NOMINATIONS IN THE ARMY

Mr. ROBINSON of Arkansas. Mr. President, as in executive session, on behalf of the Senator from Pennsylvania [Mr. REED], I ask unanimous consent for the present consideration of sundry routine military nominations.

The VICE PRESIDENT. Is there objection?

Mr. WATSON. Mr. President, I understand the Senator to say that he is acting on behalf of the Senator from Pennsylvania [Mr. REED]?

Mr. ROBINSON of Arkansas. Yes, sir.

The VICE PRESIDENT. The nominations will be read.

The Chief Clerk proceeded to read the nominations.

Mr. REED. Mr. President, these are all routine nominations of the grade of colonel and below. I ask that the reading may be dispensed with.

The VICE PRESIDENT. Without objection, that order will be made; and, without objection, the nominees will be confirmed.

Mr. ROBINSON of Arkansas. I ask that the President may be notified.

The VICE PRESIDENT. Without objection, the President will be notified.

(The nominations this day confirmed appear at the end of to-day's proceedings.)

GASOLINE TAX

Mr. ODDIE. Mr. President, I desire to give notice that upon the completion of the bankruptcy legislation now before the Senate I shall ask that the gasoline tax bill, with my amendment providing for Federal-aid road appropriations, be made the order of business.

ALLEGHENY FORGING CO.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 466) for the relief of the Allegheny Forging Co., which was, on page 1, line 12, after the word "claim," to insert "and in full settlement of all claims against the Government of the United States, based on the above transaction: *Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

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

The VICE PRESIDENT. The question is on the motion of the Senator from Pennsylvania.

The motion was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 14458) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1934, and for other purposes, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. WOODRUM, Mr. BOYLAN, and Mr. SUMMERS of Washington were appointed managers on the part of the House at the conference.

INDEPENDENT OFFICES APPROPRIATIONS

The PRESIDING OFFICER (Mr. CLARK in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 14458) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1934, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. HALE. I move that the Senate insist on its amendments, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. SMOOT, Mr. KEYES, Mr. HALE, Mr. GLASS, and Mr. COPELAND conferees on the part of the Senate.

AMENDMENT OF BANKRUPTCY ACT

The Senate resumed the consideration of the bill (H. R. 14359) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto.

Mr. HASTINGS. Mr. President, I desire to offer an amendment to the pending bill, on page 40, lines 23 and 24, to strike out the words "and excepting a farmer as hereinafter defined."

As I explained this morning, in view of the fact that under the following section it becomes necessary for 15 farmers to join in a petition to the judge of the district court before conciliation commissioners can be appointed, this becomes necessary in instances where there might not be found that number in any one county.

Mr. ROBINSON of Arkansas. Mr. President, the effect of the amendment would be to give a farmer the option of proceeding under either provision. Is not that true?

Mr. HASTINGS. That is correct.

Mr. ROBINSON of Arkansas. I have no objection.

Mr. BLAINE. Mr. President, on account of the disorder in the Chamber, I was unable to hear what the amendment was, and in what place in the bill it is proposed to be inserted.

Mr. HASTINGS. On page 40, lines 23 and 24, I propose to strike out the words beginning in line 23, "and excepting a farmer as hereinafter defined." The importance of it is that under section 75 it might be difficult in some instances for a farmer to take advantage of this section at all, because the section provides that 15 farmers must cooperate and state to the district judge that they desire to take advantage of this act.

Mr. BLAINE. As I read the language now on page 40, line 23—"Any person excepting a corporation and excepting a farmer as hereinafter defined may file a petition."

Mr. HASTINGS. That is correct, and I want to strike out the words "and excepting a farmer as hereinafter defined," so that a farmer may take advantage of that section in cases where he can not or does not desire to take advantage of section 75.

Mr. BLAINE. I have no objection.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 40, line 23, the Senator from Delaware proposes to strike out of the committee amendment the words "and excepting a farmer as hereinafter defined," so as to read:

SEC. 74. Compositions and extensions: (a) Any person excepting a corporation may file a petition, or, in an involuntary proceeding before adjudication, an answer within the time limited by section 18(b) of this act, accompanied in either case, unless further time is granted, by his schedules, stating that he is insolvent or unable to meet his debts as they mature, and that he desires to effect a composition or an extension of time to pay his debts.

The amendment to the amendment was agreed to.

Mr. HASTINGS. Mr. President, on page 45, line 13, after the word "lien," I want to add the words "or the amount thereof," making the proviso read:

Provided, however, That such extension or composition shall not impair the lien or the amount thereof.

Mr. ROBINSON of Arkansas. Mr. President, what would be the meaning of the language "impair the lien"? Does the Senator mean "reduce the amount"? I was just wondering whether the words "reduce the amount thereof" or "diminish the amount thereof" would not be appropriate.

Mr. HASTINGS. I think the suggestion is a good one, and I change the amendment to read "impair the lien or reduce the amount thereof."

Mr. BLAINE. I have no objection to that, but I do not see any necessity for it.

Mr. HASTINGS. I agree with the Senator that the original language covers the object sought, but there have been a great many people who are disturbed about it and who have wondered whether, under that language, it would be possible to reduce the amount; and in order to make it certain, I have suggested this amendment.

Mr. BLAINE. May I suggest that if there are a great many people disturbed over that matter, I can very readily conceive how a great many more will be disturbed over a great many matters in this section.

Mr. HASTINGS. That is undoubtedly true.

Mr. TRAMMELL. Mr. President, I desire to oppose the amendment. This provision in regard to the creating of the privilege or the right of extension to farmers for adjusting obligations and indebtedness upon their farms contemplates that they will be able to make some mutual adjustment with their creditors, or, at least, with a majority of their creditors. Yet, under the original provisions of the bill, the only latitude authorized under the terms of the extension is that of an extension of time for the payment of an indebtedness. That is the only latitude authorized and granted to a farmer, under this provision of the bill, in the matter of making an adjustment in the nature of an extension, while under the other provision of the bill, which is applicable to debtors generally speaking, a person would have the privilege of a composition settlement upon such terms as he might arrange.

The terms specified may affect the question not only of adjustment as to terms of payment or time of payment, but they are authorized to effectuate new terms and new conditions as to the amount that shall be paid. That, of course, is embraced within the idea of a composition settlement.

When we come to the special remedy which this bill proposes to set up for the farmer and for his accommodation, we restrict his privilege, and the beneficent features of the measure in his behalf, to allowing him to get some extension of terms only, regardless of the fact that on account of his disastrous and paralyzed condition financially he is not able to pay in full his indebtedness, that it would be to the creditors' advantage to make a reduction of the indebtedness and make an adjustment, that it would be impossible for him to carry on according to the original amount, and that it would be even of advantage to the creditors to make a reduction, the law as here proposed would not authorize it, and now the Senator from Delaware, to make it doubly sure that it would not be permitted, proposes to put in a provision which would make it even plainer that it would not be permitted.

Mr. ROBINSON of Arkansas. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Florida yield to the Senator from Arkansas?

Mr. TRAMMELL. I yield.

Mr. ROBINSON of Arkansas. If I understood the statement of the Senator from Florida, it was to the effect that under the terms of the bill as reported by the committee there might be no composition respecting the indebtedness of a farmer. Is that correct?

Mr. TRAMMELL. As originally reported; but the Senator from Delaware has offered an amendment, which, of course, would strike out that feature which previously would have prevailed against the farmer, and the amendment proposed by the Senator from Delaware would grant the farmer the privilege of a composition settlement.

Mr. ROBINSON of Arkansas. What I was about to say was that the Senator from Florida is entirely wrong in his statement. The amendment offered by me, and incorporated in the bill entitled "Agricultural compositions and extensions," beginning on page 48 and extending down to the end of the bill, expressly provides for compositions and extensions on behalf of the farmer, and is substantially similar to the arrangement carried in the previous sections relating to individual debtors generally. In proof of the correctness of my statement, I refer the Senator to page 50, paragraph (c) of the pending bill, which reads:

> (c) At any time within five years after this section takes effect a petition may be filed by any farmer or by any creditor of such farmer, stating that the farmer is insolvent or unable to meet his debts as they mature, and that it is desirable to effect a composition or an extension of time to pay his debts.

Then follows language which implements the principle of the provision which I have just read. There is just as much arrangement in the bill for compositions in behalf of farmers as in behalf of debtors generally, and there is no basis for the assertion or the conclusion that the relief relating to farmers is limited to mere extensions, as the Senator will readily see by referring to the language commencing on page 48 and extending down to the end of page 57.

I thank the Senator for yielding to me. It may be that the Senator has the wrong copy of the bill.

Mr. TRAMMELL. Mr. President, I have the bill that was placed on my desk. I do not think I made myself quite plain to the Senator. The position I am taking is that, under the provision for an extension settlement, the restrictions as to what may be contained in connection with an extension settlement, as found on page 44, line 22, read as follows, and this is setting forth the restriction of the terms of an extension agreement:

> The terms of an extension proposal may extend to the time of payment of either or both unsecured debts and secured debts, the security for which is in the actual or constructive possession of the debtor or of the custodian or the receiver.

As I understand it—and I have not found any other privilege given to an extension settlement except that—that is the condition upon which an extension agreement may be made, to wit, an extension agreement is authorized to be made only upon the question of the time of payment, not upon the question of a reduction of indebtedness or rearrangement.

I want to get information, and if either the Senator from Delaware or the Senator from Arkansas can point out to me in the bill a provision where, under an extension agreement, there is any other latitude than in connection with the time of payment, of course I will be glad to have the information.

I am differentiating. There are two processes. There is one of composition settlement, which applies to people generally other than corporations, and in which there is an attempt, in the original amendment, until the Senator from Delaware recently amended it, to include the farmer, because the attempt was to set up a special remedy for the farmer until 10 minutes ago, when the Senator submitted his amendment. That, of course, should bring farmers within the composition provided, which I think is very proper. But if the extension provision is to be utilized, why should it not authorize a farmer who uses it to arrange also for a reduction of his indebtedness, and not merely take care of the question of whether or not the time should be extended 6, 12, or 18 months?

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

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Delaware?

Mr. TRAMMELL. I yield.

Mr. HASTINGS. May I make certain that the Senator understands that the purpose of the bill was not to compel the secured creditor to reduce the amount of his debt. The differences between the Senator's suggestion and that which we had in mind in the proposal are fundamental. I want to make it clear that it was not the purpose of those writing the bill that a secured creditor should be compelled to reduce the amount of his claim by a single dollar. That is the reason why I suggested the amendment so there could not be any misunderstanding about it.

Mr. TRAMMELL. I realize that is the policy of those who wrote the bill and those who are reporting the bill. I think under existing circumstances it would be the part of wisdom to bring in the question of reduction of secured indebtedness. The security within itself would not be of sufficient value to absorb the assets. A person who is a secured creditor has a mortgage of $15,000 upon a farm. The farm is worth only $5,000. With him holding that kind of a club over the situation, how can the debtor effectuate any compromise or how can we effectuate any compromise to help the farmer arrange an equitable settlement?

Mr. ROBINSON of Arkansas. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Arkansas?

Mr. TRAMMELL. I yield.

Mr. ROBINSON of Arkansas. Let me call the attention of the Senator to the language on page 53 of the bill. The language is:

> The terms of a composition or extension proposal may extend the time of payment of either secured or unsecured debts, or both, and may provide for priority of payments to be made during the period of extension as between secured and unsecured creditors. It may also include specific undertakings by the farmer during the period of the extension, including provisions for payments on account, and may provide for supervisory or other control by the conciliation commissioner over the farmer's affairs during such period, and for the termination of such period of supervision or control under conditions as specified.

Plainly under that language there may be a composition of secured or unsecured debts, and there may be an extension of secured or unsecured debts.

Mr. TRAMMELL. The other language in the bill plainly says there shall not be any impairment. It plainly says so, while this language is general. Therefore when the court comes to construe it he will hold as courts always do. When there is a specific provision upon a specific matter the court will hold that the specific provision shall prevail over the general language.

Mr. ROBINSON of Arkansas. "Impairment of lien" has relation to an entirely different subject than the question of composition. "Impairment of a lien" means the lessening of its effectiveness as a lien, but there is nothing to prevent a composition of secured or unsecured indebtedness.

Mr. TRAMMELL. The section which was just read by the Senator from Arkansas, on page 53, doubly emphasizes my criticism of the provisions of the terms that may be written into an extension. The Senator read this language on page 53:

> The terms of the composition or extension proposal may extend the time of payment of either secured or unsecured debts, or both, or may provide for priority of payments to be made during the period of extension as between secured and unsecured creditors.

The language does not say one word about or give any authority to the court to consider an extension agreement wherein there is a reduction of the indebtedness.

Now let us go to page 44 and find out what can be provided under an extension agreement. Of course, that is restricted to what the law authorizes. Here are the terms that may be written into an extension agreement:

> The terms of an extension proposal may extend the time of payment of either or both unsecured debts and secured debts the security for which is in the actual or constructive possession of the debtor or of the custodian or receiver.

What can we put in the extension agreement under this bill? It can only be a question of the extension of the time of payment. The paragraph to which the Senator from Arkansas called attention does not go any farther than that language. It rather emphasizes that language.

Mr. ROBINSON of Arkansas. I do not know that I can make any clearer the statement I made a moment ago, but I will read the language, leaving out the alternative:

> The terms of a composition may extend the time of payment of either secure or unsecure debts.

Mr. TRAMMELL. I am not talking about the terms of a composition. I have never said anything about the terms of a composition being restricted. If the official reporter will read my remarks, it will be seen that I have been talking about the terms of an extension agreement, which was the plan set up to help the farmer.

Mr. ROBINSON of Arkansas. If a debtor wishes to proceed for a composition, he may have an extension, provided it is approved in the proceedings contemplated by the bill, either as to a secured or an unsecured debt. In view of that fact, I do not think the suggestion of the Senator is sustained.

Mr. TRAMMELL. The provision of a privilege for the farmer has been very much broadened since the Senator from Delaware [Mr. HASTINGS] struck out that provision which precluded him from the right of a composition settlement. The bill as it was reported here until 15 minutes ago precluded the farmer from a composition.

Mr. ROBINSON of Arkansas. That is where the Senator from Florida is in error. The bill expressly provides for composition on behalf of the farmer. I read part of the language a while ago. I am utterly unable to understand why the Senator from Florida repeats that statement. While section 75 has exclusive relationship to agricultural compositions and extensions, there is the language that I read a while ago expressly providing for composition for the benefit of the farmers either on their own initiative or on the initiative of their creditors. Then there are provisions for the action of conciliation commissioners in working out the composition. All through section 75 runs the subject of composition of farmers' indebtedness.

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

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from New Mexico?

Mr. TRAMMELL. I wish first to reply to the Senator from Arkansas. If what the Senator from Arkansas has said is correct, then I do not understand why there was written into the bill, on page 40, section 74, treating of compositions and extensions, this language—

> any person excepting a corporation and excepting a farmer.

Mr. ROBINSON of Arkansas. If the Senator will let me, I can explain that exception. The reason for excepting the farmer, as explained by the Senator from Delaware, is that farmers' compositions were provided for in the language I have already described in section 75. Originally it was not intended, and it was not intended when the bill was reported, that the provisions in section 74 should relate to compositions by farmers, because that subject is covered fully in section 75, and by the language in that section which I have read.

The reason why the Senator from Delaware proposed to strike out the exception as to farmers in section 74, which deals with compositions for debtors generally, was that in the farmers' composition section is a provision requiring that 15 farmers in the county shall petition for the appointment of a conciliation commissioner. The Senator from Delaware fears there would be some counties in which there would not be 15 farmers who would join in such a petition, and 14 farmers who might be found would be denied the opportunity to have compositions made in their behalf. That is all the significance of that language. The provisions in the farmers' composition section are just as clear, just as forceful, and quite as liberal as they are in the section relating to compositions for debtors generally. There is not a distinction in the world.

Mr. TRAMMELL. That is my desire, and I am sure the Senator from Arkansas has the same desire I have in regard to this matter. After reading the bill I felt it was my duty to point out that the extension settlements did not have, within the authority granted, any provision to rearrange terms. Suppose a farmer owes $10,000 and wants an extension agreement. He has no cash. He is not able to effect, strictly speaking, a composition agreement, because as a rule when we undertake to effect a composition agreement the creditors want the money. The provisions of the bill show all the way through that it is contemplated that money shall be paid when effecting a composition settlement with creditors. During the better and earlier days I never knew of a composition settlement being made except where all cash was paid.

Mr. HASTINGS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Delaware?

Mr. TRAMMELL. I yield.

Mr. HASTINGS. I do not know that I heard all of the Senator's argument in connection with the matter, but I may state to him that I once considered whether after the word "creditor" in line 14, page 45, it was worth while writing in the words "without such creditor's consent." I wonder if that would aid the Senator?

Mr. TRAMMELL. Here is an amendment which I had prepared prior to the controversy which has been raging for the last few moments and which I was going to suggest when we reached that point. On page 45, line 1, after the word "receiver," I had thought of suggesting the words "and may provide for a reduction in the amount of either or both secured or unsecured debts." That merely provides a latitude under the extension provision.

Mr. ROBINSON of Arkansas. What is that but a composition?

Mr. TRAMMELL. It might be a composition, but at the same time we would have the privilege under this provision which provides especially for an extension for farmers, where it is proposed to set up a board of conciliation and have commissioners and try to provide some machinery. The purpose is to provide some machinery for the farmers to get an adjustment of their debts. But when it comes to the question of adjustment under that particular provision, the machinery which it is proposed to set up would restrict him only to the matter of getting the time for payment of his indebtedness extended. That is all the bill would permit him to do.

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

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Delaware?

Mr. TRAMMELL. I yield.

Mr. HASTINGS. In order that I may understand his objection to this measure, may I inquire whether the Senator is in favor of permitting a majority in number of unsecured creditors and a majority in amount of unsecured claims to compel the secured creditors to take the same kind of a settlement that they themselves are willing to take?

Mr. TRAMMELL. I am not in favor of a plan whereby the security of a person holding a secured debt, the security being equal to the indebtedness, is impaired; but there are more people in the country to-day, especially among the farmers, whose security is not equal to the amount of their indebtedness than there are those otherwise situated; and if we do not allow them to negotiate and let some one pass upon the question of whether or not the entire indebtedness may be reduced, then, of course, they are precluded from that privilege, and the only thing that a farmer can do is to get a little extension of the time of payment.

Mr. HASTINGS. May I say to the Senator that there is certainly nothing in this bill anywhere that prevents a secured creditor from voluntarily agreeing to reduce his claim on account of debts due him?

Mr. TRAMMELL. That is a thing which the bill proposes to provide; but under the terms of an extension or settlement are expressly provided and undoubtedly are restricted by the provision on page 44, according to my recollection. This is what the bill provides; and, of course, I think all Senators realized the restriction when they wrote it in the measure:

> The terms of an extension proposal may extend the time of payment of either or both unsecured debts.

That is the only thing that can be gone into in such a settlement or extension. Under that paragraph and under that set-up of machinery that is the only question that can be considered. Can we apply any general relief without specifically providing the different things which may be done when we are proposing to change the bankruptcy laws and procedure?

Mr. HASTINGS. May I point out to the Senator that there may be a composition and an extension combined? A man may very well and in some instances, as it seems to me, will contend that if he be given time by a composition he can pay twice as much as he will be able to pay now. He therefore offers 30 cents to-day, payable in cash, and 60 cents on each dollar payable if they will give him a year, and 90 cents if they will give him two years. So there is a combination of the two, a composition between the creditor and the debtor and an extension at the same time. The only point is that the secured creditor is not compelled to reduce the amount of his debt at all, but, of course, he may voluntarily do it, and he may be compelled to wait for the collection of his debt if in equity the judge believes that if he gives an opportunity to the debtor he may rehabilitate himself financially.

Mr. TRAMMELL. Mr. President, we are all aiming at the same end in this matter. The Senator states that the creditor may voluntarily do what is suggested. If he is proceeding under the special remedy for composition and the law providing for the special remedy specifically says that it shall not be done, has the court the authority then to reduce his indebtedness? If the proceeding be under the general bankruptcy law, under the composition settlement, why, of course, it is discretionary with the creditors as to what they may do; but when the proceeding is under a new provision, an emergency provision, is not the court restricted in passing upon a proposal in a case of that kind to the provisions under which the parties are operating?

I have known of bankruptcy cases—I happen to have been engaged as attorney in some cases—where some of the creditors were so determined to get their whole "pound of flesh" that other creditors had to raise a part of the money in order to get an adjustment with them for the purpose of effecting the composition settlement. I should dislike to have a relief measure, intended for people under the pitiable conditions that exist in this country, to take such a position that a few creditors calling themselves "secured creditors" could throw a monkey wrench into the machinery and prevent an equitable and just settlement. I should very much dislike to see a condition of that kind.

I think the Senator from Delaware is right in that there should be provision for a composition settlement and for an extension settlement, and that the two may be combined. The question in my mind is when the court comes to consider the matter whether he is going to construe the bill to mean that there was any intention on the part of Congress that the two should be combined. I have never sat on the bench; but I think that when the two remedies are set out specifically and separately and distinctly, the court is not going to construe that those two methods of relief shall be combined in one action but will hold that the parties will have to come through either one door or the other; that they will have to come through the composition door or they will have to come through the door providing for an extension. If they operate under the extension provision they will have to operate under the extension machinery providing for reconciliation commissioners and inspectors and so forth, but if it be a composition, then there will be employed the machinery for such composition.

Mr. HEBERT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Rhode Island?

Mr. TRAMMELL. I yield.

Mr. HEBERT. I call the Senator's attention to the provision of paragraph (f) on page 44 which provides for the confirmation of compositions or extensions. The word used in the bill is "proposals"—

> Application for the confirmation of the composition or extension proposal.

If the Senator will follow along to the next paragraph, paragraph (g), he will see that it is there made obligatory upon the court to confirm such proposals. In other words, if the proposal has in it a provision for an extension as well as for a composition the court shall confirm it if satisfied that it is "equitable and feasible," and so on. Clearly the purpose of that language is to provide for the consideration of both a composition and an extension in the same proposal.

Mr. TRAMMELL. Of course we just have a little difference as a matter of legal construction. That provision deals, I understand, specifically with compositions. Following along at a later time, and in a different paragraph, there is a provision which deals with extension settlements. I know we all aim to do the best we can for the poor unfortunate people in this country, whether they are farmers or otherwise.

This amendment has already been pretty thoroughly discussed, and I am going to propose an amendment, and we will have a vote on it.

The PRESIDING OFFICER. The question first comes on the amendment offered by the Senator from Delaware, after which the amendment offered by the Senator from Florida will be in order. The question is on the amendment offered by the Senator from Delaware.

Mr. TRAMMELL. Mr. President, I think it advisable to have the amendment read; it has not as yet been read.

Mr. HASTINGS. Mr. President, during this discussion I have concluded to change the amendment a little; and I desire to withdraw my pending amendment and offer one on page 45, line 13, after the word "not" to make it read in this way:

That such extension or composition shall not reduce the amount of or impair the lien of any secured creditor.

I think that follows out the suggestion made by the Senator from Arkansas and reads a little better.

The PRESIDING OFFICER. The question is on the amendment now presented by the Senator from Delaware to the amendment reported by the committee.

Mr. HEBERT. Mr. President, what amendment are we considering? Is it the amendment of the Senator from Florida or the amendment of the Senator from Delaware?

The PRESIDING OFFICER. The amendment of the Senator from Florida is not now in order. The amendment of the Senator from Delaware to the amendment reported by the committee is before the Senate. The question is on that amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The Senator from Florida [Mr. TRAMMELL] has offered an amendment which the clerk will report.

The LEGISLATIVE CLERK. On page 45, in line 1, after the word "receiver," it is proposed to add the following: "and may provide for a reduction in the amount of either or both secured or unsecured debts."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Florida to the amendment reported by the committee.

Mr. BLAINE. Mr. President, I wanted to interrupt the Senator from Florida while he was on the floor some time ago. As I understand, his amendment would justify the tribunal, without the consent of the secured creditor, to reduce the amount of his claim? Is that correct?

Mr. TRAMMELL. It does not provide for a reduction of the value of the security, but it does provide that there may be a reduction in amount. The Senator from Delaware has just had an amendment adopted which provides that the amount of the security shall not be impaired or lessened. My amendment refers to a reduction in the amount.

Mr. BLAINE. Does the Senator contend that Congress has the power to authorize some tribunal to reduce the amount of any contract, whether it is a secured or an unsecured claim?

Mr. TRAMMELL. The same criticism may be made as to other provisions and the general purposes of this bill. In the general provisions of the bill we are attempting to say that those disconnected with the matter, who are not in anywise in the transaction, may force a reduction of the debt regardless of the kind it is. Of course, it applies to unsecured debts, but they might be contractual debts, debts entered into by solemn contract, and we permit a certain number of creditors to come in and say that such debts shall be reduced. So I think the same criticism might be launched against even that provision of the bill.

Mr. BLAINE. Mr. President, I was just curious to ascertain whether or not the Senator intended to confer upon any tribunal, under any procedure, the right to reduce the amount of any contract claimed without the consent of the creditor?

Mr. TRAMMELL. This whole bill provides that a majority of creditors in amount could do that under the composition settlement and under the other provisions of the bill.

Mr. BLAINE. Does the Senator believe that the Congress has such power?

Mr. TRAMMELL. I am going to support the bill because of the emergency.

Mr. BLAINE. I am asking the Senator the frank question, Does he believe that the Congress has such power?

Mr. TRAMMELL. I have not studied that feature sufficiently well to commit myself on that legal point. I am going to waive the doubt in favor of the people of the country who need this relief. That is about the only answer that I can give.

Mr. BLAINE. The Senator is contending that Congress has that power?

Mr. TRAMMELL. I left it to the committee to investigate that question.

Mr. BLAINE. Let me put this question: Is it not rather unfair toward the farmer to let him believe that something is going to be done for him when we know that it can not be done under the Constitution?

Mr. TRAMMELL. I think the Senator is right about that.

Mr. BLAINE. Certainly.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Florida to the amendment reported by the committee.

The amendment was rejected.

Mr. BRATTON. Mr. President, may I have the attention of the Senator from Delaware? I desire to offer two amendments that relate to the same subject matter. I believe the Senator from Delaware will accept them.

On page 41, line 8, after the word "property," insert "including a claim for future rent."

Mr. HASTINGS. I certainly thought I had that in the section. I may say to the Senator that a great many applications have been made to me with respect to that, and I saw no objection to putting it in; but it may be that I did not get it in this particular section.

Mr. BRATTON. I think it is not.

On the next page I desire to offer another amendment which relates to the same matter. I think both of them will be acceptable.

Mr. HASTINGS. May I inquire just where the Senator proposes to put that, please?

Mr. BRATTON. On page 41, line 8, after the word "property," insert "including a claim for future rent."

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

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Mexico to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. BRATTON. Then, Mr. President, on the next page, page 42, line 6, after the period, I move to insert: "A claim for future rent shall constitute a provable debt, and shall be liquidated under section 63 (b) of this act."

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

Mr. BRATTON. I yield.

Mr. HASTINGS. Referring to the language just written into line 8, page 41, which I said I thought was in this section, I ask the Senator whether he has considered, on page 42, the language beginning in line 1?—

The term "creditor" shall include for the purpose of an extension proposal under this section all holders of claims of whatever character against the debtor or his property, including a claim for future rent.

Mr. BRATTON. Yes; I had considered that, but that describes the holder of the claim.

Mr. HASTINGS. I have no objection to the other amendment.

Mr. BRATTON. I thought the definition of "debt" should include an express provision respecting future rent.

Mr. HASTINGS. Now, may we have the second amendment stated?

The PRESIDING OFFICER. Will the Senator send up his amendment?

Mr. BRATTON. I send up the amendment, to be inserted on page 42, line 6, following the period.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. On page 42, line 6, following the period, it is proposed to insert a new sentence, reading as follows:

A claim for future rent shall constitute a provable debt, and shall be liquidated under section 63 (b) of this act.

Mr. HASTINGS. I inquire of the Senator from New Mexico whether that is not an amendment affecting the rents under the old law. As I stated this morning, there are so many things that various people want corrected in the old statute that I was very much afraid to get into it for fear we would get into a great deal of trouble in connection with it; and I have sought in this bill in the other sections to prevent any controversy arising under the old act. Therefore I intended that those words should apply to these particular sections.

Mr. BRATTON. Mr. President, I concur with the Senator that we should free ourselves of any contact with the old act; and I think I shall withdraw the amendment. I do not care to go into the old act. I think we should not do so.

Mr. HASTINGS. I thank the Senator.

Mr. BRATTON. Let me ask the Senator from Delaware whether he thinks that with the amendment already adopted on page 41, line 6, a claim for future rent could be established and receive the same consideration and the same disposition under this measure that any other claim or any other debt would receive?

Mr. HASTINGS. Does the Senator mean without its being written in there?

Mr. BRATTON. No; with the amendment already adopted.

Mr. HASTINGS. I have not any doubt of it, with the amendment already adopted; and my own notion about it was that it would be true without having it written in there at all, because we have undertaken in these sections to include all the claims that could be had against a debtor, so that when he got relief he might know that he had relief from every kind of a claim that might be had against him.

Mr. BRATTON. Mr. President, temporarily I shall withdraw the amendment offered at page 42, line 6.

Mr. BLAINE. Mr. President——

Mr. HASTINGS. Will the Senator from Wisconsin yield to me for another moment? I have amendments that I desire to offer at three other places in the bill.

Mr. BLAINE. I am not going to speak. I was going to offer some amendments. I should prefer that the Senator offer his amendments, and then I should like to offer some.

Mr. HASTINGS. Very well.

On page 51, line 9, the section reads at this time:

After the filing of such petition or answers by the farmer, the farmer shall, within such time and in such form as the conciliation commissioner shall determine, file an inventory of his estate.

When I first considered this amendment I had thought that was a dangerous thing to write in there, because we would have one conciliation commissioner adopting one form and one time in which returns should be made, and some other conciliation commissioner adopting another time; so we have provided in another place that the Supreme Court is authorized to make such general orders as it may find necessary. My attention was called to the fact that that probably was not necessary to be written into the bill, but so far as I can see it does no particular harm.

I desire on line 9, page 51, to strike out the words "conciliation commissioner shall determine" and write in the words "rules provide," so that it will read:

The farmer shall, within such time and in such form as the rules provide, file an inventory of his estate.

I offer that as an amendment.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Delaware to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. HASTINGS. Now, on page 54 I want to make the same correction in the farmer section as was made in the individual section referring to the extension of secured debt. In order to do it, it will be necessary to write in after the word "not" on line 4, page 54, the words "reduce the amount of nor."

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

The amendment to the amendment was agreed to.

Mr. HASTINGS. On page 55, line 15, beginning with line 15, the section reads:

Except upon petition made to and granted by a court of bankruptcy after hearing and report by the conciliation commissioner, the following proceedings shall not be instituted:

That is a very drastic provision preventing executions and what not from being carried out against a debtor. My attention has been called to the fact that "a court of bankruptcy" frequently means a referee, and it is believed that that sort of an important thing ought to be heard by the judge. I desire, therefore, to propose an amendment on page 55, beginning on line 15, to strike out the letter "a," and on line 16 to strike the words "court of bankruptcy" and insert in lieu thereof "the judge."

I propose that as an amendment.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Delaware to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. HASTINGS. Mr. President, this morning I referred to the importance of protecting the corporations or individuals that may have guaranteed the principal and interest of a mortgage. I read a proposed amendment which I have somewhat modified; and I propose this now as a new section and ask that it be read.

The PRESIDING OFFICER. The amendment offered by the Senator from Delaware to the amendment of the committee will be stated.

The LEGISLATIVE CLERK. On page 57, at the end of line 10, it is proposed to strike out the quotation marks and insert the following new section:

SEC. 76. Extensions or compositions, made pursuant to the foregoing provisions of this chapter, shall extend the obligation of any person who is secondarily liable to any person for the prompt payment of such debt or debts, or any part thereof, and a copy of the order confirming such extension or composition, certified as required by the provisions of law with reference to judgments and proceedings in courts of the United States, shall be sufficient evidence that such extension or composition has been confirmed in any suit or proceeding brought against any such person so liable.

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

Mr. HASTINGS. I yield.

Mr. BRATTON. It is the purpose of this amendment to give to one bound secondarily the same benefits accruing to the one bound primarily?

Mr. HASTINGS. That is right.

Mr. BRATTON. And in case of a composition with a reduction of the amount due, the indorser or other person secondarily liable would have the benefit of that?

Mr. HASTINGS. That is correct.

Mr. BRATTON. If it is merely an extension of the time of payment without any reduction of amount, the one secondarily liable gets the benefit of that?

Mr. HASTINGS. That is true; and, there being no authority for any court to reduce the amount without his consent, of course he is amply protected.

Mr. BRATTON. In neither event is his liability changed?

Mr. HASTINGS. That is true.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Delaware to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. HASTINGS. Mr. President, there is one other amendment that has been submitted to me by the Senator from Iowa [Mr. BROOKHART] to which I desire to give a little further consideration.

I now desire to offer, but do not ask for its consideration at the present time, a section relating to the reorganization of railroads engaged in interstate commerce.

The PRESIDING OFFICER. Does the Senator want it read?

Mr. HASTINGS. I do not want it read. I just want to have it offered. I am not asking that it be considered at present.

Mr. BLAINE. Will the Senator withhold that until I can offer some amendments?

The PRESIDING OFFICER. The amendment is not pending. The Senator is not offering it to be considered now.

Mr. HASTINGS. Not for the present.

Mr. WALSH of Massachusetts. Will the Senator have the amendment printed in the RECORD?

Mr. HASTINGS. In accordance with the suggestion of the Senator from Massachusetts I ask that the amendment be printed in the RECORD.

The PRESIDING OFFICER. The amendment will be printed in the RECORD and lie on the table and be printed.

The amendment is as follows:

Amendment intended to be proposed by Mr. HASTINGS to the bill (H. R. 14359) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto, viz: On page 57, after line 10, insert the following:

"SEC. —. Reorganization of railroads engaged in interstate commerce: (a) Any railroad corporation may file a petition stating that the railroad corporation is insolvent or unable to meet its debts as they mature and that it desires to effect a plan of reorganization. The petition shall be filed with the court in whose territorial jurisdiction the railroad corporation, during the preceding six months or the greater portion thereof, has had its principal executive or operating office or with the court in whose jurisdiction the corporation has its domicile, and a copy of the petition shall at the same time be filed with the Interstate Commerce Commission hereinafter called the commission. The petition shall be accompanied by payment to the clerk of a filing fee of $100, which shall be in addition to the fees required to be collected by the clerk under other sections of this act. Upon the filing of such a petition, the judge shall enter an order either approving it as properly filed under this section, if satisfied that such petition complies with this section and has been filed in good faith, or dismissing it. If the petition is so approved, the court in which such order approving the petition is entered shall, during the pendency of the proceedings under this section, have exclusive jurisdiction of the debtor and its property wherever located. The railroad corporation shall be referred to in the poceedings as a 'debtor.' Any corporation, the majority of the capital stock of which having power to vote for the election of directors is owned, either directly or indirectly through an intervening medium, by any railroad corporation filing a petition as a debtor under this section, or substantially all of whose properties are operated by such a debtor under lease or operating agreement may file, with the court in which such other debtor had filed such a petition, and in the proceeding upon such petition under this section, a petition stating that it is insolvent or unable to meet its debts as they mature and that it desires to effect a plan of reorganization in connection with, or as a part of, the plan of reorganization of such other debtor; and thereupon such court shall have the same jurisdiction with respect to it, its property and its creditors and stockholders as the court has with respect to such other debtor. Creditors of any railroad corporation having claims or interests aggregating not less than 5 per cent of all the indebtedness of such railroad corporation as shown in the latest annual report which it has filed with the commission at the time when the petition is filed, may, if the railroad corporation has not filed a petition under this section, but subject to first having obtained the approval of the Interstate Commerce Commission, after hearing, upon notice to such railroad corporation, file with the court in which such railroad corporation might file a petition under the provisions of this section, a petition stating that such railroad corporation is insolvent or unable to meet its debts as they mature and that such creditors propose that it shall effect a reorganization; upon such filing of such a petition copies thereof shall be filed with the commission and served by the petitioning creditors forthwith upon the railroad corporation; the railroad corporation shall, within 10 days after such service, answer such petition; if such answer shall admit the jurisdiction of the court, that the claims of the petitioning creditors constitute the amounts necessary to entitle them to file such petition under this section, and that the railroad corporation is either insolvent or unable to meet its debts as they mature, the court shall, upon the filing of the recommendations of the commission in writing, enter an order approving the petition as properly filed under this section if satisfied that it complies with this section and has been filed in good faith, or disapprove it if not so satisfied; and if so approved the proceedings thereon shall continue with like effect as if the railroad corporation had itself filed a petition under this section; if such answer shall deny either the jurisdiction of the court or that the claims of the petitioning creditors constitute such necessary amounts or that the railroad corporation is insolvent or unable to meet its debts as they mature, the court shall summarily try the issues, and if after the filing of the recommendations of the commission in writing it shall find that the petition complies with this section, and has been filed in good faith, the court shall enter an order approving the petition as properly filed under this section, and the proceedings thereon shall continue with like effect as if the railroad corporation had itself filed a petition under this section; otherwise the court shall dismiss the petition.

"(b) A plan of reorganization within the meaning of this section (1) shall include a proposal to modify or alter the rights of creditors generally, or of any class of them, secured or unsecured, either through the issuance of new securities of any character or otherwise; (2) may include, in addition, provisions modifying or altering the rights of stockholders generally, or of any class of them; (3) shall provide adequate means for the execution of the plan, which may, so far as may be consistent with the provisions of sections 1 and 5 of the interstate commerce act, as amended, include the transfer or conveyance of all or any part of the property of the debtor to another corporation or to other corporations or the consolidation of the properties of the debtor with those of another railroad corporation, or the merger of the debtor with any other railroad corporation and the issuance of securities of either the debtor or any such corporation or corporations, for cash, or in exchange for existing securities, or in satisfaction of claims or rights, or for other appropriate purposes; and (4) may deal with all or any part of the property of the debtor. The term 'securities' shall include evidences of indebtedness, either secured or unsecured, bonds, stocks, certificates of beneficial interest therein, and certificates of beneficial interest in property. The term 'stockholders' shall include the holders of voting trust certificates. The term 'creditors' shall, except as otherwise specifically provided in this section, include, for all purposes of this section and of the reorganization plan, its acceptance and confirmation, all holders of claims, interests, or securities of whatever character against the debtor or its property, including claim for future rent, whether or not such claims, interests, or securities would otherwise constitute provable claims under this act.

"(c) Upon approving the petition as properly filed the judge (1) may temporarily appoint a trustee or trustees of the debtor's estate, who shall have all the title and, subject to the control of the judge and consistently with the provisions of this section, shall exercise all the powers of a trustee appointed pursuant to section 44 or any other section of this act, and, subject to the judge's control, shall have the power to operate the business of the railroad corporation; (2) shall fix the amount of the bond of such trustee or trustees and require the debtor, the trustee, or trustees to give such notice as the order may direct to creditors and stockholders and to cause publication thereof to be made at least once a week for two successive weeks of a hearing to be held within 30 days after such appointment, at which hearing or any adjournment thereof the judge may make permanent such appointment, or may terminate it and may, in the manner herein provided for the appointment of trustees, appoint a substitute trustee or substitute trustees, and in the same manner may appoint an additional trustee or additional trustees, and shall fix the amount of the bond of the substitute or additional trustee or trustees; the trustee or trustees and their counsel shall receive such compensation as the judge may allow within a maximum approved by the commission; (3) may for cause shown, and with the approval of the commission, in accordance with section 20 (a) of the interstate commerce act, as amended, authorize the trustee or trustees to issue certificates for cash, property, or other consideration approved by the judge, for such lawful purposes and upon such terms and conditions and with such security and such priority in payments over existing obligations, secured or unsecured, as might in an equity receivership be lawful; (4) shall require the debtor, at such time or times as the judge may direct and in lieu of the schedules required by section 7 of this act, to file such schedules and submit such other information as may be necessary to disclose the conduct of the debtor's affairs and the fairness of any proposed plan; (5) shall determine a reasonable time within which the claims and interests of creditors and stockholders may be filed or evidenced and after which no such claim or interest may participate in any plan except on order for cause shown; the manner in which such claims and interests may be filed or evidenced and allowed, and, for the purposes of the plan and its acceptance, the division of creditors and stockholders into classes according to the nature of their respective claims and interests; (6) shall cause reasonable notice of such determination, or of the dismissal of the proceedings, or the allowance of fees or expenses, to be given creditors

and stockholders by publication or otherwise; (7) if a plan of reorganization is not proposed or accepted, or, if proposed and accepted, is not confirmed, within such reasonable time as the judge may, upon cause shown and after considering any recommendation which has been filed by the commission, allow, may dismiss the proceeding; (8) may, within such maximum limits as are fixed by the commission, as elsewhere provided in subdivision (g) of this section, allow a reasonable compensation for the services rendered and reimbursement for the actual and necessary expenses incurred in connection with the proceeding and plan by officers, parties in interest, reorganization managers, and committees or other representatives of creditors or stockholders, and by their attorneys or agents, and by such assistants as the commission with the approval of the judge may specially employ; and (9) may on his own motion or at the request of the commission refer any matters for consideration and report, either generally or upon specified issues, to one of several special masters who shall have been previously designated to act as special masters in any proceedings under this section by order of any circuit court of appeals and may allow such master a reasonable compensation for his services. The circuit court of appeals of each circuit shall designate three or more members of the bar as such special masters whom they deem qualified for such services, and shall from time to time revise such designations by changing the persons designated or reducing or adding to their number, as the public interest may require: *Provided, however,* That there shall always be three of such special masters qualified for appointment in each circuit who shall in their respective circuits hear any matter referred to them under this section by a judge of any district court. For all purposes of this section claims against a railroad corporation which would have been entitled to priority over existing mortgages if a receiver in equity of the property of the debtor had been appointed by a Federal court at the date of the filing of the petition hereunder shall be entitled to such priority, and holders of such claims shall be treated as a separate class of creditors. If in any case in which the issues have not already been tried under the provisions of subdivision (a) of this section any of the debtor's creditors shall, prior to the hearing provided for in subdivision (c), clause (2), of this section, appear and controvert the facts alleged in the petition, the judge shall determine, as soon as may be, the issues presented by the pleadings, without the intervention of a jury, and unless the material allegations of the petition are sustained by the proofs shall dismiss the petition. Any creditor or stockholder shall be heard on the question of the appointment of any trustee or trustees, the proposed approval of any reorganization plan, and upon filing a petition for leave to intervene on such other questions arising in the proceeding as the judge shall determine. The debtor, or the trustees if appointed, shall within 15 days or, upon cause shown, such other time as may be directed by the judge, prepare (1) a list of all known bondholders and creditors of, or claimants against, the debtor or its property, and the amounts and character of their debts, claims, and securities, and the last known post-office address or place of business of each creditor or claimant, and (2) a list of the stockholders of the debtor, with the last known post-office address or place of business of each. The contents of such lists shall not constitute admissions by the debtor or the trustees in a proceeding under this section or otherwise. Such lists shall be open to the inspection of any creditor or stockholder of, or claimant against, the debtor, during reasonable business hours, upon application to the debtor or trustees, as the case may be.

"(d) Before creditors and stockholders of the debtor are asked finally to accept any plan of reorganization, the Interstate Commerce Commission shall after due notice hold a public hearing at which the debtor shall present its plan of reorganization and at which, also, such a plan may be presented by the trustee or trustees, or by or on behalf of creditors of the debtor, being not less than 10 per cent in amount of any class of creditors. Following such hearing, the commission shall render a report in which it shall recommend a plan of reorganization (which may be different from any which has been proposed) that will, in its opinion be equitable, will not discriminate unfairly in favor of any class of creditors or stockholders, will be financially advisable, will meet with the requirements of subdivision (g) of this section, and will be compatible with the public interest. In such report the commission shall state fully the reasons for its conclusions, and it may thereafter, upon petition for good cause shown, and upon further hearing if the commission shall deem necessary, modify any of its recommendations and conclusions in a supplemental report stating the reasons for such modification. Thereafter the plan of reorganization recommended by the commission shall be submitted in such manner as the commission may direct to the creditors and stockholders of the debtor for acceptance or rejection, together with the report or reports of the commission thereon; and the commission shall at the same time afford an opportunity to accept or reject any other plan of reorganization filed as in this subdivision (d) provided.

"(e) A plan of reorganization shall not be recommended by the commission until it has been accepted in writing and such acceptance has been filed in the proceeding by or on behalf of creditors holding two-thirds in amount of the claims of each class whose claims or interests would be affected by the plan, and by or on behalf of stockholders of the debtor holding two-thirds of the stock of each class: *Provided, however,* That if adequate provision is made in the plan for the protection of the interests, claims, and liens of any class of creditors or stockholders in the manner provided in clauses (5) and (6) of subdivision (g), of this section, then the acceptance of the plan by such class of creditor or stockholders shall not be requisite to the approval of the plan: *And provided further,* That the acceptance of stockholders shall not be requisite to the confirmation of the plan if (1) the judge shall have determined (a) that the corporation is insolvent, or (b) that the interests of stockholders will not be adversely affected by the plan, or (c) that the debtor has pursuant to authorized corporate action accepted the plan, and its stockholders are bound by such acceptance. For the purposes of this section acceptance by a creditor or stockholder shall include acceptance in writing executed by him; or acceptance by his duly authorized attorney or committee acting under authority executed by him subsequent to the recommendation of the plan by the commission. Upon acceptance of the plan in accordance with the provisions of this subdivision (e) the commission may, without further proceedings, grant authority for the issue of any securities, assumption of obligations, transfer of any property, or consolidation or merger of properties, to the extent contemplated by the plan consistent with the purposes of the interstate commerce act as amended. If the United States of America is directly a creditor or stockholder, the Secretary of the Treasury is hereby authorized to accept or reject a plan in respect of the interests or claims of the United States.

"(f) If the plan recommended by the commission is accepted as provided in subdivision (e), the commission shall thereupon certify the plan to the court together with its approval thereof and that the same has been so accepted, together with a report of the proceedings before it and its conclusions thereon. If the plan accepted as provided in subdivision (e) differs from the plan recommended by the commission, it shall, upon acceptance, be submitted to the commission, which shall hear all interested parties upon such notice and subject to such rules and regulations as it shall prescribe. If after such hearing the commission determines that the accepted plan in its opinion is equitable and will not discriminate unfairly in favor of any class of creditors or stockholders; will be financially advisable; will meet the requirements of subdivision (g) of this section; and will be compatible with the public interest; the commission shall thereupon certify the plan to the court, together with its approval thereof and that the same has been duly accepted, and together with a report of the proceedings before it and its findings and conclusions thereon. The commission shall also, after hearing if necessary, fix the maximum compensation which may be allowed by the court pursuant to clause (8) of subdivision (c) of this section. No plan of reorganization shall be confirmed in any proceeding under this section except upon the approval of the Interstate Commerce Commission certified to the court. If the commission shall decline to issue such a certificate, it shall file in the proceedings its decision, specifying the particular grounds upon which it bases its disapproval of the plan.

"(g) Upon such approval by the commission, and after hearing such objections as may be made to the approved plan, the judge shall confirm the plan if satisfied that (1) the approved plan complies with the provisions of subdivision (b) of this section, is equitable and does not discriminate unfairly in favor of any class of creditors or stockholders; (2) all amounts to be paid by the debtor or by any corporation or corporations acquiring the debtor's assets, for services or expenses incident to the reorganization and cost of financing, have been fully disclosed and are reasonable, or are to be subject to the approval of the judge; (3) the offer of the plan and its acceptance are in good faith and have not been made or procured by any means or promises forbidden by this act; (4) the approved plan provides for the payment of all costs of administration and other allowances made by the court, except that compensation provided for in subdivision (c), clause (8) of this section may be paid in securities provided for in the plan if those entitled thereto will accept such payment and the court finds such compensation reasonable; (5) the approved plan provides, with respect to stockholders of any class the acceptance of which is requisite to the confirmation of the plan, and who would not become bound by the plan under the provision of subdivision (h) of this section, and of which more than one-third have not accepted the plan, adequate protection for the realization by them of the value of their equity, if any, in the property of the debtor dealt with by the plan either by a sale of the property at not less than a fair upset price, or by appraisal and payment in cash either of the value of their stock or, at the objecting stockholder's election, of the value of the securities, if any, alloted to such stock under the plan; (6) the plan provides with respect to any class of creditors the acceptance of which is requisite to the confirmation of the plan, and who would not become bound by the plan under the provisions of subdivision (h) of this section, adequate protection for the realization by them of the value of their securities, liens, and claims, either (a) by the sale of such property subject to their liens, if any, or (b) by the sale free of such liens at not less than a fair upset price, and the transfer of such liens to the proceeds of such sale, or (c) by appraisal and payment in cash of either the value of such liens and claims or, at the objecting creditors' election, the value of the securities allotted to such liens and claims under the plan. Section 57, clause (h), of this act shall be applicable to the appraisal of securities under this section, and the value of the unpaid balance shall be appraised as an unsecured claim; and (7) the debtor, and every other corporation issuing securities or acquiring property under the plan, is authorized by its charter or by applicable State or Federal laws, upon confirmation of the plan, to carry out the plan. In the case

of a sale or appraisal under clause (5) or (6) of this subdivision (g) the court shall refer to the commission for its consideration and recommendation the amount to be fixed as the upset price and the appraisal of any securities.

"(g) Upon such confirmation the provisions or plan shall be binding upon (1) the corporation, (2) all stockholders if the judge shall have determined (a) that the corporation is insolvent, or (b) that the interests of stockholders will not be adversely affected by the plan, or (c) that the debtor has pursuant to authorized corporate action accepted the plan and its stockholders are bound by such acceptance, (3) all stockholders of each class of which two-thirds in amount shall have accepted the plan, (4) all creditors whose claims are payable in cash in full under the plan, (5) all creditors entitled to priority under subdivision (c) of this section, whose claims are not payable in cash in full under the plan, provided two-thirds in amount of such creditors shall have accepted the plan in writing filed in the proceeding, (6) all other unsecured creditors, provided two-thirds in amount of such creditors shall have accepted the plan in writing filed in the proceeding, and (7) all secured creditors of each class of which two-thirds in amount shall have accepted the plan. The confirmation of the plan shall discharge the debtor from its debts except as provided in the plan. Upon confirmation of the plan by the judge, the debtor and other corporations affected by the plan, or organized or to be organized for the purpose of carrying out the plan, shall have full power and authority to put into effect and carry out the plan and the orders of the judge relative thereto, the laws of any State or the decision or order of any State authority to the contrary notwithstanding; and they shall be, and they are hereby, relieved from the operation of the antitrust laws, as designated in section 1 of the act entitled 'An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes,' approved October 15, 1914, and of all other restraints, prohibitions, or requirements by law, State or Federal, in so far as may be necessary to enable them to do anything authorized or required by the plan or by any order made under and pursuant to the provisions of this section. In the event that the judge should disapprove the plan he shall file an opinion stating his reasons therefor.

"(i) The provisions of sections 721, 722, 723, 724, and 725 of the revenue act of 1932 shall not apply to the issuance, transfers, or exchange of securities or filing of conveyances to make effective any plan of reorganization confirmed under the provisions of this section.

"(j) Upon the confirmation of the plan the property dealt with by the plan, when transferred and conveyed to the debtor or other corporation or corporations provided for by the plan, or if no trustee or trustees have been appointed when held by the debtor pursuant to the plan, shall, as the court may direct, be free and clear of all claims of the debtor, its stockholders and creditors, except such as may consistently with the provisions of the plan be reserved in the order confirming the plan or directing such transfer and conveyance, and the court may direct the trustee or trustees, or if there be no trustee or trustees the debtor, to make any such transfer and conveyance, and may direct the debtor to join in any such transfer or conveyance made by the trustee or trustees. Upon the termination of the proceeding a final decree shall be entered discharging the trustee or trustees, if any, making such provisions as may be equitable, and closing the case.

"(k) If a receiver of all or any part of the property of a corporation has been appointed by a Federal or State court, whether before or after this amendatory act takes effect, the railroad corporation may nevertheless file a petition or answer under this section at any time thereafter, but if it does so and the petition is approved the trustee or trustees appointed under the provisions of this section shall be entitled forthwith to possession of such property, and the judge shall make such orders as he may deem equitable for the protection of obligations incurred by the receiver and for the payment of such reasonable administrative expenses and allowances in the prior proceeding as may be fixed by the court appointing said receiver. If a receiver has been appointed by a Federal or State court prior to the dismissal under subdivision (c), clause (7), of a proceeding under this section, the judge may include in the order of dismissal appropriate provisions directing the trustee to transfer possession of the debtor's property within the territorial jurisdiction of such court to the receiver so appointed, upon such terms as the judge may deem equitable for the protection of obligations incurred by the trustee and for the payment of administrative expenses and allowances in the proceeding hereunder. For the purposes of this section the words 'Federal court' shall include the district courts of the United States and of the Territories and possessions to which this act is or may hereafter be applicable, the Supreme Court of the District of Columbia, and the United States Court of Alaska.

"(l) In addition to the provisions of section 11 of this act for the staying of pending suits against the debtor, such suits shall be further stayed until after final decree the judge may, upon notice and for cause shown, enjoin or stay the commencement or continuance of any judicial proceeding to enforce any lien upon the estate until after final decree.

"(m) A certified copy of an order confirming a plan of reorganization shall be evidence of the jurisdiction of the court, the regularity of the proceedings, and the fact that the order was made. A certified copy of an order directing the transfer and conveyance of the property dealt with by the plan as provided in subdivision (j) of this section shall be evidence of the transfer and conveyance of title accordingly, and if recorded shall impart the same notice that a deed if recorded would impart.

"(n) In proceedings under this section 76 and consistent with the provisions thereof, the jurisdiction and powers of the court, the duties of the debtor and the rights and liabilities of creditors, and of all persons with respect to the debtor and his property, shall be the same as if a voluntary petition for adjudication had been filed and a decree of adjudication had been entered on the day when the debtor's petition was filed.

"(o) The term 'railroad corporation' as used in section 76 of this act means any common carrier by railroad engaged in the transportation of persons or property in interstate commerce except a street, suburban, or interurban electric railway which is not operated as a part of a general railroad system of transportation."

Mr. BLAINE. Mr. President, I have four amendments to offer. They relate to substantially the same subject—two of them to each one of the sections; that is the section respecting individual debtors, and the section respecting farm debtors.

I now send to the desk the proposed amendments, and invite the attention of the Senator from Delaware to them.

The PRESIDING OFFICER. The first amendment offered by the Senator from Wisconsin to the amendment of the committee will be stated.

The LEGISLATIVE CLERK. The Senator from Wisconsin proposes the following amendment to the amendment of the committee: On page 53, line 25, after the word "specified," strike out the period and insert a colon and the following:

Provided, That the provisions of this section shall not affect the allowances and exemptions to debtors as are provided for bankrupts under Title II, chapter 3, section 24, of the United States Code, and such allowances and exemptions shall be set aside for the use of the debtor in the manner provided for bankrupts.

Mr. BLAINE. Mr. President, there is nothing technical about this amendment. It provides for the preservation of the debtor's right to exemptions and allowances. I assume there is no opposition to it.

Mr. HASTINGS. Mr. President, of course the bill now before the Senate is not, strictly speaking, a bankruptcy bill. It is wholly a matter of agreement between a majority in number and amount of the creditors and the debtor himself. I have not given careful consideration to it, but it occurs to me that all of this being matter of agreement, when it comes to a question of extension, or comes to a question of composition, they will either take this into consideration or not, just as the agreement may be had between them. I do not believe it helps the debtor any as it would in the involuntary bankruptcy proceeding. I do not know that it does any particular harm.

Mr. BLAINE. Mr. President, let me call attention to the very simple provision in the bill that if the petition is filed, either voluntarily or involuntarily, then the farmer and his entire property and affairs immediately are subjected to the exclusive jurisdiction of the tribunal, and that includes his exempt property, of course. In drafting the bankruptcy act it was then regarded as absolutely essential to insert a protective provision for exemptions and allowances. I think that is very essential in connection with this bill.

Mr. HASTINGS. Mr. President, in view of the deliberate judgment of the Senator from Wisconsin upon it, I will consent to the amendment being agreed to.

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

The amendment to the amendment was agreed to.

Mr. BLAINE. Mr. President, I propose another amendment.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 45, line 9, after the word "conditions," strike out the period and insert a colon and the following:

Provided, That the provisions of this section shall not affect the allowances and exemptions to debtors as are provided for bankrupts under Title II, chapter 3, section 24, of the United States Code, and such allowances and exemptions shall be set aside for the use of the debtor in the manner provided for bankrupts.

Mr. BLAINE. Mr. President, that is applying the same amendment to section 73.

Mr. HASTINGS. I am willing to accept that.

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

The amendment to the amendment was agreed to.

Mr. BLAINE. Mr. President, I have two other amendments, and let me say that I have drafted them for each separate section. I will offer one for section 73.

The PRESIDING OFFICER. The clerk will report the amendment.

The CHIEF CLERK. On page 45, line 18, to strike out the period after the word "dismissed" and insert a colon and the following:

Provided, That the debts having priority of payment under Title II, chapter 7, section 104, of the United States Code, for bankrupt estates, shall have priority of payment in the same order as set forth in said section 104 under the provisions of this section in any distribution, assignment, composition, or settlement herein provided for.

Mr. WALSH of Massachusetts. Mr. President, may I ask the Senator what are those debts?

Mr. BLAINE. Mr. President, those debts are all preferred claims, and they are as follows: Taxes. The actual, necessary costs of preserving the estate. The filing fees paid by the creditor. This is in involuntary cases, but refers to the same character of claims and may not apply under this bill. The costs of administration, and there should be very little in the way of costs. Wages due to workmen, clerks, servants, and so forth. Debts owing to any person who, by the laws of the States or the United States, is entitled to priority. Those are the claims which have priority in bankruptcy.

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

Mr. BLAINE. I yield.

Mr. HEBERT. Is it the purpose of this amendment to exclude from agreements for compositions and extensions those debts which have priority under the bankruptcy statute, even though the parties want to have them included?

Mr. BLAINE. Oh, no. The parties would have a perfect right to go in and consent to the inclusion. But if there is any judicial determination for distribution, assignment, or approval of a composition or settlement which provides otherwise, and without the consent of the parties, priority should prevail as now provided by the bankruptcy law, which includes taxes first, then the costs of administration, then wages of servants and employees, and then the debts having priority under the laws of the State or of the United States.

Mr. HEBERT. Mr. President, it is my understanding that this provision in the bill affecting these debtors could not be availed of except by agreement, and that being so, the agreement would include the provisions as to whether or not those exemptions were to come in as a part of the agreement.

Mr. BLAINE. Yes; but the bill contemplates more than just an agreement. There may be an adjudication under the bill, there may be a transformation of the proceeding into a bankruptcy proceeding before they get through.

Mr. HEBERT. In that case, of course, the exemptions must of necessity be taken into account.

Mr. BLAINE. Perhaps; I am not so certain about it.

Mr. HEBERT. Would not the debtor revert to the provisions of the bankruptcy law if he were adjudicated a bankrupt?

Mr. BLAINE. If it were transformed into a bankruptcy proceeding that would be true, but the language of the bill is so broad, some of it so uncertain, that I think if the validity of the act is to be preserved in any degree, these prior claims must be preserved.

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

The amendment to the amendment was agreed to.

Mr. BLAINE. Mr. President, I offer another amendment to the next section, the farm section, of identically the same character.

The PRESIDING OFFICER. The clerk will report the amendment.

The CHIEF CLERK. On page 54, line 10, to strike out the period after the word "dismissed" and insert a colon and the following:

Provided, That the debts having priority of payment under Title II, chapter 7, section 104, of the United States Code, for bankrupt estates, shall have priority of payment in the same order as set forth in said section 104 under the provisions of this section in any distribution, assignment, composition, or settlement herein provided for.

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

The amendment to the amendment was agreed to.

Mr. BLAINE. Mr. President, I have one other amendment. I have not written it out, but it is very simple. It is on page 40, section 74, at the beginning of the sentence on line 23, to insert the following words: "At any time within five years after this section takes effect," and continue, "any person excepting a corporation," and so forth.

The purpose of the amendment is to bring the section into harmony with identically the same provision on page 50 as it refers to the farmer, that is, not to extend the time within which this act may apply beyond five years.

Mr. HASTINGS. Mr. President, I hope the Senator will not insist upon that amendment. After very careful study by the Department of Justice it was believed that this section for the relief of individual debtors ought to be a permanent thing. The only reason why the section relative to the farmers was limited to five years was that we had undertaken to do something a little different and something that would give them a greater relief than they could get under section 74. Under normal conditions it would not be necessary to have these conciliation commissioners, and so on. After a period of five years it was at least hoped that they would not be necessary, and then they would have the advantage under section 74. It was believed by those who have given great study to this subject that it was a good thing always to have a provision in the bankruptcy law for a distressed debtor who might get some relief by agreeing with his creditors without bearing forever afterwards the stigma of bankruptcy. I hope the Senator will not insist on his amendment.

Mr. BLAINE. Mr. President, I will address myself to that proposition very briefly. No more stigma will apply to the individual debtor in being called a bankrupt than will be applied to the individual farmer being called a bankrupt. There is no difference at all. Why apply the stigma to a farmer and save him only five years from that stigma, but save the other debtor, who is a trader, a business man, a manufacturer, a lawyer, a banker, a candlestick maker, from the stigma perpetually?

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

Mr. BLAINE. I yield.

Mr. HASTINGS. I think the Senator did not understand my statement with respect to this. I certainly did not intend to put any more of a stigma upon the farmer than upon the rest.

Mr. BLAINE. I know the Senator did not.

Mr. HASTINGS. Here is what happens: After five years the farmer comes back into the class with other people who become debtors instead of bankrupts under this section. This special provision for the farmer is because of the extraordinary condition which confronts him just now, and which, it was believed, might not be necessary to apply to other persons.

Mr. BLAINE. I understand that, but this is an emergency measure.

Mr. HASTINGS. I do not admit that section 74 is intended solely as an emergency measure. It is intended to be a permanent benefit to the people all over the country for all time, if it works out as we believe it will work out.

Mr. BLAINE. Then the proposal, of course, is to apply this method of relieving debtors indefinitely as a permanent law?

Mr. HASTINGS. That is correct.

Mr. BLAINE. I submit that is exactly a very serious objection to the consideration or passage of the bill. The

Judiciary Committee has not given any consideration to the bill whatever. No study of it has been made by the Judiciary Committee. I think about 15 minutes of time was devoted to the entire subject. About the only discussion that was had during that 15 minutes was when I characterized the provision relating to farmers as utterly useless, if not definitely harmful to the farmer.

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

Mr. BLAINE. In just a moment. There was no consideration whatsoever given to this legislation by the Judiciary Committee outside of the subcommittee. The provisions were not read. They were not considered. I have in my desk in my office voluminous correspondence objecting to this particular section of the bill, the personal-debtor section, not just technical objections, but objections that are substantial. I am now directing my criticism against action upon the bill at the present time and under the present circumstances.

It is clearly impossible and it must be obvious to everyone that we can not rewrite this kind of a bill upon the floor of the Senate, and so we must close our eyes and accept not only the section relating to debtors, but the section relating to farmers—just accept them and hope they are all right and adjourn and go home without any careful consideration of the real substantive part of the proposition. That is why I want to limit the operation of the section to five years. That ought to give the Congress sufficient time to study it. It ought to be limited to one year. Each of the sections ought to be limited in its operation to one year.

I think the section applying to agriculture is a perpetration of a joke upon the farmer. The idea! In these days the farmer, with his farm mortgaged to an amount he can not pay, involved in debt for seed loans, involved in debt for taxes, involved in a multiplicity of indebtedness, with the low prevailing prices of farm products, having this sort of a law enacted in his name is ironical. It is a futile gesture. I think it is unfair to the farmer to give him another bone.

As I understand there have been passed about 30 bills in the name of relief for the farmer, and now here is another bill during the closing days of the session proposed to be put through the Congress under the cloak of "relief for agriculture." Why, Mr. President, no wonder the farmers of the country are losing confidence not only in the Congress but in their Government. When the Congress will propose this kind of legislation without even consideration by a proper committee for more than 15 minutes and attempt to write into the law such perfectly useless provisions, and which must be obvious can not bring any relief to the farmer, it is no surprise that the farmer is justified in losing his respect for Congress and his Government.

It is about time that we cease engaging on these pretenses, this attitude of offering relief to the farmer, handing to him naught but a promise, endeavoring to sustain his hope, and then have the farmer wake up the next morning, as surely he will awaken, and find that he has again been fooled, again been betrayed, that again the Congress has made a gesture which is of no aid to him, but, if anything, harmful to him. It is my opinion that in this bill there is more harm to come to the farmer than good, because when a petition is filed—it may be the creditor who will file the petition—he will bring the property of the farmer under control of some conciliator, some official whose office has been created by the Government of the United States. There will be thousands of those officials. They will be found all over the country. There will be men wanting the $5 or $10 a day, going about in every county for the purpose of creating a conciliation commission so they can take away from the farmer, or perhaps his creditor who may be as poor as the farmer, $10 or $5 per day, all in the name of farm relief. That is what this bill does.

Mr. HASTINGS. Mr. President, will the Senator yield to me a moment?

Mr. BLAINE. I yield.

Mr. HASTINGS. The Senator from Wisconsin was the only member of the committee who protested against this section for the relief of the farmer. Because he had patiently sat here without much complaint about the whole bill, and had given it considerable study, sufficient to make it necessary from his point of view to offer some rather important amendments, I was congratulating myself that I was about to be spared his criticism of this section or the section relating to individual debtors. I was going to suggest to him that I would rather accept an amendment limiting its operation to five years than not to get the bill through at all.

But we must bear in mind always that a limit of five years is not of very great importance because if it is a desirable thing it can be renewed before the five years have expired, or if it be undesirable or we do not limit it at all, it can be repealed at any time. So the matter of years is not of very great importance.

As I said, I was trying to be frank with the Senator when I said it was intended that this particular part of the bill was to be permanent legislation, and that the farmer's section about which he complains was not intended to be permanent.

Mr. BLAINE. Mr. President, I was making no criticism of the Senator from Delaware or any other Member of the Senate. I was directing my criticism to the bill. My absence from the Senate and my silence on this matter is for reasons which the Senator may not know. That does not, however, indicate that I have become enamored with any portion of the bill. I hope the amendment will be adopted.

Mr. NORRIS. Mr. President, I think if we will look for a moment at the provision, we will begin to realize what a dangerous thing it is to try to draw a bill on the floor of the Senate. Let us consider the language for a moment. The first time my attention was called to it was when the amendment was offered by the Senator from Wisconsin.

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

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Iowa?

Mr. NORRIS. I yield.

Mr. BROOKHART. The Senator from Nebraska desires to take considerable time, I presume. I have an amendment which I think can be disposed of without objection or debate.

Mr. NORRIS. But the pending amendment has to be disposed of before the Senator has a right to offer his amendment, and I am debating the pending amendment. I want to make my remarks before we vote on the amendment. Perhaps it would be better if I waited until afterwards [laughter], but I think I had better say what I have to say before we vote on the amendment.

First, let us consider this language. This is the way it reads on page 40, line 23:

> Any person excepting a corporation and excepting a farmer.

Then it goes on to tell what they can do. The reason for putting in the words "excepting a farmer"——

The PRESIDING OFFICER. May the Chair say that those words have been stricken from the bill?

Mr. NORRIS. Have they been taken out of the bill?

The PRESIDING OFFICER. They have been.

Mr. NORRIS. Then that takes away a good deal of the force of my argument [laughter]; but it does illustrate just the same the danger of trying to prepare a bill of this importance on the floor of the Senate. The language was put in because the farmer is cared for in another part of the bill, but the other part of the bill which provides for the farmer is limited to five years. If this language were left in the bill, as I supposed it was, then at the end of five years the farmer would have no way to get into court. He would be the only man who would be cut out. The corporation is provided for in another section.

Mr. HASTINGS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Delaware?

Mr. NORRIS. Certainly.

Mr. HASTINGS. If I may be permitted, I will say that the real purpose of striking out those words was not, as the Senator suggested, because the other provision runs for five

years but for the purpose of avoiding a situation where there could not be 15 farmers gotten together who would want to take advantage of the act.

Mr. NORRIS. I understand.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin to the amendment of the committee.

On a division, the amendment to the amendment was rejected.

Mr. BLAINE. Mr. President, I send to the desk an amendment which I shall propose to the pending bill, and ask that it be printed and lie upon the table.

The PRESIDING OFFICER. The amendment will be printed and lie on the table.

Mr. HASTINGS. Mr. President, the Senator from Iowa [Mr. BROOKHART] has had a rather serious situation called to his attention and has prepared an amendment, which is entirely satisfactory.

Mr. BROOKHART. I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The clerk will report the amendment offered by the Senator from Iowa.

The LEGISLATIVE CLERK. Add a new section at the end of the bill, as follows:

SEC. 77. In all bankruptcy proceedings the officers and agents in charge of the bankrupt funds are authorized to deposit the same without limit as to amount in the postal-savings depositories at the prescribed interest rate in all cases where local banks are unable or unwilling to give the required security. Such deposit, or any portion thereof, may be withdrawn as required in the bankruptcy proceedings.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Iowa [Mr. BROOKHART].

The amendment was agreed to.

ADJOURNMENT

Mr. HASTINGS. Mr. President, so far as I know, those are the only amendments that are not seriously controverted, and, following the suggestion of the Senator from Oregon, I now move that the Senate adjourn until 11 o'clock tomorrow morning.

The motion was agreed to; and (at 5 o'clock and 15 minutes p. m.) the Senate adjourned until to-morrow, Saturday, February 25, 1933, at 11 o'clock a. m.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 24 (legislative day of February 21), 1933

APPOINTMENTS IN THE REGULAR ARMY

CHAPLAINS

To be chaplains with the rank of first lieutenants

First Lieut. James Gordon De La Vergne.
First Lieut. William John Walsh.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

TO ORDNANCE DEPARTMENT

First Lieut. Wallace Ellsworth Niles.

TO INFANTRY

Maj. Eugene Manuel Landrum.

TO COAST ARTILLERY CORPS

Second Lieut. Frank Theodore Folk.

TO QUARTERMASTER CORPS

Capt. Paul Parker Logan.
Capt. Lyle Meredon Shields.

PROMOTIONS IN THE REGULAR ARMY

To be colonels

Lieut. Col. Isaac Samuel Martin, Cavalry.
Lieut. Col. Channing Edmonds Delaplane, Infantry.
Lieut. Col. Milton Garfield Holliday, Quartermaster Corps.

To be lieutenant colonels

Maj. Oral Eugene Clark, Infantry.
Maj. Allan Clay McBride, Field Artillery.
Maj. Joe Reese Brabson, Field Artillery.
Maj. Herman Kobbé, Cavalry.
Maj. John Norton Reynolds, Air Corps.
Maj. Leonard Craig Sparks, Field Artillery.
Maj. Robert Coker, Air Corps.
Maj. Rufus Foote Maddux, Chemical Warfare Service.

To be majors

Capt. William Claude McMahon, Infantry.
Capt. Bertrand Morrow, Cavalry.
Capt. Harry Russell Pierce, Coast Artillery Corps.
Capt. Francis Michael Brennan, Infantry.
Capt. Lawrence Collamore Mitchell, Coast Artillery Corps.
Capt. Milton Baldridge Halsey, Infantry.
Capt. Charles Love Mullins, jr., Infantry.
Capt. Sterling Alexander Wood, Infantry.
Capt. Mark Wayne Clark, Infantry.
Capt. Alexander Hunkins Campbell, Coast Artillery Corps.
Capt. David Sheridan Rumbough, Field Artillery.
Capt. Francis John Heraty, Infantry.
Capt. Marvil Groves Armstrong, Coast Artillery Corps.

To be captains

First Lieut. John Carson Grable, Signal Corps.
First Lieut. Guy Lewis McNeil, Air Corps.
First Lieut. James Lebbeus Carman, Infantry.
First Lieut. Landon Johnson Lockett, Infantry.
First Lieut. Columbus Bierce Lenow, Infantry.
First Lieut. Charles Henry Calais, Infantry.
First Lieut. William Thomas Johnson, Finance Department.
First Lieut. Clarence Prescott Talbot, Air Corps.
First Lieut. Charles Deans Calley, Field Artillery.
First Lieut. Arnold Miller Siler, Infantry.
First Lieut. Alfred Liljevalch Jewett, Air Corps.
First Lieut. Loyd Daniel Bunting, Infantry.
First Lieut. Elam La Fayette Stewart, Infantry.
First Lieut. Louie Clifford Mallory, Air Corps.
First Lieut. Bob Childs, Infantry.
First Lieut. Lewis Selwyn Webster, Air Corps.
First Lieut. Virgil Grover Allen, Infantry.
First Lieut. William Andrew Smith, Infantry.
First Lieut. Roy William Camblin, Air Corps.
First Lieut. Ray Eric Cavenee, Infantry.
First Lieut. Wade Darragh Killen, Infantry.
First Lieut. Andrew Jackson Schriver, jr., Infantry.
First Lieut. Frank James Lawrence, Infantry.
First Lieut. Dorrance Scott Roysdon, Infantry.
First Lieut. Hyatt Floyd Newell, Infantry.
First Lieut. John Easton McCammon, Infantry.
First Lieut. Cornelius John Kenney, Air Corps.
First Lieut. William Edward Smith, Infantry.

To be first lieutenants

Second Lieut. Herman Walter Schull, jr., Corps of Engineers.
Second Lieut. Elmer Blair Garland, Signal Corps.
Second Lieut. Loren Davis Pegg, Cavalry.
Second Lieut. Garrison Holt Davidson, Corps of Engineers.
Second Lieut. William Henderson Minter, Corps of Engineers.
Second Lieut. Woodbury Megrew Burgess, Cavalry.
Second Lieut. Manuel José Asensio, Corps of Engineers.
Second Lieut. Cecil Winfield Land, Field Artillery.
Second Lieut. Frederick Everett Day, Coast Artillery Corps.
Second Lieut. Frederic Joseph Brown, Field Artillery.
Second Lieut. Edwin William Chamberlain, Coast Artillery Corps.
Second Lieut. Alvin Louis Pachynski, Signal Corps.
Second Lieut. Harry Oliver Paxson, Corps of Engineers.
Second Lieut. Henry Joseph Hoeffer, Corps of Engineers.
Second Lieut. Maurice Francis Daly, Air Corps.
Second Lieut. Fred Wallace Kunesh, Signal Corps.
Second Lieut. Alexander Macomb Miller, 3d, Cavalry.
Second Lieut. Gerald Francis Lillard, Field Artillery.
Second Lieut. George Fenton Peirce, Coast Artillery Corps.

Second Lieut. William Hamilton Hunter, Cavalry.
Second Lieut. Francis Cecil Foster, Field Artillery.
Second Lieut. Francis Elliot Howard, Infantry.
Second Lieut. James Wilson Green, jr., Signal Corps.
Second Lieut. Parmer Wiley Edwards, Coast Artillery Corps.
Second Lieut. Laurence Sherman Kuter, Air Corps.
Second Lieut. William Perry Pence, Signal Corps.
Second Lieut. Thomas Morgan Watlington, jr., Field Artillery.
Second Lieut. William Lewis McNamee, Coast Artillery Corps.
Second Lieut. Thomas John Hall Trapnell, Cavalry.
Second Lieut. John Raymond Lovell, Coast Artillery Corps.
Second Lieut. Raymond Wiley Curtis, Cavalry.
Second Lieut. Kenneth Earl Thiebaud, Infantry.
Second Lieut. Reynolds Condon, Field Artillery.
Second Lieut. Charles Brundy Brown, Signal Corps.
Second Lieut. Edward Gilbert Farrand, Field Artillery.
Second Lieut. Mason Fred Stober, Field Artillery.

MEDICAL CORPS

To be major

Capt. Arthur Alexander Hobbs, jr.

To be captains

First Lieut. Frederick Cantwell Kelly.
First Lieut. William Henry Powell, jr.
First Lieut. Junius Penny Smith.
First Lieut. Harry George Armstrong.
First Lieut. Matthew Corell Pugsley.

DENTAL CORPS

To be captains

First Lieut. Leland Grant Meder.
First Lieut. Samuel Rush Haven.
First Lieut. Mallory Carpenter Jones.

VETERINARY CORPS

To be major

Capt. James Lew Barringer.

CHAPLAIN

To be chaplains with the rank of major

Chaplain Perry Orlando Wilcox.
Chaplain Willis Timmons Howard.

HOUSE OF REPRESENTATIVES

FRIDAY, FEBRUARY 24, 1933

The House met at 12 o'clock noon.

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

O Thou who art the revelation of eternal love, let us constantly seek to be filled with Thy blessed spirit. Thou hast revealed to us with clearness and power the divinest law in all this universe, namely, the law of love. Do Thou enthrone this wonderful grace within our souls. Take out of our hearts that which is harmful and destructive. If they are blighted with vanity, greed, or envy, forgive us and set us free, our Heavenly Father, and let in the sovereignty of love. With our spiritual eyes open and uplifted we shall see the light, which may be delayed but not denied. Each day inspire us to quit ourselves like men, by being strong, courageous, and true. May we now declare it can be done, because it ought to be done. Amen.

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

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed with amendments, in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 14458. An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1934, and for other purposes; and

H. R. 14562. An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1934, and for other purposes.

The message also announced that the Senate had concurred, without amendment, in a concurrent resolution of the House of the following title:

H. Con. Res. 47. Concurrent resolution relating to Statuary Hall.

The message also announced that the Senate had ordered that the House be requested to return to the Senate joint resolution (S. J. Res. 223) entitled "Joint resolution establishing the United States Georgia Bicentennial Commismission, and for other purposes," with accompanying papers.

The message also 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. 13872) entitled "An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1934, and for other purposes."

The message also announced that the Senate had agreed to the amendment of the House to a bill of the Senate of the following title:

S. 4327. An act for the relief of Lizzie Pittman.

CONDUCT OF JUDGE HAROLD LOUDERBACK

Mr. SUMNERS of Texas. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. SUMNERS of Texas. I am not advised just what the proper parliamentary procedure is in this situation. The gentleman from Oklahoma filed the report for the majority of the committee.

The SPEAKER. The usual custom is that the Member who reports the legislation coming before the House is the one the Chair ordinarily recognizes.

Mr. SNELL. Mr. Speaker, we can not hear what is going on.

The SPEAKER. The gentleman from Texas has asked what the parliamentary situation is, and the Chair has stated that the custom has been that the Speaker would recognize the gentleman who has been directed by the committee to report the bill.

Mr. SNELL. This is a peculiar situation. I understand the bill has been reported.

The SPEAKER. And the Chair will recognize the gentleman who reported it.

Mr. McKEOWN. Mr. Speaker, I ask unanimous consent that those in favor of the resolution be allowed one hour's time, and that I be allowed one hour, and that I divide my time with the gentleman from Missouri.

The SPEAKER. The Clerk will report the resolution.

The Clerk read the resolution, as follows:

House Resolution 387

Resolved, That the evidence submitted on the charges against Hon. Harold Louderback, district judge for the northern district of California, does not warrant the interposition of the constitutional powers of impeachment of the House.

Mr. SNELL. Mr. Speaker, when they report back a resolution of that kind, is it a privileged matter?

The SPEAKER. It is not only a privileged matter but a highly privileged matter.

Mr. DYER. Mr. Speaker, this is the first instance to my knowledge, in my service here, where the committee has reported adversely on an impeachment charge.

The SPEAKER. The gentleman's memory should be refreshed. The Mellon case was reported back from the committee, recommending that impeachment proceedings be discontinued.

Mr. SNELL. Was that taken up on the floor as a privileged matter?

The SPEAKER. It was.

Mr. BANKHEAD. Will the gentleman from Oklahoma yield? What I am curious to know is whether this is in-

tended as a vindication or an exculpation from the charges against him?

Mr. McKEOWN. The report of the committee is that there is not sufficient evidence to warrant the House in exercising its high privilege of impeaching a judge.

Mr. BANKHEAD. I am sure the committee is well within its rights, but why is it necessary to make an adverse report if the evidence does not sustain the charges?

Mr. McKEOWN. The minority members have signed a report recommending impeachment.

Mr. BANKHEAD. Mr. Speaker, I think it ought to be reported first, so that we may understand the real issue.

Mr. LaGUARDIA. Mr. Speaker, will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. LaGUARDIA. I want to make clear to the gentleman from Alabama [Mr. BANKHEAD] that in the course of the consideration of the majority resolution, articles of impeachment will be offered from the floor of the House.

Mr. BANKHEAD. That somewhat clarifies the situation.

Mr. MICHENER. Mr. Speaker, in answer to the gentleman from Alabama, let me make this observation. The purpose of referring a matter of this kind to the Committee on the Judiciary is to determine whether or not in the opinion of the Committee on the Judiciary there is sufficient evidence to warrant impeachment by the House. If the Committee on the Judiciary finds those facts exist, then the Committee on the Judiciary makes a report to the House recommending impeachment, and that undoubtedly is privileged. However, a custom has grown up recently in the Committee on the Judiciary of including in the report a censure. I do not believe that the constitutional power of impeachment includes censure. We have but one duty, and that is to impeach or not to impeach. To-day we find a committee report censuring the judge. The resolution before the House presented by a majority of the committee is against impeachment. The minority members have filed a minority report, recommending impeachment. I am making this observation with the hope that we may get back to the constitutional power of impeachment.

Mr. LaGUARDIA. Mr. Speaker, in reply to the gentleman from Michigan [Mr. MICHENER] I suggest that the fault is not in the Constitution of the United States but in the constitution of some individuals who are so timid that they are afraid to impeach a judge guilty of improper conduct.

Mr. DYER. Mr. Speaker, the duty of the committee is, of course, only to report a resolution for impeachment or not to report it. The committee has reported a resolution which is found in the report:

That the evidence submitted on the charges against Hon. Harold Louderback, district judge for the northern district of California, does not warrant the interposition of the constitutional powers of impeachment of the House.

That is the only thing that the committee has submitted to the House for consideration.

The SPEAKER. Under the rules of the House the gentleman from Oklahoma [Mr. McKEOWN] has one hour in which to discuss this resolution, unless some other arrangement is made.

Mr. McKEOWN. Mr. Speaker, I ask unanimous consent that two hours' time be granted on a side. One-half of mine I shall yield to the gentleman from Missouri [Mr. DYER]. At the end of the two hours' time, that the previous question shall be considered as ordered.

Mr. LaGUARDIA. Mr. Speaker, will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. LaGUARDIA. The gentleman will remember that the committee unanimously voted that the previous question should not be considered as ordered until the majority had opportunity to offer the articles of impeachment.

Mr. McKEOWN. I yield now to the gentleman for that purpose.

The SPEAKER. If gentlemen will permit, let the Chair make a suggestion. The Chair understands that the committee has something of an understanding that there would be an opportunity to vote upon the substitute for the majority resolution. Is that correct?

Mr. McKEOWN. Yes.

The SPEAKER. Then the Chair suggests to the gentleman from Oklahoma that he ask unanimous consent that general debate be limited to two hours, one-half to be controlled by himself, and one-half to be controlled by the gentleman from New York.

Mr. McKEOWN. I want one-half of my time to be yielded to the gentleman from Missouri, and that the other hour shall be controlled by the gentleman from Texas.

The SPEAKER. Then the Chair suggests that the gentleman from Oklahoma control all of the time.

Mr. SUMNERS of Texas. Mr. Speaker, I am quite willing that the gentleman from Oklahoma may control the time, because I am sure that he will make a fair distribution of it.

Mr. McKEOWN. Mr. Speaker, I ask unanimous consent that the time for debate be limited to two hours to be controlled by myself, that during that time the gentleman from New York [Mr. LaGUARDIA] be permitted to offer a substitute for the resolution and at the conclusion of the time for debate the previous question be considered as ordered.

The SPEAKER. Then the Chair submits this: The gentleman from Oklahoma asks unanimous consent that debate be limited to two hours, to be controlled by the gentleman from Oklahoma, that at the end of that time the previous question shall be considered as ordered, with the privilege, however, of a substitute resolution being offered, to be included in the previous question. Is there objection?

Mr. BANKHEAD. Mr. Speaker, reserving the right to object for the purpose of getting the parliamentary situation clarified before we get to the merits, is there any question in the mind of the Speaker, if it is fair to submit such a suggestion, as to whether or not the substitute providing for absolute impeachment would be in order as a substitute for this report?

The SPEAKER. That is the understanding of the Chair, that the unanimous-consent agreement is, that the gentleman from New York [Mr. LaGUARDIA] may offer a substitute, the previous question to be considered as ordered on the substitute and the original resolution at the expiration of the two hours. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the substitute offered by the gentleman from New York.

The Clerk read as follows:

Resolved, That Harold Louderback, who is a United States district judge of the northern district of California, be impeached of misdemeanors in office; and that the evidence heretofore taken by the special committee of the House of Representatives under House Resolution 239 sustains five articles of impeachment, which are hereinafter set out; and that the said articles be, and they are hereby, adopted by the House of Representatives, and that the same shall be exhibited to the Senate in the following words and figures, to wit:

Articles of impeachment of the House of Representatives of the United States of America in the name of themselves and of all of the people of the United States of America against Harold Louderback, who was appointed, duly qualified, and commissioned to serve during good behavior in office as United States district judge for the northern district of California on April 17, 1928.

ARTICLE I

That the said Harold Louderback, having been nominated by the President of the United States, confirmed by the Senate of the United States, duly qualified and commissioned, and while acting as a district judge for the northern district of California, did on divers and various occasions so abuse the power of his high office that he is hereby charged with tyranny and oppression, favoritism, and conspiracy, whereby he has brought the administration of justice in said district in the court of which he is a judge into disrepute, and by his conduct is guilty of misbehavior, falling under the constitutional provision as ground for impeachment and removal from office.

In that the said Harold Louderback, on or about the 13th day of March, 1930, at his chambers and in his capacity as judge aforesaid, did willfully, tyrannically, and oppressively discharge one Addison G. Strong, whom he had on the 11th day of March, 1930, appointed as equity receiver in the matter of Olmsted *v.* Russell-Colvin Co. after having attempted to force and coerce the said Strong to appoint one Douglas Short as attorney for the receiver in said case.

In that the said Harold Louderback improperly did attempt to cause the said Addison G. Strong to appoint the said Douglas

Short as attorney for the receiver by promises of allowance of large fees and by threats of reduced fees did he refuse to appoint said Douglas Short.

In that the said Harold Louderback improperly did use his office and power of district judge in his own personal interest by causing the appointment of the said Douglas Short as attorney for the receiver, at the instance, suggestion, or demand of one Sam Leake, to whom the said Harold Louderback was under personal obligation, the said Sam Leake having entered into a certain arrangement and conspiracy with the said Harold Louderback to provide him, the said Harold Louderback, with a room at the Fairmont Hotel in the city of San Francisco, Calif., and made arrangements for registering said room in his, Sam Leake's, name and paying all bills therefor in cash under an arrangement with the said Harold Louderback to be reimbursed in full or in part in order that the said Harold Louderback might continue to actually reside in the city and county of San Francisco after having improperly and unlawfully established a fictitious residence in Contra Costa County for the sole purpose of improperly removing for trial to said Contra Costa County a cause of action which the said Harold Louderback expected to be filed against him; and that the said Douglas Short did receive large and exorbitant fees for his services as attorney for the receiver in said action, and the said Sam Leake did receive certain fees, gratuities, and loans directly or indirectly from the said Douglas Short amounting approximately to $1,200.

In that the said Harold Louderback entered into a conspiracy with the said Sam Leake to violate the provisions of the California Political Code in establishing a residence in the county of Contra Costa when the said Harold Louderback in fact did not reside in said county and could not have established a residence without the concealment of his actual residence in the county of San Francisco, covered and concealed by means of the said conspiracy with the said Sam Leake, all in violation of the law of the State of California.

In that the said Harold Louderback, in order to give color to his fictitious residence in the county of Contra Costa, all for the purpose of preparing and falsely creating proof necessary to establish himself as a resident of Contra Costa County in anticipation of an action he expected to be brought against him, for the sole purpose of meeting the requirements of the Code of Civil Procedure of the State of California providing that all causes of action must be tried in the county in which the defendant resides at the commencement of the action, did in accordance with the conspiracy entered into with the said Sam Leake unlawfully register as a voter in said Contra Costa County, when in law and in fact he did not reside in said county and could not so register, and that the said acts of Harold Louderback constitute a felony defined by section 42 of the Penal Code of California;

Wherefore the said Harold Louderback was and is guilty of a course of conduct improper, oppressive, and unlawful and is guilty of misbehavior in office as such judge and was and is guilty of a misdemeanor in office.

ARTICLE II

That Harold Louderback, judge as aforesaid, was guilty of a course of improper and unlawful conduct as a judge, filled with partiality and favoritism in improperly granting excessive, exorbitant, and unreasonable allowances as disbursements to one Marshall Woodward and to one Samuel Shortridge, jr., as receiver and attorney, respectively, in the matter of the Lumbermen's Reciprocal Association.

And in that the said Harold Louderback, judge as aforesaid, having improperly acquired jurisdiction of the case of the Lumbermen's Reciprocal Association contrary to the law of the United States and the rules of the court, did, on or about the 29th day of July, 1930, appoint one Marshall Woodward and one Samuel Shortridge, jr., receiver and attorney, respectively, in said case, and after an appeal was taken from the order and other acts of the judge in said case to the United States Circuit Court of Appeals for the Ninth Circuit and the said order and acts of the said Harold Louderback having been reversed by said United States circuit court of appeals and the mandate of said circuit court of appeals directed the court to cause the said receiver to turn over all of the assets of said association in his possession as receiver to the commissioner of insurance of the State of California, the said Harold Louderback unlawfully, improperly, and oppressively did sign and enter an order so directing the receiver to turn over said property to said State commissioner of insurance, but improperly and unlawfully made such order conditional that the said State commissioner of insurance and any other party in interest would not take an appeal from the allowance of fees and disbursements granted by the said Harold Louderback to the said Marshall Woodward and Samuel Shortridge, jr., receiver and attorney, respectively, thereby improperly using his said office as a district judge to favor and enrich his personal and political friends and associates, to the detriment and loss of litigants in his, said judge's, court, and forcing said State commissioner of insurance and parties in interest in said action unnecessary delay, labor, and expense in protecting the rights of all parties against such arbitrary, improper, and unlawful order of said judge; and that the said Harold Louderback did improperly and unlawfully seek to coerce said State commissioner of insurance and parties in interest in said action to accept and acquiesce in the excessive fees and the exorbitant and unreasonable disbursements granted by him to said Marshall Woodward and Samuel Shortridge, jr., receiver and attorney, respectively, and did improperly and unlawfully force and coerce the said parties to enter into a stipulation modifying said improper and unlawful order and did thereby make it necessary for the State commissioner of insurance to take another appeal from the said arbitrary, improper, and unlawful action of the said Harold Louderback.

In that the said Harold Louderback did not give his fair, impartial, and judicial consideration to the objections of the said State commissioner of insurance against the allowance of excessive fees and unreasonable disbursements to the said Marshall Woodward and Samuel Shortridge, jr., receiver and attorney, respectively, in the case of the Lumbermen's Reciprocal Association, in order to favor and enrich his friends at the expense of the litigants and parties in interest in said matter, and did thereby cause said State commissioner of insurance and the parties in interest additional delay, expense, and labor in taking an appeal to the United States circuit court of appeals in order to protect their rights and property in the matter against the partial, oppressive, and unjudicial conduct of said Harold Louderback.

Wherefore, said Harold Louderback was and is guilty of a course of conduct oppressive and unjudicial and is guilty of misbehavior in office as such judge and was and is guilty of a misdemeanor in office.

ARTICLE III

The said Harold Louderback, judge aforesaid, was guilty of misbehavior in office resulting in expense, disadvantage, annoyance, and hindrance to litigants in his court in the case of the Fageol Motor Co., for which he appointed one Guy H. Gilbert receiver, knowing that the said Gilbert was incompetent, unqualified, and inexperienced to act as such receiver in said case.

In that the said Harold Louderback, judge as aforesaid, oppressively and in disregard of the rights and interests of litigants in his court did appoint one Guy H. Gilbert as receiver for the Fageol Motor Co., knowing the said Guy H. Gilbert to be incompetent, unfit, and inexperienced for such duties, and did refuse to grant a hearing to the plaintiff, defendant, creditors, and parties in interest in the matter of the Fageol Motor Co. on the appointment of said receiver, and the said Harold Louderback did cause said litigants and parties in interest in said matter to be misinformed of his action while said Guy H. Gilbert took steps necessary to qualify as receiver, thereby depriving said litigants and parties in interest of presenting the facts, circumstances, and conditions of the said equity receivership, the nature of the business and the type of person necessary to operate said business in order to protect creditors, litigants, and all parties in interest, and thereby depriving said parties in interest of the opportunity of protesting against the appointment of an incompetent receiver.

Wherefore the said Harold Louderback was and is guilty of a course of conduct constituting misbehavior as said judge and that said Harold Louderback was and is guilty of a misdemeanor in office.

ARTICLE IV

That the said Harold Louderback, judge aforesaid, was guilty of misbehavior in office, filled with partiality and favoritism, in improperly, wilfully, and unlawfully granting on insufficient and improper papers an application for the appointment of a receiver in the Prudential Holding Co. case for the sole purpose of benefiting and enriching his personal friends and associates.

In that the said Harold Louderback did on or about the 15th day of August, 1931, on insufficient and improper application, appoint one Guy H. Gilbert receiver for the Prudential Holding Co. case when as a matter of fact and law and under conditions then existing no receiver should have been appointed, but the said Harold Louderback did accept a petition verified on information and belief by an attorney in the case and without notice to the said Prudential Holding Co. did so appoint Guy H. Gilbert the receiver and the firm of Dinkelspiel & Dinkelspiel attorneys for the receiver; that the said Harold Louderback, in an attempt to benefit and enrich the said Guy H. Gilbert and his attorneys, Dinkelspiel & Dinkelspiel, failed to give his fair, impartial, and judicial consideration to the application of the said Prudential Holding Co. for a dismissal of the petition and a discharge of the receiver, although the said Prudential Holding Co. was in law entitled to such dismissal of the petition and discharge of the receiver; that during the pendency of the application for the dismissal of the petition and for the discharge of the receiver a petition in bankruptcy was filed against the said Prudential Holding Co. based entirely and solely on an allegation that a receiver in equity had been appointed for the said Prudential Holding Co., and the said Harold Louderback then and there wilfully, improperly, and unlawfully, sitting in a part of the court to which he had not been assigned at the time, took jurisdiction of the case in bankruptcy and though knowing the facts in the case and of the application then pending before him for the dismissal of the petition and the discharge of the equity receiver, granted the petition in bankruptcy and did on the 2d day of October, 1930, appoint the same Guy H. Gilbert receiver in bankruptcy and the said Dinkelspiel & Dinkelspiel attorneys for the receiver, knowing all of the time that the said Prudential Holding Co. was entitled as a matter of law to have the said petition in equity dismissed; in that through the oppressive, deliberate, and willful action of the said Harold Louderback acting in his capacity as a judge and misusing the powers of his judicial office for the sole purpose of benefiting and enriching said Guy H. Gilbert and Dinkelspiel & Dinkelspiel, did cause the said Prudential Holding Co. to be put to unnecessary delay, expense, and labor and did deprive them of a fair, impartial, and judicial consideration of

their rights and the protection of their property, to which they were entitled.

Wherefore the said Harold Louderback was and is guilty of a course of conduct constituting misbehavior as said judge and that said Harold Louderback was and is guilty of a misdemeanor in office.

ARTICLE V

That Harold Louderback, on the 17th day of April, 1928, was duly appointed United States district judge for the northern district of California, and has held such office to the present day.

That the said Harold Louderback as judge aforesaid, during his said term of office, at divers times and places when acting as such judge, did so conduct himself in his said court and in his capacity as judge in making decisions and orders in actions pending in his said court and before him as said judge, and in the method of appointing receivers and attorneys for receivers, in appointing incompetent receivers, and in displaying a high degree of indifference to the litigants in equity receiverships, as to excite fear and distrust and to inspire a widespread belief in and beyond said northern district of California that causes were not decided in said court according to their merits but were decided with partiality and with prejudice and favoritism to certain individuals, particularly to receivers and attorneys for receivers by him so appointed, all of which is prejudicial to the dignity of the judiciary.

All to the scandal and disrepute of said court and the administration of justice therein.

Wherefore the said Harold Louderback was and is guilty of misbehavior as such judge and of a misdemeanor in office.

Mr. McKEOWN. Mr. Speaker, I yield 25 minutes to the gentleman from New York [Mr. LaGuardia].

Mr. LaGUARDIA. Mr. Speaker, no task should be shirked because of its unpleasantness. It is not pleasant either to investigate or to come before this House asking for the impeachment of a public official. It is a tragedy in the life of that official. Therefore, in passing upon the merits of this case, I ask the Members to give this man the benefit of every doubt that may exist in their minds.

This is not a trial. This is an accusation. The question which the Members must decide is whether there are sufficient facts to constitute and warrant the accusation against this official which the House of Representatives under the Constitution must make and refer it to the court provided for in the Constitution for decision.

There is no difference of opinion between the majority report and the minority report, except that the minority report gives you a bill of particulars. The distinguished chairman of the Committee on the Judiciary will deal with that phase of the question.

A subcommittee of the Committee on the Judiciary of the House of Representatives went to California and investigated and collected facts, which were presented to the full committee and which are now being presented to the House. The distinguished chairman of the committee, the gentleman from Texas [Mr. Sumners], presided at those hearings. He was there. He heard the testimony. He saw the witnesses. He knows the case. He recommends impeachment in this case. Time is limited. I can not go into detail. I can not take up every phase of the case. I shall only take up one of the articles of impeachment, and that is dealing with the misconduct of the judge in the handling of the Russell-Colvin case. The other articles will be taken up by the gentleman from Tennessee [Mr. Browning].

We charge Judge Harold Louderback, United States district judge for the northern district of California, with improper judicial conduct in this case, with the commission of misdemeanors as contemplated in the Constitution, and which warrants his impeachment by this House and standing trial.

Now, what are the facts in the Russell-Colvin case? This case is the key to the other cases which will be discussed by the gentleman from Tennessee [Mr. Browning].

The Russell-Colvin Co. was a copartnership, engaged in the stock-brokerage business in the city of San Francisco. In March, 1930, they got into financial difficulties. Their condition was taken up by the appropriate committee of the Stock Exchange of San Francisco, and it was decided that their membership in the stock exchange must be rescinded. You will remember during the period of 1930 the market was panicky. The matter was delicate. If not properly handled, it could disrupt the market; it might precipitate a run on the banks. The creditors, the partners, and the stock exchange, and all persons interested agreed that the firm should be placed in receivership; that an application should be made to the United States district court for the appointment of an equity receiver; that it should be economically and efficiently administered and expeditiously liquidated. So they agreed on the auditor of the stock exchange who had examined the books of this concern and was familiar with its condition as the receiver, and all parties in interest joined in an application to the court for the appointment of this gentleman, Mr. Strong, as the equity receiver for this firm, and after some discussion Mr. Strong was appointed, placed under a $50,000 bond, and qualified as receiver. Now, please get this: In the order appointing Mr. Strong receiver it was provided:

Further ordered, adjudged, and decreed that the said receiver be, and he hereby is, authorized forthwith to take possession * * * to employ accountants, attorneys, and counsel, and to make such payments and disbursements as may be needful or proper in the preservation of the assets of the defendants.

Bear that in mind, because it becomes important. The judge, after appointing the receiver, told him to return after he had qualified. It was late in the evening when he qualified. He returned the next morning. Then the judge asked him, "Have you made arrangements for the appointment of an attorney?" And he told him he had; that he had appointed a Mr. McAuliffe. The judge threw down his pencil and said, "I knew that would happen. Why didn't you come back last night?" He said, "I was told it was too late." He said, "I want you to appoint John Douglas Short." He said, "I have appointed Mr. McAuliffe."

I will not go into the details of the conversation, because my time is limited.

At that time the judge said, "I want you to appoint Mr. Short. Do you know that I will control your fee and that I can make your fee $10,000 or I can make it $80,000?" And that did not work. Then he ordered the receiver to go away and think it over for three days, and ordered him not to consult counsel. Here were the customers coming in for their securities, creditors bringing in their claims, orders on the exchange demanding attention, executory contracts to be decided on, and the receiver ordered by the judge to do nothing, to consult no attorney, but to "think the matter over" as to the appointment of Mr. Short. The rights of the litigants meant nothing to the judge. He was only interested in the patronage in the case. Mr. Strong went back the next day and asked the judge to permit him to consult counsel. There were several conferences the next day, and the judge repeatedly tried to force this man Short on him. The receiver would not have Short. He had selected McAuliffe. Strong was appointed on the 11th, and on the 13th the judge pulled an order which had already been prepared, dismissing the receiver for "cause," took him by the arm, took him to the door, and said, "You are fired."

Mr. GARBER. Will the gentleman yield for a question right there in regard to the competency of McAuliffe?

Mr. LaGUARDIA. McAuliffe is conceded by the judge to have been qualified in every respect; is conceded by everyone in San Francisco and by the bar to have been qualified, while Short was a law clerk, getting $50 a week at the time.

But, Mr. Speaker, if that is all there was to it, while the judge might have been guilty of highly improper judicial conduct, we would not have to come to you here and ask for his impeachment; but this is just the beginning. That left the firm without a receiver; left them absolutely open; and the judge tells the committee that he was very anxious to have the right kind of man appointed receiver and the right kind of man appointed for counsel, and what does he do? That night, in the lobby of the Hotel Fairmont, he is sitting with his friend, Sam Leake, and he said, in substance, to Sam Leake: "Sam, I am looking for a receiver." He said: "It is a brokerage firm; it is a big case. Can you recommend one?" Sam said: "I will think it over, and I will have one for you to-morrow." Just then a gentleman passed in the lobby, and he said: "There is the man. Come over here. Mr. Hunter, Judge Louderback; Judge Louder-

back, Mr. Hunter." The judge admits he did not know the man, but he remembered then that he was a juror in his court. Mr. Hunter then told him he had been receiver some years ago in another matter. He appointed Mr. Hunter as receiver. He had not known him before that time. As a strange coincidence, Mr. Speaker, the same Mr. Short, though unknown to Mr. Hunter, was appointed counsel to Mr. Hunter and received some $50,000 in fees.

Now, suppose that were all there was to it. Mr. Speaker, again I say that the conduct of the judge might have been improper and injudicial, but now we come to Mr. Sam Leake. Sam Leake is the fixer for Judge Louderback; he is the contact man, an elderly man with a most colorful and varied career. He served as postmaster during Cleveland's administration. He became editor for one of the San Francisco big papers. He later became addicted to liquor and went down and down—his own admission. He then took up healing, mental healing, and is now in the business of healing and says he makes his living from it. He calls himself a "metaphysical student." He treats sick people by absent or other treatment. He has an office in San Francisco. He lives at the Fairmont Hotel.

Every one of the receivers which the gentleman from Tennessee will mention—strange coincidence, the receiver, his attorney, or some member of the family—is a patient of Sam Leake, who receives fees or gratuities from them.

Mr. Leake originally recommended Short, and when that failed the first time he recommended Hunter and in that way brought about the appointment of Short. The judge permitted himself to become the tool of Leake.

Now, what is the privity between Leake and the judge? The judge was anticipating a civil action to be brought against him. He did not want to try that action in San Francisco. The judge had been a resident of San Francisco all his life. In order not to have this expected civil action tried against him in San Francisco he established a fake residence in Contra Costa County. Time does not permit me to read the cases on the law, but the law in California as to residence is clear and definite. The matter of residence has been passed upon several times by the highest court of appeals. There must be actual residence, together with intent.

Mr. BANKHEAD. What was the nature of the civil suit the judge was anticipating?

Mr. LAGUARDIA. It was a domestic action, a matrimonial action.

The judge established this residence in Contra Costa County. He moved from his home in San Francisco to the Fairmont Hotel in San Francisco. He moved to a room in the Fairmont Hotel, not in his own name but in the name of Sam Leake. He was not registered at the Fairmont Hotel. Had he registered, according to his own admission, his fiction of his residence in Contra Costa County would have been disclosed and his purpose defeated.

Mr. CRAIL. What city is that in?

Mr. LAGUARDIA. San Francisco. The judge would give a check to Sam Leake and Sam Leake paid most of the monthly bills in cash to the hotel. This becomes extremely important, Mr. Speaker, under the decisions in California, because if his residence in San Francisco at the hotel had been known it would have destroyed absolutely his fictitious residence in Contra Costa County; and I am going to give you the citations on this. The purpose of the arrangement with Sam Leake is stated by the judge himself. You will find it on page 342 of the hearing. The judge says this:

> Then, after a month or two, I found that the separation was probably permanent. In the meantime, I had gone over and had established my legal residence with my brother, with legal residence, voting and registration of my machine in Contra Costa County; but I realized that in actually doing my work when I was in San Francisco and crossing the bay that it was quite a burden and wear. And so I continued on there at the hotel. I asked Mr. Leake:
>
> "Have you any objection to my remaining in this room and letting it stay as it is," because—

Now, this is the judge talking—

> "registration is an element upon which to predicate residence."
>
> "And I wanted to maintain residence in Contra Costa County. And I assure you, gentlemen—

Said the judge—

> "I believe the only reason why that suit was not instituted was because I had that residence; because under the California law Mrs. Louderback would have had to contest it in Contra Costa County, and she thought it would be of advantage to her to have it tried in her own county."

And the judge himself, sitting as a Federal judge, under the conformity act would have to pass on questions of residence, on change of venue, on questions of jurisdiction of the Federal court, under the very act which he himself in conspiracy with Sam Leake was evading.

We are not interested in the domestic troubles of the judge except as they affect his judicial conduct. He was under obligation to Sam Leake in the continuing conspiracy to conceal his actual residence at the Fairmont Hotel in San Francisco; and, as Sam Leake aided him, he, the judge, in turn permitted Leake to make appointments of receivers and attorneys, thereby displaying—as is stated in the majority report—indifference to the rights of litigants in receivership cases.

When I asked Sam Leake on the stand, "Where does Judge Louderback live?" he said, "I do not know; in Contra Costa County, I think." And then later on, when word got around that we had subpœnaed the chambermaid and the clerk of the hotel and the auditor of the hotel, then he told us the story about the room, but he did not tell us all of the story.

So we have Sam Leake covering up the judge, and the judge misusing and abusing his judicial powers to benefit Leake and his friends.

What does Sam Leake get out of it?

Douglass Short, after he was appointed and after he received the first payment of the $50,000, writes a long and involved letter to his father-in-law, in which he says in substance:

> Father-in-law, you have been awfully good to me; you made a gift to my wife and to me some time ago, but I do not want that gift, and inclose herewith my check for $5,000.

Conceding that he wanted to give the gift back, the gift only amounted to $3,500, but Short sends him $5,000, and at the same time this same father-in-law, Mr. Hathaway, gives Sam Leake $1,000.

Mr. SPARKS. Mr. Speaker, will the gentleman yield?

Mr. LAGUARDIA. Certainly.

Mr. SPARKS. Is it not a fact that he also said he would expect to pay him for some further favors later on?

Mr. LAGUARDIA. Later on, of course; very much like the Mitchell sale of stock.

Mr. Hathaway said he took Sam Leake's note for the thousand, and on the stand testified that the note was no good and that he never expected to realize on the note or get his money back. He thereafter gave Sam Leake $200 more. So Sam Leake got from Short, indirectly it is true, after the first payment of the fee was made to Short, something like $1,200 that we know of. Sam Leake in turn accommodated the judge to the extent of covering and concealing and being a party to the conspiracy of Judge Louderback to violate the law of the State of California, both the election law and the law as to change of venue.

Now it is going to be suggested by some of my colleagues: "Well, he did not avail himself of it, did he?" That makes no difference. If my colleagues would only be good enough to read the law—they are all good lawyers—read the decisions of the courts of California as to residence, they would find that the registration in Contra Costa County violated the political code of California and that the conspiracy to conceal the residence in San Francisco could only be effected and consummated by the conduct of Sam Leake in concealing and hiding the actual residence of Judge Louderback.

Mr. BROWNING. Mr. Speaker, will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. BROWNING. But he did avail himself of it in that he admits that he used the conspiracy to serve his purpose.

Mr. LAGUARDIA. Exactly; it did serve the purpose. It scared away the commencement of the action.

Mr. Speaker, a reading of the testimony will disclose that creditors and litigants had no confidence in the court. So

greedy was this particular judge in grasping for cases where receivers were to be appointed that shortly after he took office the other two judges of that district enacted a rule whereby all such cases were to be assigned to the three judges by means of a lottery—a sort of drawing whereby each of the three judges would draw two out of every six cases, taking his chance whether it was a "big" case or just a small bankruptcy. Such a system, made necessary by Judge Louderback's conduct, is not only unbecoming and undignified, but conducive to lack of confidence in and loss of respect for the court.

The testimony will show that lawyers of standing, attorneys of record in cases before the judge frankly admitted the futility of seeking to protect their clients' interest when a matter of fees for favorite receivers was before this judge.

This is all in the testimony. What is more, it is the knowledge of the bench and bar of San Francisco. This judge has completely lost the respect and confidence of the bar.

In the Russell-Colvin case to which I referred, the judge stated before the committee that his reason for acting arbitrarily was that he was eager to obtain a man as receiver in whom he had confidence and an attorney for the receiver who was fit, qualified, and competent. Yet we find that he discharged the receiver agreed upon by all concerned and all parties in interest. It must be remembered that this particular case was a matter of public concern in San Francisco at the time. Yet he appointed as receiver a man picked by Sam Leake and as his attorney the judge's original choice, also selected by Sam Leake. Now what happened? After the equity receivership had gone along for some time it was apparent that the stock brokerage firm could not continue in business. This too was precipitated by the judge's unjudicial conduct in tying up everything for two days while endeavoring to force Mr. Short as attorney.

When some of the creditors realized the actual condition of the copartnership they petitioned to place the copartnership into bankruptcy. Then what do we find? That this $50,000 attorney, with the consent of the judge, goes out and hires another attorney to fight the bankruptcy proceedings although the firm was then hopelessly insolvent. Another $5,000 taken from the assets of the creditors. And in this they were abetted and assisted by Judge Louderback. Why? Because if they had gone into bankruptcy the receiver's fee would have been fixed in accordance with the law and the attorney's fees would have been fixed perhaps by another judge. Another instance of how the judge disregarded the interests of the litigants in receivership matters, as so well stated in the majority report. I repeat, the firm was then so hopelessly insolvent that although they sought to fight off the bankruptcy petition it would surely have gone into bankruptcy had not the receiver and his attorney resorted to improper practice, and to use the words of the receiver himself, "They (the creditors) were bought off as good to get rid of those particular claims." This cost the estate something like $5,775 in addition to the $5,000 paid to the attorney who was supposed to be a specialist in bankruptcy.

Lest there be any misrepresentation made on the part of any of the members joining with the majority report who brand this judge as a secoundrel and yet would keep him on the bench, I want to point out that the greater part of the assets of this estate was purely securities belonging to individuals which the firm held in trust. But when it comes down to the creditors of the firm, gentlemen, you will find that they received but a small percentage of their claims. Most of the work was simply the identification of securities belonging to customers of the firm.

I repeat, these were simply returned to the owners. It was listing of these securities that makes the estate look as if it were of great amount and that the receiver and his attorney rendered great services. A casual inspection of a report of the receiver and his attorney on which they based their claim for compensation shows that it was padded, artificial, and swollen, in order to give some color of justification for the enormous fees granted them.

Mr. RAGON. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. RAGON. How much did this man receive?

Mr. LAGUARDIA. In cash?

Mr. RAGON. I do not know.

Mr. LAGUARDIA. The greater percentage of the assets, as I have stated, were securities held in trust, amounting to over $400,000.

Mr. BROWNING. How much did the receiver get?

Mr. LAGUARDIA. About $50,000.

Mr. DYER. There was no complaint that they received any more than that.

Mr. LAGUARDIA. Yes; there was sufficient complaint, and the attorneys were blackjacked into silence.

Mr. DYER. Is it not in the record.

Mr. LAGUARDIA. Yes; it is in the record. The gentleman has not read the record.

The SPEAKER. The time of the gentleman has expired.

Mr. MCKEOWN. Mr. Speaker, I yield 10 minutes to the gentleman from West Virginia [Mr. BACHMANN].

Mr. BACHMANN. Mr. Speaker, the Judiciary Committee has discussed this case in executive session on a number of occasions. Judge Louderback himself appeared before the committee here in Washington. He subjected himself to the cross-examination of all the members of our committee; and the Judiciary Committee voted 13 against impeachment and 5 in favor of impeachment.

Mr. TARVER. Will the gentleman yield?

Mr. BACHMANN. Just briefly. I have not much time.

Mr. TARVER. The judge, however, refused to subject himself to examination by the committee in San Francisco among his own people.

Mr. BACHMANN. I understand that was on the advice of his counsel; and the judge not being satisfied with what his counsel advised him there, came to Washington and voluntarily appeared before the committee.

Mr. DYER. And the committee did not ask him to testify.

Mr. BACHMANN. No. He came here on his own volition.

Here is the set-up in this case: The chairman of the Judiciary Committee appointed five Members on a subcommittee to go to California to investigate Judge Louderback. The members of that subcommittee were the chairman, Mr. SUMNERS of Texas, Mr. DOMINICK, Mr. LAGUARDIA, Mr. DYER, and Mr. MCKEOWN.

When the time came for the subcommittee to go to California, due to the election, some of the Members could not go and the gentleman from Tennessee [Mr. BROWNING] was substituted in the place of one of the other members of the subcommittee. So the committee that went to California to investigate Judge Louderback was composed of Chairman SUMNERS of Texas, Mr. LAGUARDIA, and Mr. BROWNING.

When they got to California—let me give you a picture of what occurred. I do not want to cast any reflection upon any member of that subcommittee; but the Members of this House ought to understand just how this committee proceeded to investigate Judge Louderback. When they got to California the chairman of the committee, Mr. SUMNERS of Texas, occupied a seat high upon the judge's bench; down at the counsel table appeared the two prosecutors of the committee, on one side of the table Mr. LAGUARDIA and on the other side of the table Mr. BROWNING. Now, this was the set-up of the three members of the committee that went out there to impartially investigate the facts concerning this judge.

I do not mean to cast any reflection upon my good friend the gentleman from New York [Mr. LAGUARDIA], and far be it from me to say anything that would reflect in any way on my good friend the gentleman from Tennessee [Mr. BROWNING], because I have served on the same committees with him during the past eight years and I know him well, and both of them are fine gentlemen; but the House should know what happened. The Committee on the Judiciary ought to impartially investigate an impeachment pro-

ceeding and not in the first instance proceed to prosecute. They were appointed for the purpose of investigating Judge Louderback's conduct.

Let me show you how bitter this prosecution was. I want you to turn to page 191 of the record of the hearings and listen to what occurred between counsel representing the judge and one of the prosecutors of the committee:

Mr. LAGUARDIA. I think this, gentlemen, would be a good time to adjourn.

Mr. HANLEY. Is that just simply to get some newspaper notoriety or just simply for effect? Can't we go along here as long as we started and try to get something out of it?

Mr. SUMNERS. Of course, we assume that counsel is presenting his case. I don't know about the element of newspaper notoriety. There doesn't seem to be very much evidence of that here.

Mr. HANLEY. We have heard so much about it, we read so much about what is going to come off, it is getting a little boresome.

Mr. LAGUARDIA. I think it appeared in the papers long before I introduced my resolution in the House. That's how I got it.

Mr. HANLEY. No; it is not how you got the resolution. You know that's not correct, and you know it is not true.

Mr. LAGUARDIA. If you say that's not true, you are a liar.

(Reporter's note: The space between Mr. LAGUARDIA and Mr. Hanley closed very rapidly at this point.)

Mr. SUMNERS. Mr. LAGUARDIA——

Mr. LAGUARDIA (to Mr. Hanley). Don't tell me that is not true, because I won't take it from you or anybody else.

Mr. SUMNERS. Mr. LAGUARDIA, you sit down or you will get out of the court room.

Now, that was the attitude of a member of the Judiciary Committee sent out there to impartially obtain the facts upon which to base an impeachment proceeding against a Federal judge. He did not sit merely as a member of the investigating committee but as a prosecutor, and then later sat in judgment as a member of the Judiciary Committee and voted for Judge Louderback's impeachment.

I tell the Members of this House, you can read this record, you can read the judge's statement and all the evidence, and there are no grounds upon which to base an impeachment of Judge Louderback. He is not accused of accepting money; he did nothing criminal. He may be charged with some irregularities. Every Federal judge might be charged with a few minor irregularities. They are all human. But there is no evidence presented to the Judiciary Committee in this record upon which to successfully base an impeachment proceeding.

Mr. McSWAIN. Will the gentleman yield for a question?

Mr. BACHMANN. For a brief question.

Mr. McSWAIN. Is it the gentleman's idea that a Federal judge ought not to be impeached unless you can show he has accepted a bribe?

Mr. BACHMANN. Certainly not.

Mr. McSWAIN. Is there not such a thing as judicial propriety?

Mr. BACHMANN. I did not say that.

Mr. McSWAIN. You said he took no money.

Mr. BACHMANN. But there ought to be sufficient evidence upon which to base articles of impeachment, and I would like some member of the committee to point out to the House some evidence upon which to base articles of impeachment in this case that can be sustained by the record.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. BACHMANN. I can not.

Mr. LAGUARDIA. You asked the question.

Mr. BACHMANN. I do not have time to take up all the facts that the gentleman from New York relies upon, but I want to discuss the question of Judge Louderback's residence. Here is a Federal judge with practically all of his time given to conducting court in San Francisco. He unfortunately had some domestic trouble with his wife. Judge Louderback has a brother living in Contra Costa County, one of the adjoining counties, and with whom he made his place of residence when he and his wife separated. We are told by the gentleman from New York that because this Federal judge established his residence in another county he ought to be impeached. In other words, according to the gentleman from New York, Judge Louderback is guilty of a high crime and misdemeanor for having established a residence in another county because of domestic difficulties, and therefore should be impeached.

That is one of the reasons why he wants to impeach the judge. He says the judge tried to cover it up. The judge merely lived at a hotel in San Francisco while he maintained his residence in another county with his brother.

Mr. STAFFORD. The judge occupied a room in the hotel while attending to his official work——

Mr. BACHMANN. That is correct. The gentleman from New York is seeking to establish that he maintained a residence there illegally, and therefore, should be impeached.

Mr. STAFFORD. That does not appeal to me at all.

Mr. BACHMANN. That is one of the grounds upon which they want to impeach the judge.

[Here the gavel fell.]

Mr. McKEOWN. Mr. Speaker, I will yield to the gentleman from Missouri.

Mr. DYER. I think the gentleman ought to go ahead with another speech on that side.

Mr. McKEOWN. We only have two speeches left.

Mr. DYER. We probably will not have but one more on this side, as far as I know.

Mr. McKEOWN. Mr. Speaker, I yield to the gentleman from Rhode Island [Mr. CONDON] 10 minutes.

Mr. CONDON. Mr. Speaker, I have read every word of this record from beginning to end. I have read very carefully the abstract of the charges prepared by my colleague, Mr. BROWNING, of Tennessee. I attended every executive session of this committee, and I voted against impeachment, but I did vote for censure.

If I thought there was one scintilla of evidence here that would justify the House of Representatives in sending managers to the bar of the Senate with impeachment charges against this judge, I would have voted for impeachment, because I do not want to be understood as approving many of the actions he is guilty of and which have come out in this investigation.

But, Mr. Speaker, when this House exercises its power of impeachment it exercises the greatest power that has been conferred upon the House of Representatives. Rarely in almost 150 years of its existence has that power been exercised by the House, and rarer still have there been convictions by the Senate.

But rarer even than that has it been exercised in the House of Commons, from which we derived historically this great power to impeach even the highest officer of the Government.

I am very solicitous and anxious that this House shall never bring impeachment proceedings against any person unless there is a firm conviction on the part of the committee and on the part of the House that it has a reasonable chance to obtain a conviction before the bar of the Senate.

It is comparable to a matter that may be presented to a grand jury, where if the prosecutor does not feel that he has a reasonable chance to obtain a conviction before a trial jury he will not ask for an indictment of a person charged with crime.

There is nothing here—and I ask you to read the record—there is nothing here, and you will not find anything in the evidence that will justify sending these charges to the bar of the Senate.

I do not for one moment question the conduct of the committee sent to San Francisco. I do not agree with the gentleman from West Virginia [Mr. BACHMANN] that the gentleman from New York [Mr. LAGUARDIA] and his associates were not entitled to proceed in the manner they did. They acted as the agents of this House to find out what the facts were, so that the Members of the House might intelligently pass on this important matter. I want to compliment them for the manner in which they carried out the instructions of the House.

I want to say that I paused a long while before I came to the conclusion I did, because I felt that we did not have the privilege of confronting the witnesses on the ground in San Francisco as did the members of the subcommittee, and because of that possibly they might have some more evidence than had appeared in the record. After we had discussed the matter, however, in executive session, and

after an ample opportunity had been offered to the distinguished gentleman from New York [Mr. LAGUARDIA] to make out his case, and the gentleman from Tennessee [Mr. BROWNING] to make out the case on the charges that had been particularly placed in his care, I was forced to the conclusion that, however reprehensible the conduct of the judge may have been in certain instances, which bore no relation whatsoever to the charge that is mentioned in the Constitution of high crimes and misdemeanors, I could not in all conscience vote to bring impeachment proceedings in this House. But I did join in the unanimous vote of the committee that Mr. LAGUARDIA should have an opportunity to present his articles of impeachment here this morning, because I felt that in the last analysis the Committee on the Judiciary has no right to pass final judgment on matters of this kind, and that the House of Representatives, sitting in its sovereign capacity as the grand jury to decide whether or not impeachment charges should be filed against any Federal official, should pass on the record and the whole record, and that they should share the responsibility along with the members of the Committee on the Judiciary. So I say, Mr. Speaker, without going into the details of the record, so far as the judge's conduct is concerned, because I presume that Mr. DYER and Mr. MCKEOWN will do that, as I said in the beginning, there is not anything in the record that will justify any Member of this House, in my opinion as a lawyer, to vote for impeachment, and vote for sending managers of this House to the bar of the Senate. [Applause.]

Mr. MCKEOWN. Mr. Speaker, I yield 20 minutes to the gentleman from Tennessee [Mr. BROWNING].

Mr. BROWNING. Mr. Speaker and gentlemen of the House, I believe anyone who can subscribe to either the majority report in this case or the minority report is obligated to vote for impeachment, because if Judge Louderback is guilty of the charges set out in the censure, in my judgment, he is guilty of high crimes and misdemeanors sufficient to bring him before the bar of the Senate for trial.

Carrying further the statement in this case with respect to the appointment of receivers, I want to discuss for a few moments some of the cases that I think give a picture of the judge's mind and his attitude toward the litigants and toward friends of his in his court. To me the gravamen of his offense is the fact that he has preferred his friends and undertaken to look after their interests in his court in the appointment of receiverships in preference to the interest of the litigants who come to his court seeking justice.

As an example, I refer now to one Guy H. Gilbert, who has been used more or less by him as a professional receiver. Some 16 years ago he became acquainted with the judge when the judge was a candidate for the police court in San Francisco, and was one of his supporters. He later supported him for the superior court of that State, to which he was elected. About 1926 he asked the judge for some assignment as receiver to supplement his salary as an employee of the Western Union Telegraph Co., and when he resigned in March, 1932, he had been in the employ of that service for 34 years and his highest salary had been $255 per month. The judge first gave him an assignment in the State court as an appraiser of real estate. He did not go on the property. He did not do anything except to sign his name to the report, and he was given a fee of $500. The next assignment was in the Stempel-Cooley case, when he was appointed receiver of some apartment houses. He had never had any experience with real estate. He collected $12,000 in rents, and received a fee of $500. He appointed John Douglass Short as his attorney upon the recommendation of Sam Leake, and he went to Sam Leake for this instruction because he knew that Sam was influential.

Then next came the Sonora Phonograph case, I think in 1929, when the judge's secretary called up Mr. Gilbert and told him that he had been appointed receiver in the Sonora Phonograph case. He went to Sam Leake immediately that night. He expected to appoint John Douglass Short his attorney, but instead he was given the information from some source that one Dinkelspiel was to be appointed. The people who were in charge of that concern continued to operate it and Mr. Gilbert was a mere figurehead, and admitted that he knew nothing in the world about that kind of business before. He drew the statutory fee of $6,800 for six months' service, and he did nothing in the case except to go down and receive the reports from these people who were running the business and had run it all of the time. Mr. Dinkelspiel was appointed attorney in the case, received for his six months' work $20,000, and there was not a single claim that went to litigation. All he did was to give a little legal advice in his office. That was an excessive fee, and it practically ruined the administration of the estate.

Next we find the Prudential Holding Co., which was a very peculiar case.

Mr. RAGON. Mr. Speaker, will the gentleman yield?

Mr. BROWNING. Yes.

Mr. RAGON. How much was involved in this $20,000 fee? Whenever the gentleman says what the fees are he does not give us any information.

Mr. BROWNING. I am telling what the work was. I do not consider that the amount of money involved should fix the fee at all. He did not do $20,000 worth of work. There was collected in all about $350,000 by the receivers.

Mr. RAGON. What is the responsibility attached to it?

Mr. BROWNING. None at all. He did not have a lawsuit.

Mr. RAGON. Did he not have a bond?

Mr. BROWNING. No; he did not have any bond as an attorney. It was an ancillary receivership. He had no bond or responsibility except to give a little advice, and within six months he received this exorbitant fee, which I claim is unconscionable, especially under the circumstances that surrounded the case at that time.

The next case was the Prudential Holding Co. It was a foreign corporation. The claim against it was by a foreign corporation, and the first notice that the officials of the Prudential Holding Co. had of the receivership proceeding was that Gilbert and Dinkelspiel showed up in their office and demanded possession of the assets of the concern. The attorney in the case said that was the first notice they had, but they found a petition had been filed on information and belief of an attorney, without any indemnity bond against the wrongful acts of the receiver after he took charge of the estate. They alleged in the petition that the concern had assets of $1,150,000 and it had liabilities of $1,100,000. The Prudential Holding Co. immediately resisted the appointment of this receiver, and they showed to the court that neither of the corporations was a resident of that district at all and, therefore, there was not any jurisdiction in that court, and yet the judge granted that receivership on a flimsy excuse, and appointed Gilbert as receiver and Dinkelspiel as attorney. They, of course, showed him plainly at the hearing there was no ground for receivership; but he prolonged action on it for a few weeks, and there was filed a petition in bankruptcy in Judge St. Sure's court, in the same district. When that was filed the only ground of bankruptcy alleged was the existence of the equity receivership. Judge Louderback went over into Judge St. Sure's division and appointed Gilbert as receiver and Dinkelspiel as attorney in the same case and then dismissed the equity proceedings on the ground that there was nothing to sustain it and tried to leave them in control of the estate. When Judge St. Sure came home, on the first hearing, he summarily dismissed the proceeding, and they filed a petition asking for it to be reinstated, and Judge St. Sure said in substance, "No. I will not hear you any further. This case smells bad from the very beginning," and it was dismissed, and they went out without fees.

Not being satisfied because his friends Gilbert and Dinkelspiel had received no fees, then there came along the Fageol Motor Co. case, which was a big manufacturing and assembling plant, with some $3,000,000 of assets scattered through four States—California, Oregon, Washington, and Utah—and they had sales agencies and assembling plants and service and other activities. They filed a petition, after they had had a conference of a week of all the principal

creditors and parties in interest, and decided if they could get an equity receivership they could stave off their debts until they could work out of their predicament. They put in three days agreeing on a man for receiver. They picked a man who knew every phase of the automotive manufacturing and sales, and nobody disputed that he was qualified. They went in a body to the judge's chambers and took their petition and asked him, through his secretary, to give them a hearing on the granting of the petition. They said to the secretary, in effect, "We have agreed upon a man who is qualified and we want to have a hearing that the judge may understand what our position is." That was at 12 o'clock noon. His secretary said, "He is busy now, but come back at 1.30." They went back at 1.30, and she said, "You will have to come back at 2.30; the judge has not returned, at which time he will hear you." At 2.30 they came back and they passed the judge in the hall, walking away, and they went in and asked her what about the hearing, and she said the judge had appointed Guy H. Gilbert receiver and Dinkelspiel as his attorney some time ago.

Mr. GLOVER. Will the gentleman yield?

Mr. BROWNING. I yield.

Mr. GLOVER. I agree that there has been a multiplicity of receiverships and excessive fees granted, but does the record show that the judge was the beneficiary of any part of the fees?

Mr. BROWNING. Let me tell the gentleman this: Does he conceive of any moral ground upon which a judge can grant favors to his friends and not be a beneficiary? He is as chargeable with favors to them improperly given as he is to himself.

Mr. GLOVER. I believe he ought to be censured for it.

Mr. BROWNING. Censured? Censured? Of course, if he is guilty of that, he ought to be impeached, and I believe the gentleman from Arkansas would impeach him if he were convinced of that.

This man Gilbert was called in by these parties. They undertook to dismiss their petition because they said they could not do anything with him in as receiver, but he qualified before they had time. They had never heard of him, and decided if they could not get an agreement out of Gilbert they were going into bankruptcy. He agreed to meet them the next morning. They came in, and he threw up hands and agreed, if you will just leave him and his attorney in authority and give them a nominal fee, they would step aside and let the creditors run it. That is exactly what they did. Dinkelspiel took $6,000 and Gilbert about the same, and they stood aside, and these people employed men to do the work of the receiver, and they said to Gilbert, "You know you are not competent," and he admitted it, and the judge knew it at the time he appointed him, and he did it because he wanted to do him a favor instead of looking after the interests of litigants who came into his court.

Mr. MILLER. Will the gentleman yield?

Mr. BROWNING. Yes. I yield briefly.

Mr. MILLER. Over the period of time of these requests for receiverships, how many receiverships were pending in the court, in order that we may get an idea of whether he was appointing his friends to serve in all such matters?

Mr. BROWNING. The information that came to us was there were about 12 in his court, as I remember it; that is, equity receiverships, and these are the ones that we made a record on.

To my mind, Mr. Speaker, his conduct in selecting personal friends who had nothing on earth in the way of information or managerial ability that they could contribute, and the facts showing that they were merely set up as dummies to keep other arrangements from coming in, I insist that any such conduct as that is reprehensible and it is an utter disregard of his obligation as a court to look after litigants who come into his court. He took his preference to favor friends instead.

Now, there is one other case that I want to mention if I have the time, and that is the Lumbermen's Reciprocal Association. It carries out this very idea of trying to take care of his friends instead of taking care of the litigants in an estate that is entrusted to his keeping.

This was an insurance company. There was some opinion that the receivership should be in Federal court, in order to try to protect the funds in favor of the holders of policies in California, the parent company being in Texas. They did not want them to come in and get the assets that belonged to local policyholders.

So a Federal receivership was considered. Then the State commissioner, under the laws of California, went out and took charge of the assets, and sent one of his deputies up to advise the judge that they were perfectly willing to not contest Federal receivership if he would appoint the State commissioner of insurance as the receiver and the proceedings to go forward in the Federal court because they could thereby use their force without extra compensation and save the assets in the administration. Instead of doing that, when the lawyers got up there to ask for a receiver they were handed a slip containing the names of three for receiver and given to understand that Samuel Shortridge, jr., was to be the receiver in that case; that is, that that was the wish of the judge; the secretary conveyed that information to them. They selected him. It developed that he had, in advance, been notified that he would be appointed receiver and that he and the judge had agreed on an attorney, Mr. Woodworth.

Immediately the commissioner, who had taken charge of everything under the law, and whom the court later held had exclusive jurisdiction of the matter, contested this receivership and it was fought through to the bitter end. No one can read the record of the judge's conduct in that case without reaching the inevitable conclusion that he used every means in his power, that he used every device he could, to assist those two men in holding control of those assets.

Mr. SPARKS. Mr. Speaker, will the gentleman yield?

Mr. BROWNING. I yield.

Mr. SPARKS. Is it not a fact that under the California law the State commissioner of insurance is the one entitled to be receiver of an insurance company when an insurance company becomes defunct?

Mr. BROWNING. Yes; and he took charge of it four days before this petition was filed, was acting under his exclusive authority, and everybody had notice. The claim on which the petition was based was declared null and void before the judge granted the receivership; and he knew it at that time.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. BROWNING. I yield.

Mr. WHITTINGTON. The remarks thus far have been based on the receivership. What does the record disclose as to the general conduct and course of the judge in the discharge of his official duties otherwise?

Mr. BROWNING. The record is made up principally of the receiverships, I will say to the gentleman from Mississippi. The other conduct is purely incidental.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. BROWNING. I yield.

Mr. MICHENER. After a very thorough investigation by the committee of which the gentleman is a member, as a matter of fact the committee was unable to find any fault except those set forth in the record which covered the receivership. Is not that true?

Mr. BROWNING. No; that is not quite correct. We could have gone into other matters, but we understood that his official conduct as disclosed by these receiverships was what the House wanted and we rested on that. We did not have any local police or detectives' assistance to go on. We just had to do the very best we could ourselves.

Mr. COLE of Maryland. What was the attitude of the Bar Association of California toward his conduct?

Mr. BROWNING. They asked for this investigation, and it was made at their request. They furnished us two very excellent gentlemen to sit with us at the counsel table, and they undertook to be of all assistance they could in the

matter. The bar association requested the investigation, and they helped us make up the record. They have made no other expression, so far as I know. I do know what their attitude is, but it is not in the record.

Now, when this case was appealed by the commissioner of insurance, this lumbermen's reciprocal case, the court of appeals reversed Judge Louderback and said there was not any jurisdiction in his court; that the commissioner of insurance had exclusive jurisdiction; that the receivership was without warrant of law and should not have been granted; that it should have been left exclusively to the State commissioner. When he started to obey the mandate of the court he put in his order that the assets should be turned over to the Federal receiver within 30 days, provided that no appeal was taken from his allowance of the fees to the receiver and his attorney. That is the kind of an order he made and entered on the minutes of his court in response to the mandate of his own superior court. He admitted himself it was wrong. Later on he saw what a terrible mistake he must have made, but I am giving you this to show you the picture that was in his mind.

I am thoroughly convinced that he was interested more in the fees that were going to his friends than he was in preserving the assets.

Later on he permitted them to turn it over on stipulation. Appeal was taken from the allowance of the fees. The court cut them about half in two. It allowed small fees to the receiver and his attorney on the ground that they possibly did not know that it was wrong for them to take charge of it; that they had put substantial labor on the case, and the court did not want to penalize them by letting them work for nothing.

Mr. ARNOLD. Has the bar association taken any action in this matter, or have any citizens of the county taken any action in the matter?

Mr. BROWNING. As I just stated to the gentleman from Maryland, I believe that the bar association initiated this investigation. They wrote a letter to the President of the United States urging that Congress or some one in authority investigate the conduct of this Federal judge.

Mr. ARNOLD. That is, the local bar association?

Mr. BROWNING. Yes.

Mr. DYER. Is that in the record?

Mr. BROWNING. Yes; that is in the record.

Mr. CRAIL. That was by resolution, was it?

Mr. BROWNING. That was by resolution of the bar association which they sent to the President of the United States.

There is one other case I jumped over, the Golden State Asparagus Co. I apologize for the hasty way in which I have to pass over these matters, but it is occasioned by lack of time.

The Golden State Asparagus Co., as I understand, operated an asparagus farm and a canning establishment in connection with it. They decided to go into receivership. They came to the court and requested the court, because of the peculiar nature of the business and the problems involved, that he permit them to appoint the receiver and suggest the attorney.

He said, "I will give you the receiver," and appointed a very efficient man whom they recommended. Then he said, "I will submit a list of attorneys to the receiver that he can pick from," and this was satisfactory to the litigants; but later on, instead of that he appointed Dinkelspiel. The record shows that the attorney did no more work than counsel had performed ordinarily in the operation of the company. These charges had been less than $1,000 per year. Yet for a few months' service Dinkelspiel was given a fee by Judge Louderback of $14,000.

The only real legal service rendered was by the attorneys before appointment of receiver in preventing a forced sale; and the judge denied their uncontested fees in toto. They had objected to the exorbitant fee to Dinkelspiel.

[Here the gavel fell.]

Mr. McKEOWN. Mr. Speaker, I yield 15 minutes to the gentleman from Missouri [Mr. DYER].

Mr. DYER. Mr. Speaker, impeachment matters are a very important responsibility that we have to deal with. Under the Constitution we are charged with the matter of bringing impeachment proceedings. Judges of the United States court and certain other civil officials can be removed by impeachment. The House of Representatives is charged with the duty of bringing the impeachment and if they do this, the impeachment case is tried by the Senate.

Naturally, Mr. Speaker, the Judiciary Committee would not want to recommend impeachment proceedings against anyone that, in our judgment, would not be sufficient to sustain the removal of the party from office by the Senate. It is not a question of whether a judge has acted properly in some matter or other; it is a question of whether he has done things that cause his office to be subject to criticism and cause him to be subject to severe punishment. The only way you can punish a Federal judge under such circumstances is to remove him from office.

The Judiciary Committee, consisting of 22 members, went over this case day after day and read and studied every line of testimony taken, and of the 22 members of the committee, 17 of them, headed by such members of long service here as ex-Governor MONTAGUE, Mr. DOMINICK, and others, came in with a report recommending to you that no impeachment be voted.

Reference has been made to the investigation in San Francisco. In my opinion and from what I have heard, this investigation was started by newspapers, or at least one newspaper in San Francisco that was waging a fight against the reelection of Senator Shortridge. Senator Shortridge's son had been appointed receiver's attorney in several cases by this judge. Lawyers, naturally, do not feel very friendly to a judge who appoints 1 or 2 or 3 members of the bar to a number of receiverships. They like to have them passed around. But, Mr. Speaker, we are not here settling the question of who should have been elected Senator in the last election. The people have passed upon that.

But this committee went to San Francisco; and, as has been stated on the floor here and not denied, of the three who went to San Francisco two of them did not act in their capacity as Representatives to find out what the facts were regarding this case—two of them occupied the positions of prosecutor and assistant prosecutor of this judge. The bar association offered to furnish such services for the committee. They did not accept the services of the attorneys that the bar association offered; at least there is nothing in all the hearings to show that any attorneys other than the two members of the commmittee asked a single question of a single witness.

Mr. Speaker, I submit to the gentlemen here who have served as judges, if you have a jury impaneled to hear the facts regarding a case against a person, you would not think it proper to permit two of the jurors to sit and bring out facts against the defendant, to ask questions, to prosecute, to cross-examine, and then go back and sit upon the jury to determine the guilt or innocence of the defendant. This is exactly what was done in this case. Others may say it is all right, but in my own judgment of fairness I can not consider this to be the proper thing.

I can not go over these cases, some half dozen receivership cases which the committee has picked out and based its criticism upon. They did not go into all the receivers that this judge has appointed. No; they picked out some half dozen to try to find some criticism, and the only criticism they have been able to bring here is that the judge showed favoritism in the appointment of some of these receivers or that he allowed them too much money.

Mr. Speaker, there is not one single charge in all the testimony in this record that this judge benefited one dollar, directly or indirectly, in connection with his official duties as a judge of the United States court in California.

Mr. CRAIL. Will the gentleman yield?

Mr. DYER. I would prefer not to yield right now.

Not one dollar is he accused of receiving, directly or indirectly. The Committee on the Judiciary during the time I have served there, which is some 20 years, has had a

number of similar matters. Through a resolution is the usual way we get jurisdiction. The proper way is for some Member to stand upon the floor and impeach a judge, but nowadays they come with resolutions. The committee goes into these matters, and while our jurisdiction is only to say whether or not a judge should be impeached, we have gone a little far afield and have brought usually in the report in practically all of these cases a statement to the effect that we do not excuse or justify the action of the judge in this, that, or the other matter.

Mr. BANKHEAD. Will the gentleman yield for a question in that connection?

Mr. DYER. Yes.

Mr. BANKHEAD. Did the gentleman join in the resolution of censure reported by the committee?

Mr. DYER. I joined in the majority report, which has that in it.

Mr. BANKHEAD. The report recommends that the judge be censured.

Mr. DYER. Yes; that is in the majority report.

Mr. BANKHEAD. Does the gentleman imagine that the litigants in that court will receive any benefit in the future from a censure in the event it should be voted?

Mr. McKEOWN. If the gentleman will permit, I want to correct the gentleman by saying that the matter of censure is not in the resolution.

Mr. DYER. The only thing that is before the House and that we will be called to pass upon is whether or not we will impeach the judge. We do not vote on any question of censure, because it is not a part of the thing we have to do. We simply vote whether or not he shall or shall not be impeached. We do not vote on whether or not he shall be censured. Whether a judge is to be punished under the Constitution is in the hands of the United States Senate and not in the hands of the House, and we do not become prosecutors until this House has voted impeachment, and then we have a right, or the House has a right, to go to the Senate and prosecute the case.

Now, I can not make reference to all of these cases, but they start out with what is known as the Russell-Colvin case. They make that number one. I think they consider that their strongest case.

Now, what are the facts? Mr. Strong was recommended by certain interests for receiver, and the judge, not knowing Mr. Strong, wanted him to appoint somebody that he knew as an attorney. The judge has a right to do that. The attorneys are paid out of the allowances made by the court in receivership cases. The judge is responsible for all the work of the receivers and attorneys for receivers. There is no one who will deny that.

So there is no criticism of the judge in appointment of receivers whom he may desire unless they commit some wrongdoing or waste the estate.

Is there any evidence here that one dollar of any estate has been wasted by any of the receivers appointed by this court?

The only thing that has been mentioned in the Russell-Colvin case, a stock-brokerage concern, was that there were excessive allowances and that the judge did not appoint a Mr. Strong as receiver.

The judge testified that a hearing was had on the allowances before they were made—a hearing before him in open court as to what these men should receive.

At that hearing there were lawyers engaged in the practice of law who had had experience in receivership cases. As a matter of fact the disbursements in the receivership matters amounted to some $464,491 in an estate of more than a million dollars.

These allowances were made after hearing in open court. Are you going to impeach a judge on that, when the allowances were made by him in open court?

I asked the judge this question: "Has there been any complaint against you by anybody with reference to any of these matters?" and he said he had not heard of any except when the election was coming on, and Senator SHORTRIDGE being a candidate for reelection, the papers made an attack on SHORTRIDGE and the judge on the ground that the judge had favored the son of Senator SHORTRIDGE.

Mr. HUDDLESTON. Will the gentleman yield?

Mr. DYER. I yield.

Mr. HUDDLESTON. I would like to ask the gentleman if he indorses the report which says that—

> The committee censures the judge for conduct prejudicial to the dignity of the judiciary in appointing incompetent receivers, for the method of selecting receivers, for allowing fees that seem excessive, and for a high degree of indifference to the interests of litigants in receiverships.

Mr. DYER. I am in favor of the majority report.

Mr. HUDDLESTON. Does the gentleman approve of this statement?—

> And for a high degree of indifference to litigants in receiverships.

Mr. DYER. I will say to the gentleman from Alabama, who is always a very fair Representative, that I, as a Member of Congress, do not approve of the allowance of excessive fees in receivership matters. I think that receiver matters belong to the people and not as perquisite of the judge. I have criticised those things, and I think criticising them here in the reports of our committee where we have the grounds for them is very salutary and helpful and beneficial to the administration of justice, and for that reason I have joined in the reports of this character, but, gentlemen, to send the case of a judge over to the Senate for impeachment without one scintilla of evidence that he benefited in any direct or indirect way from any action of his would be simply wasting the time of the Senate and the money of the people, and I am sure that that is not our business here.

Mr. CRAIL. Mr. Speaker, will the gentleman yield?

Mr. DYER. Yes.

Mr. CRAIL. To ask the gentleman from Missouri if the committee took a vote on this censure matter?

Mr. DYER. I think they did.

Mr. CRAIL. What is the purpose and what is the effect of this censure?

Mr. DYER. The only effect of that is to notify, so far as we can, the Federal judges generally that they ought to be most careful in the appointment of receivers and attorneys for receivers, and to not make any allowances in any instance except those that are right and fair and proper.

Mr. CRAIL. If that is the purpose of it, then the effect would be to say, "You ought not to do that; but if you do it, it is none of our business."

Mr. DYER. We have said that it is our business indirectly, but we can not impeach for it.

Mr. McKEOWN. Mr. Speaker, I yield 15 minutes to the gentleman from Texas [Mr. SUMNERS].

Mr. LAGUARDIA. Mr. Speaker, will the gentleman from Texas yield for a moment?

Mr. SUMNERS of Texas. Yes.

Mr. LAGUARDIA. The gentleman from Missouri [Mr. DYER] stated that none of the litigants in this case made complaints. All of the testimony was given by litigants in these cases.

Mr. SUMNERS of Texas. Mr. Speaker, we are dealing with a tremendously important matter, and I want the attention of the House in the last 15 minutes permissible to those who believe that the judge ought to be impeached. I make a very brief statement. I agree with the findings of the majority of this committee in its findings of fact. We are dealing with the Federal judiciary, and in this House we set the standard of Federal judicial conduct. We go about the country complaining about what Federal judges do. In the Congress of the United States we determine what the Federal judges do.

Mr. Speaker, my distinguished colleagues of the majority who examined the witnesses in this case are truthful men. Here is what they find: They find that the conduct of the judge was prejudicial to the dignity of the judiciary. How? In appointing incompetent receivers.

This judge took a man who was merely a telegraph operator and put him to bloodsuck a wounded institution, and there is not a man who can stand on the floor of this House and controvert that fact. Of course he was incompetent, and the judge knew he was incompetent when he put him there. That is the reason why the Bar Association of San Francisco petitioned the President of the United States to send an agency, the only agency that could give relief, to inquire into the facts in the case. I have had a good deal of experience in these impeachment matters. We know as a matter of fact you can hardly get a lawyer to raise his voice against a Federal judge, on account of the power they have got, and whenever you find a bar association going on record and appealing to the President of the United States to send somebody there to inquire about the conduct of a judge, you may know as a matter of horse sense that that judge's conduct has been such as to bring reasonable, substantial doubt of his integrity. You can not make a bar association ask for an investigation of a judge when those are not the facts. This is what I say. The highest crime that can be committed by a judge on the bench is to so conduct himself on the bench that the people in that community are substantially doubtful about the integrity of the judge. We go around and appeal to the people to respect the judiciary. I declare to you, men of the American House of Representatives, the only way you can make the people respect the Federal judiciary is to keep the Federal judiciary respectable. [Applause.] Do you mean to tell me that you can expect respect for a judge of whom it may be said that his conduct is prejudicial to the dignity of the judiciary in appointing incompetent receivers, and for the method of selecting receivers? The people in interest got together trying to save a going concern. They tried to make an engagement with the judge to discuss the matter with him, and he evaded them and appointed this man, utterly unfit for the job.

Mr. BACHMANN. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. BACHMANN. Does the gentleman believe that to be a high crime and misdemeanor?

Mr. SUMNERS of Texas. It just depends on whom you are looking after.

Mr. BACHMANN. Mr. Speaker, will the gentleman answer the question?

Mr. SUMNERS of Texas. I say it is.

Mr. BACHMANN. Will the gentleman explain to the House——

Mr. SUMNERS of Texas. Just let me make my speech. I say that when a Federal judge on the bench in the eyes of the public demonstrates that he is more concerned in somebody getting something out of a going concern than he is concerned for the fate and right of the people who own that concern and its creditors, he is guilty of high crimes and misdemeanors. [Applause.] And may God spare this country so low a standard of official conduct as that! O my friends, this legalistic mind!

Mr. CRAIL. Will the gentleman yield for a question?

Mr. SUMNERS of Texas. Yes. I will yield.

Mr. CRAIL. The majority of the committee reported against the impeachment of this judge. What proportion of the members of the committee who were on the ground and had an opportunity to examine the conduct and demeanor of the witnesses and cross-examine them and judge of their character, reported in favor of impeachment?

Mr. SUMNERS of Texas. I do not like to go into that, but it happens to be that the three men who went there believe this man should be impeached. It may be their judgment was bad, but I base my attitude upon the findings of the gentlemen who filed the majority report. What do they say? What is the use of discussing these fees?

They say that the fees were excessive. How can they stand on this floor and argue that the fees are not excessive when they solemnly declare in their own words of censure that the fees were excessive? I do not like to get into a row with the members of my committee, but there is too much involved here. How can they say this conduct is all right when they solemnly find that the conduct of this judge is against the dignity of the judiciary? How can they argue that he appointed competent receivers when they say he appointed incompetent receivers? Here is the final word. This is your responsibility. This is not my responsibility. This is your responsibility in this solemn hour. Listen to these concluding words in their findings:

> And for a high degree of indifference to the interest of litigants in receiverships.

What can be a high crime or misdemeanor if a judge on the bench guilty of a high degree of indifference to the interest of litigants in receivership cases is not guilty of such crime? Do you want us to prove that he is a thief in chains before we turn him out? What do you want, gentlemen? These are your words. I have great respect, but not for the wisdom of your recommendation. I agree with the correctness of your conclusions, but, gentlemen, we do not have many such judges as this, thank God. We will have more such judges as this if when the facts are before you you say you are willing to allow to sit on the bench a man guilty of allowing excessive fees and having a high disregard of the interest of litigants before him. What is he there for?

We go back to our people every two years. We elect a President every four years. All other officers are subject to removal by Executive order. There is but one protection under the Constitution of the United States for the people who are being ruled over by a judge like that, and that is you. That is myself. What are you going to do about it? Are you going to leave for life this man whom the people did not select, and whom the people can not discharge, and against whom they have no protection? Are you going to say to him, "You go ahead and do this way. It is all right. We think it is all right." Are you going to say to the American people, "There is no relief?"

Now, gentleman, this is an extraordinary power that a judge holds during good behavior; not during life, but during good behavior. Can any man read the report of the majority and say that is good behavior? Is it good behavior to highly disregard the interest of litigants? Is it good behavior for a man to grant excessive fees? But that is not the great crime, gentlemen. I lay this down as a standard, whenever the proven facts with regard to a judge's conduct, first, establish the facts, and then, if the reasonable and probable consequences of those proven facts are to bring to the people of the community where he lives, a substantial doubt as to his judicial integrity, he has committed the highest imaginable crime. Has this judge done it? Gentlemen, what are you going to do about it? Man to man, what are you going to do about it? Facing your obligation and your oath under the Constitution, what are you going to do about it? Are you going to complain about other judges doing what you approve of this judge doing? Are you going to make an example to the judiciary of this country?

In this trying hour in the life of the Nation, when we do not know what the future holds for us, in this hour when we know we must preserve respect for the judiciary if government stands, what are you going to do about it? Are you going to quibble about whether or not this man has been proven to have stolen some money, as some questions from the floor would indicate, was expected? Is that the standard? Take this man off the bench and write a high standard for judicial conduct in this country. Let it go forth this day from the House of Representatives that these judges, who are appointed during good behavior, must behave themselves.

I regret this very much, gentlemen. This is not a pleasant duty. It is your responsibility. We went to California as your agents. As has been explained, it was unfortunate that the entire subcommittee could not go. The gentleman from Tennessee [Mr. BROWNING] and the gentleman from New York [Mr. LAGUARDIA] assisted in the development of the facts in this case. They were assisted by two representatives of the bar association. Of course, the entire facts were not developed.

The difference in the conclusion as to the facts between the majority and the minority is not important. I rest my own attitude upon the findings of fact of the majority of this committee. I differ from them as widely as the East is from the West as to what those facts suggest. One is to take the judge and spank him on the hand and say, "Now, now, now, don't do it again;" and the other is to take him out. [Applause.]

[Here the gavel fell.]

The SPEAKER. The question is on the substitute of the gentleman from New York [Mr. LAGUARDIA].

The question was taken, and the Chair announced that he was in doubt.

Mr. McKEOWN. Mr. Speaker, a division.

Mr. BACHMANN. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MICHENER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MICHENER. As I understand, a vote of "aye" is a vote for impeachment and a vote of "no" is against impeachment; is that correct?

The SPEAKER. An "aye" vote on the substitute of the gentleman from New York is a vote to impeach and a "no" vote is a vote against impeachment.

The Clerk will call the roll.

The question was taken; and there were—yeas 183, nays 142, answered "present" 4, not voting 97, as follows:

[Roll No. 165]

YEAS—183

Allgood	Doxey	Kvale	Sabath
Amlie	Eagle	LaGuardia	Sanders, Tex.
Arnold	Eaton, N. J.	Lambeth	Sandlin
Ayres	Ellzey	Lanham	Schafer
Bankhead	Eslick	Lankford, Ga.	Schneider
Barbour	Fernandez	Larsen	Schuetz
Barton	Flannagan	Lichtenwalner	Shallenberger
Biddle	Flood	Lovette	Simmons
Bland	Fuller	Lozier	Sinclair
Blanton	Fulmer	McClintic, Okla.	Smith, Va.
Boehne	Gambrill	McGugin	Somers, N. Y.
Boileau	Garber	McMillan	Sparks
Boland	Gasque	McReynolds	Spence
Briggs	Gilchrist	McSwain	Steagall
Browning	Gillen	Maas	Stevenson
Buchanan	Glover	Magrady	Strong, Kans.
Bulwinkle	Goldsborough	Major	Summers, Wash.
Burch	Green	Maloney	Sumners, Tex.
Burdick	Greenwood	Manlove	Sutphin
Busby	Griswold	Mansfield	Swank
Byrns	Guyer	May	Swing
Canfield	Haines	Miller	Tarver
Carden	Hall, N. Dak.	Milligan	Taylor, Tenn.
Carter, Wyo.	Hardy	Mitchell	Temple
Cary	Hare	Mobley	Thomason
Castellow	Hastings	Montet	Thurston
Cavicchia	Hill, Ala.	Moore, Ky.	Timberlake
Chapman	Hill, Wash.	Morehead	Underwood
Chavez	Hoch	Nelson, Mo.	Vinson, Ga.
Clague	Horr	Nelson, Wis.	Vinson, Ky.
Clark, N. C.	Howard	Norton, Nebr.	Warren
Cochran, Mo.	Huddleston	Oliver, Ala.	Weeks
Cole, Md.	Hull, Morton D.	Palmisano	Welch
Collier	Jeffers	Parker, Ga.	West
Cooper, Tenn.	Johnson, Okla.	Patman	Whittington
Cox	Johnson, Tex.	Patterson	Williams, Tex.
Crail	Jones	Peavey	Williamson
Cross	Kading	Person	Wilson
Crowe	Kahn	Pettengill	Withrow
Crump	Keller	Polk	Wolcott
Davis, Tenn.	Kelly, Ill.	Rainey	Wood, Ga.
DeRouen	Kennedy, Md.	Ramspeck	Woodruff
Dickinson	Ketcham	Rankin	Woodrum
Dies	Kinzer	Rayburn	Wright
Disney	Kleberg	Rogers, N. H.	Yon
Doughton	Kniffin	Romjue	

NAYS—142

Abernethy	Boylan	Coyle	Estep
Adkins	Brumm	Crowther	Evans, Calif.
Allen	Buckbee	Culkin	Evans, Mont.
Andrew, Mass.	Burtness	Cullen	Fiesinger
Andrews, N. Y.	Cable	Curry	Fishburne
Arentz	Carter, Calif.	Darrow	Fitzpatrick
Auf der Heide	Celler	Davis, Pa.	Foss
Bachmann	Chindblom	Delaney	Frear
Bacon	Christopherson	De Priest	Free
Baldrige	Clarke, N. Y.	Dominick	Gibson
Black	Cole, Iowa	Douglass, Mass.	Gifford
Bloom	Colton	Driver	Goss
Bohn	Condon	Dyer	Granfield
Bolton	Connery	Englebright	Gregory
Bowman	Cooper, Ohio	Erk	Griffin
Hadley	Lankford, Va.	Nolan	Stafford
Hall, Ill.	Lea	Overton	Stalker
Hancock, N. Y.	Leavitt	Parker, N. Y.	Stull
Hartley	Lonergan	Parks	Swanson
Haugen	Loofbourow	Parsons	Swick
Hess	Luce	Partridge	Taber
Hogg, Ind.	Ludlow	Prall	Thatcher
Holaday	McClintock, Ohio	Purnell	Tierney
Hollister	McCormack	Ragon	Tinkham
Holmes	McKeown	Ramseyer	Treadway
Hooper	McLeod	Ransley	Turpin
Hope	Mapes	Reed, N. Y.	Underhill
Houston, Del.	Martin, Mass.	Rich	Wason
Hull, William E.	Martin, Oreg.	Rogers, Mass.	Watson
Jacobsen	Mead	Seger	Weaver
Jenkins	Michener	Seiberling	Whitley
Kelly, Pa.	Millard	Shannon	Wigglesworth
Kopp	Moore, Ohio	Shott	Wood, Ind.
Kunz	Murphy	Shreve	Wyant
Lambertson	Nelson, Me.	Snell	
Lamneck	Niedringhaus	Snow	

ANSWERED "PRESENT"—4

Beedy	French	Gilbert	Strong, Pa.

NOT VOTING—97

Aldrich	Davenport	Johnson, Ill.	Pratt, Ruth
Almon	Dickstein	Johnson, Mo.	Reid, Ill.
Andresen	Dieterich	Johnson, S. Dak.	Reilly
Bacharach	Douglas, Ariz.	Johnson, Wash.	Robinson
Beam	Doutrich	Kemp	Rudd
Beck	Dowell	Kennedy, N. Y.	Sanders, N. Y.
Brand, Ga.	Drane	Kerr	Selvig
Brand, Ohio	Drewry	Knutson	Sirovich
Britten	Eaton, Colo.	Kurtz	Smith, Idaho
Brunner	Finley	Larrabee	Smith, W. Va.
Campbell, Iowa	Fish	Lehlbach	Stewart
Campbell, Pa.	Freeman	Lewis	Stokes
Cannon	Fulbright	Lindsay	Sullivan, N. Y.
Carley	Gavagan	McDuffie	Sullivan, Pa.
Cartwright	Golder	McFadden	Sweeney
Chase	Hall, Miss.	Montague	Taylor, Colo.
Chiperfield	Hancock, N. C.	Mouser	White
Christgau	Harlan	Norton, N. J.	Williams, Mo.
Clancy	Hart	O'Connor	Wingo
Cochran, Pa.	Hawley	Oliver, N. Y.	Wolfenden
Collins	Hogg, W. Va.	Owen	Wolverton
Connolly	Hopkins	Perkins	Yates
Cooke	Hornor	Pittenger	
Corning	Igoe	Pou	
Crosser	James	Pratt, Harcourt J.	

So the substitute was agreed to.

The following pairs were announced:

On the vote:

Mr. Drane (for) with Mr. Campbell of Pennsylvania (against).
Mr. Cartwright (for) with Mr. Wolfenden (against).

Until further notice:

Mr. Pou with Mr. Bacharach.
Mr. Horner with Mr. Selvig.
Mr. Montague with Mr. Kurtz.
Mr. Lewis with Mr. Reid of Illinois.
Mr. Hall of Mississippi with Mr. Knutson.
Mr. Rudd with Mr. Christgau.
Mr. Harlan with Mr. Smith of Idaho.
Mr. Douglas of Arizona with Mr. Beck.
Mr. Kemp with Mr. Lehlbach.
Mr. Beam with Mr. McFadden.
Mrs. Wingo with Mr. Connolly.
Mr. Almon with Mr. Doutrich.
Mr. Kennedy of New York with Mr. Fish.
Mr. Cannon with Mr. Wolverton.
Mrs. Norton with Mr. James.
Mr. O'Connor with Mr. Perkins.
Mr. Collins with Mr. Andresen.
Mr. Reilly with Mr. Britten.
Mr. Drewry with Mrs. Pratt.
Mr. Kerr with Mr. Stokes.
Mr. Sirovich with Mr. Golder.
Mr. Johnson of Missouri with Mr. Hopkins.
Mr. Smith of West Virginia with Mr. Yates.
Mr. Gavagan with Mr. Robinson.
Mr. Brunner with Mr. Dowell.
Mr. McDuffie with Mr. Mouser.
Mr. Lindsay with Mr. Campbell of Iowa.
Mr. Crosser with Mr. Aldridge.
Mr. Oliver of New York with Mr. Johnson of Washington.
Mr. Larabee with Mr. Pittenger.
Mr. Corning with Mr. Davenport.
Mr. Owen with Mr. Pratt.
Mr. Dickstein with Mr. Cochran of Pennsylvania.
Mr. Fulbright with Mr. White.
Mr. Carley with Mr. Hawley.
Mr. Stewart with Mr. Finley.
Mr. Williams of Missouri with Mr. Cooke.
Mr. Sullivan of New York with Mr. Hogg of West Virginia.
Mr. Taylor of Colorado with Mr. Clancy.
Mr. Igoe with Mr. Chiperfield.
Mr. Sweeney with Mr. Johnson of South Dakota.
Mr. Brand of Georgia with Mr. Eaton of Colorado.
Mr. Dieterich with Mr. Freeman.
Mr. Hancock of North Carolina with Mr. Chase.
Mr. Hart with Mr. Sullivan of Pennsylvania.

Mr. O'CONNOR. Mr. Speaker, I was present, but I can not say whether I was listening or not. I vote "present."

Mr. PITTENGER. Mr. Speaker, I would like to vote "aye." I do not know whether I can qualify or not. I think I was in the anteroom.

The SPEAKER. The gentleman does not qualify.

Mr. CANNON. Mr. Speaker, I was in the corridor, but if I had been in the Hall I would have voted "aye."

Mr. EATON of Colorado. Mr. Speaker, I was called from the Hall, but had I been present I would have voted "no."

Mr. FRENCH. Mr. Speaker, I withdraw my vote of "no" and answer "present."

The result of the vote was announced as above recorded.

Mr. SUMNERS of Texas. Mr. Speaker, in the usual order I believe the resolution comes from the Committee on the Judiciary with reference to the appointment of managers.

The SPEAKER. That is correct.

Mr. SUMNERS of Texas. Would the committee be privileged to present a resolution to-morrow?

The SPEAKER. That can be done when the gentleman brings in the report from the committee.

INDEPENDENT OFFICES APPROPRIATION BILL

Mr. WOODRUM. Mr. Speaker, I ask to take from the Speaker's table the bill (H. R. 14458) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1934, and for other purposes, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Virginia asks unanimous consent to take from the Speaker's table the bill H. R. 14458, disagree to the Senate amendments, and ask for a conference. Is there objection?

There was no objection.

The SPEAKER appointed as conferees on the part of the House Mr. WOODRUM, Mr. BOYLAN, and Mr. SUMMERS of Washington.

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent that the conferees may have until midnight to file a conference report.

The SPEAKER. Is there objection?

There was no objection.

SECOND DEFICIENCY BILL FOR 1933 AND 1934

Mr. BUCHANAN, from the Committee on Appropriations, by direction of that committee, reported the bill H. R. 14769 (Rept. 2108), making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1933, and prior fiscal years, to provide supplementary appropriations for the fiscal year ending June 30, 1933 and 1934, and for other purposes, which was referred to the Committee of the Whole House on the state of the Union and ordered printed.

Mr. WOOD of Indiana reserved all points of order.

TO PROVIDE A GOVERNMENT FOR AMERICAN SAMOA

Mr. BANKHEAD. Mr. Speaker, I call up a privileged report from the Committee on Rules for the bill (S. 417) to provide a government for American Samoa, and I want to see if we can not agree by unanimous consent on debate without the adoption of the rule.

The SPEAKER. The gentleman from Alabama asks unanimous consent to consider Senate bill 417 in the House as in Committee of the Whole. Is there objection?

Mr. BANKHEAD. Mr. Speaker, the rule provides for two hours' general debate. I have conferred with the chairman of the committee, and he informs me that it was a unanimous report from the committee, and it is very likely that the requests for debate can be satisfactorily taken care of in the debate on the bill. I would like to ask unanimous consent that the debate be confined to one hour.

The SPEAKER. The gentleman from Alabama asks unanimous consent to consider S. 417 in the House as in Committee of the Whole with one hour general debate. Is there objection?

Mr. EATON of Colorado. Reserving the right to object.

Mr. BEEDY. I knew of no opposition to the bill until a moment ago, when I was asked by the gentleman from Colorado for 10 minutes' time.

Members of the commission on the other side of the aisle are entitled to at least half an hour, and request has been made that I myself, as a member of the commission, take one half hour. If we are to give time outside of that, we may want to run into an hour and 30 minutes. We may not use all of the time, but I hope that the gentleman will modify his request so that we may have at least an hour and 15 minutes.

Mr. BANKHEAD. Mr. Speaker, in view of that, I think we better go through with the rule, and I shall offer an amendment making the time one hour and a half. Mr. Speaker, I call up the rule.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House Resolution 378

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 417, an act to provide a government for American Samoa. That after general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Insular Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BANKHEAD. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BANKHEAD: Page 1, line 7, strike out "two hours" and insert "one hour and thirty minutes."

Mr. BANKHEAD. Mr. Speaker, I move the previous question on the resolution and amendment to final passage.

The previous question was ordered.

The amendment was agreed to, and the resolution as amended was agreed to.

ORDER OF BUSINESS

Mr. BANKHEAD. Mr. Speaker, I ask unanimous consent to proceed for one minute to make an announcement.

The SPEAKER. Is there objection?

There was no objection.

Mr. BANKHEAD. Mr. Speaker, inasmuch as there is a large attendance of the membership here I think it proper to announce now that when we conclude the consideration of the bill respecting the government for American Samoa, it is the purpose of the gentleman from New York [Mr. O'CONNOR], representing the Committee on Rules, to call up the so-called medicinal whisky bill, an amendment to the Volstead Act.

TO PROVIDE A GOVERNMENT FOR AMERICAN SAMOA

Mr. HARE. Mr. Speaker, how is the time to be divided?

The SPEAKER. As the Chair understands, the gentleman from South Carolina [Mr. HARE] is entitled to half the time and the gentleman from Maine [Mr. BEEDY] to the other half of the time.

Mr. HARE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (S. 417) to provide a government for American Samoa.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 417, with Mr. MOREHEAD in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. HARE. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. WILLIAMS].

Mr. WILLIAMS of Texas. Mr. Chairman and gentlemen of the committee, this bill is the result of a visitation to the

Samoan Islands made in 1930 by a committee appointed by the Senate and the House, composed of two Members of the Senate and two Members of the House. The bill has already passed the Senate and was referred to the Committee on Insular Affairs of the House. It was there amended by striking out the bill and rewriting it. If the gentlemen will read the report, so ably written by the gentleman from Maine [Mr. BEEDY], they will see that the bill carries out the recommendations made by the commission. The commission spent approximately two weeks in the Samoan Islands. In addition to the two Members of the Senate and the two Members of the House on the commission there were three chiefs of the island. As I say, the commission visited the islands in the fall of 1930 and spent approximately two weeks holding open hearings, and every man in the islands who wanted to be heard was given a hearing.

The commission unanimously made a report, and on that report and the findings of the commission is based this bill. It provides for citizenship, a bill of rights, an executive department and the judiciary, the ownership of land, and so on. The people who own the Samoan Islands are Polynesians. The land is held communally, controlled by the head of the family; and the matai, the head of the family, is selected by the members of the family. The products of the communal land are held communally.

These people are a wonderful people. This Government has had these islands of Western Samoa since 1900. They were ceded to the Government, and since that time they have been under the control entirely of the Navy. President Roosevelt accepted the islands, and the question is often asked why we want them. In Western Samoa there is the greatest harbor in the South Sea at the island of Tutuila. That is the reason that America accepted the islands. These people have never been granted citizenship. There is no appeal from the findings of the governor of those islands, appointed by the Navy. I do not wish to be understood as criticizing the Navy, because the Navy has done a wonderful work in the Samoan Islands, but the people there are desirous of being made citizens. They are entitled to citizenship. If gentlemen will read the report and the bill, they will find that under the bill a civil government is given the people of Western Samoa, and it is left with the President to appoint the governor from civil life or from the Navy or from the Army. The bill provides for a court of appeal. At the present time there is no court of appeals in the islands of Western Samoa. The expenses under this bill of administering the laws in Western Samoa, with the exception of the executives named in the act, are borne by the citizens of those islands.

It is not like it is in the Virgin Islands, where the government supports the local courts and other local institutions such as schools and such things. The people of Samoa bear that burden. This act protects the Samoans in the ownership of their land, and prevents anyone who is not a full blood or part Samoan, owning or leasing land in Samoa, thereby preventing exploitation of the land as has been done in Hawaii. The act provides for a veto power by the governor, and the act has made no change in the legislative machinery of American Samoa. The legislative body of this island is what is known as the fono. The fono is composed of chiefs, selected by members of the family representative to a certain body of chiefs, and those chiefs select the ones who go to the fono and represent them. When the fono passes a law, the governor has authority to veto it, but under this act they have an appeal to the President of the United States. At the present time they do not have that right. This act provides for a governor, an attorney general, a chief justice, and a treasurer. Those are the only officers provided for under this act. The other officers will be appointed by and under the control of the fono, the legislative body of the Samoan Islands.

I wish to say that when this commission went there and spent approximately two weeks holding hearings, the report of the commission was unanimous. Hearings were held in the Committee on Insular Affairs in the House of Representatives and the report on this bill was unanimous, with the reservation that there would be some amendments. A resolution was reported to the Rules Committee for a rule, and I am advised that that rule was unanimously granted.

I wish to say in closing, were it possible for you to have seen and known these people as the members of that commission saw them and learned of them, there is no question in my mind but what you would pass this legislation. [Applause.]

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

Mr. BEEDY. Mr. Chairman, I yield 15 minutes to myself.

Mr. Chairman, Members of this House are tired and worn with the cares and responsibilities of an extraordinary session of Congress. Giving of our strength and drawing upon our fund of patience in our best—though it may be feeble—attempt to meet the problems which confront us, we are further depressed by continued attacks upon Congress by the press, by the undermining influence exerted by the theater, by loose talk upon the street corners, and, alas, too frequently by thoughtless remarks even of our own Members. In the midst of this depression and these discouragements through which we are trying to find our way, it seems at times as though the dark cloud would never lift, and that we should not see the light, but somehow the Ruler of Nations, who chastens the sons of men because He loves them, has in store His richest rewards, which He will bestow in His own good time.

Let us be assured that whatever our troubles, whatever our problems, seemingly insurmountable though they be, we have just as much wealth in this country to-day as we had in September, 1929; we are still a young and virile Nation; there is still the will to find a way out of the wilderness and our Nation will discover it at the very moment when the prospect is darkest.

In this difficult hour I am glad to bring into this fetid Chamber a breath from another world, a cooling breeze, as it were, from islands in the South Seas, inhabited by people who have found the way to social happiness as no so-called great nation with which I am familiar has ever been able to discover it.

The gentleman from Massachusetts just asked me, "Mr. BEEDY, who are these Samoans? What are they?" Let me now try to tell you. The inhabitants, about 10,500 in number, of the Samoan Islands in the South Seas, are Polynesians. The origin of the Polynesian race is shrouded in mystery. Nobody knows where they came from, but the best theory is that centuries ago they came out of the heart of Asia and trekked their way to the Pacific coast. I call them the vikings of the South Seas, because these people made a voyage of exploration, which it seems to me is unparalleled in the history of the world. When they had come to the Pacific Ocean and were looking eastward, they noticed from season to season that birds took their way across the ocean in seasonal flights.

Carving out their hollow log canoes and putting in their scant supplies, they ventured out upon this unknown sea, feeling confident that where those birds had gone they should come to a landing place and so they set forth upon their voyages of exploration. They soon came upon the Fiji group. Sojourning there for a while they observed that the birds took their flights yet farther to the east and to the north, and again venturing on uncharted seas, with no compass but the stars in heaven, they put forth again in their open dug-out canoes, and ultimately accomplished a landing on the Samoan group and later on the Hawaiian group. The Hawaiians, I may say in passing, are Polynesians and brothers of the Samoan people. Not satisfied with that, these brave people of the South Seas went farther, and in their open canoes they at length accomplished a landing upon the shores of South America. There they discovered the coconut and the yam, which they took back across the ocean with them and planted in the South Sea Islands. This, to me, was a revelation, for I had always assumed that the coconut was indigenous to the South Sea Islands. It was well that they transplanted this very useful fruit, for it is not only an important means of livelihood but the sole means of revenue in many of the South Sea Islands. This is espe-

cially true of Samoa. The copra, which is the dried meat of the coconut, is the one thing of value which these Samoan Islands produce.

A valuable oil is extracted from this dried meat of the coconut, which is used as a base for the manufacture of the most excellent toilet soaps. Eastern Samoa produces a copra crop ranging from 1,000 to 1,500 short tons per annum, bringing in an annual income in the neighborhood of $100,000. Outside of some $6,000, which is realized by the natives from the sale of souvenirs to visiting tourist ships, this is the sole income of the Samoan people.

Originally the Samoan group was one. Three nations—Great Britain, Germany, and the United States—attempted to assist in their government through consuls.

Undoubtedly due to outside interference internecine strife resulted, and the Samoan people, brave and warlike when their rights are infringed, fought and vied with each other. But, though they were brave in war, they longed for peace, and the day in 1899 came when, out of the dissatisfaction arising from this tripartite rule, a treaty between the three great nations resulted. By its terms Great Britain yielded her rights in the group to Germany and the United States, while Germany agreed with the United States that the dividing line between the possessions of the two nations in this group should be the one hundred and seventy-first degree of west longitude.

Seven small islands in the eastern group west of the one hundred and seventy-first degree west Greenwich constitute what is now American Samoa: Tutuila, Aunuu, Ofu, Tau, Olosega, Swains, and Rose Island. Swains Island is inhabited by a hundred people only. Rose Island is a coral atoll. The largest island in the group is Tutuila, which embraces an area of but 40 square miles.

Thank God, there is not in these islands any wealth to excite the cupidity and greed of the so-called more civilized nations!

Mr. COLE of Iowa. Will the gentleman tell us something about the educational status of these natives?

Mr. BEEDY. I am coming to that in just a minute.

The climate is more or less trying to the white man. While the temperature over a range of years has not exceeded 93° F., or fallen below 72°, yet from December to May there are some intensely uncomfortable days, due to the excessive humidity. All these islands lie low upon the ocean surface. They are volcanic in origin. Around them through the years the coral insects have builded the reefs over which the merchant trader may not come with his ships.

The one thing of value in the islands to the outside world is the beautiful harbor of Pago Pago. It is the crater of an extinct volcano into which the ocean has found its way. Entering this harbor one sees on the shore of what might be termed a huge elliptical bowl perhaps a mile and a half long by three-quarters of a mile wide at its widest point our naval station and the feles which mark the village of Pago Pago.

Under the limitation of armaments treaty, as you know, no islands in the Pacific Ocean may be fortified. These islands of American Samoa are not fortified. I can not say that they would be of great use in time of war, but this harbor of Pago Pago is the most valuable harbor in the South Seas to ships in distress in time of peace. It serves as a refuge from the violent storms and tremendous hurricanes which are prevalent in this quarter of the world.

These islands are located 4,150 miles from our west coast as the ship sails. Hawaii is about halfway to the Samoan group. Thence one sails south by west about 2,100 miles or more, and practically 600 miles below the equator.

In 1899 the people of eastern Samoa, longing for peace and speaking through their chiefs, said: "We recognize in the United States of America a peace-loving Nation. We understand that the people are Christians, as we are; that they are also a just people. Therefore, we desire to give these islands to the United States, because we feel that when the American flag has once been raised here we shall enjoy that peace which we so desire." In 1899 Capt. Benjamin Tilly, in command of a United States naval ship, sailed into what is now the harbor of Pago Pago, raised the American flag, and began to build the present naval station at Pago Pago.

From that day to this no violence, no war has swept this little group of islands, and the hope of their people in this respect has been fulfilled.

[Here the gavel fell.]

Mr. BEEDY. Mr. Chairman, I yield myself an additional 10 minutes.

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

Mr. BEEDY. I yield.

Mr. TABER. I am interested to know something about the cost of this proposed government to the islands themselves, how they are going to be able to meet the cost, and what the cost is going to be to this Government; also whether or not it is going to be a desirable thing to shift the government over to a civilian.

Mr. BEEDY. Of course the gentleman wants to know something of costs involved, and if I or some member of the committee did not give it to the House, we would be derelict in our duty. I am coming to it. First, I want you to know the people, because the power we propose to give them should be considered in the light of the character of people who are to be vested with it.

In the first place the Samoans are predominantly Caucasian in type. The color of their skin resembles a beautiful bronze of copper. The men particularly are of impressive physique. Stevenson, who had the wisdom to go to Samoa for the peace and quiet of his later years, and who lived there until he died, tells us that the Samoan men are the finest physical specimens of the human race with one exception, namely the Marquesans, who inhabit a group of islands to the south.

They have an innate dignity, a poise, and a natural grace of bearing which bespeak noble lineage. Back somewhere in the strain was noble blood; and I measure my words to you when I say, without disparaging any other people, that I never was more impressed with the innate worth of a people, nor have I ever more keenly sensed my responsibility in attempting to represent my country aiming to deal kindly and justly with a more lowly people.

Every member of this commission in making recommendations and attempting to draft a bill under which the Samoans might live had this ultimate objective in mind—that we interfere just as little as possible with their customs and civilization; that we keep our hands out of their affairs just as much as possible and give them a measure of power consistent with their development and their life.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. BEEDY. Will the gentleman please make a note of the information he desires? Later I shall hope to devote a few minutes to answering questions.

Because this is a world of dollars and cents it becomes important to see what this bill means to us in dollars and cents; and let me say it is the work of many weeks of careful study.

If anybody thinks that the commission which visited the Samoan Islands went on a junket, I wish he might have been with us every moment, because there was never a moment in our working days, even when we were on the sea, that we were not busy with the study of the people and their problems. Hearings were held for four days in Honolulu, where we found a group of about 100 young Samoans. Immediately upon the conclusion of the hearings in Honolulu we sailed for Samoa. In the course of hearings held in various places in the islands we listened to upwards of 70 witnesses. These hearings were open to everybody regardless of station. Because of work on our report, which was continued even by night, we were able to announce our conclusions at once, and we sailed immediately on our return to the United States.

For nearly 30 years this country has failed to recognize the gift of eastern Samoa to the United States. The Samoans have been disturbed by our apparent lack of appreciation. Not until 1902 was the slightest gesture of

acknowledgment made, when President Roosevelt issued a proclamation acknowledging the cession of eastern Samoa by the Samoan chiefs. But no formal acceptance of them was ever made until by resolution passed in the Senate of the United States in 1929.

I understand that the occasion for that resolution was trouble which had arisen in Western Samoa. Western Samoa, still German Samoa, but administered now under a mandate from the League of Nations, is governed by New Zealand. In the 30 years we have governed American Samoa the people have been taught English. In the schools, which are graded up to the eighth grade, children are not only taught English but writing, arithmetic, geography, and the fundamentals of a common-school education.

Mr. DICKINSON. Will the gentleman yield for just one question?

Mr. BEEDY. I yield.

Mr. DICKINSON. What language do they speak?

Mr. BEEDY. The older people speak the Polynesian language, but the coming generation also speaks very good English.

Mr. DICKINSON. And your testimony was taken in what language?

Mr. BEEDY. In Polynesian; and an interpreter was used.

For 30 years Samoan children have been going to these schools, and the Samoans have received nothing from this Government for the support and maintenance of their educational institutions. The Samoan children love to go to school. They besought us to provide funds for a higher education, but upon the theory that a general higher education would be of questionable value in Samoa, we denied them. What do you do with boys and girls who have a higher education in a country where there is no industry? The only thing these boys and girls can do in Samoa is to help with the general work on the family lands and harvest the coconut or the copra crop. If you educate them beyond their needs, they become unhappy and restless; but in these 30 years of their attendance at schools young men have come to ask what kind of government we have been giving them. Well, let us see what kind of government it has been. They have been governed by a naval captain. He embodied the executive, judicial, and the legislative; he combined the three functions. He wrote a pronouncement or a decree and that was law.

True, the Samoans have been permitted to gather in their fonos and present their requests to the governor, but with the years they have asked for things of which the governor disapproved, and as they said, "Our petitions have again and again been thrown into the wastebasket. We appreciate all that the naval government has done for us, but we want some real power in our fonos."

Here I must not omit to say that the United States Navy in the government of these people has done, perhaps, as great a humanitarian work as it ever did or ever will be able to do. There is only one great blot upon the escutcheon of the Navy government which illustrates something of the effect of a tropical climate upon our race. A former Governor of Samoa, a United States Navy captain, injuriously affected by his long service in Samoa, exercised poor judgment. He had one of these Samoan chiefs arrested, preferred charges against him, court-martialed him, and without a jury trial had him hanged within 24 hours.

Fear of some other untoward event—and there has been unrest in eastern Samoa of late—impelled the Senator from Connecticut [Mr. BINGHAM], who was born in the Hawaiian group, and whose grandfather was an early missionary in the South Sea Islands, to introduce the resolution which passed the Senate in 1929, and in pursuance of which the commission referred to by the gentleman from Texas went to these islands.

Mr. MARTIN of Oregon. Will the gentleman yield for a question at this point?

Mr. BEEDY. Yes.

Mr. MARTIN of Oregon. Does the gentleman know that a strong effort is being made now on behalf of the natives of the island of St. Thomas to go back to the former government under which they prospered, and there is a strong effort being made to bring influence to bear on the President elect in favor of going back to their old form of government?

Mr. BEEDY. You can not make any comparison between the Virgin Islands and this group, General. We know the Virgin Islanders became unhappy under what they called Navy rule and they wanted a civil government. The request was granted and it is true that the change has not proven altogether satisfactory. But the problems of the Virgin Islands are not the problems which confront us in Samoa. They are not to be compared.

Gradually through the years there has developed in the minds of the younger Samoans an idea that the government they are getting is not consistent with the spirit of the institutions of the United States. They therefore said to our commission, "We demand nothing of you, but it seems to us that we ought to have some right to make our own laws." They said, "We live in a tiny group of islands, apart from the civilized world. We are children in experience. You commissioners come from a great Nation. You are wiser in experience than we. You are our Christian brothers. You will do nothing to harm us. We appreciate this opportunity to tell you what we would like, but if it is not good for us, you will tell us and we will accept your judgment."

The present Navy government is the most autocratic in the world. It gives the Samoans no citizenship status. It denies them the right to make laws to regulate purely local problems. It gives them no appeal to a higher court when they seek to litigate their rights. It places them under the supreme control of a Navy officer.

The opposition party, composed principally of the younger men, and known as the Mau Party, asks that we grant them American citizenship above all else. This we provide for in the pending bill.

They ask the right of making their own laws in a fono representing the island group and made up according to their own customs. All acts of the fono, however, they agreed should be subject to the governor's veto. The pending bill makes such provision.

They asked for a right of appeal and we provide for appeals to the District Court of the United States for the District of Hawaii.

We provide for a treasurer, who shall take the place of the naval officer who at present takes charge of the island government's funds.

We provide for them an attorney general, upon whom we impose the duty of sitting in counsel with the fono, helping in the draft of their laws, and who must forward to this Government copies of every law that is passed and a complete report of the proceedings of the fono.

To take the place of their present secretary of native affairs, who has served as a prosecutor as well as a judge in criminal as well as civil cases, we provide for a chief justice to be assisted by two native chiefs who now sit as judges in the village courts.

We have devised as simple a government framework as possible. Its cost is not to exceed by $18,000 a year the cost of the present Government. It is almost impossible for me to tell you just how many dollars the government in American Samoa is now costing. That cost is covered in the general naval administration. We maintain a naval station there with varied activities, including a naval hospital. The health problem has been dealt with by the Navy in a most excellent manner. Naval surgeons give their services to these people, but native nurses have been trained and now serve in the hospitals.

Now, the first thing we want to do is this: The commission believes we owe the Samoan people the obligation of giving them an organic act as we have the people of every other insular possession of the United States.

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

Mr. HARE. I will yield the gentleman five minutes.

Mr. BEEDY. Now, I think I ought to take five minutes to answer questions, but right now I want to say two things. In the first place, we decided that it was abso-

lutely essential to guard against the possibility of foreigners coming into Samoa and acquiring land from the Samoan people. Their land is almost their sole possession. We want the Samoans to keep their land. That has been the policy of the Navy government. It is the policy written into the pending bill.

We have seen what happened in Hawaii. The Hawaiians have lost the lands. We want to save the Polynesians in Samoa from any such loss.

Mr. JENKINS. Will the gentleman yield?

Mr. BEEDY. I yield.

Mr. JENKINS. Is it necessary to have section 4 to coordinate with the rest of the bill?

Mr. BEEDY. Section 4 is the citizenship section, which is the one thing the Samoans must have if they are to be satisfied. They now have no citizen status in the world. They feel this very keenly.

Mr. JENKINS. Mr. Chairman, the gentleman from Maine answered definitely that sections 4 and 5, if deleted, will leave the bill imperfect. They are the only two sections that relate to citizenship. As the gentleman knows, that is the principal opposition to the bill. Those who are opposed to it are opposed to the granting of citizenship and that is the basis of my opposition. I wonder if that provision can not be stricken out and still give these people what they ought to have.

Mr. BEEDY. I am sorry, but we might just as well do nothing at all about the bill as to refuse them citizenship. The bill leaves to the local authorities the power to determine the qualifications for Samoan citizenship, with the limitation that nobody can become a Samoan citizen who is not an American citizen. So, with the bestowal of citizenship the bill also insures these limited rights of government. You will see that the bill of rights which is proposed is not as broad as the bill of rights in our own Constitution. They are not yet ready for trial by jury, and we do not propose to give them that right. I repeat, we have endeavored to erect a mere framework of government in the proposed organic act. We have dealt only with essentials to the people of Samoa as we see and understand their needs.

Their civilization is almost purely communal. The family owns the land. The family group consists of anywhere from 50 to 100. As the young folks marry, they bring home the new husbands and the new wives. For each new couple a new fele or house is built in the circle of family feles under the palm trees. Work on the plantation begins in the early morning; and when the sun is high in the heavens, the men come back from the coconut groves to rest until the cooler hours in the early evening. Further work is done in the late afternoon and then the family gathers for the evening meal, after which they gather in open circles about their fires to sing and dance into the late hours of the night. And in Samoa no household starts its daily work until the Matai, the chief of the family group, offers prayers to the Christian God; and no household ever retires for the night until the Matai again offers prayers to the Christian God.

These people are not polygamous, they are monogamous, and the strictness with which the marriage tie is observed is a splendid example to the civilization of the world. The respect of children for old age and the respect of the grown people for their elders is also highly commendable.

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

Mr. BEEDY. Yes.

Mr. WILLIAMSON. I do not see how we are going to add anything to the happiness of these people by the provisions of this bill. If we protect them in their property rights and leave them with their communal government, I believe they will be much better off than if we put a government over them which they do not need and probably do not want.

Mr. BEEDY. There is no question but that the most difficult task for a great nation to perform is to attempt to do something through government to help somebody else. But we are proposing to give them what they asked for with limitations. [Applause.]

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

Mr. HARE. Mr. Chairman, I yield five minutes to the gentleman from Missouri [Mr. LOZIER].

Mr. BEEDY. Mr. Chairman, I have requests on this side for 35 minutes of time.

Mr. HARE. I do not see how it can ever be granted.

Mr. BEEDY. I was afraid of that. I was afraid that I would keep taking up time until I would deprive somebody else of it.

Mr. LAGUARDIA. I would like to have somebody explain just what property laws are to be established. It seems to me that they have solved the property question rather interestingly.

Mr. BEEDY. We have left it just as it was. All the title is in the family.

Mr. HARE. Mr. Chairman, I yield five minutes to the gentleman from Louisiana [Mr. WILSON].

Mr. WILSON. Mr. Chairman, ladies and gentlemen of the committee, I favor the passage of this bill providing a government for American Samoa.

My purpose now is to call the attention of the House to the provisions of the bill approved by both branches of the Congress providing for the purchase and use of American materials and products manufactured or produced in America by American labor, in the execution of all Government contracts wherever the United States has jurisdiction. This includes American Samoa.

I am also delighted to make known to the author of this bill, the gentleman from Maine [Mr. BEEDY], and to the Congress, that by a combination of chemical skill from the State of Maine and natural resources in the State of Louisiana, white paper suitable for all purposes may now be manufactured from southern pine in commercial quantities. This has been definitely proven and settled as a result of experiments carried on under the direction of the Southern Advance Bag & Paper Co., of Hodge, Jackson Parish, La., and the Advance Bag & Paper Co., of Howland, Me.

This has been called an industrial miracle. It had been heretofore contended and conceded generally that craft paper was the only commercial product in that line that could be produced from pine grown in the Southern States. But now from this natural resource in Louisiana, skilled chemists at Howland, Me., have shown that white paper of the highest quality in commercial quantities can be produced. It will be available for use in every Government department and in all Government contracts.

I wish to exhibit samples of the products referred to and the first newspaper printed on white paper manufactured from Louisiana pine, and to announce that that means great progress for the South and wonderful use of its natural resources, not heretofore known.

Mr. GREEN. Will the gentleman yield?

Mr. WILSON. I yield.

Mr. GREEN. The gentleman is absolutely correct. In our State there is also one of these paper plants to which the gentleman refers, where long-leaf pine is now being converted into very good pulpwood for use in manufacturing paper.

Mr. WILSON. The pulp and paper business is an important and leading industry in Louisiana. I hope we can establish and continue a national policy whereby the money now sent outside the United States for white paper and other paper materials will be retained and used for the purchase of products produced at home by our own people in our own industries and on our own farms.

Mr. BEEDY. Mr. Chairman, I yield 10 minutes to the gentleman from Colorado [Mr. EATON].

Mr. EATON of Colorado. Mr. Chairman, the thanks of this House are due the gentleman from Maine [Mr. BEEDY] and the gentleman from Texas [Mr. WILLIAMS] for a study of the question of a government for Samoa, and the result of their work after a visit to those islands. At the time they went to Samoa the Government was nonpartisan. It was handled by the Navy Department. The words of their report are that they unanimously agree to recommend to

Congress that it shall grant American citizenship to the inhabitants of American Samoa, with as little interference as possible with local customs.

The subject to-day is establishing a new government for an old race of people. What has been presented has all been sentimental. Not one word have I heard to indicate how those people are going to be taught to finance themselves. We have had an experiment for the last four years in the Virgin Islands. It is asserted by the proponents of the pending bill that the Samoans do not like their present government. They want some change, and, of course, they want citizenship. In the Virgin Islands the same plea was made; and about four years ago, for a population of about twice the size of the Samoan Islands, 20,000 people, a government was proposed and has been put into effect. As I understand the census figures, there are approximately 10,000 people in all the islands that are known as American Samoa. From the same source the figures are given me for the Virgin Islands, St. Croix, 84 square miles, population 11,413; St. Thomas, 28 square miles, population 9,834. No one has read the bill to us yet. It will be read, of course. It provides that they will have a governor and a judge of the supreme court and an attorney general. They have three judges now. They are going to have what is tantamount to a supreme court. They ask us to impose on these 10,000 people practically a state government—full machinery for a full state government for 10,000 people.

I do not know what representations were made when that same thing was proposed for the Virgin Islands, but I know what the result has been. In the report of June 30, 1932, the governor says:

> A question often asked is why should the United States Government continue to make appropriations for the support of the Virgin Islands. The annual Federal appropriation for the Virgin Islands is about $400,000.

That is exactly what the result would be if this bill provided that government which they are trying to set up in Samoa, except that in the Virgin Islands it is divided between two islands approximately 40 miles apart, by which they have quick communication by airplane, but they have no airplanes.

Mr. WILLIAMS of Texas. Will the gentleman yield?

Mr. EATON of Colorado. I yield.

Mr. WILLIAMS of Texas. There is no comparison between the Virgin Islands and Samoa, as a radical people. The United States pays most of the local expenditures in the Virgin Islands, and this act does not provide for that in Samoa.

Mr. EATON of Colorado. This act does not provide for the exercise of the taxing power to produce a cent by their own government. It leaves it entirely to the Samoans, and if they want to do it, they may. After four years' experience in the Virgin Islands, they have now set up various commissions. You will find the same commissions on both islands. Some have a principal official at St. Thomas and an assistant at St. Croix. They have a health commission; they have a hospital commission; they have a road commission; they have a fire commission; they have a building and street commission; they have a cemeteries commission; they have a department of public works; they have a judiciary department; a department of public welfare. The head of that department made 1,020 visits and conducted 1,092 interviews, according to their report; that makes an average of less than 3 per day. This is a perfect government that you have prepared here.

Mr. WILLIAMS of Texas. But there is no similarity between the two. If the Congress would quit appropriating money for them, they would not have all these commissions in the Virgin Islands.

Mr. EATON of Colorado. The gentleman is right. There is no dispute about that; and if I can not interfere with this Congress starting to appropriate money to send over to Samoa, two or three hundred thousand dollars a year for all of these commissions, so as to bring these islands up and give them a perfect system of roads from one place to another, whether over the ocean or over coral, I am at least going to point it out here to-day to you.

Now, how much do you think they are going to pay the great governor of these islands? Ten thousand dollars per year. They are going to pay him the same salary they pay now to the Governor of Hawaii, the same salary they pay now to the Governor of Puerto Rico, the same salary they pay now to the Governor of Alaska, and because they have half as many people, almost twice as much as we pay the Governor of the Virgin Islands; but I am told a man should not be asked to go over there without giving him at least $10,000 a year. That money is going to be paid by the United States.

Mr. BEEDY. Most of the offices the gentleman speaks of in the Virgin Islands they have also in Samoa, but they pay all those expenses themselves. The Samoan people, by a process of poll tax, raise the money to support their own local institutions. They will continue to do so under this bill.

Mr. EATON of Colorado. I thank the gentleman for his contribution. As I understand it, the reason for presenting this bill is that the Polynesians are unhappy with their present government. Now, for the life of me, I do not see why our committee did not consider our own unhappiness with our Government and offer to teach the Samoans to arrange some way as we arrange here in the United States to take care of our own unhappiness. Let them have some franchise rights over there; let them choose the man or the group they want to be in power instead of coming to the United States, some 4,500 miles away and holding the United States responsible as the head of a great insular government with palaces and palazzios, and all those things that go to keep great the "face" of the Polynesian people.

I have the greatest respect for those people. There have been some great men over there in that race. They know their business in the islands well enough to at least take care of themselves so that a great group of 10,000 people are on these islands after all these years.

I see the gentleman representing the Philippines here. He must smile as he hears us talk about a government for Samoa. He comes here asking us for a bill to give the freedom to the Philippines, to which they are entitled, and which they are going to have some day. May I ask the Resident Commissioner [Mr. OSIAS] what the population of the Philippines is?

Mr. OSIAS. Thirteen million.

Mr. EATON of Colorado. Thirteen million. That gives me an illustration for comparison. To pass this bill would be as wise—you might just as well say you are going to give me in my office as Representative of the first district of Colorado a first janitor, an assistant janitor, a clerk, a file clerk, a stenographer, an assistant stenographer—a setup comprehensive enough to run the United States Capitol. That is what I am trying to point out to you and that is what I want to leave with you. You are proposing governmental machinery sufficient for a State, to govern a population of 10,000, who already have the full protection of the United States but have persuaded our emissaries they would be happier if they had a change. I shall leave the effect of giving citizenship to this Polynesian group to those of you who know most about immigration matters, but I am opposed to it, and I think I am not the only one opposed to it. I am opposed to this grant of power to this people at this time. I think it is a mistake, with all due respect to those gentlemen sponsoring it, and recognizing the pleasure they have had in making a full constitution for a nation.

[Here the gavel fell.]

Mr. OSIAS. Mr. Chairman, will the gentleman from Maine yield me time to ask the gentleman from Colorado a question?

Mr. BEEDY. Mr. Chairman, I yield to the Commissioner from the Philippine Islands one-half a minute.

Mr. OSIAS. In view of the reference that was made to me, I do not want to be placed in the position of appearing

that I am not grateful for the independence legislation this Congress gave the Philippine Islands. I am.

Mr. EATON of Colorado. We know how the gentleman feels.

Mr. HARE. Mr. Chairman, I yield five minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Chairman, I am sorry I find myself in disagreement with these distinguished gentlemen, the gentleman from Maine [Mr. BEEDY] and the gentleman from Texas [Mr. WILLIAMS]; but we do not disagree on one proposition, and that is that we ought to do everything reasonable for these poor people in the South Seas. What I am opposed to is taking American citizenship and flinging it halfway around the world, flinging it out to a group of people who are absolutely unqualified to receive it, who can not espouse it fully, who do not need it as a prerequisite to their happiness, and who can not maintain it honestly. This will bring trouble to them and bring trouble to us.

Mr. GILBERT. Mr. Chairman, if the gentleman will yield, what is the significance of American citizenship in an island? I do not catch what it means. What is its value? What does it bring in; what does it take away?

Mr. JENKINS. I am not stressing that. The gentleman did not get my point. What does American citizenship mean to these people? For instance, the gentleman from Maine [Mr. BEEDY] stressed the point that these people are now happy, that the ruthless hand of the money-maker, the grasping, greedy hand of the American, for instance, has never reached out there. If these people are so much happier than we are, what is the use of our contaminating them by giving to them the most priceless heritage we have?

Mr. GILBERT. They can come into America at any time they want to if we extend citizenship to them.

Mr. JENKINS. Yes; without hindrance at any time. I do not object to that. I have been a restrictionist on the floor of the House all the years I have been here, but I am not the kind of a restrictionist that would keep desirable people from visiting our shores.

I have always contended that when we fling out Americanism to the four corners of the earth we cheapen it. We granted American citizenship to the Puerto Ricans, and what has been the result? There is no place in the world where I have ever been that an American is so unpopular as he is down there. I remember when I was a member of a committee visiting there we went to the University of Puerto Rico. The student body numbered some 1,100, and practically all of them apparently indicated that they were not in tune with American ideals, and they showed conclusively that what we had done for them was not appreciated and that they did not appreciate the American citizenship we had given to them.

With members of the committee we went down to the Virgin Islands and took them, in a more or less formal way, the information that we had conferred American citizenship upon them. They received us loyally, and I felt sorry for them, just as the gentleman has felt for these Samoans. But American citizenship to the people of the Virgin Islands has not helped them, financially or otherwise. They come back and bring us all sorts of stories of political discord and bitterness and factionalism. Samoa would be better off if they were under more or less of a protectorate by the United States. They do not need citizenship, and neither do they need a cumbersome political government. They need the warm, sympathetic help and safe protection of America. But we should not bind ourselves to guarantee to them full rights of American citizenship.

Mr. HARE. Will the gentleman yield?

Mr. JENKINS. Yes; I yield to my distinguished chairman.

Mr. HARE. Dissatisfaction among American citizens is rather general now, is it not?

Mr. JENKINS. Yes; of course it is; and it is unfortunate that is the case in a lot of places, but what is the use, as my good friend from Maine has said, of our contaminating these poor unsophisticated people with a whole lot of government that they can not espouse loyally, that they can not handle, and with which they ought not to be inflicted?

I am favorable to doing everything for these people that we can do, and the thing that should be done for them is not to begin at the top and load them down with the political obligations or political power or to give them visions of a new government for themselves such as George Washington fought for. But we should begin at the bottom. They ought to be given protection. Why should we give them citizenship and deny citizenship to the Filipinos who are just a little farther away from us?

Why involve ourselves in all these foreign propositions when it is not necessary? For instance, suppose an American citizen found himself in New Zealand. Here is New Zealand Samoa right against this American section of Samoa. Suppose a controversy arose between American Samoa and New Zealand Samoa and we are involved away down there on the other side of the world over giving citizenship to a little handful of people that need sympathy and need protection, and that is all they do need at this time. [Applause.]

[Here the gavel fell.]

Mr. BEEDY. Mr. Chairman, I yield the remaining time to the gentleman from Michigan [Mr. HOOPER].

Mr. HOOPER. Mr. Chairman, I am not particularly interested to-day in discussing the cost of giving to the people of these islands this skeleton of government. If you care to reduce that amount in committee you can go ahead and do it; but I have been very much impressed with the story that the gentleman from Maine and the gentleman from Texas, whom we are going to miss greatly in this House in the next two years, brought back from these islands.

I want to address myself to the matter of citizenship. From what I have learned from the information these gentlemen brought back from their pilgrimage to these islands, these Samoans are as fine a Christian people as you will find anywhere throughout the world. They are people, although remotely, of the race that sits in the House of Representatives. They are Caucasians. Those who have been tracing back the ethnology of this race for a long time past agree that they have come from the plateaus of Central Asia and are of Caucasian stock.

There are no Al Capones among them. There are no criminals among them. There have been no murderers among these people for many, many years past. They want American citizenship, and that is about all they do want from us; and it is a very small boon, it seems to me, for us to give them when we have conferred citizenship upon the people of the Virgin Islands, when we have given citizenship to the mixed people of Puerto Rico, and when we find in every great city of our country people of the yellow race and brown race and the red race and the black race who are citizens of the United States.

There are only 10,000 of these people. They are a rapidly vanishing race. If it means anything to them to have conferred upon them the privilege of American citizenship. I think we can well waive our racial prejudices and scruples and give it to them.

Do what you want to do in this matter as far as the cost of this experiment in government is concerned, but it does not seem to me that the Members of the American House of Representatives or the American people generally ought to be very squeamish about conferring American citizenship upon a people of such fine physique and such fine equipment.

Mr. SCHAFER. Will the gentleman yield?

Mr. HOOPER. I yield.

Mr. SCHAFER. If we pass this bill, are they going to have prohibition down in Samoa the same as they have in Puerto Rico and the Virgin Islands?

Mr. HOOPER. I do not know anything about prohibition in these islands, and I wish my friend from Wisconsin would let me proceed with the few remarks I have to make.

Mr. MARTIN of Oregon. On the Pacific coast we are very much interested in citizenship. We have to bear the brunt of that, and the Filipinos we have here now we want to ship back home, and we do not care for any more.

Mr. HOOPER. If the gentleman wants to raise that question with a Filipino delegate sitting beside him, I may say that the Filipino people are not essentially of the Caucasian race; they are Malays; they are people of the brown race; and I want to emphasize here what has been emphasized before, that if you want Caucasians, these people are Caucasians; they speak the same language, with slight variation, from Hawaii clear down to New Zealand; and I want to say to the gentleman from Oregon that the people of the British Empire look upon the Maoris, the people of New Zealand, as among the finest of the native races they have anywhere through the far-flung reaches of the British Empire, and have given them British citizenship.

It seems to me that if these people out there, humble and quiet people, desire the boon of citizenship, if they wish to take their place among Americans as American citizens, it is very little for them to ask and something we can readily grant.

[Here the gavel fell.]

Mr. HARE. Mr. Chairman, I have no further requests for time and I ask unanimous consent that the clerk read the committee amendment in lieu of the original Senate bill.

Mr. STAFFORD. I assume that this request will mean that we will consider the House substitute section by section and not as one amendment.

Mr. HARE. Yes.

Mr. JENKINS. Further reserving the right to object, may I ask a question? Do I understand the gentleman to mean he is going to ask for the consideration of the matter which begins on page 33 of the bill which we have before us?

Mr. HARE. Yes; beginning at page 33 and extending to page 59.

Mr. JENKINS. That is the amendment that was voted out by the committee?

Mr. WILLIAMS of Texas. That is the committee amendment; yes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read as follows:

SECTION 1. This act may be cited as the "Samoan organic act."

Mr. SCHAFER. Mr. Chairman, I move to strike out the enacting clause.

This is a bona fide motion. It is deplorable in these days of misery and despair, with unemployment existing among millions and millions of our American citizens, that the people's tribunal, the House of Representatives, in the few remaining days of the session should be spending hours of its time considering the pending bill with the idea of taking care of the people of a foreign land.

Particularly is the passage of this bill indefensible, in view of the fact that this very Congress has taken a position to divest the American Government of possessions which formerly came to our Government in about the same manner as those included in this bill. We did not give the Philippine people anywhere near the privileges extended to the people of Samoa under this bill.

This is getting the nose of the camel under the tent, and in the future the overburdened American taxpayers will be called upon to pay tribute in order to take care of these foreign people and pay large salaries for a multitude of officeholders, made possible by the enactment of the legislation.

I am surprised to find a few of our good Republican friends supporting this legislation. This legislation can properly be sponsored and supported by the Democratic majority, which has had control of the House of Representatives, actual paper and working control, for two years, and a working coalition in the other body for more than two years. Why? Because when we study the last Democratic administration all the way down the line we find that foreign nations and foreign nationals came first, and in many of the platform pledges in the campaign last November we found that it was a case of foreign nations and foreign nationals first and the American Nation and American nationals second, not only with reference to taking billions of dollars of the American taxpayers' money under the last Democratic administration and handing it over to the foreign nations, even after the armistice. We also now observe from news dispatches following the conferences of representatives of foreign debtor nations with the Democratic President elect that it is going to be another administration of taking care of the foreign nations first and the American Nation second.

I expect in the not far distant future the Democratic administration will support a program to reduce, in whole or at least in part, the war debts which foreign nations honestly owe us, nations whom we saved from extinction, including the Republic of France, who was too poor to pay $20,000,000 this year on her honest debt to us, notwithstanding the fact that she had already been reduced over $4,683,000,000, and yet a few weeks later she had the money to lend $14,000,000 to a foreign nation from whom we had saved her. Yet in the name of economy, in the name of balancing the Budget, we are asked to reduce benefits to our disabled American war veterans, who fought and bled on the battlefields of this Republic in her war against the enemy which she recently lent $14,000,000.

Oh, I sincerely hope that when the roll is called the great majority of the members of the Republican Party, which stands for a protective tariff, which stands for protecting the rights of America and American citizens first and foreign nations and foreign citizens second—the great Republican Party, which stands for an adequate national defense to preserve our American Government and protect our people—will be found in a large majority voting against this simon-pure Democratic plan of taking care of foreign peoples first at the expense of the American people.

[Here the gavel fell.]

Mr. BLANTON. Mr. Chairman, I ask recognition, as I desire to be heard against this bill.

Mr. Chairman, when the time comes I intend to vote against this bill, and I intend to vote for the motion of the gentleman from Wisconsin to strike out its enacting clause as the easiest and most expeditious way of killing it.

This island is more than 4,000 miles west of San Francisco. This is a long way to send American boys to defend hand-made Americans who have never seen the United States. I am not going to ever vote again to send American boys across the sea to fight so-called American battles. I have cast my last affirmative vote on that question. I will vote to let them whip the hell out of any nation that tries to invade our country, but our country is the United States.

It was never intended by the United States that this island should serve any other purpose than to be merely a naval base. I am following my friend from Oregon, General MARTIN, on this question. I think he knows as much about it as any man in the House. I think he has good judgment on this question, and I am not going to vote to make these people Americans and to set up a large bunch of high-salaried officers and put them in positions over there, where eventually all their possible follies and mistakes must be paid out of the tax money of the American-born people of the United States. After they are made Americans we become responsible for their every act and deed. They could scatter over the countries of the Far East and embroil themselves with every kind of foreign entanglement and then expect us to transport armies across the Pacific to defend them. It is simply unthinkable. It is absurd.

I am surprised that this bill is going through here, greased, without any opposition apparently. It seems to be sliding along on roller bearings, and that is just the way most of the bad propositions go through the House. They are not given careful consideration by Members who study legislation closely.

I was one of the few men who voted against the Reconstruction Finance Corporation bill. I was one of the few

who predicted what would happen under it—that there would be big banks, like the Dawes bank, that would get help in $70,000,000 hand-outs whenever they wanted it, and the little banks that really serve the people, the very lifeblood of the people, would go under.

I predicted when I opposed that bill that it would eventuate in the United States Government's owning busted railroads, and that is exactly what you are going to bring about in the United States; and it is the worst thing on earth that could happen, for the United States to go into the railroad business. You would be held up here every day for some kind of legislation to do something for the railroad employees of the country.

Mr. BEEDY. Will the gentleman yield?

Mr. BLANTON. Yes; I yield to the gentleman from Maine.

Mr. BEEDY. Can the gentleman name one small bank with full and adequate security that has been refused a loan by the Reconstruction Finance Corporation?

Mr. BLANTON. Yes; I am not going to embarrass any bank, but I will give you privately some names. I know of a citizens' national bank that has some of the finest men as officers in the world upon its board of directors, and on account of three years' continuous drought and the continued depression it has been carrying farmers who were down and out, who needed help, and it asked for the sum of a little measly $140,000, and it has had its officers here for several days trying to get help that would save thousands of people interested in that section, but they can not get it. Oh, yes; Charley Dawes can get $70,000,000 at a whack for his big bank, with big officials behind it, and then when it gets this tremendous fortune in cash it goes under. I knew that these things would happen and that it would have an army of high-salaried employees, and I voted against it. And I am going to vote to kill this bill.

The CHAIRMAN. The question is on the motion of the gentleman from Wisconsin to strike out the enacting clause.

The question was taken; and on a division (demanded by Mr. SCHAFER) there were 23 ayes and 31 noes.

So the motion was rejected.

Mr. GILBERT. Mr. Chairman, I move to strike out the last word. When the Apostle Paul invoked his Roman citizenship it gave him certain rights in the court that he did not otherwise have. Now, I would like the attention of the gentleman from Maine. I am asking in all seriousness, What does the term "American citizenship" imply on an island like Samoa other than the right of immigration to continental United States? The question has been raised in debate by the gentleman from Texas about sending our boys down to protect the islands if they are American citizens. What greater responsibility will we have by reason of that than we now have? Would we not have to send our boys there now?

Mr. BEEDY. The gentleman is correct. The islands belong to us, and if there should be an attempt to seize them by other nations we would have to make up our minds whether we desired to let them go or to keep them. We are responsible for the islands and the people whether they continue as wards or whether we make them citizens.

The citizenship phase presents a matter for classical discussion rather than a practical problem, because there are not a score of Samoan men and women in the islands who have money enough to get to American shores, and if they came here they would not live here.

Mr. GILBERT. Outside of immigration, are there any rights conferred with American citizenship like there used to be in olden times when the invocation of citizenship carried with it many rights other people did not have?

Mr. BEEDY. That is a pretty broad question. If I understand it, I think the only rights that these people would acquire, if we grant them citizenship, would be the right to participate in their own government. They do not expect to gain anything in the way of immigrating to this country. They do not want to come here. They want to be called American citizens. It is a theoretical proposition more than a practical one.

Mr. GILBERT. Then I would like to ask the gentleman from Ohio [Mr. JENKINS], who opposes this, What is the practical objection to that feature of it?

Mr. JENKINS. American citizenship in one place is American citizenship in another place. Of course a citizen of Oregon can not go to California and vote; there are certain requirements that must be lived up to in each State; but a citizen of the Samoan Islands, if you were to give them American citizenship, would have the same rights in the streets of London as a citizen of Ohio, Oregon, or any other State would have, and the American flag would be behind him and would protect him, regardless of the fact that he can not speak English, regardless of the fact that he can not espouse our constitutional form of government. If we give citizenship to him, he is an American citizen every place and at any time and under all circumstances, and that is what I am against.

Mr. MARTIN of Oregon. The gentleman from Kentucky must realize that this is nothing but a naval base, and here it is proposed to go in there and set up an expensive government. Why not let the matter go on as it is?

Mr. GILBERT. I recognize that this country, through its commercialism, has absolutely destroyed the most beautiful islands in the world, the Hawaiian group, and I do not want that repeated; but if the gentlemen of this committee have protected these people in their own islands, I am for this bill.

The Clerk read as follows:

ISLANDS INCLUDED WITHIN AMERICAN SAMOA

SEC. 2. The islands acquired by the United States of America under the joint resolution entitled "Joint resolution to provide for accepting, ratifying, and confirming the cessions of certain islands of the Samoan group to the United States, and for other purposes," approved February 20, 1929, and the joint resolution entitled "Joint resolution extending the sovereignty of the United States over Swains Island and making the island a part of American Samoa," approved March 4, 1925 (U. S. C., title 48, sec. 1431), shall be known as American Samoa.

Mr. JENKINS. Mr. Chairman, I move to strike out the last word. I do not want to be speaking all the time, but I want to bring your attention to the fact that I think this is a very important measure, and I speak particularly to those who have not had time to investigate the matter. We are about to vote on something that we have never done before. We have never flung American citizenship so far away as we are about to do now. The question has been asked, Why compare these Samoan Islands with the Virgin Islands? It has been implied that we made a mistake in giving citizenship to the people of the Virgin Islands. If we made a mistake in giving them citizenship, we will make a colossal mistake in giving citizenship to Samoa. In the Virgin Islands the basic language is English. The people down there are Danish and English. Of course the majority of the people are colored, but they have been brought up under a form of government akin to our constitutional form of government. They are closely associated down there with Puerto Rico. The Virgin Islands are practically within view of Puerto Rico. We took Puerto Rico under circumstances where we were compelled to take care of her, and we gave her people citizenship several years ago. Puerto Rico has a population of 1,500,000. She has colleges, banks, and is modern in every way. Some maintain that we made a mistake at that time, but there is no comparison between Puerto Rico and Samoa. The Virgin Islands are close to our shores; their people are modern. They have cities and farm sites, much as any country. St. Thomas, on the island of St. Thomas, has one of the most beautiful harbors in the world. A century ago this port was one of the busiest in the West Indian country. St. Croix, the second largest of the Virgin Islands, has two beautiful modern cities. Our own great Alexander Hamilton was born in this section of the world and spent his childhood on St. Croix, and was as much a citizen of St. Croix as any person ever born there. When he came to America at the age of 15 to attend college, he left the only home he ever knew. His mother lived and died there, and her body is buried in a little country cemetery on St. Croix.

I do not think we made a mistake in giving citizenship to the residents of the Virgin Islands; but if you have any

qualms of conscience about having given citizenship to the Virgin Islands, which are at our very door, with the same ideas of government that we have, what would you think about voting American citizenship to people clear around the world, away down there as a little dot in the middle of the Pacific Ocean?

You have denied citizenship to the people of the Philippine Islands, who have had able Representatives here in our Congress for years, who are now a strong organization with fine educational and banking institutions, and espousing our form of government. Do we want to embroil ourselves into every controversy that may arise in that country, just out of a little desire to do a fine thing for a few people? The thing we ought to do is to send them a few missionaries if necessary and send them somebody down there as an auditor to audit their business and take care of them, and see to it a good port is kept free for our ships when they travel the south seas. We had the Virgin Islands under the control of the Navy, and many of the people down there want to be returned to that form of government. Under Navy control their rights to own property is protected. Their lives are protected, they are granted every privilege for education that they should have. Nobody has ever accused the Navy Department of tyranny or oppression.

Mr. WILLIAMS of Texas. Does the gentleman recognize the fact that the English language is the language spoken in Samoa, and that there is no comparison between the people of Samoa and the people of the Virgin Islands?

Mr. JENKINS. It was brought out clearly by the gentleman from Maine that they did not speak the English language; that the testimony taken by your commission was taken in another language.

Mr. WILLIAMS of Texas. Oh, of the older ones, but all of the younger generation speak the English language as well as the gentleman does.

Mr. JENKINS. I am glad to hear that.

Mr. BRUMM. Will the gentleman yield?

Mr. JENKINS. I yield.

Mr. BRUMM. Several members of the committee mentioned the fact that these people do not want to come to the United States. On the face of it, of course, that is ridiculous, because nobody knows what they want to do. However, I would like to ask the gentleman, was not the testimony in this session before the Committee on Insular Affairs, of which the gentleman and I are both members, with regard to the Virgin Islands, that a large percentage of them are flooding into the United States as fast as they can come, right now? Was that not the testimony?

Mr. JENKINS. I think so. At least the testimony was given by the gentleman from Maine [Mr. BEEDY] that they took the testimony of 100 at Hawaii. Now, here is the proposition I want to leave with you to-day. If we defeat this bill we do not do any harm to those people. They have our form of government down there fully protected by our Navy. They are happy, and the testimony of all these gentlemen is that they are much happier than we are. The Volstead Act, according to the gentleman from Wisconsin [Mr. SCHAFER] has not reached down there to contaminate them or to help them either. What is the use of involving ourselves when we have enough trouble, when we have so many propositions to consider at home? What is the use of taking up the time of this Congress to reach away out there, because you hear a little voice and there is a chance to show a little sympathy? You can sympathize with a thousand people in two hours after you leave this Capitol who do not have enough to eat. We owe them the obligation that one American owes another. Our first care should be for our own. What is the use of going away out yonder into the south seas? This bill will contribute nothing to the happiness or economic advantage of these people.

Mr. WILLIAMS of Texas. I wish to say it is not sympathy. It is the recognition of doing right, and this Nation owes it to those people. We accepted the island as a gift 30 years ago, and this is the first time we have attempted to do anything for them.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. JENKINS] has expired.

Mr. JENKINS. Mr. Chairman, I ask unanimous consent to proceed for one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. HARE. Mr. Chairman, I yielded back 21 minutes of the general debate, and I must object.

Mr. GLOVER. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I have been giving this bill considerable study to-day and prior to this time. I am in doubt as to whether it is the proper time for us to venture on a measure of this kind if we ever do. It has been brought out by two very intelligent addresses, and I compliment those two gentlemen for the most excellent manner in which they have made this investigation, the gentleman from Maine [Mr. BEEDY] and the gentleman from Texas [Mr. WILLIAMS]. They have brought back some valuable information, but I do not believe the information that they bring us justifies the great experiment that we are going to make if we pass this bill.

I tried to get recognition a moment ago to ask the gentleman from Maine about how much this bill would cost us in the beginning. I do not think anybody knows now. I know that in the passage of this bill you will bring an additional burden of taxation upon the people of the United States, which they are not able to bear. It has been said there are about 10,000 people on this island. It is undeveloped. It has been stated that one of our people could not go there and live. It is not desirable. If it is not desirable for habitation and those people are there and satisfied with their condition, why is it that we want to further burden our American people with further taxes to go into an experiment of this kind? As soon as this bill is passed, as soon as they are made citizens of the United States, we become directly responsible for them. That is away in the distance for us. I have seen the last war that I want to see. I want to say to you that you are here authorizing a government to be set up there, with power to legislate, and to create binding obligations upon territory that belongs to the United States, for which our Government would be held responsible.

Further, I want to say that this is a dangerous time for us to venture into new territory. This action in the Far East might be very much misconstrued. I believe that those men who are advocating this are doing it with the very best of purpose, but what will other nations think of us? What will they think our purpose is? It has been said by one of the gentlemen that he would not favor education for those people; that it would not be helpful to them, and that they could not utilize it. He says that all they do in the morning is go out and shake the coconut trees and pick up the coconuts. If that is all they have to do, and if that is all they can do and education would not develop them so that they could advance, I say to you we ought not to go into this experiment now and spend the taxpayers' money in order to help people which education would not help, and that we could help very little by this action.

I believe this bill ought to be defeated. This is not the time to do it. We can maintain it as it is now. They say they do not want to come to the United States, but you are making them citizens by this act. There is nothing that can keep you from letting them come to the United States if they want to. I say to the outgoing administration, to one of the officials, Mr. Doak, that he has done the best service for this Government that any man has ever done in the Cabinet since he has been there, in keeping our Government free from those who are not ready for citizenship in this country. We are ready now to pass a deportation bill for those opposed to our Government, and I think it will be necessary to pass it.

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

Mr. FRENCH. Mr. Chairman, I rise in opposition to the pro forma amendment.

In my judgment there is more trouble and grief and expense wrapped up in this little bill than in any other bill that has come before this House in many days. I was a member of the Naval Appropriations subcommittee when we had not only the government of American Samoa but the government of Guam and the Virgin Islands before us for consideration. All of these possessions were under the Navy Department. The expenses in connection with the management of the Samoa possession were and are practically absorbed by the administration of the Navy Department out of expenses that would need to be made anyway. The island of Guam, with a population a little more than twice the population of American Samoa, costs us annually approximately $35,000 under Navy Department administration.

The Virgin Islands, to which reference has been made this afternoon, were under the Navy Department until about two years ago. Now they are under the Department of the Interior. I happen to serve on the Interior subcommittee, so I have had experience with the handling of the Virgin Islands under both committees that have had charge of them and the opportunity of observing the work under the Navy Department and the Interior Department.

It is costing us to-day over $300,000 a year to administer the government in the Virgin Islands from this great distance; a territory with a population about equal to the population of Guam, where we spend $35,000, and not greater than the population of any one of many of the small counties in almost any State of the American Union. This was likewise true under naval administration, because of the projects that were carried on under a system in either case where all the activities of an American State are maintained. The Virgin Islands population is constantly trying to push more and more off onto the Government of the United States. In American Samoa there is a population equal to about one-half of the population of the Virgin Islands.

The Samoans are a happy people. They are not asking for this legislation. They are not equipped to assume the kind of government to which our people are accustomed. If we pass this bill, in my judgment, we shall open up American Samoa to exploiters who, in my judgment, if the truth be known, are the ones back of whatever sentiment there seems to be for the passage of this measure.

We ought to retain our possession in Samoa for the purpose for which we acquired it. Let it be under the Navy Department. If we transfer it from the Navy Department and set up an independent government, not only shall we be doing the wrong thing by the people of Samoa who are happy to-day and who, through the years will develop into a more responsible people individually when their interests possibly can be cared for better by themselves. Until then to extend the provisions of the pending measure will be to invite appropriations from the Federal Treasury for the government of the Samoan possession that will not be less than $100,000, $200,000, or $250,000, within another five years. [Applause.]

Mr. DYER. Mr. Chairman, I move to strike out the enacting clause.

The CHAIRMAN. The question is on the motion of the gentleman from Missouri.

Mr. BEEDY. Mr. Chairman, I ask recognition on the motion.

Mr. TABER. Mr. Chairman, I make the point of order that the motion to strike out the enacting clause is not in order.

Mr. STAFFORD. Mr. Chairman, the point of order comes too late.

Mr. TABER. The motion of the gentleman from Missouri has not been discussed.

The CHAIRMAN. The Chair will recognize the gentleman from Maine [Mr. BEEDY], in opposition to the motion.

Mr. TABER. Mr. Chairman, I make the point of order that the motion to strike out the enacting clause is not in order.

Mr. BLANTON. Mr. Chairman, the point of order comes too late.

Mr. TABER. There has been no discussion, Mr. Chairman, upon the motion to strike out the enacting clause.

The CHAIRMAN. The Chair recognizes the gentleman from Maine [Mr. BEEDY] to discuss the motion. The gentleman from Maine is recognized for five minutes.

Mr. BEEDY. Mr. Chairman, I was aware that I could have made a point of order against the motion of the gentleman from Missouri, but I have always purposed, in the case of any legislation with which I am connected, that I will never take the attitude of trying to crowd anybody out or cut anybody short, but will give every opportunity to present opposition views. I respect the views of those who oppose me.

I do not want this committee to get the wrong idea of this proposed legislation. I insist that you ought not to place the people of Eastern Samoa in the same category with those of the Virgin Islands or with Guam It is not a fair comparison and no man who understands the situation would make it.

It is a pity for the gentleman from Idaho [Mr. FRENCH] to stand up here and say that he believes men interested in exploiting these islands are behind this bill. There is not anything in the islands to be exploited. The one refreshing feature of the whole problem is that there is no wealth in the islands to arouse the greed of any capitalist.

This bill does not change the obligation of the United States Government, as I see it, in any degree. These islands are ours. They have been ours for 30 years. We are responsible for them. We are responsible for law and order in them. We are responsible for their people. Inasmuch as we have granted citizenship to the people of every other group of our insular possessions, with the exception of the Philippines, which have been granted independence, why should we withhold citizenship from the Samoans? Why make fish of one people and fowl of another?

Now, let us understand the situation. We are not opening the door to any great expenditure of money. We are not opening the door to any trouble. I would not by my vote increase the possibility of sending any of our men across the Pacific to engage in war. There is no added possibility of any such thing in this bill. It is a shame for these suggestions to be made. It is not fair to these people.

If you do not want these islands, give them back to the chiefs who presented them to us 30 years ago, but if you keep them do not deny their people the same privileges you have given other groups who did not give their islands to us, but whose islands we purchased at the cost of millions.

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

Mr. BEEDY. Yes.

Mr. BLANTON. If we give citizenship to these people and make them Americans and then Japan or any other nation were to go over there and impose on them, the gentleman would want American boys to go there, 4,200 miles across the sea, to whip the stuffing out of any nation that went there for that purpose.

Mr. BEEDY. We would have to do it to-day just the same, I may say to my friend. These islands are ours, and we are responsible for the people living on them.

Mr. BLANTON. But there is a difference now, because they are not American citizens. This now is merely a naval station, and that it should remain. We must not involve American citizens 4,200 miles away from home.

Mr. BEEDY. I do not yield further. There is no question about that.

I repeat we have these islands. We are responsible for law and order and for the safety of every soul in them; we have been thus responsible for more than a quarter of a century. There has been no trouble in that time, and this bill does not increase the possibility of trouble there.

Mr. BLANTON. We Americans ought to stay at home and attend to our own business. This bill ought to be defeated.

Mr. BEEDY. This bill provides a measure of justice which we owe the Samoan people. After a prolonged delay of 30 years this Nation ought to be big enough to rise to the occasion and meet its obligation. [Applause.]

Mr. BLANTON. This bill is charged with dynamite and T. N. T.—tons of it—and we ought to strike out its enacting clause.

Mr. DYER and Mr. JENKINS rose.

Mr. DYER. Mr. Chairman, I made the motion to strike out the enacting clause, and the gentleman from Maine has taken five minutes in opposition to the motion. I do not want to debate the motion further, but I do ask for a vote, and make the point that if anyone asks for further time, we are entitled to a vote now upon the motion.

Mr. JENKINS. Mr. Chairman, a parliamentary inquiry. In view of the fact that the gentleman from Missouri [Mr. DYER] does not want to speak in favor of his motion and I do, am I not entitled to five minutes under this situation?

The CHAIRMAN. The gentleman from Ohio [Mr. JENKINS] is recognized for five minutes.

Mr. JENKINS. Mr. Chairman——

Mr. BLANTON. Will the gentleman yield?

Mr. JENKINS. Yes.

Mr. BLANTON. Suppose that we make them Americans, and they set up all this expensive government down there and they begin to build commerce buildings like the one down here on the Avenue costing $20,000,000, and they begin to build a several million dollar supreme court building, and they begin to involve us with Far East countries, will we not be responsible for it?

Mr. JENKINS. Yes; but they are not going to do that, of course.

Mr. Chairman, let us be serious about this matter. My good friend the gentleman from Maine [Mr. BEEDY] would have you believe there is no possibility of any trouble on account of the citizenship of these people. Let me read you one section on page 35:

> Any person of full or any part Samoan blood who was an inhabitant of American Samoa before the effective date of this act, was residing outside of American Samoa or was engaged in foreign travel on such date, and is not a citizen, subject, or national of any foreign country, if he desires to be a citizen of the United States—

And so forth, may do so.

Suppose one of these fellows is down in Sumatra or out in South Africa or in Norway or in Sweden or in Siberia or Japan or England or wherever he may be, if he is not too far to write a letter back home to these people, he can become an American citizen without any formality, and where is our responsibility then?

Does this not give responsibility to the American Nation to look after such a person wherever he may be? It is preposterous. It is absolutely unreasonable to take the time of this great Nation of ours and this Congress of ours at this time to pass a piece of legislation that will take us 4,500 miles into the South Seas, that most of us do not know anything about and most of us do not care very much about, and put up the American flag and establish an American government and American responsibility.

I say to you that now is as good a time as any to beat this measure. Let us all vote in favor of this motion to strike out the enacting clause and send it back to the committee. Then the fine, sensible statesmen, the gentleman from Maine and the gentleman from Texas can bring in a bill here that will do exactly what we want done and keep American citizenship to ourselves.

The gentleman from Texas [Mr. WILLIAMS] asked me a question a while ago, and here is the question as I got it. He implied that these people may have some rights with respect to American citizenship.

Mr. Chairman, nobody has a right to American citizenship except a man born in America.

Mr. WILLIAMS of Texas. I did not intimate that. That was not the intimation of the gentleman from Texas. I said that this legislation was right. That is what I said.

Mr. JENKINS. All right; I accept the gentleman's correction. I will take it from that standpoint.

I want to continue this thought. Nobody has a right to become an American citizen except a native-born American, but aliens have the privilege of becoming American citizens, and this is a gracious privilege which we have extended to them. We have extended this gracious privilege to various people, but we have denied this privilege to the Filipinos, with whom we have been in close association for 35 years. We have denied this to them and they have not asked for it in the recent plan for independence. We have denied this privilege to the Japanese and the Chinese and the Indians from India and to the inhabitants of the Malayan Archipelago, and yet we reach out and find one little island where we have a little naval base and we want to give them American citizenship. We can give them everything they need, which is what they have now, and if they need any improvement in their government, let us give that to them, and let them be happy down there by themselves. Let us not load upon them the responsibility of American citizenship. They can not take it. They do not know anything about trial by jury, and that is very fundamental and the cornerstone of American civilization and American citizenship. They are not able to espouse trial by jury and they can not do this in Puerto Rico or in the Virgin Islands, and some believe we made a mistake in giving them full American citizenship. I say to you that this is a right that we ought to circumscribe with safeguards and is something that should never be given except as a privilege, and let us not give it to these people until they are able to appreciate the privilege. [Applause.]

Mr. BLANTON. After we make them American citizens, and they are living there about 4,200 miles west of San Francisco, we are too far away to know what they may do, or what kind of controversies they will embroil us in, and whatever they may do, we would be responsible, for they would be American citizens, and would have the right to demand of us protection, no matter how scattered they were over other countries. For when they become Americans they will have the right to go where they please. And we will be responsible for them. And for one, I am not willing to assume such responsibility.

The CHAIRMAN. The question is on the motion of the gentleman from Missouri that the committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

The question was taken; and on a division (demanded by Mr. BEEDY) there were 72 ayes and 26 noes.

So the motion to strike out the enacting clause was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MOREHEAD, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bill (S. 417) to provide a government for American Samoa, had directed him to report the same back to the House with the recommendation that the enacting clause be stricken out.

Mr. DYER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the recommendation of the Committee of the Whole.

The question was taken, and the motion was agreed to.

A motion by Mr. BLANTON to reconsider the vote whereby the motion was agreed to was laid on the table.

The SPEAKER. The Clerk will inform the Senate of the action of the House.

LEGISLATIVE APPROPRIATION BILL

Mr. SANDLIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 14562) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1934, and for other purposes, and agree to the Senate amendments.

The SPEAKER. Is there objection?

There was no objection.

The Senate amendments were read.

The Senate amendments were agreed to.

MEDICINAL LIQUOR

Mr. O'CONNOR. Mr. Speaker, I call up House Resolution 382, making in order the bill H. R. 14395, relating to the prescribing of medicinal liquor. The resolution provides for

two hours of debate. I ask unanimous consent that that be reduced to 40 minutes.

Mr. BLANTON. Reserving the right to object, there ought to be an equal division of the time, whether it be 40 minutes or 2 hours. I am one of those who is going to speak against the resolution.

Mr. O'CONNOR. The rule provides, in the general form, that the time shall be divided between the chairman and the ranking minority member.

Mr. BLANTON. The gentleman from New York [Mr. O'CONNOR] is for it, the gentleman who introduced the bill [Mr. CELLER] is for it, and the chairman of the committee voted for repeal last Monday, and the gentleman from Missouri [Mr. DYER] is the wet leader of the House, hence under the rule no dry could demand any time in his own right.

Mr. O'CONNOR. If the gentleman will pause a moment, I do not control the time, but I believe it is only fair that those who oppose the bill shall have one-half of the time.

Mr. BLANTON. We who oppose it are entitled to control one-half of the time. With that understanding, I have no objection. But we must have such a distinct understanding.

Mr. DYER. I will yield one-half of my time.

The SPEAKER. The gentleman from New York asks unanimous consent that in the debate on this bill one-half of the time shall be controlled by the chairman of the committee, and one-half by a minority member, and that the time be divided equally between those for and those opposed to the resolution.

Mr. BLANTON. Mr. Speaker, I insist that half of the time should be controlled by those opposing the bill, and I insist that the gentleman from Georgia [Mr. TARVER], who is against this proposition, be given the control of the time against it. He is a member of the committee, and he is entitled to it. If that provision for equal control of the time is put into the unanimous-consent request, I shall not object; otherwise I shall object.

Mr. PARKER of Georgia. Mr. Speaker, I object.

Mr. TARVER. Mr. Speaker, I have no desire to control the time, but further reserving the right to object, I feel this is a matter of tremendous importance, and that its disposition ought not to be attempted in 40 minutes, especially before a mere fraction of a quorum of the House. I object.

Mr. O'CONNOR. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. O'CONNOR to the resolution: Page 1, line 7, strike out the words "two hours," and insert in lieu thereof the words "40 minutes."

Mr. BLANTON. Mr. Speaker, I have an amendment to the amendment I desire to offer.

The SPEAKER. Does the gentleman from New York yield for that purpose?

Mr. O'CONNOR. Yes.

Mr. BLANTON. I offer an amendment to the amendment to insert the following proviso:

Provided, That the time against the resolution shall be controlled by the gentleman from Texas.

Mr. LAGUARDIA. Mr. BLANTON.

Mr. BLANTON. Yes, Mr. BLANTON.

The SPEAKER. The Clerk will report the amendment to the amendment.

The Clerk read as follows:

Amendment by Mr. BLANTON: At the end of the bill insert "*Provided*, That the time in opposition to the resolution be controlled by the gentleman from Texas [Mr. BLANTON]."

Mr. O'CONNOR. Mr. Speaker, I am willing to accept.

Mr. DYER. I accept the amendment.

The SPEAKER. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The SPEAKER. The question now is on agreeing to the amendment as amended.

The question was taken; and on a division (demanded by Mr. TARVER) there were—ayes 81, noes 7.

Mr. TARVER. Mr. Speaker, I make the point of order that there is no quorum present, and object to the vote upon the ground that there is no quorum present.

The SPEAKER. The gentleman from Georgia makes the point of order that there is no quorum present. Evidently there is not. This is an automatic call. The Doorkeeper will close the doors, and the Sergeant at Arms will bring in absentees. The Clerk will call the roll. The question is on the amendment to the resolution.

The question was taken; and there were—yeas 239, nays 65, not voting 122, as follows:

[Roll No. 166]

YEAS—239

Adkins	De Priest	Johnson, Tex.	Purnell
Allgood	DeRouen	Jones	Rainey
Amlie	Dickinson	Kading	Ramseyer
Andresen	Dies	Kahn	Ramspeck
Andrew, Mass.	Dominick	Keller	Ransley
Andrews, N. Y.	Doxey	Kelly, Ill.	Rogers, Mass.
Arnold	Drewry	Kelly, Pa.	Rogers, N. H.
Auf der Heide	Driver	Kemp	Romjue
Bacharach	Dyer	Kennedy, Md.	Sabath
Bachmann	Eagle	Kniffin	Sanders, Tex.
Bacon	Eaton, Colo.	Kunz	Sandlin
Bankhead	Eaton, N. J.	Kvale	Schafer
Barbour	Englebright	LaGuardia	Schneider
Barton	Estep	Lambeth	Schuetz
Bland	Fernandez	Lamneck	Seiberling
Blanton	Fiesinger	Lanham	Simmons
Boehne	Fitzpatrick	Larrabee	Sinclair
Bohn	Flannagan	Larsen	Smith, Va.
Boileau	Flood	Lea	Snell
Boland	Foss	Leavitt	Somers, N. Y.
Bolton	Fuller	Litchenwalner	Spence
Bowman	Gambrill	Lonergan	Stafford
Briggs	Gasque	Loofbourow	Stalker
Brumm	Gibson	Lovette	Steagall
Buchanan	Gifford	McClintic, Okla.	Stevenson
Buckbee	Gilbert	McCormack	Strong, Kans.
Burch	Gilchrist	McDuffie	Sutphin
Burtness	Gillen	McFadden	Swank
Byrns	Goss	McKeown	Taber
Canfield	Granfield	McMillan	Temple
Carden	Green	McReynolds	Thatcher
Carter, Calif.	Greenwood	McSwain	Thomason
Carter, Wyo.	Gregory	Maas	Thurston
Castellow	Griffin	Major	Tierney
Cavicchia	Griswold	Maloney	Tinkham
Celler	Hadley	Mansfield	Treadway
Chapman	Haines	Martin, Mass.	Turpin
Chavez	Hall, Ill.	Martin, Oreg.	Underwood
Chindblom	Hancock, N. Y.	May	Vinson, Ga.
Christopherson	Hardy	Mead	Vinson, Ky.
Clancy	Hare	Michener	Warren
Cochran, Mo.	Hartley	Millard	Wason
Cole, Md.	Hastings	Miller	Watson
Collier	Hess	Milligan	Weaver
Colton	Hill, Ala.	Mitchell	Welch
Condon	Hill, Wash.	Montet	West
Connery	Hogg, Ind.	Moore, Ky.	Whitley
Cooper, Ohio	Hollister	Morehead	Whittington
Cooper, Tenn.	Holmes	Nelson, Mo.	Wigglesworth
Cox	Hooper	Niedringhaus	Williamson
Coyle	Hope	Nolan	Wilson
Cross	Horr	O'Connor	Withrow
Crosser	Houston, Del.	Oliver, Ala.	Wolcott
Crowe	Howard	Overton	Wood, Ga.
Crump	Hull, Morton D.	Parker, N. Y.	Wood, Ind.
Curry	Hull, William E.	Parks	Woodruff
Darrow	Jacobsen	Parsons	Woodrum
Davenport	Jeffers	Peavey	Wright
Davis, Tenn.	Johnson, Mo.	Person	Yon
Delaney	Johnson, Okla.	Polk	

NAYS—65

Ayres	Fulmer	McGugin	Robinson
Beedy	Garber	Magrady	Sanders, N. Y.
Biddle	Glover	Mapes	Shallenberger
Browning	Goldsborough	Mobley	Shott
Busby	Guyer	Moore, Ohio	Snow
Cable	Hall, N. Dak.	Murphy	Sparks
Cannon	Hoch	Nelson, Me.	Strong, Pa.
Cochran, Pa.	Huddleston	Norton, Nebr.	Stull
Crail	Jenkins	Parker, Ga.	Summers, Wash.
Crowther	Ketcham	Partridge	Swanson
Culkin	Kopp	Patman	Swick
Disney	Lambertson	Patterson	Swing
Dowell	Lankford, Ga.	Pittenger	Tarver
Ellzey	Lozier	Ragon	Taylor, Tenn.
Eslick	Luce	Rankin	
Finley	Ludlow	Reed, N. Y.	
French	McClintock, Ohio	Rich	

NOT VOTING—122

Abernethy	Beck	Brunner	Cary
Aldrich	Black	Bulwinkle	Chase
Allen	Bloom	Burdick	Chiperfield
Almon	Boylan	Campbell, Iowa	Christgau
Arentz	Brand, Ga.	Campbell, Pa.	Clague
Baldrige	Brand, Ohio	Carley	Clark, N. C.
Beam	Britten	Cartwright	Clarke, N. Y.

Cole, Iowa	Golder	Lewis	Shreve
Collins	Hall, Miss.	Lindsay	Sirovich
Connolly	Hancock, N. C.	McLeod	Smith, Idaho
Cooke	Harlan	Manlove	Smith, W. Va.
Corning	Hart	Montague	Stewart
Cullen	Haugen	Mouser	Stokes
Davis, Pa.	Hawley	Nelson, Wis.	Sullivan, N. Y.
Dickstein	Hogg, W. Va.	Norton, N. J.	Sullivan, Pa.
Dieterich	Holaday	Oliver, N. Y.	Sumners, Tex.
Doughton	Hopkins	Owen	Sweeney
Douglas, Ariz.	Hornor	Palmisano	Taylor, Colo.
Douglass, Mass.	Igoe	Perkins	Timberlake
Doutrich	James	Pettengill	Underhill
Drane	Johnson, Ill.	Pou	Weeks
Erk	Johnson, S. Dak.	Prall	White
Evans, Calif.	Johnson, Wash.	Pratt, Harcourt J.	Williams, Mo.
Evans, Mont.	Kennedy, N. Y.	Pratt, Ruth	Williams, Tex.
Fish	Kerr	Rayburn	Wingo
Fishburne	Kinzer	Reid, Ill.	Wolfenden
Frear	Kleberg	Reilly	Wolverton
Free	Knutson	Rudd	Wyant
Freeman	Kurtz	Seger	Yates
Fulbright	Lankford, Va.	Selvig	
Gavagan	Lehlbach	Shannon	

So the amendment, as amended, was agreed to.

The Clerk announced the following pairs:

Additional general pairs:

Mr. Cartwright with Mr. Wolfenden.
Mr. Drane with Mr. Campbell of Pennsylvania.
Mr. Pou with Mr. Davis of Pennsylvania.
Mr. Cullen with Mr. Wolverton.
Mr. Beam with Mr. Evans of California.
Mr. Bulwinkle with Mr. Kinzer.
Mr. Cary with Mr. McLeod.
Mr. Doughton with Mr. Seger.
Mr. Boylan with Mr. Shreve.
Mr. Collins with Mr. Perkins.
Mr. Brunner with Mr. Wyant.
Mr. Kleberg with Mr. Arentz.
Mr. Corning with Mr. Cole of Iowa.
Mr. Fishburne with Mr. Erk.
Mr. Abernethy with Mr. Free.
Mr. Brand of Georgia with Mr. Holaday.
Mr. Bloom with Mr. Frear.
Mr. Clark of North Carolina with Mr. Hopkins.
Mr. Douglass of Massachusetts with Mr. Aldrich.
Mr. Shannon with Mr. Manlove.
Mr. Pettengill with Mrs. Pratt.
Mr. Sumners of Texas with Mr. Nelson of Wisconsin.
Mr. Rayburn with Mr. Lehlbach.
Mr. Gavagan with Mr. Mouser.
Mr. Stewart with Mr. Lankford of Virginia.
Mr. Evans of Montana with Mr. Burdick.
Mr. Dickstein with Mr. Weeks.
Mr. Williams of Texas with Mr. Baldrige.
Mr. Palmisano with Mr. Allen.

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question is on agreeing to the resolution as amended.

The resolution was agreed to.

Mr. CELLER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill, H. R. 14395, relating to the prescribing of medicinal liquors.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 14395, with Mr. COLE of Maryland in the chair.

The Clerk read the title of the bill.

Mr. DOMINICK. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

Mr. BLANTON. Reserving the right to object, with the understanding that the bill be incorporated in the RECORD at this point, I shall not object. It would not be printed unless this understanding is had. I want that understood.

The CHAIRMAN. That may be done without objection.

Is there objection?

There was no objection.

The bill is as follows:

H. R. 14395

Be it enacted, etc., That (a) the third sentence of section 7 of Title II of the national prohibition act, as amended, is amended to read as follows: "Subject to regulations, no more liquor shall be prescribed to any person than is necessary to supply his medicinal needs, and no prescription shall be filled more than once."

(b) Section 7 of Title II of such act, as amended, is further amended by inserting before the period at the end thereof a semicolon and the following: "but no physician shall be called upon to file any statement of such ailment in the Department of Justice or the Department of the Treasury or in any other office of the Government, or to keep his records in such a way as to lead to the disclosure of any such ailment, except as he may be lawfully required (1) to make such disclosure in any court or in the course of a hearing under authority of section 9, Title II, of this act, or (2) to make such disclosure to any duly qualified person engaged in the execution or enforcement of this act or any act supplementary hereto."

SEC. 2. Strike out section 8 of Title II of the national prohibition act, and insert in lieu thereof the following:

"SEC. 8. The commissioner shall cause stamps to be printed, the design of which shall be prescribed by regulations in accordance with the provisions of this act, and he shall furnish the same free of cost to physicians holding permits to prescribe. Each such physician shall affix one of said stamps to each such prescription written by him and shall cancel same under regulations to be prescribed in accordance with the provisions of this act. No physician shall prescribe and no pharmacist shall fill any prescription for liquor unless such stamp is affixed thereto. Every person who, with intent to defraud, falsely makes, forges, alters, counterfeits, or reuses any stamp made or used under any provision of this act, or with such intent uses, sells, or has in his possession any such forged, altered, or counterfeited stamp, or any plate or die used or which may be used in the manufacture thereof, or who shall make, use, sell, or have in his possession any paper in imitation of the paper used in the manufacture of any stamp required by this act, shall, on conviction, be punished by a fine not exceeding $1,000 or by imprisonment at hard labor not exceeding two years. The effective date of this section 2 shall be not earlier than January 1, 1934."

SEC. 3. Strike out the first paragraph of section 2 of the act entitled "An act supplemental to the national prohibition act, approved November 23, 1921," and insert in lieu thereof the following:

"SEC. 2. Only spiritous and vinous liquor may be prescribed for medicinal purposes. All prescriptions for any other liquor shall be void. But this provision shall not be construed to limit the sale of any article the manufacture of which is authorized under section 4, Title II, of the national prohibition act."

SEC. 4. Strike out subdivision (a) of section 5 of the prohibition reorganization act of 1930, and insert in lieu thereof the following: "(a) The Attorney General and the Secretary of the Treasury shall jointly prescribe all regulations under this act and the national prohibition act relating to permits and prescriptions for liquor for medicinal purposes, and the quantities of spiritous and vinous liquor that may be prescribed for medicinal purposes, and the form of all applications, bonds, permits, records, and reports under such acts: *Provided*, That all regulations relating to the Bureau of Prohibition in the Department of Justice shall be made by the Attorney General."

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina that the first reading of the bill be dispensed with?

There was no objection.

Mr. DOMINICK. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, I shall be very brief in describing the provisions of this bill, which I am sure should commend itself to all Members of the House, regardless of their views on the subject of prohibition. It was indeed hoped that the matter might be considered free from any prohibition controversy. This bill has its genesis in the recommendations of the Wickersham commission. That commission in its report to the President made these suggestions and recommendations:

(a) Doing away with the statutory fixing of the amount [of liquor] which may be prescribed and the number of prescriptions [that the medical profession might issue for the sick].

(b) The abolishing of the requirement of specifying the ailment for which the liquor is prescribed upon a blank to go into public files.

(c) Leaving as much as possible to regulations, rather than fixing details by statute. (P. 84 of the Wickersham report.)

When the Wickersham commission report came to the House it was accompanied by a statement of President Hoover, wherein he used the very significant phrases implying that the irritations and resentments of the medical profession in being circumscribed in this way in the Volstead Act should be removed.

The American Medical Association is behind this bill, which, in a word, lifts the burdensome restrictions from the doctors in the prescribing of medical liquor, taking the restrictions out of the statute and leaving them to regulations, the regulations to be promulgated by the Department of Justice through the Attorney General and by the Treasury Department through the Secretary of the Treasury.

In the testimony given before the House committee, Doctor Doran, in charge of prohibition enforcement in the Treasury Department, heartily subscribed to this bill and urged its passage.

Colonel Woodcock, of the Department of Justice, favored the bill and urged its passage, and said it would be an aid to enforcement.

The Acting Secretary of the Treasury, Mr. Ballantine, has submitted a communication to the committee commending the bill as being in the interest of economy, claiming there would be a saving of something like $110,000 per annum in the elimination of special bond paper prescription blanks and the substituting of small stamps to be affixed by the doctor to his own prescription blank.

The bill is sponsored by the American Medical Association, with a membership of 124,651 doctors; its legislative counsel, Dr. William C. Woodward, in testifying before the subcommittee of the Judiciary Committee, stated that the American Medical Association is a federation of State medical societies. It has a State organization in every State and it is governed by a house of delegates made up of delegates representing the several State organizations. That house of delegates has repeatedly expressed opinions adverse to the limitations that have been placed by the national prohibition act, as amended, on the number of prescriptions a physician may write for his patients and on the quantity of alcoholic liquor that he may prescribe for them. This bill amends the national prohibition act to carry out those recommendations.

Permit me to analyze the bill section by section:

Section 1 (a) amends the national prohibition act so as to remove the present limitation of 1 pint per 10 days on the quantity of spirituous liquor that a doctor may prescribe for his patient and also removes the limitation of the time within which additional prescriptions may be written, but leaves to the administrative authorities the power to promulgate regulations on that subject. The bill, however, limits the amount of intoxicating liquor which a physician may prescribe to "no more liquor * * * than is necessary to supply his (the patient's) medicinal needs" and provides further that "no prescription shall be filled more than once."

Section 1 (b) amends the national prohibition act so as to remove therefrom the requirement that the doctor file with the administrative bureau a statement of the ailment from which his patient is suffering, but does require the doctor to make such disclosure in any court or in the course of administrative hearings and also to make such disclosure to any duly qualified person engaged in the execution or enforcement of the national prohibition act as amended. The national prohibition act, however, remains unchanged relative to the requirement that the physician keep an accurate record of the ailment of his patient and other data concerning the prescription in a book which he must keep in his office and which is subject to the inspection of Federal agents and local peace officers.

Section 2 eliminates from the national prohibition act the provision requiring doctors to write prescriptions for intoxicating liquors on forms provided by the Government, but requires all such prescriptions to have affixed thereto a Government stamp and provides penalties for forgery and misuse of such stamps.

Section 3 amends an "act supplemental to the national prohibition act approved November 23, 1921," so as to remove the limitations of 1 quart per 10 days on the quantity of vinous liquors which may be prescribed by a physician for a patient, the limitation of time within which additional prescriptions for such liquor may be written for such patient, and the limitation of 100 prescriptions per 90 days to a physician. The limitations in this regard are left to regulations by this bill.

Section 4 provides for the promulgation of the regulations heretofore mentioned in connection with sections 1 (a) and 3 of this bill.

These regulations are to be promulgated by the Attorney General and the Secretary of the Treasury jointly.

The bill, it is interesting to note, follows the recommendations of Judge Kenyon, an ardent dry and a member of the Wickersham commission, who in his report, page 122, makes the following comment:

> Physicians should be permitted, under reasonable regulations, to prescribe whatever liquor in their judgment is necessary for a patient. If a physician can be trusted to prescribe dangerous drugs, he can be trusted to prescribe liquors as medicines.

Doctor Woodward, legislative counsel, speaking for the American Medical Association before the subcommittee of the Judiciary Committee, called attention to the fact that under the present law a physician can obtain normally not more than 100 blanks for use in prescribing intoxicating liquors during any period of 90 days. The law itself authorizes the issue of a larger number of such blanks but only in the event of extraordinary conditions, and in order to prove those extraordinary conditions the physician is required to make application under oath to the supervisor of permits for the additional blanks, stating why he needs them. If he bases his request for additional blanks on the existence of an epidemic, he is required to support his application by evidence of the local health authorities showing the presence of the epidemic. It can be readily seen, therefore, that in case of an emergency the physician might be without prescription blanks for some time before he could get an additional supply. This bill corrects that situation by leaving the authority to control the quantities which may be prescribed to administrative regulations, which obviously can be made much more flexible than the statute.

Doctor Woodward further testified—page 12 of the hearings—as follows:

> The objection on the part of the American Medical Association, and, I think, of physicians generally outside of the association, is to the limitation on the quantity of liquor that may be prescribed for any one patient. You may search in vain for anything in any congressional hearing or in any court case, so far as I know, and nowhere will you find a scintilla of evidence to support the quantitative limits that have been placed on prescribing. They are arbitrary and, so far as I can discover, they are based on guesswork.
>
> One advantage of regulations lies in the fact that they can be changed from time to time, if necessary, in order to meet conditions that develop. If under regulations it is found that one quantity is too large or too small, it can be altered.

Doctor Doran, Commissioner of Industrial Alcohol, testified before the subcommittee of the Judiciary Committee (pp. 18 and 19 of the hearings) as follows:

> If that were removed from the statute and the Secretary of the Treasury and Attorney General given authority, as they now have the general authority, to deal by regulation with the question of frequency and quantity with respect to individual patients, it is my opinion that a satisfactory regulation—that is, satisfactory to the American Medical Association and satisfactory from the viewpoint of the Treasury, at least, in the administration of this law—could be drawn and abuses with respect to diversion would not arise. There is ample remedy under the act to curb diversion—the examination of the physician's office records, the authority to cite for revocation, and the inquiry that is possible under the revocation procedure sections is, in my opinion, ample means of curbing the unethical practitioner.

Doctor Doran further testified as follows:

> Cases may arise undoubtedly where the 1-pint limitation as to spirituous liquor is onerous, due to the distance from the drug store, outlying rural communities, and with respect to the 1-quart limitation as to wine. In my opinion that might also be made the subject of exception by regulations, where a special showing might be made, the sole purpose being to take care of those occasional, outstanding, and meritorious cases with respect to quantity. But with respect to frequency, I believe that statutory limitations should be withdrawn—frequency as to any one patient.

Both Doctor Doran and Colonel Woodcock stated that the bill now before us would be an aid to enforcement.

Section 2 of this bill was originally proposed as an amendment to H. R. 10524, previously introduced by me. The instant bill is in effect identical with H. R. 10524 except for the addition of what is now section 2 of the instant bill. That provision was submitted to the Treasury Department for comment and recommendations in response to which

the aforesaid letter signed by Hon. A. A. Ballantine, Acting Secretary of the Treasury, was received, which letter reads as follows:

TREASURY DEPARTMENT,
Washington, January 9, 1933.

Hon. EMANUEL CELLER,
House of Representatives.

MY DEAR MR. CELLER: Your communication of December 15, 1932, relative to pending bill (H. R. 10524), regarding prescriptions for medicinal liquors, has been given careful consideration. I note that you are considering the following amendments:

1. Insert as the second section thereof the following:

"Strike out section 8 of Title II of the national prohibition act and insert in lieu thereof the following:

"'SEC. 8. The commissioner shall cause stamps to be printed, the design of which shall be prescribed by regulations in accordance with the provisions of this act, and he shall furnish the same free of cost to physicians holding permits to prescribe. Each such physician shall affix one of said stamps to each such prescription written by him and shall cancel same under regulations to be prescribed in accordance with the provisions of this act. No physician shall prescribe and no pharmacist shall fill any prescription for liquor unless such stamp is affixed thereto.

"'Every person who, with intent to defraud, falsely makes, forges, alters, counterfeits, or reuses any stamp made or used under any provision of this act, or with such intent uses, sells, or has in his possession any such forged, altered, or counterfeited stamp, or any plate or die used or which may be used in the manufacture thereof, or who shall make, use, sell, or have in his possession any paper in imitation of the paper used in the manufacture of any stamp required by this act, shall, on conviction, be punished by a fine not exceeding $1,000, or by imprisonment at hard labor not exceeding two years.'"

2. Renumber section 2 as section 3.

3. Strike out the old section 3, and insert as section 4:

SEC. 4. Subdivision (a) of section 5 of the prohibition reorganization act of 1930 is amended to read as follows:

"The Attorney General and the Secretary of the Treasury shall jointly prescribe all regulations under this act and the national prohibition act relating to permits and prescriptions for liquor for medicinal purposes, and the quantities of spirituous and vinous liquor that may be prescribed for medicinal purposes, and the form of all applications, bonds, permits, records under such acts: *Provided*, That all regulations relating to the Bureau of Prohibition in the Department of Justice shall be made by the Attorney General."

At the hearing held last spring before the subcommittee of the House Committee on the Judiciary, the Commissioner of Industrial Alcohol favored the passage of the bill with the amendment set forth in section 4, which you have quoted, which in effect gives the Secretary of the Treasury and the Attorney General joint power in the regulation of prescriptions.

The other amendment, dealing with section 8 of the national prohibition act, proposed by you, provides for the use by the physician of his own prescription blank in prescribing liquor for medicinal purposes. In connection with the use of the physician's own blank, there will be affixed thereto an official stamp which will be printed and issued to the permittee, as provided by regulations. The section also provides for a penalty for the forging or reusing of these stamps.

These proposed amendments meet with my approval as they seem to be in line with the desires of the American Medical Association and are in accord with the general purpose of the bill. Incidentally, they will result in the saving of approximately $110,000 per annum to the Government when the present supply of prescription blanks is exhausted. There is now on hand a little over one year's supply of the present form, which would indicate that the effective date of the amendment should either be made subject to regulation, or specified in the bill as not earlier than January 1, 1934.

Very sincerely yours,

A. A. BALLANTINE,
Acting Secretary of the Treasury.

Nobody in the hearings, either before the House or Senate committees, appeared in opposition to the bill. I am reliably informed, although I have no exact knowledge on the subject myself, that the Anti-Saloon League is unopposed to this bill. They have not stated that they favored the bill, but Mr. Dunford, attorney for the Anti-Saloon League, was present, I am informed, at the Senate subcommittee hearings, and voiced no protest whatsoever against the terms of this bill. So we might reasonably infer that the Anti-Saloon League is not opposed to this bill. If I am in error perhaps someone close to that organization might enlighten me. I do not desire to misstate the fact in any respect. I presume nobody in this Chamber has received any communication from any "dry" organization, for example, in opposition to this bill. I thoroughly believe that. If I am mistaken perhaps someone will arise in his or her seat and direct my attention to such a communication of opposition or protest. Again I do not wish to misstate any fact.

This bill leaves the States with utter freedom to act. Nothing therein prevents any State from prohibiting physicians to prescribe. We do not take the right away from the State of Georgia, for example, or Alabama or Kansas or Tennessee or Maine, in their proscriptions against doctors prescribing liquor. Any State can pass any kind of restriction it wills, within its police powers on the subject.

There are some States at the present moment precluding the right of doctors to prescribe medicinal liquor. I believe there are about 13 in number at this time. At the last election the States of Oregon, Washington, Arizona, West Virginia, and Montana joined 24 States earlier permitting the prescription of medicinal liquor by doctors. So I would suggests that the gentleman from those "doctor prescribing" States should follow the growing liberal sentiment in their States in the interest of lifting these irksome restrictions from doctors practicing in those States.

Colorado next June will permit physicians to prescribe. Indiana, I believe, last week voted the right to have doctors prescribe. Michigan and North Dakota changed their constitutions, enabling the legislature, when it wishes, to permit doctors to prescribe. In Idaho and Wyoming I understand there have been referenda favorable to a liberalizing of all laws on the subject of liquor—including medicinal liquor.

I hesitate to take any more of the time of the committee, except to state this: Under the present régime, a doctor must file his stubs and books and records, and the ailment for which the liquor is prescribed, if we go to him and he prescribes liquor. He must file that in a central office where the nature of the disease of the patient is open to the scrutiny and curious gaze of any underling in that department.

It is known that this has given rise to blackmail in several of the offices throughout the country, where irresponsible snoopers, knowing that a person, for example, suffered from syphilis, for which the doctor prescribed whisky, blackmailed the poor unfortunate person thus afflicted.

We do not take away the right to visitation on the part of Government officials, either of the Treasury Department or of the Attorney General's office, to go to the doctor's office and see what the doctor is doing—see if he is abusing his privileges—but the doctor need not under this bill transmit his records to the department, there to be gazed upon by the curious and idle.

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

Mr. CELLER. I yield.

Mr. BACON. Did I understand the gentleman to say that both Doctor Doran and Mr. Woodcock are in favor of this bill?

Mr. CELLER. Both these gentlemen testified they were in favor of this legislation and that it would be an aid to enforcement.

Mr. BACON. Furthermore, did they state how much it would save a year?

Mr. CELLER. The Acting Secretary of the Treasury, Mr. Ballantine, stated it would save $110,000 a year. The Government now prints the prescriptions on very fine paper, on bond paper. This act would enable the doctor to use his own prescription upon which he will affix and cancel appropriately a stamp which the doctor would procure from the Commissioner of Prohibition. These prescriptions cost the Government something like $110,000 a year and this money would be saved by the adoption of this resolution. The prescription blanks are given to the doctors without charge. The stamps would likewise be furnished without charge.

Mr. WILLIAM E. HULL. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. WILLIAM E. HULL. In writing this bill was any consideration given the matter of limiting the price of a prescription? The gentleman can see where the price will run with so little whisky in the country if a limitation is not

put on the price. I think such a limitation should be included in the bill.

Mr. CELLER. I do not think it would be fair to the medical profession to put into the bill something as unreasonable as the cost of a prescription. I do not believe the doctor charges for the prescription. The doctor charges for his services. The prescription is incidental.

Mr. WILLIAM E. HULL. Under this bill the doctor may charge what he pleases. There is so little whisky in the country that the result will be the price will run up to such an extent that the average person will not be able to buy it.

Mr. CELLER. If there is little whisky now, what is to prevent more whisky from being made or imported? I do not think it would be well to amend the bill as the gentleman suggests, because it has the approval of all the departments in question, of the American Medical Association, involving 160,000 physicians throughout the country. I think any change might imperil the passage of the bill. Let us trust the physician. We intrust him with our lives; we can trust him not to charge unduly for his services.

Mr. WILLIAM E. HULL. I shall not object to the bill.

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

Mr. CELLER. I yield.

Mr. GARBER. Section 2 limits the prescription to spiritous and vinous liquors. Why was not malt included?

Mr. CELLER. The gentleman may remember the celebrated case in which the Supreme Court handed down a decision—the Lambert case—that there was no therapeutic value in malt liquor. I do not agree with it. I should like to have had beer included along with vinous and spiritous liquors, but I bowed to the superior judgment of the Ameriman Medical Association. Its house of delegates wrote this bill without the inclusion of beer.

Mr. GARBER. The food value of malt liquor is superior to that of spiritous and vinous liquors.

Mr. MOORE of Ohio. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. MOORE of Ohio. Does the gentleman know whether this bill in its present form has been approved by either the Department of Justice or the Treasury Department?

Mr. CELLER. Yes, indeed. The bill in its present form was approved by both these departments.

Mr. MOORE of Ohio. Where is there indication to that effect?

Mr. CELLER. There is incorporated in the report a letter from Mr. Ballantine, and the amendments he mentions were incorporated in the bill.

Mr. MOORE of Ohio. Have there also been included in the bill all the rules and regulations recommended by Doctor Doran, the Commissioner of Industrial Alcohol?

Mr. CELLER. Yes, indeed. The changes spoken of by Mr. Ballantine in his letter, which will be found on page 5 of the report, involve and embrace the very changes Doctor Doran advised and of which he said that unless they were in the bill he would not support it. He said that with those changes in the bill he would support it. Those changes have been incorporated in the bill.

The present severe limitations on the quantities of liquor obtainable on prescription and the requirement of records disclosing the patient's ailment discourage many doctors from qualifying to prescribe, and makes it impossible in many instances for doctors who have thus qualified to prescribe sufficient quantities for their patients. Many doctors who have thus qualified nevertheless are loathe to involve themselves in the irritating intricacies of the prescription procedure. Thus patients are often driven to illicit channels for their supply of medicinal liquors. The record shows that only a very small amount of pure legitimate medicinal liquors are diverted to beverage use, while the amount of illicit liquor used for medicinal purposes is believed to be large.

All that this bill does is to permit the physician to treat the diseases of his patients and to promote their physical well-being according to the exercise of his best skill and scientifically trained judgment, subject to such regulations as are found by the administrative officers to be necessary to prevent diversion of medicinal liquors to beverage use.

Finally, this bill, therefore, has the following advantages:

First. It will aid in enforcement.

Second. It is in the interest of economy, as it involves a saving of $110,000 per annum in Government printing costs.

Third. It removes the irritations which now harass and cause resentment of an honorable profession.

Fourth. It will encourage the procuring of pure medicinal liquors by the sick from legitimate sources.

Fifth. It will not in any way adversely affect the enforcement of the prohibition on the beverage-liquor traffic.

Mr. BLANTON. Mr. Chairman, I ask recognition.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include the present law paralleled with the changes this bill makes, and certain other excerpts I shall refer to.

The CHAIRMAN (Mr. PALMISANO). Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. Mr. Chairman, this is a bill that will make saloons out of the drug stores of the country, and bartenders out of the druggists, and bootleggers out of the doctors. It is the worst measure we have had, worse than the repeal resolution, because the fathers and mothers in the States will stop it, and worse than the beer bill—even worse than that—because this bill legalizes the sale of whisky, by paying unscrupulous doctors $3 for every prescription. And some doctors would issue a thousand prescriptions a day.

The wets right now are running true to form. They have everything greased. This bill was introduced by a great wet leader from New York [Mr. CELLER]. The rule brought in here to make it in order was brought in by another great wet leader from New York [Mr. O'CONNOR], the coauthor of the beer bill. It is most fitting that wets should have the honor now of having to preside over these deliberations as our Chairman a former bartender, the gentleman from Maryland [Mr. PALMISANO]. He ought to have on a white apron to make the setting complete. And when you pass this bill you ought to put a white apron on every prescription doctor in the United States, for they will all be bartenders, selling whisky prescriptions promiscuously at $3 per pint.

The present law says that a doctor shall not prescribe more than 1 pint of whisky to a patient in 10 days. This bill takes off that limitation. Prescription doctors under this bill can prescribe as many pints of liquor per hour as he can find millionaires and other men with loose money and a terrible thirst to pay $3 a prescription for. This bill simply puts doctors and drug stores in the saloon business.

I have permission to parallel the present law side by side with how it will read when changed by this bill. Here it is:

PRESENT LAW	LAW AS CHANGED BY THIS BILL
Not more than a pint of spiritous liquor to be taken internally shall be prescribed for use by the same person within any period of 10 days, and no prescription shall be filled more than once.	No more liquor shall be prescribed to any person than is necessary to supply his medicinal needs, and no prescription shall be filled more than once.

Of course, Mr. Chairman, the doctors are in favor of this proposed change in the law, for many of them are prescription doctors, and the prescription doctors speak louder than the others. They are turned loose, and they determine "his medicinal needs," and their conscience is their guide, and some of them have not any conscience any more. Naturally the doctors agree that "no prescription shall be filled more than once," because they get $3 for each prescription. And this bill gives the doctors this further "deuces wild with ace in the hole" provision, which you will find on page 2 of this bill, which I quote:

> But no physician shall be called upon to file any statement of such ailment in the Department of Justice or the Department of the Treasury or in any other office of the Government, or to keep his records in such a way as to lead to the disclosure of any such ailment, except as he may be lawfully required (1) to make such disclosure in any court or in the course of a hearing under authority of section 9, Title II, of this act, or (2) to make such disclosure to any duly qualified person engaged in the execution or enforcement of this act or any act supplementary hereto.

Mr. Chairman, it is simply ridiculous to pass a bill with the above provisions in it. If there is one thing about the prohibition laws that has disgusted every decent citizen in the dry States, it is what they have personally witnessed respecting whisky prescriptions being issued by prescription doctors at $3 per, to drinking rounders who were never sick in their lives, except when they got too many prescriptions on one day from the saloon-drug stores. The thinking people at home are disgusted with it. And they are going to hold every Congressman responsible who votes for this bill, and thereby takes the bridle off of these prescription doctors and these prescription drug stores and allow them to run wild.

The provision in this bill about doctors putting a whisky stamp on each of their prescriptions is so amusing that it is downright funny. Why these prescription doctors will lick these stamps so fast they will not have time for anything else except to collect their $3 between each lick. Just take a close look at this stamp provision of the bill. It means nothing. Doctors will get these stamps by the thousands. They will lick them faster than they get them. And they will get $3 for each stamp, and will pay nothing for the stamps, and the Government will get nothing from the stamps. It is just a lot of useless words thrown together. Here it is, look at it:

The commissioner shall cause stamps to be printed, the design of which shall be prescribed by regulations in accordance with the provisions of this act, and he shall furnish the same free of cost to physicians holding permits to prescribe. Each such physician shall affix one of said stamps to each such prescription written by him and shall cancel same under regulations to be prescribed in accordance with the provisions of this act. No physician shall prescribe and no pharmacist shall fill any prescription for liquor unless such stamp is affixed thereto.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLANTON. Mr. Chairman, I yield to myself five minutes additional.

I see before me one of our distinguished colleagues who comes from the State that sent our extremely wet colleague, Mr. HORR, here from Washington, a splendid colleague who, as an expert, has practiced medicine for 30 years, and who has as many medical diplomas and who has served in as many hospitals as almost any other doctor in the country, our good friend, Doctor SUMMERS of Washington. He has trained in important hospitals in Chicago, New York, London, Berlin, and Vienna. I wonder if he would let me ask him a question. Do you mind, Doctor?

Mr. SUMMERS of Washington. I do not know whether I can answer it or not.

Mr. BLANTON. I would like to ask Doctor SUMMERS whether or not, after his long experience in hospitals, and after all of his experience as an old-line medical practitioner in this country, one of the old school, a regular doctor, he considers it absolutely necessary to prescribe whisky for anybody.

Mr. SUMMERS of Washington. The medical profession is divided about 50-50 as to the necessity for the use of alcoholic liquors in the treatment of their patients. Personally, I found that the patient was much more anxious to have the prescription, in the earlier days, than the doctor was to prescribe it [laughter], and so, about 25 years ago I quit prescribing it absolutely, and found that something else, aromatic spirits of ammonia or strychnine or something of that kind would serve just as well, or better.

Mr. BLANTON. Then our distinguished expert friend on medicine considers it unnecessary to prescribe whisky?

Mr. SUMMERS of Washington. Yes; it is unnecessary, in my judgment, in the treatment of disease.

Mr. BLANTON. I see another distinguished doctor in the House——

[Cries of SIROVICH!]

Mr. BLANTON. Just a minute. I can not call on any doctor who claims that he can improve on God Almighty's formula for milk. I am speaking of a distinguished physician from wet Pennsylvania, a man who has practiced medicine in the State of Pennsylvania for 20 years, our distinguished colleague from Beaver Falls, Doctor SWICK. I wonder if he would let me ask him a question.

Doctor, is whisky prescribed by good doctors to men afflicted with syphilis?

Mr. SWICK. Not to my knowledge.

Mr. BLANTON. Not to his knowledge! So what our friend from New York, Mr. CELLER, said about that falls flat to the ground and you see that there is nothing in his argument.

I want to say this, Mr. Chairman: I have lots of respect for some of the good bartenders, for some bartenders are good. There are lots of them who are honest. [Laughter.] There are lots of them who do not drink. Oh, they will sell the infamous stuff to other people and let them ruin their souls and go down to degradation and carry their families with them but they do not drink themselves. I know some of them who will pay their debts, I know some of them who are truthful, I know some of them whom you can depend upon; they have some respect for themselves and for their fellow man; but you show me a doctor who, in his office, when he knows it is not necessary, will take $3 from a man to give him a little old prescription for a pint of liquor just because he can get $3 from him and I say he is the most damnable and despicable piece of humanity that I know of.

Mr. SCHAFER. Will the gentleman yield?

Mr. BLANTON. Does the gentleman approve of that kind of a prescription doctor?

Mr. SCHAFER. No; and if the gentleman will support an amendment which I intend to offer, the doctor can only ring up $3 once in his till for a prescription.

Mr. BLANTON. Oh, our New York friends in this bill are fixing it so that every millionaire who carries a flask on his hip, whose money was inherited from forbears whose pastime was clipping coupons, can get all he wants from the doctors by paying them $3 for each prescription, and paying the drug stores $4 per pint, but the poor devil who works and needs all of his money to buy meat and bread for his wife and little children can not get it at all. This is a rich man's bill, to give liquor to the rich and keep it from the poor. I am for prohibition and against all liquor, but God knows I would sooner vote for a bill that would give the same rights and privileges to the poor that you hand over on a silver platter to the rich.

Are you going to support a measure like this? The poor laborer who works on the streets for $4 a day, can he pay a doctor $3 for a prescription? No. Can he pay $4 per pint at a drug store? No. I know doctors in my own State who, to my own knowledge, have written up a bunch of prescriptions, signed their names in blank, and have let them stay in the drug store and people have gone there and bought pint after pint of liquor without the doctor ever seeing them or knowing them; but the doctor got $3 for every prescription, and the drug store got $4 for every pint that was thus sold. It is simply demoralizing. Do you want to turn them loose and let them issue any number of prescriptions they want per day for $3 a prescription and then let the drug stores fill these prescriptions without limit and charge the people $4 a pint? If you do, you do not realize the true sentiment of the people back home and you do not stand for American equality of rights and privileges.

It is claimed that Doctor Doran and Colonel Woodcock and Attorney General Mitchell are all for this bill. If they are, what of it? None of them are real prohibitionists. They are merely administrators of the law as they find it. No real prohibitionist is in favor of letting doctors issue whisky prescriptions at $3 per and drug stores to sell it at $4 per pint without limit. If they are for this bill, they are wrong.

I am not in favor of this bill. This bill ought to be defeated just like we defeated the last bill. You ought to strike out the enacting clause of this bill and kill it. And we must have a record vote on it so the people may hold responsible those who vote for it.

Mr. Chairman, I reserve the balance of my time and yield five minutes to the gentleman from Arkansas [Mr. MILLER].

The CHAIRMAN (Mr. COLE of Maryland). The gentleman from Arkansas is recognized for five minutes.

Mr. MILLER. Mr. Chairman, I do not think I can be classed as a fanatic on the liquor question. I voted for the submission of the question of the repeal of the eighteenth amendment to the States, but here a different question is presented. There are many reasons why this bill should not be enacted into law, and I want to discuss briefly some of those reasons which, to my mind, demand the defeat of this bill.

Under the law as it now stands the amount of whisky that may be prescribed for medicinal purposes is limited by law. If this bill is enacted, that limitation is removed and destroyed entirely.

The next proposition is that under the present law any physician—and I have as much respect for the medical profession as any man; they are just as honorable as any profession in our land to-day; I am not opposed to the bill because of any prejudice against the medical profession—is limited to 100 prescriptions in 90 days. In this bill that limitation is destroyed.

The next proposition is that under the present law the quality of medicinal liquor is defined, and under this bill all limitations are destroyed and anything may be prescribed. In other words, any liquor that comes under the definition of spirituous and vinous liquors may be prescribed.

When you enact this law you are taking the bridle off entirely; you are destroying all limitations and putting it in the hands of unscrupulous men, if there be any, in the medical profession. I am willing to leave the question to you as to whether or not it would be abused. You are taking off the limit entirely and allowing liquor in unlimited quantities.

I want to call your attention to the report on page 7:

> The Attorney General and the Secretary of the Treasury shall jointly prescribe all regulations under this act and the national prohibition act relating to permits and prescriptions for liquor for medicinal purposes, and the quantities of spirituous and vinous liquor that may be prescribed for medicinal purposes, and the form of all applications, bonds, permits, records, and reports under such acts: *Provided*, That all regulations relating to the Bureau of Prohibition in the Department of Justice shall be made by the Attorney General.

The question is at this time, as long as the eighteenth amendment exists and is a part of our basic law, the Constitution, and the Volstead law remains on the statute books, are we going to delegate the enforcement of that law to any set of men in this country? Are we going to take the bridle off? Let us wait. We submitted the question to the people. Let us not break the law down; let us not create more disrespect for the laws of our country than now exists.

The question will be presented to the people. If that law is repealed there will be ample time to make regulations, ample time to make these changes.

I have not heard, and I doubt whether any man has ever heard, of any person dying from the want of liquor to be prescribed. But that is neither here nor there. The question I am particularly impressed with is that by the enactment of this bill you remove every safeguard that exists under the present law. [Applause.]

You are giving to every physician in this country the right to prescribe intoxicating liquor to any person who can pay for the prescription in any quantity and at any time. The physician is the sole judge. Is it fair and proper to place this unlimited power in the hands of all physicians? Are there not some who will abuse it? Is it not the entering wedge for the repudiation of the present laws and the Constitution? To say that not all physicians will abuse the right is no answer. The question is, Will we not be giving this power to some of that great class who will abuse the power? No one has to make any report to anyone. This bill simply in its last analysis gives the power to a class of men to nullify our Constitution and our statutes. I appeal to you in the name of law and order to not pass this bill. Let the people act on the question that has been submitted. If the people in the manner as pointed out by our law and Constitution repeal the eighteenth amendment, then the necessary changes can be made in the statutes; but this House should not do by indirection what it can not do directly, and that is what will be done if you pass this bill.

I can not understand how any man can support this bill as long as our Constitution and the Volstead law remains unchanged by the people. I hope you will not act without reason and that you will not be a party to the passage of this bill and thus lend your aid to the undermining of the Constitution and the nullification of the same. One provision of that great document should be as sacred as any other, and, as for me, I shall not lend my aid to any movement or bill that tends toward nullification by placing the power in the hands of any set of men, no matter how honorable they or their profession may be, to set aside the law and make the question of obtaining liquor one of conscience and judgment of the medical profession. [Applause.]

[Here the gavel fell.]

Mr. DYER. Mr. Chairman, I rise to make a request for recognition of some one on this side. Forty minutes' debate have been allotted. Already 25 minutes of the time has been consumed, 10 by the gentleman from Texas [Mr. BLANTON], 10 by the gentleman from New York [Mr. CELLER], and 5 by the gentleman from Arkansas [Mr. MILLER].

Mr. BLANTON. Mr. Chairman, that by the action of the House the time was divided, 20 minutes to the gentleman from New York and 20 minutes to myself.

The CHAIRMAN. The point of order is sustained.

Mr. DYER. I want to say in just half a minute that it is most unfair for one side of the House to consume all of the time.

Mr. CELLER. Mr. Chairman, I yield seven minutes to the gentleman from Missouri.

Mr. DYER. Mr. Chairman, I only want one or two minutes. Personally, I do not believe any further time is desired in general debate upon this bill, and, so far as I know, on this side we are ready to vote. I ask the gentleman to facilitate the vote. I yield back the remainder of my time.

Mr. CELLER. Mr. Chairman, I yield one minute to the gentleman from Maryland [Mr. GOLDSBOROUGH].

Mr. GOLDSBOROUGH. Mr. Chairman, I am opposed to this bill and shall vote against the bill, but on behalf of the Maryland delegation I rise to say that we resent the reflection upon the gentleman from Maryland [Mr. PALMISANO] made by the gentleman from Texas [Mr. BLANTON]. [Applause.] The gentleman from Maryland [Mr. PALMISANO] has risen over great obstacles to a place of distinction and great honor, and the Maryland delegation is proud that he is one of it. [Applause.]

Mr. BLANTON. Mr. Chairman, I yield myself half a minute. Personally I am a good friend of the gentleman from Maryland [Mr. PALMISANO]. He knows that in the reference I made there was nothing personal and that I would not in any way reflect upon his standing here. We fraternize together and work together, and we get along splendidly, even though I am a fundamental dry and he is a fundamental wet. He is not ashamed of having been a bartender, but frequently mentions it himself, hence there was no impropriety or violation of friendship for me to mention that fact. To show that I am a good sport I yield two minutes of my time to the distinguished gentleman from Maryland [Mr. PALMISANO] so that he may have the floor and speak in his own behalf.

Mr. PALMISANO. Mr. Chairman, I had asked to have two minutes from the gentleman from New York [Mr. CELLER] so that I might tell the Members of my position. Yes; I have been a bartender and I never have denied it. [Applause.] I command the respect of every man, woman, and child in my district; and I say to you that my district, while I am of Italian birth, is not Italian in make-up at all. There are more Germans, Irish, Poles, Armenians, and colored people in my district than there are Italians. It is due to the respect that they have for me that I am a Member of this House. I have never denied that I was a bartender, and I want to say to you, my friends, that that is one of the reasons I am against prohibition. When I was a

bartender I saw the evils and the good and I see the evils and the good to-day. Before prohibition I was threatenend with being killed because I would not sell a man a glass of beer who was under the influence of liquor. There was a young man 25 years of age in my family that was unable to obtain a glass of beer because of his youthful appearance. To-day young men, boys, and girls are different from what they used to be, and it is disgraceful to see them in the dance halls with bottles of liquor on their person. Young girls in the days before prohibition would not associate with a man who had a bottle of liquor. [Applause.] To-day unless you have a bottle of liquor they will not tolerate you. [Laughter and applause.]

Mr. CELLER. Mr. Chairman, I yield three minutes to the gentleman from Pennsylvania [Mr. BOLAND].

Mr. BOLAND. Mr. Chairman, I want to ask Mr. BLANTON's Exhibit B, my colleague from Pennsylvania, Doctor SWICK, if he ever knew of doctors prescribing liquor for miners' asthma?

Mr. SWICK. Yes; I have. They have done that.

Mr. BOLAND. There is no question about it. At least I have brought out that fact. The question that seemed to worry me more than anything else in regard to this bill is how they arrived at the conclusion that 1 pint of liquor every 10 days for a patient was the proper prescription, and by what evidence they limited it to 100 prescriptions in 90 days. I believe it must have been guesswork on the part of laymen to tell doctors what was necessary for a patient, and I believe the law was entirely wrong in trying to conduct the business of the medical profession. I have a statement here from Judge Kenyon, who was a member of the Wickersham commission, an ardent dry, and he says:

Some of the physicians who have appeared before us made no objection to the restrictions upon physicians in the way of liquors as medicines. They differ as to the necessity for such use, but the majority of them resent these restrictions as to the maximum amount of alcohol that may be permitted to a patient within a given period, placed upon them by laymen who have no knowledge of the needs thereof, as do they, as a reflection on the medical profession. Physicians should be permitted under reasonable regulations to prescribe whatever liquor in their judgment is necessary for a patient. If a physician can be trusted to prescribe dangerous drugs, he can be trusted to prescribe liquors as medicine.

Mr. SWICK. Will the gentleman yield?

Mr. BOLAND. My time has expired.

Mr. BLANTON. Mr. Chairman, I yield one-half minute to the gentleman from Pennsylvania [Mr. SWICK].

Mr. SWICK. I just wanted to ask the gentleman from Pennsylvania [Mr. BOLAND] about this report that he read, and suggest to him that the judge there mentions specifically "under reasonable regulations." Just what regulations are there under this particular bill?

Mr. BOLAND. The Attorney General and the Treasury Department.

Mr. BLANTON. Mr. Chairman, I yield two minutes to the gentleman from Maine [Mr. BEEDY].

Mr. BEEDY. Mr. Chairman, I rise principally for information. If there is to be any regulation it surely comes under section 8 of this bill. This bill, as a whole, if it passes and is signed by the President, becomes law at once, but the one regulatory section of it is not to become effective until January 1, 1934, within which time all the stamp provisions and the penalty for violation are in abeyance, and the door is wide open to wholesale abuses. Why was the bill left in such shape?

Mr. CELLER. The effective date of that particular provision was January 1, 1934, because they have supplies of prescription blanks now on hand, which would last until that date. That is, throughout the calendar year 1933, after which that type of prescription will be discarded and the doctor may use his own prescription with a stamp, which he must cancel, the stamp to be furnished by the Government.

Mr. BEEDY. And the present prescription requires a stamp?

Mr. CELLER. The present supply consists of prescriptions issued in triplicate. They are of bond paper of a certain weight and fineness, so as to prevent counterfeiting.

Mr. BEEDY. That form of prescription will not be effective under this law?

Mr. CELLER. That will be effective until the supply is exhausted, which will be January 1, 1935.

Mr. BLANTON. But there will not be any limitation on the number of prescriptions.

Mr. CELLER. Oh, yes; there will.

The CHAIRMAN. All time has expired. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That (a) the third sentence of section 7 of Title II of the national prohibition act, as amended, is amended to read as follows: "Subject to regulations, no more liquor shall be prescribed to any person than is necessary to supply his medicinal needs, and no prescription shall be filled more than once."

(b) Section 7 of Title II of such act, as amended, is further amended by inserting before the period at the end thereof a semicolon and the following: "but no physician shall be called upon to file any statement of such ailment in the Department of Justice or the Department of the Treasury or in any other office of the Government, or to keep his records in such a way as to lead to the disclosure of any such ailment, except as he may be lawfully required (1) to make such disclosure in any court or in the course of a hearing under authority of section 9, Title II, of this act, or (2) to make such disclosure to any duly qualified person engaged in the execution or enforcement of this act or any act supplementary hereto."

Mr. SCHAFER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SCHAFER: On page 1, line 7, after the word "needs," strike out the balance of line 7 and all of line 8.

Mr. SCHAFER. Mr. Chairman, it is a very strange situation in which we find ourselves, with reference to the disposition of the time allotted for general debate on this bill. The Republican gentleman from Missouri [Mr. DYER] takes about three minutes of time, out of order, to bitterly denounce the fact that the Republican Members of the House did not have time yielded to them, and at the same time indicating that he did not want any time, and precluded Members who had bona fide amendments from having an opportunity to discuss those amendments as promised by the distinguished Democrat who had the disposition of the time for those in favor of the bill.

Mr. DYER. Will the gentleman yield?

Mr. SCHAFER. I yield.

Mr. DYER. The gentleman, I am sure, does not want the impression to go that he requested any time of me. He said he had an amendment.

Mr. SCHAFER. No. I had requested time from the distinguished Democrat of this House, Mr. CELLER, who was the only Member who had time to allot under the general debate to those favoring the bill. However, the Republican gentleman from Missouri took up about two or three minutes of the time of this House, out of order, raising objections to the fact that Republicans were not yielded time, and in fact I, as a Republican, was promised time, and was precluded from getting that time by reason of the action of my Republican colleague, who obtained the time, which he used to state that he did not desire time. Now, so much for that.

Mr. DYER. If the gentleman will yield, he did not say anything like that to me.

Mr. SCHAFER. Oh, the gentleman is not the Mussolini of this House that he claims to be or intends to be under his procedure in disposing of the time for general debate. The gentleman from New York and not the gentleman from Missouri had charge of the time.

Now, Mr. Chairman, this is a bona fide amendment. My opposition to this bill in its present form is not that it goes too far, as indicated by the gentleman from Texas [Mr. BLANTON], but that it does not go far enough. For instance, if a poor man with a case of miner's asthma or chronic bronchitis, as was called to the attention of the House by the distinguished Member on the other side, has to obtain medicinal liquor to keep from going into the care of an undertaker, if he consumes 1 pint he must go to his physician and pay a tribute of three or four or five dollars for

a prescription for the second, and two or three or four dollars more for a prescription for the third pint, and so forth.

When we obtain a prescription from a physician for cough medicine to cure such ills as a cold, it is not necessary to obtain a new prescription and pay tribute to the physician each time the bottle of cough medicine has been consumed in order to get another. So I say this amendment is fair and is reasonable. If you want to take care of the poor, sick, common man who needs medicinal liquor and who does not have the funds to go back and pay toll to the doctor for a new prescription two or three or four or five times or more in order to keep from going into the hands of the undertaker, you should vote for this amendment. I ask that you Members think of the poor sick patients and vote for my amendment and give them some relief and not be in a position of giving the medical profession a great monopoly at the expense of the poor and unfortunate. The objection to my amendment, as apparently indicated by the distinguished Republican leader, the gentleman from Missouri, [Mr. DYER], to the contrary notwithstanding. [Applause.]

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The question was taken; and on a division (demanded by Mr. CELLER) there were—ayes 23, noes 66.

So the amendment was rejected.

Mr. SNELL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SNELL. I understood the Chairman to say that the amendment was adopted, and after the Chairman had made that announcement the gentleman from New York called for a division.

Mr. BANKHEAD. I may say the gentleman from New York did not rise to his feet when he asked for the division. I admit he should have risen to his feet.

Mr. SNELL. The Chair can not recognize a man sitting in his seat.

Mr. BANKHEAD. I understand, but the gentleman asked the Chair for a division.

Mr. SNELL. I did not understand him to ask for it until the Chairman had announced the outcome of the vote.

The CHAIRMAN. The Chair may state to the gentleman from New York that the gentleman from New York [Mr. CELLER] was seeking recognition at the time the Chair was making the announcement of the vote.

Mr. SNELL. I understood the gentleman to demand a division after the Chair had made the announcement.

The Clerk read as follows:

SEC. 3. Strike out the first paragraph of section 2 of the act entitled "An act supplemental to the national prohibition act, approved November 23, 1921," and insert in lieu thereof the following:

"SEC. 2. Only spiritous and vinous liquor may be prescribed for medicinal purposes. All prescriptions for any other liquor shall be void. But this provision shall not be construed to limit the sale of any article the manufacture of which is authorized under section 4, Title II, of the national prohibition act."

Mr. SCHAFER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SCHAFER: Page 3, line 14, after the work "spiritous," strike out the word "and" and insert a comma in lieu thereof, and after the word "vinous," in line 14, insert "and malt."

Mr. BANKHEAD. Mr. Chairman, I reserve a point of order against the amendment on the ground that it is not germane to the section.

Mr. SNELL. Will the gentleman reserve the point of order?

Mr. BANKHEAD. No. I make the point of order that we may get a decision.

Mr. SNELL. Mr. Chairman, will the gentleman again state his point of order?

Mr. BANKHEAD. The point of order is in line with a distinction that was very clearly drawn some time ago when another bill was before the House for consideration. The gentleman is undertaking, as I understand it, to incorporate with reference to provisions affecting spiritous liquors an entirely different type and kind of liquor, to wit, a malt liquor.

Mr. LAGUARDIA. The gentleman was in the chair at the time the so-called beer bill was before the House. I introduced an amendment extending it to vinous liquors, and the gentleman properly held that the bill was limited to one kind of liquor and that I could not amend it by adding another.

Mr. BANKHEAD. I am undertaking to be consistent.

Mr. LAGUARDIA. That is not what we have here.

Mr. SNELL. There are two kinds of liquor mentioned in this bill. The gentleman from New York seeks to add a third.

Mr. LAGUARDIA. In the bill at the present time are spiritous and vinous liquors.

Mr. BANKHEAD. Mr. Chairman, I withdraw the point of order.

Mr. SCHAFER. Mr. Chairman, I am certainly astounded to find the Democratic leader, the gentleman from Alabama [Mr. BANKHEAD] making a point of order against my amendment which would permit physicians to prescribe for medicinal purposes beer with an alcoholic content of about 4 per cent. Still the Democrats talk about bringing good beer back to the people! They do not even want a sick person to have a good glass of beer to aid in restoring his health.

The provision affected by this amendment permits physicians to prescribe intoxicating distilled liquors with an unlimited alcoholic content, and naturally fermented wine liquors with an alcoholic content up to 18 and 22 per cent. Yet this great Democratic leader, and the Democratic majority of the great committee reporting this bill want to deny a physician the right to prescribe a wholesome, beneficial, health-restoring glass of 4 per cent beer for medicinal purposes. A vast majority of the Members of this House have talked for beer. Now you have a chance to vote as you have talked.

It has been said that this amendment should not be incorporated because the Anti-Saloon League has not indicated that it should be. Rather strange that Members of the wet group of this House should look for the approval of the Anti-Saloon League before voting for this good amendment.

Oh, do not say it will be taken care of in the other body. Now is the time for all good Democrats to come to the aid of their party. [Laughter and applause.] Immediately, my dear friends, as promised in your platform, not a year or 2 years or 3 years or 5 years in the future, or perhaps when Noah may come back and build another ark.

I believe that my distinguished Republican colleague from that great city of St. Louis, of Anheuser-Busch fame, will rise up when the division and roll call is called for on this amendment and vote to permit physicians legally to prescribe a bottle or two or more of Anheuser-Busch 4 per cent beer to help restore the health of sick patients in St. Louis and other parts of the Nation.

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

Mr. SCHAFER. I yield.

Mr. DYER. If the gentleman will provide that it shall not come from Milwaukee but from St. Louis, it will be better.

Mr. SCHAFER. When this amendment becomes law I would suggest that the gentleman have his physician prescribe Milwaukee beer once in a while, for if he is sick he will find Milwaukee beer will hasten his recovery better than some others.

Mr. Speaker, if it is proper to permit a physician to prescribe intoxicating distilled liquors with an unlimited alcoholic content, if it is proper to permit physicians to prescribe naturally fermented wines with an alcoholic content of 18 to 22 per cent, certainly it is reasonable and proper to permit them to prescribe for sick patients a health-giving tonic, a body builder, a mind builder, a health restoring malt product with an alcoholic content of 4 per cent.

Mr. WILLIAM E. HULL. Mr. Chairman, will the gentleman yield?

Mr. SCHAFER. I yield.

Mr. WILLIAM E. HULL. Does not the gentleman think a prescription costing $3 is a pretty heavy charge for a 10-cent bottle of beer?

Mr. SCHAFER. My amendment does not limit the prescription to one bottle of beer any more than the bill as reported limits the prescription to a bottle of distilled spirits or wine.

If the gentleman's illness was not so severe the doctor might prescribe a few bottles. If it was more serious and extended over a period of times, the doctor might find it necessary to prescribe a case or several cases.

Of course, medical judgment, the condition of the patient, the nature of the illness, and so forth would control.

There is no justification for opposing this amendment. I do not see why every wet and every dry who supports the bill can not support this amendment. This bill is not sacred, as some of the so-called wets claim it is when opposing any amendment to it. If we could only obtain a roll call, under the parliamentary procedure, the amendment would be adopted by an overwhelming vote. There is not a wet or a dry that could go before the people and say it is O. K. for a physician to prescribe intoxicating distilled liquor of any alcoholic content or 18 per cent intoxicating wine, but that it is wrong to prescribe beer with an alcoholic content of 4 per cent for medicinal purposes.

[Here the gavel fell.]

Mr. CELLER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, were I to consult my own wishes in this matter, I would gladly vote for the amendment of the gentleman from Wisconsin, but, as I said a moment ago, this bill has been very carefully and skillfully drawn by the American Medical Association, the highest medical authority in this country, whose State associations are nationwide. I fear if we add malt liquors to this bill, we may incur the opposition of the American Medical Association, particularly of its house of delegates that has heartily subscribed to the bill and has worked faithfully and ardently for it. I feel it might imperil its passage if we loaded it down with this amendment. Furthermore, as I said a moment ago, there has been no protest filed on the part of the Anti-Saloon League to this bill, and adding malt liquor might incur such a protest.

Mr. STAFFORD. Will the gentleman yield?

Mr. CELLER. Yes.

Mr. STAFFORD. Is it not more generally accepted among the medical profession that malt liquor or beer has better medicinal qualities than alcoholic whisky?

Mr. CELLER. I agree with the gentleman that there is a goodly portion of the doctors who think so.

Mr. STAFFORD. Then, is not this a reasonable amendment, because all doctors agree that beer has a sedative effect in the treatment of the sick.

Mr. CELLER. There is no doubt about it so far as I am personally concerned. So far as my limited medical knowledge goes, I agree with the gentleman about the efficacy of this particular amendment. But I dare not trust myself. I am out of my depth on medical matters. I rather rely upon the recommendations of the American Medical Association. I ask that the amendment be not agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. SCHAFER].

The question was taken; and on a division (demanded by Mr. CELLER) there were—ayes 89, noes 58.

So the amendment was agreed to.

Mr. BLANTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: On page 3, line 19, after the word "act," insert the following proviso: "*Provided*, That physicians shall not charge a poor man for liquor prescriptions."

Mr. LAGUARDIA and Mr. CELLER rose.

Mr. LAGUARDIA. Mr. Chairman, I make the point of order that the amendment is not germane to the bill or to the section of the bill.

Mr. BLANTON. Mr. Chairman, I want to be heard on that. Surely the gentleman from New York is in favor of the poor man getting prescriptions for liquor the same as the rich man.

Mr. LAGUARDIA. The gentleman from Texas knows that that is not the question involved in his amendment.

Mr. BLANTON. I am in favor of giving the poor devils in the gentleman's district a chance. I know that the gentleman has a sympathetic heart for the poor man; and if he would allow my amendment to be passed, it would be possible for the poor man to get a prescription once in a while.

I am against this bill in its entirety, because it is opening wide the floodgates of liquor and making it possible for the idle rich, with more money than brains, to get all the liquor they want, simply by paying an unscrupulous doctor $3 each for a batch of prescriptions every day, and then paying the druggist $4 and $5 a pint for all they want. But the poor man, who is not able to pay the doctor $3 for his prescription, will not be able to get any liquor at all. Of course, he will be better off without it. But he should have equal rights with the rich, so far as Congress-made laws are concerned; and if my amendment is passed, he will be able to get his prescriptions without paying $3 each for them. I hope the point of order will be withdrawn.

The CHAIRMAN. The Chair sustains the point of order of the gentleman from New York.

Mr. MOORE of Ohio. Mr. Chairman, I move to strike out the last word.

I only want to take a moment of the time of the House. I can not let go unchallenged the statement of the gentleman from Maryland [Mr. PALMISANO] relating to the young people of this country.

If there is anything that I resent it is the unwarranted statement that is made time and again that all the young people of the country are drinking. I maintain they are still the cleanest and the brightest and the best young people that have ever come from the homes of this country, at any time, in any age. [Applause.]

But I want to call attention to this fact: Every system of control of the liquor traffic, whether it be by prohibition, State control, or control of the saloon, or whatever it be, is prohibition to the young people; and if they resent prohibition, they will resent the prohibition that will not let them buy in saloons. They will resent the prohibition that will not let them buy under State control, and I think it is about time that we should be fair in this matter, because every system is a system of prohibition to the young people. It is said they resent Federal prohibition. They could not buy in a saloon, they could not buy in a dispensary; and if they get liquor at all, they will have to get it from a bootlegger. It is about time we faced the truth. On behalf of the young people, I resent the unwarranted statements that most of our young people are drinking. Somebody ought to call attention to the fact that every method of control in civilized society is prohibition to minors. [Applause.]

Mr. PALMISANO. Mr. Chairman, I rise in opposition to the amendment. The gentleman from Ohio in his remarks implied that I referred to all the young people of the country. What I contended in my remarks was that before prohibition no young people could get a drink in a legalized saloon, but, of course, there may have been some exceptions. The trouble is the gentleman from Ohio is not acquainted with the conditions prior to prohibition.

Mr. MOORE of Ohio. Let me say to the gentleman that for four years I was prosecuting attorney, immediately before I came here 14 years ago, and I do know conditions before prohibition. There were violations of the liquor laws then, and, in my judgment, conditions in this respect were worse then than now.

Mr. PALMISANO. That was in the great State of Ohio, where the Anti-Saloon League came from. In Maryland we received a representative of the Anti-Saloon League who came from Ohio—the gentleman who is prosecuting the bankers on the other side for taking money from the Anti-Saloon League and making no proper return thereon. That is what we get from Ohio; and later on we received another

gentleman from Ohio who is now in the State of Maryland. That is the class of people that the gentleman from Ohio is talking about.

Mr. CELLER. Mr. Chairman, I move that all debate on this section and all amendments thereto now close.

The motion was agreed to.

The Clerk completed the reading of the bill.

Mr. SCHAFER. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 4, line 1, after the word "spiritous," insert a comma and the word "malt."

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

The CHAIRMAN. Under the rule the committee automatically rises.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. COLE of Maryland, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 14395, and had directed him to report the same back with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The SPEAKER. The question is on the amendments. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

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

Mr. BLANTON. Mr. Speaker, I demand the reading of the engrossed copy.

The SPEAKER. The engrossed copy is not here, and the vote will go until morning.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Craven, its principal clerk, announced that the Senate insists upon its amendments to the bill (H. R. 14458) entitled "An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1934, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SMOOT, Mr. KEYES, Mr. HALE, Mr. GLASS, and Mr. COPELAND to be the conferees on the part of the Senate.

The message also announced that the Senate had agreed to the amendment of the House to a bill of the Senate of the following title:

S. 466. An act for the relief of the Allegheny Forging Co.

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

H. J. Res. 583. Joint resolution to provide for a change of site of the Federal building to be constructed at Binghamton, N. Y.

POWERS OF THE COMPTROLLER OF THE CURRENCY RESPECTING NATIONAL BANKS

Mr. BANKHEAD, from the Committee on Rules, reported the following resolution for printing in the RECORD:

House Resolution 396 (Rept. 2132)

Resolved, That immediately upon the adoption of this resolution the House shall proceed to the consideration of Senate Joint Resolution 256, a joint resolution authorizing the Comptroller of the Currency to exercise with respect to national banking associations powers which State officials may have with respect to State banks, savings banks, and/or trust companies under State laws. That after general debate, which shall be confined to the joint resolution and shall continue not to exceed 40 minutes, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the previous question shall be considered as ordered on the joint resolution and the committee amendments thereto to final passage without intervening motion except one motion to recommit.

UNITED STATES-GEORGIA BICENTENNIAL COMMISSION

The SPEAKER laid before the House the following communication which was read:

IN THE SENATE OF THE UNITED STATES.

Ordered, That the House of Representatives be requested to return to the Senate, Senate Joint Resolution 223, entitled "Joint resolution establishing the United States-Georgia Bicentennial Commission, and for other purposes," with accompanying papers.

The SPEAKER. Without objection, the request is granted.

There was no objection.

LEASE OF POST-OFFICE GARAGE IN BOSTON, MASS.

Mr. HAINES. Mr. Speaker, I call up the conference report on the bill (S. 88) to authorize the Postmaster General to investigate the conditions of the lease of the post-office garage in Boston, Mass., and to readjust the terms thereof, and ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 88) 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 amendment numbered 1.

That the Senate recede from its disagreement to the amendments of the House numbered 2 and 4, and agree to the same.

Amendment numbered 3: That the Senate recede from its disagreement to the amendment of the House numbered 3, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by said amendment insert the following: "under the lease from March 23, 1931, but not in excess of "; and the House agree to the same.

HARRY L. HAINES,
LA FAYETTE L. PATTERSON,
FRANK H. FOSS,
Managers on the part of the House.

GEO. H. MOSES,
TASKER L. ODDIE,
KENNETH MCKELLAR,
Managers on the part of the Senate.

STATEMENT

A brief summary of the amendments inserted by the House in S. 88 "A bill to authorize the Postmaster General to investigate the conditions of the lease of the post-office garage in Boston, Mass., and to readjust the terms thereof," and the action taken thereon by the House and Senate conferees is as follows:

Amendment No. 1 changed the word "directed" to "authorized," so that the bill authorized the Postmaster General to readjust the rental and purchase options in the existing lease of the post-office garage in Boston, Mass. The House conferees receded from this amendment and the word "directed" has been replaced.

Amendment No. 2 merely inserted "the" before "purchase options," and the Senate conferees agreed to this amendment.

The Senate bill provided for an increase in annual rental of $7,500 from the date of the lease. Amendment No. 3 modified this provision by making it effective only from the date of the enactment of this act, and provided that the additional rental should not exceed $7,500 a year. The House and Senate conferees have amended this amendment by making the readjustment retroactive to March 23, 1931, which is two years after the date of the lease.

Amendment No. 4 limited the increase in the purchase options to not in excess of $75,000, the Senate bill having read "increasing the purchase options $75,000." This amendment was agreed to by the Senate conferees.

HARRY L. HAINES,
LA FAYETTE L. PATTERSON,
FRANK H. FOSS,
Managers on the part of the House.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

ORDER OF BUSINESS TO-MORROW

Mr. SNELL. Mr. Speaker, can the Speaker inform the House what the program will be to-morrow?

The SPEAKER. It is rather difficult. There are many conference reports that will come up and the Chair is going to recognize gentlemen to take up conference reports first.

Mr. SNELL. Does the Chair expect the deficiency bill to be taken up to-morrow?

The SPEAKER. It was reported out to-day, and it is expected that will be taken up to-morrow.

Mr. SNELL. It seems to me that the conference report as far as possible ought to be taken up earlier in the day when many Members are present, and that we should not wait until late in the evening.

The SPEAKER. It is the purpose of the Chair to take up conference reports to bring to a conclusion matters in difference between the House and the Senate. Three or four rules have been reported from the Committee on Rules. There are House bills on the Speaker's desk with Senate amendments, and it is the purpose of the Chair to recognize gentlemen who desire to concur in those Senate amendments.

Mr. SNELL. I am in entire accord with the position of the Speaker that the differences between the two Houses should be adjusted. I think we should be given notice of what bills they are, so that we may look them up.

Mr. BANKHEAD. Mr. Speaker, the Chair made reference to several rules. I think in the temporary absence of the majority leader the Chair will remember that it is quite probable that we will ask to call up, as one of the first things to-morrow, a rule respecting a bill from the Committee on Banking and Currency.

Mr. STAFFORD. Will that be brought up prior to the consideration of the deficiency appropriation bill?

Mr. BANKHEAD. The majority leader is not present at the moment and I could not say definitely, but I wanted the gentleman from New York to have reasonable notice of that. It is a matter in which the gentleman from Michigan is interested.

The SPEAKER. It seems to be an emergency matter.

Mr. SNELL. I think it is. The first thing to-morrow will be the vote on the medicinal liquor bill.

The SPEAKER. That is true.

SUSPENSIONS

Mr. CHINDBLOM. Mr. Speaker, a parliamentary inquiry. As I understand the rule, six days during which suspensions are in order before the end of a session will begin to-morrow.

The SPEAKER. The parliamentary clerk advises the Chair that to-morrow is the first of the six suspension days.

REDEMPTION OF FARM MORTGAGES

Mr. GLOVER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. GLOVER. Mr. Speaker, ladies and gentlemen of the House, we have been in this session of Congress now for nearly three months, and we have made very little progress toward relieving some of the problems that should have been dealt with in this Congress.

On June 16, 1932, I introduced a bill, H. R. 12674, to provide for the relief of farmers by making loans on lands now used for agricultural purposes, and for the purpose of redeeming lands on now existing mortgages, judgment liens, and tax mortgages.

The first section of that bill reads as follows:

> That for the purpose of aiding farmers in any State who own lands in fee, which are used for agricultural purposes, the Secretary of the Interior is authorized to loan out of the revolving fund hereinafter provided for to any farmer, making application for same, an amount sufficient to redeem the mortgage indebtedness against his lands together with any interest, taxes, or judgments that may be due against said lands, if said agricultural lands are on appraisement, as hereinafter provided for, found to be of a greater value than said mortgage indebtedness and any other liens, if any, against said lands.

We must have a loan sufficient to take care of the entire mortgage indebtedness of agricultural lands at a low rate of interest and for a long period of time. It is a matter of impossibility now for a farmer to redeem the mortgage on his land with the price of agricultural products as low as they now are. These mortgages were made in prosperous times when cotton was worth 20 cents per pound and other agricultural products about in equal proportion in price. Now they have declined in price at least 60 per cent, and it becomes a matter of impossibility for the farmer to support his family, pay his taxes, and attempt to redeem farm mortgages.

Section 2 of that bill provides as follows:

> Loans shall be made only to the owners of agricultural lands, when the Secretary of the Interior has satisfied himself by examination or by appraisal of the property, that it is of a greater value than the outstanding indebtedness against it.

This section provides that an appraisal of the property shall be made by the Secretary of the Interior and the appraisal must show that the land that is mortgaged is of greater value than the mortgage indebtedness against it. With this safety provision in the law the Government could not possibly lose anything on these loans. But on the other hand, would soon have an increased income tax.

As long as the farmer is depressed as he now is, and has no purchasing power, it practically stagnates every other class of business. You can not have railroads and public works continually going on and have the entire agricultural world bankrupt and continue to go on.

Section 3 of the bill provides as follows:

> The Secretary of the Interior shall make or cause to be made an appraisement of the lands of each person making application for a loan, and no loan may be made until the Secretary is satisfied that the land is of a greater value than the loan asked for and that said loan will be paid back at maturity.

This is a safety provision by the Government and will give the department accurate information of the value of farm lands on which a loan is asked. With this provision in the bill no abuses would arise from the lack of information as to the correct valuation.

Section 4 of this bill provides as follows:

> Loans shall be made for a period of not exceeding 10 years, to be determined by the Secretary of the Interior in each case, which shall bear interest at the rate of not exceeding 3 per cent per annum and payable annually and in 10 equal installments: *Provided, however,* that the borrower shall have the privilege of paying back all or any part of said loan after one year.

You will note this section provides for a rate of interest not exceeding 3 per cent per annum and that the indebtedness be divided into 10 equal payments. I would be very glad to see this rate of interest lower than 3 per cent, and under this bill it could be placed at 1½ per cent if the Government could finance it with that amount of interest.

You will note that this section further provides that the borrower shall have the privilege of paying back all or any part of said loan after one year.

Section 5 of the bill reads as follows:

> The Secretary of the Interior to secure said loans shall take a first mortgage on said property and pay off all indebtedness against said lands, and said first mortgage is hereby declared to be sufficient security and no other security shall be required.

Under this bill when the appraisal is made and the land found to be of greater value than the indebtedness against it, then the Interior Department would take up all the mortgage indebtedness, judgment liens, and foreclosures for taxes

and then amortize that throughout a period of 10 years, and the Government would take the first lien for its security on the lands. It is readily seen from this provision that as soon as a payment was made the Government's security becomes better each year. When the land was one-half paid out the Government would have double the security that it had in the beginning.

Section 6 of the bill reads as follows:

"Agricultural lands," as used in this act, is land actually or partly in cultivation, or lands that are best suited for agricultural purposes.

This section broadens the act from strictly agricultural lands to lands that are partly agricultural and partly growing timber and which are suited for agricultural purposes. For instance, a man might have 100 acres of land with 75 acres in cultivation, and 25 acres would be in timber. This would not prevent him from borrowing to cover the entire amount of indebtedness on the entire tract.

Section 7 of the bill simply provides that the Secretary of the Interior shall make all rules and regulations for carrying into effect the purposes of the act.

Section 8 of the bill is the most important part of the bill, as it provides a method of financing these loans, and that has always been the question that has prevailed up to this date, the refinancing of these mortgage loans.

Section 8 reads as follows:

The Secretary of the Treasury is hereby authorized and directed to issue United States notes to the extent required to make the loans herein authorized. Such notes shall be legal tender for both public and private debts and printed in the same size and the same denominations and of the same form as Treasury notes, omitting the reference to any Federal reserve bank. He shall place said notes in the Federal reserve banks, subject to the order of the Secretary of the Interior, to be used for the purposes of this act. He shall issue a like amount of bonds bearing 3 per cent interest, payable annually, with coupons attached, and such bonds shall be due and payable in 10 years from the date of issue, subject to the right of redemption after 5 years. These bonds shall be deposited in the Federal reserve banks as the agents of the United States, in approximate proportion to the current assets at the date of the passage of this act, and the Federal Reserve Board, by resolution in writing, may direct the sale to the public of such portion of said bonds as it may from time to time desire. Such currency received for such bonds shall be exchanged for the notes hereby authorized to be issued, and they shall be returned to the Secretary of the Treasury for cancellation.

The Constitution of the United States gives to Congress the power to coin money and to regulate the value thereof. Congress, under this grant of power given it by the Constitution, several years ago provided for the issuing of money through the Federal reserve system. That act provides that before money is coined and put into circulation there shall remain in the Treasury a 40 per cent gold reserve or eligible paper. Section 8 of this bill provides for the latter part of that act by using eligible paper.

No one can say that the paper of the Government placed in the reserve would not be eligible. Under this plan the bonds would not be sold, but would remain on deposit as eligible security for the issuing of money on the first mortgage retained on the land, and all the bonds deposited to carry out the issuing of this much money. The Government would not pay any interest on these bonds while they remained on deposit, and within a 10-year period of time they would be paid out entirely by the farmers and the Government would not lose one penny of money in the transaction.

The Government has helped everybody else in the way of big business except agriculture. The railroads, the banks, trust companies, building and loans, and every other corporate institution, but the farmer up to this date has had no permanent legislation for relief.

Section 9 of the bill simply repeals all laws or parts of laws in conflict with the provisions of this act.

In order to further carry out my idea of the relief that should be given agriculture, on February 18 I introduced a bill which is H. R. 14704, which provides for a moratorium of five years on all mortgages held by Federal land banks of the United States and interest thereon.

Some of the greatest distress that the farmer is now having to go through with is being pressed on mortgages held by the Federal farm loan banks. There is no necessity in the world for this, because if the money was paid in now it would be reloaned on lands, and if the mortgage lien is good, there is no reason why a foreclosure should be had.

This bill contains only three sections, but it hits the spot and would give immediate relief to that class of farmers who are now needing it so badly.

Section 1 of the bill reads as follows:

That from and after the passage of this act a moratorium of both principal and interest is hereby declared for a period of five years on all mortgages held by the Federal land banks of the United States on agricultural lands.

This period of time would enable them to pay the mortgage and interest off without a loss of agricultural land.

Section 2 of the bill provides that the payment of the principal or interest of the mortgage may be made during this moratorium at the option of the mortgagor, and section 3 simply repeals all laws in conflict with it.

Under the present tendency of foreclosure of mortgages by Federal land banks, by insurance companies, and by other large moneyed interest, our best farm lands will soon be in the hands of corporations, and we will have corporation farming with farmers renting land from them.

This system is tending toward the English landlord system, which was so detested in its day.

Let us be wise enough in the coming session of Congress, called by our new President, to enact this legislation and give our agricultural people a chance to live.

REORGANIZATION OF THE GOVERNMENT

Mr. WILLIAMSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. WILLIAMSON. Mr. Speaker, the reorganization of Government departments appears to be decidedly more alluring as a campaign slogan than as a practical means of reducing expenditures. As a vote-getter it is something to be conjured with, but as a stark reality it has all the terrors of Banquo's ghost. If any doubt was still entertained upon the subject by any of its votaries, they must have been effectively disillusioned by the action of the majority in the House of Representatives on January 19, last, when it turned down the entire Hoover program for grouping, coordinating, and consolidating executive and administrative agencies of the Government according to major purpose as set out in the President's message of December 9, 1932.

HOOVER PLAN KILLED

Ever since Herbert Hoover entered the Cabinet some 12 years ago, he has been an advocate of assembling and recasting Government functions according to "major purpose." His carefully matured plan, which had been gradually crystallizing for a decade, went by the boards without the courtesy of any real consideration by the Congress. No one claimed perfection for the President's plan, but that it had much of solid merit does not admit of doubt. His scheme of reorganization did not differ materially on principle from that indorsed by every committee, official and otherwise, that has studied the problem in the last 25 years, but a caucus had decreed its doom upon considerations quite apart from its merits or demerits.

REORGANIZATION IN RETROSPECT

Before proceeding to discuss the Executive orders with their far-reaching transformation of the existing set-up of the administrative and executive structure of the Government, it might be well to look at the problem in retrospect with a view to appraising more accurately the soundness and validity of the President's proposals.

That there has been need of a general overhauling and reorganization of the vast Government machine has been apparent for at least a quarter of a century. One bureau after another has been tacked on here or there from time to time with little regard to fitting it into its appropriate place. No rule or principle seems to have developed in Congress to guide it in this respect. As illustrative of this utter lack of

a fixed principle in the grouping of activities, the placing of the Public Health Service, the Supervising Architect—a great construction agency, and the Bureau of Prohibition Enforcement in the Treasury Department may be cited. Clearly, none of these have any relation to the Treasury, which was originally created as a purely fiscal agency. Other incongruities equally absurd from the standpoint of a practical business administration might be enumerated, but little is to be gained by mere recital.

An historical study of how some of the bureaus came to be placed as they are would be illuminating as showing how little heed has been paid to principles of sound organization from the standpoint of securing the most economical and effective administration. As things are, it takes an expert indeed to know to what source to go when in search of specific information or aid that some Government bureau is prepared to give.

Particular activities or functions have been shunted to departments in defiance of common sense because their sponsors disliked the head of the department into whose organization they would most logically fit; others have become stepchildren in unhappy surroundings because the department head was a pet of some Senator or Representative; and still others were just hung on or chucked in with no thought of scientific placement, or perchance because quarters could not readily be made available in the establishment where they naturally belonged.

Once placed they have for the most part remained, no matter how far removed they may be from the major purpose of the department in which they find themselves. With astonishing regularity and a persistence that would be worthy of the highest praise in a good cause, division chiefs and department heads fight like wildcats to retain what they have. This explains more than anything else the tremendous difficulty that attends every effort at reorganization. Then, too, the moment a change is suggested the personnel affected become alarmed and start a backfire that is too often decisive of the issue. Standpatism is the natural state of the group, and anything that is apt to disturb long-established routine or make necessary new alignments is resisted to the bitter end.

EXECUTIVE EFFORTS AT REORGANIZATION

Cleveland and Roosevelt made feints now and then at reorganization, but it remained for William Howard Taft to make a determined fight for reorganizing the Government structure with a view to putting it on a sound administrative basis. His messages to Congress are replete with suggestions and plans. He secured large appropriations from Congress and created a commission that went exhaustively into the subject, but in the end his really heroic effort came to naught because of the do-nothing policy, or perhaps, more correctly speaking, of the inertia of Congress.

Taft regarded the proper grouping of Government services as "a matter of fundamental importance."

It is only after a satisfactory solution of this problem—

Said he in his message to Congress on January 17, 1912—

that many important measures of reform become possible. Only by grouping services according to their character can substantial progress be made in eliminating duplication of work and plant and proper working relations be established between services engaged in similar activities. Until the head of a department is called upon to deal exclusively with matters falling in but one or very few distinct fields, effective supervision and control is impossible.

The exhaustive studies made under Taft became the heritage of the Wilson administration, only to be forgotten. On December 20, 1918, Congress passed a law giving the President very sweeping power:

To make such redistribution of functions among executive agencies as he may deem necessary, including any functions, duties, and powers hitherto by law conferred upon any executive department, commission, bureau, agency, office, or officer, in such manner as, in his judgment, shall seem best fitted to carry out the purpose of this act.

However, President Wilson was so engrossed with other matters of great public moment at the time that he had little energy left to devote to reorganization problems. Little was done under this law and it came to an end by its own terms "six months after the termination of the war."

But the matter would not rest. The Republican platform of 1920 declared—

We advocate a thorough investigation of the present organization of the Federal departments and bureaus, with a view to securing consolidation, a more businesslike distribution of functions, the elimination of duplication, delays, and overlapping of work, and the establishment of an up-to-date and efficient administrative organization.

Warren G. Harding made this plank a major issue of his campaign for the Presidency, and later caused to be set up the "Joint Committee on the Reorganization of the Administrative Branch of the Government." Walter F. Brown, now Postmaster General, served as the personal representative of the Chief Executive and acted as chairman. On February 23, 1923, the President transmitted to the committee an "outline of the reorganization plan recommended by the President and the Cabinet." The committee conducted exhaustive hearings, and on June 3, 1924, submitted an elaborate report to Congress embodying most of the recommendations of the President and the Cabinet. Bills were introduced in both the Senate and House to carry out the proposals of the joint committee. The plan had the active backing of the President, but in the end came to nothing. The majority of the Cabinet had joined reluctantly in the report submitted by the President and privately had no hesitancy in condemning certain of the most important recommendations which were vital to any worthwhile reorganization of the Government set-up.

In view of the experiences of his predecessors, Coolidge choose not to tackle the problem. He contented himself with shaving appropriations, cutting down personnel, and creating the maximum of efficiency in the bureaus as he found them.

CAMPAIGN PROMISES

In the presidential campaign of 1928 both Hoover and Smith stressed the necessity for a drastic reorganization of the administrative branch of the Government. Hoover won, and in his message to the Congress at its first regular session following his induction into office, in December, 1929, called attention to the fact that departmental reorganization had been under consideration for over 20 years, and stated that—

It was promised by both political parties in the recent campaign.

After reviewing past studies on reorganization, the necessity therefor if substantial economies were to be realized, and laying down broadly the principles to be followed, the President continued:

With this background of all previous experience I can see no hope for the development of a sound reorganization of the Government unless Congress be willing to delegate its authority over the problem (subject to defined principles) to the Executive, who should act upon approval of a joint committee of Congress or with the reservation of power of revision by Congress within some limited period adequate for consideration.

HOUSE CREATES NEW COMMITTEE

However, the House had set up on its own account, in December, 1927, the Committee on Expenditures in the Executive Departments and vested it with very broad powers to effect economy and retrenchment in Government expenditures. It had general jurisdiction of all consolidation and reorganization problems and was especially charged with the duty of abolishing "useless offices." Of this committee I had the honor of becoming the first chairman. Due to the importance of the work to be undertaken by this committee, special care was taken in the selection of its personnel.

During the first session in which it sat it reported and secured the passage of a number of bills which resulted in the elimination of some minor bureaus and the reorganization of others. Its most notably achievements were the transfer of the Bureau of Prohibition Enforcement from the Treasury Department to the Department of Justice, and the consolidation of the Pension Bureau, the National Home for Disabled Volunteer Soldiers and the Veterans' Bureau into the present Veterans' Administration. The first had for its primary purpose a more efficient and effective administration with only incidental economies. The latter has not only

brought about vastly improved service and more uniform treatment of the veterans of all wars, but has resulted in very substantial economies. After one year of operation, the new administrator reported economies running well past the $12,000,000 mark. Encouraged by the success of these reforms, its chairman undertook to put through a bill creating a public works administration and introduced another to consolidate the War and Navy Departments into a Department of Defense. While a concentrated and well-directed fire has killed all possibility of either measure becoming law in the near future, continued pressure and agitation by friends of these bills have brought the prospects of favorable action measurably nearer. Similar bills were introduced in this Congress by myself, the present chairman [Mr. COCHRAN], and the gentleman from Tennessee [Mr. BYRNS].

THE ECONOMY ACT

In the first session of the present Congress the House created the select economy committee of seven, of which I was also a member. A similar committee was organized in the Senate. While these committees failed to effect any major consolidations or eliminations of bureaus, they did succeed in passing the "economy act," which carried savings and reductions of $150,000,000. The insuperable difficulties attending the attempt to reorganize Government departments by the legislative branch led to the inclusion of the Vandenberg-Williamson reorganization of Government departments bill as Title IV of the economy act. By way of preamble this title declares it to be the policy of Congress—

> To group, coordinate, and consolidate executive and administrative agencies of the Government, as nearly as may be, according to major purposes; to reduce the number of such agencies by consolidating those having similar functions under one head; to eliminate overlapping and duplication of effort; and to segregate regulatory agencies and functions from those of an administrative or executive character.

POWER TO REORGANIZE DELEGATED TO THE PRESIDENT

The body of the act gives the President very sweeping powers to carry out the above policy by Executive order, but provides that any transfers, consolidations, or eliminations effected by the President shall not become effective for 60 calendar days during which Congress is in session. If within that time either branch passes a resolution disapproving of the Executive order or any part of it, such Executive order shall become null and void to the extent of such disapproval. It is of this latter provision that the President complains, but it is clear that without some such provision the President would be endowed with powers of so sweeping a character as to enable him to practically destroy activities which Congress might consider vital to the proper functioning of the Government. The veto of the President's action by one body without the concurrence of the other seems to me, however, to be unsound in principle and highly objectionable from the standpoint of failing to give reasonable effectiveness to the act. It is objectionable, too, in that it permits one body to undo what the Congress as a whole has sanctioned. One-half should not be permitted to become greater than the whole. I doubt that Congress can constitutionally delegate to one of its branches the power to undo what Congress as a body has authorized.

However, I do not share the views of those who believe the President should be given carte blanche authority to reorganize Government bureaus and departments without a veto power in the legislative branch, especially where this goes to the extent of permitting him by Executive order to eliminate activities that have been created by statute. To permit him to do so would be tantamount to authorizing him to repeal existing law. Congress can not, if it would, delegate to him functions which are clearly legislative in character any more than it can usurp duties which are essentially executive. The Federal Constitution forbids it, and such denial has been enforced repeatedly by the Supreme Court of the United States. In my judgment the powers now granted to the President are sufficient for all practical purposes and go as far as prudence will allow, although I think the law should be so amended as to require joint action of both the Senate and the House in order to set aside an Executive order issued in pursuance of the economy act. In my judgment Congress can reserve this authority to itself, and any action taken jointly will be effective without Executive approval.

It was under this act that President Herbert Hoover transmitted to the Congress his message of December 9 last. This message contained the most ambitious and far-reaching attempt ever made by an Executive in the history of this country to reorganize the executive departments, independent establishments, and commissions of the Government. Not only did it cause consternation in many of the Government bureaus, but it stirred up a hornet's nest among propaganda groups and certain Members of Congress. A flock of resolutions introduced by Members of Congress shortly appeared having for their purpose the disapproval of the whole or a part of the President's program. This simply illustrates the enormous difficulty of accomplishing anything worth while in the matter of reorganization. Everybody is for it, provided always his pet bureau is not interfered with. But let it be noted that the American taxpayer is getting heartily tired of the frills of government, to say nothing of the innumerable regulations that dog him from the cradle to the grave. He is not overlooking the fact that the per capita tax in this country has mounted from $23 in 1913 to $84 in 1930, which represents an increase of 355 per cent. He is demanding a return to sanity in public expenditures and means to have it.

PARTY PLATFORMS

It will be recalled that the Democratic platform of 1932 promises "a saving of not less than 25 per cent in the cost of the Federal Government." That promise was reiterated and reinforced by candidate Franklin Delano Roosevelt, now President elect, during the late campaign. I do not believe so large a saving is possible without drastic cuts in veterans' benefits. Certainly no such savings can be accomplished by reorganization of Government departments.

The Republican platform was equally emphatic, though less specific as to actual savings proposed. It declared:

> We urge prompt and drastic reduction of public expenditures and resistance to every appropriation not demonstrably necessary to the performance of the essentials of government.

It also pledged efficiency and economy and the reorganization of Government bureaus.

As a first step in carrying out these platform pledges President Hoover sent to the Congress at the opening of the present session a Budget carrying net reductions for the fiscal year 1934 of $580,000,000, as compared with the fiscal year 1933. While no accurate estimate of the savings that might be realized as a result of the President's proposed reorganization is possible, it is clear that if it had been carried out in good faith and efficiently administered the savings would have run into large figures annually.

REORGANIZATION MESSAGE AND EXECUTIVE ORDERS OF PRESIDENT HOOVER

We now come to a consideration of the reorganization message of the President. It might be well to note in passing that the criticism leveled at the President in some quarters because he did not launch his program earlier is not justified, due to the fact that Congress did not grant the authority until June 30, 1932, right at the close of the last session of Congress. In view of this, the President has acted with great dispatch and unquestionably in the utmost good faith.

No useful purpose can be served by attempting a complete analysis here. It is worthwhile, however, to take cognizance of a few of the more important groupings and consolidations which are illustrative of the whole.

DIVISION OF PUBLIC WORKS

Of first importance was the establishment by Executive order of a Division of Public Works in the Department of the Interior. The creation of such a division or department has long been advocated by the engineering and architectural professions of the country and has been recommended by every committee on reorganization in and out of Congress that has considered the subject. From time to time lengthy hearings have been held and detailed studies made that have gone into every phase of the subject here and abroad. At the present time construction work is being carried on by

10 or a dozen departments and independent establishments of the Government that spend hundreds of millions of dollars annually. Among the important nations of the earth we are practically the only country that has not centralized public construction, including the improvement of rivers and harbors, under one controlling head. England is an exception only in that rivers and harbors are under the jurisdiction of the board of trade. The manifest advantages that would flow from such centralized control must be apparent to anyone who has given the matter even casual study.

Such consolidation would have the very great merit of developing an expert corps of highly trained architects, engineers, designers, and draftsmen who would be available to every department of the Government. It would put an end to competitive construction by different departments and permit standardization of specifications for material and supplies and to some extent of designs and structural specifications, which are important items in economical purchasing and construction. It would make long-time planning possible and practicable so that work might be slowed up during periods of active demand for labor and speeded up in times of depression and unemployment. Unified control and direction would gradually develop an American structural design and architectural symmetry of the highest utility and beauty. Finally, it would enable Congress to visualize the construction projects as a whole when appropriations were asked, which in turn would result in a better balanced building program with respect to actual public needs. Now the head of a department carrying the greatest weight with Congress or who is the most skillful propagandist often gets more for his department than the situation warrants.

The President's set-up has one vital defect in that it does not bring in the construction work of the Veterans' Administration. The building program of this establishment is large and it would seem clear that if we are to have a division of public works the construction unit of this administration should be brought in.

REORGANIZATION OF DEPARTMENT OF COMMERCE

The proposed reorganization of the Department of Commerce was also outstanding and on the whole sound in principle. That some of the transfers and consolidations, if again attempted, will be bitterly challenged and resisted by the bureaus effected may be safely predicted from past experience. The acrimonious debate which developed between the Director of the Coast and Geodetic Survey and the Hydrographer of the Navy at the hearings of the Joint Committee on the Reorganization of the Administrative Branch of the Government in 1924 is classic, and yet to an outsider who has studied the problem it would seem fairly clear that the consolidation of the Hydrographic Office with the Coast and Geodetic Survey would be in the interest of both economy and better service.

Other consolidations having to do with our merchant marine were suggested that not only would have resulted in large economies but which would have added greatly to the convenience of shipping. The time-killing annoyances which are now incident to the numerous Government agencies having to do with the clearance of vessels would not be tolerated for a moment in private business.

As an illustration of what the captain of a ship is up against every time he enters port, the following may be cited. First he encounters the Public Health Service at quarantine, now in the Treasury Department; anchorage directions are secured from the Coast Guard (Treasury Department) but under regulations of the War Department; his boilers and life-saving devices are inspected by the Bureau of Navigation and Steamboat Inspection (Department of Commerce); another division of the same bureau helps sign off his crew; the Bureau of Immigration (Labor Department) inspects his immigrants; the Bureau of Customs (Treasury Department) registers entry of his ship; the Collector of Customs (Treasury Department) attends to the collection of customs on his cargo; the Bureau of Lighthouses or the Coast and Geodetic Survey (Commerce Department) must be contacted for any changes that may have been made in lighthouse and other signals; the Coast and Geodetic Survey (Department of Commerce) and Great Lakes Survey (War Department) for charts of domestic waters; and the Hydrographic Office (Navy Department) for charts of foreign waters. When he leaves port he must back through most of these bureaus before he can sail.

The proposed consolidation of the Great Lakes Survey and the Hydrographic Office with the Coast and Geodetic Survey and the grouping of the latter with the Naval Observatory, Bureau of Navigation and Steamboat Inspection, Supervisor of New York Harbor, and Bureau of Lighthouses in the merchant marine group under an assistant secretary in the Department of Commerce will go a long way toward putting an end to the delays and annoyances now experienced by incoming and outgoing vessels.

Into the merchant-marine group would also go the United States Shipping Board Merchant Fleet Corporation (independent) and the Inland Waterways Corporation (War Department). With the thorough reorganization of this group and the services now in or to be brought into the Department of Commerce under the industrial and trade group and the service group there should not only be large economies but greatly added efficiency and, what is still more important, vastly improved services to commerce, industry, and the public.

REGROUPING IN DEPARTMENT OF INTERIOR

Another transfer of profound significance sought to be carried out by the President was the removal of the Public Health Service from the Treasury Department, where it clearly does not belong, to the Department of the Interior, and the setting up in the latter department of a division of education, health, and recreation under an Assistant Secretary. This is a much-needed reform, but fraught with considerable political dynamite—so much, in fact, that Congress has never been willing to pass any of the numerous bills introduced from time to time dealing with the subject.

Since the President tackled it, it is difficult to see why he did not bring in the Children's Bureau, now in the Department of Labor. The work of this bureau is intimately connected with public health. By law it is required to investigate and report—

> upon all matters pertaining to the welfare of children and child life among all classes of our people, and shall especially investigate questions of infant mortality, the birth rate, orphanage, juvenile courts, desertion, dangerous occupations, accidents, and diseases of children * * *.

Not only is the work of the bureau in large part a duplication of the work done by the Public Health Service, but it is intimately connected with the Division of Vital Statistics (Commerce Department), which was to become a part of the new set-up. The gathering of vital statistics is done in close cooperation with State and local health authorities and has for its primary purpose the solution of health problems. The solution of health problems is also a primary purpose of the Children's Bureau. The Public Health Service is better qualified and equipped to solve these problems than any other Government agency, and perforce should supervise and control all Federal activities seeking to improve and protect the health of our people. It will be noted that the Children's Bureau deals with children of all classes, and not of the laboring class alone. It was not intended as a service for a particular group, but as a service for the whole people.

MERIT IN PRESIDENT'S PROGRAM

It is unfortunate that the President did not take into his confidence those Members of Congress who have long worked on the problem. Had this been done some mistakes could have been avoided and his program saved. But whatever defects there may be in the plan of reorganization of Government departments projected into the congressional arena by the President's message of December 9, they are trivial as compared with the very great merit of the plan as a whole. For the first time since our Government was established a President has undertaken a complete revamping of our whole administrative structure, with a view to making it operate upon a functional basis, with like activities assembled, coordinated, and consolidated under a single head. In place of discarding the whole, Congress should have con-

sidered his program by Executive orders upon their respective merits.

It is a singular fact that in a country that has taken an easy world leadership in business and industry so little of generalship should have developed in working out a smoothly running and efficient business administration in the executive branch of our Government. Doubtless this defect inheres in large measure in the character of our Government, with its checks and balances and division of authority. Under our Constitution Congress alone can determine the activities in which our Government shall engage. The Congress has left little discretion in the Executive as to where such activities should be placed and too often has attempted to set up the whole structure, thereby making it wooden and inelastic. If our Government is ever to function satisfactorily, more leeway must be given to the executive branch to work out practical details of organization and business administration. Unless this is done it is inevitable that there will be much of duplication, overlapping, and incongruous assembling of unrelated functions.

Much of the duplication and overlapping that exist is due to the tendency to self-expansion by Government departments and bureaus. Ambitious chiefs too often reach out for new power and expand agencies out of all proportion to their original intent and purpose. This results in encroaching upon fields already adequately covered by some other branch of the Federal service. The activities of the Government are so vast that this insidious invasion is not always detected by committees of Congress.

The regrouping proposed by the President would have gone a long way in putting an end to these abuses. Once like activities are properly assembled and coordinated or consolidated, it will be much easier for the Committee on Appropriations to guard against undue expansion and duplication by curtailing appropriations so as to confine agencies to their legitimate functions as established by law.

SUPPORT OF TAXPAYERS ESSENTIAL

Sleepless vigilance and continued restraint on the part of the taxpayers themselves, however, are the final brakes that must be applied to hold down expenditures within reasonable bounds. As long as militant and well-organized minority groups are allowed to foist their pet hobbies upon the public by their incessant pressure and propaganda, just so long will the Government continue to expand into new fields. The people must learn to protect their Representatives in Congress who refuse to be cajoled, driven, or frightened into supporting measures that have little relation to the proper functions of government or that cost more than they are worth in real service to the people. No one likes the prevailing depression, the falling of incomes, and the low commodity prices, but at least they have served to make the people tax conscious. Their insistent demand for reduced budgets and lower taxes is finding a response in every legislative body in the land. The reduction of the tax load will prove a powerful stimulant in the revival of business, reemployment, and higher commodity prices for the hard-pressed farmer. A less burdensome Government is one of the factors in the rehabilitation of our common country.

Mr. STAFFORD. Mr. Speaker, when a Member rises and says he asks unanimous consent to extend his remarks in the RECORD it is construed that they are his own remarks?

The SPEAKER. It is.

MAPLE SUGAR AND THE TARIFF

Mr. GIBSON. Mr. Speaker, I ask unanimous consent to insert some remarks of my own in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

There was no objection.

Mr. GIBSON. Mr. Speaker, Vermont is one of the principal maple sugar producing States of the country. The producers are farmers who depend on their sugar crop for a material portion of their annual incomes. Sugar making is a short-time activity covering the months of March and April, and is carried on when it is impossible to do regular farming work.

The principal competition comes from Canada, where sugar is produced at a cost much lower than is possible in this country. Importations from Canada have increased from about 2,000,000 pounds in 1923 to over 10,000,000 pounds annually at the present time. This competition has resulted in driving many farmers out of sugar producing. Less than 60 per cent of our maple trees are now in use and many splendid orchards have been sacrificed to lumber.

The tariff act of 1930 fixed a duty of 8 cents per pound on maple sugar and 5½ cents per pound on maple sirup. This rate offered a proper measure of protection. A considerable portion of our crop each year is used by tobacco manufacturers, especially by the American Tobacco Co. On July 25, 1930, a small New York corporation, backed by a big tobacco company, made application to the Tariff Commission before the rate fixed by Congress went into effect for a rate reduction, and the Tariff Commission, following an unworkable formula, recommended a reduction of the duty to 6 cents per pound on sugar and 4 cents per pound on sirup. This struck a hard blow at the farmers of the maple sugar producing States. It was a stab in the dark from an unseen but all-powerful foe.

The fact that the cost of producing a gallon of Vermont sirup is about $1.21 a gallon, while a gallon of sirup produced in Canada, with the tariff added, can sell in this country for 88 cents; the fact that last year there was a tremendous carry-over in the Vermont product estimated at 10,000,000 pounds; and the further fact that certain companies which usually purchased and marketed a greater portion of the crop did not buy in the usual quantities created a serious situation in the industry. The producers appealed to the State farm bureau federation to work out a solution and devise ways and means whereby some agency or cooperative could be organized to take the crop for 1932 and market it for the benefit of the farmers.

Five cardinal principles had to be taken into consideration in order to meet the problem:

First. Financing.

Second. Finding the right package or container.

Third. Getting the right product.

Fourth. Finding a market and opening an outlet for the merchandising of the product.

Fifth. Advertising.

The organization of the Vermont Maple Cooperative (Inc.) was effected and an arrangement was made for financing through local banks and the Federal Intermediate Credit Bank of Springfield, Mass.

Through conferences with merchandising men of New England the idea was developed of using a bottle container properly labeled to show that it was 100 per cent pure maple sap sirup from Vermont trees, the advertising thought being to inform the public that the consumer is getting pure sap sirup of the proper quality and density. This met with instant success.

Carrying out the plan, a market was developed so that now the pure product is on sale in over 3,000 stores in New England and 400 stores in New York City.

The venture has been so successful that it was possible during the first year to pay off the loan to the Federal intermediate-credit bank and materially reduce the loan in the local banks. Officials of the Federal intermediate bank have advised that the financial affairs of the association have been handled to their entire satisfaction and the business has been operated on a sound financial basis. The Vermont Maple Cooperative (Inc.) has taken its place in the agriculture of the State in that it stepped into the breach, took the crop, and is marketing it for the benefit of the farmers. The farm leaders who conceived and backed the plan are entitled to the thanks and the loyal support of all producers.

I call the attention of the farmers of other maple sugar producing States to this successful experiment of the Vermont farmers. A concerted effort, however, should be made to restore a rate of duty that will give protection to a farm product, help the small farmers, and relieve them from the danger of Canadian competition, which is increasing by rea-

son of the depreciated currency of Canada. These farmers represent a class that needs all the protection that Congress and its agencies can give.

Tobacco companies and other parties interested in lowering maple-sugar rates can take care of themselves. The farmers can not. Help to these farmers means help to the agricultural interests of over 20 States and to a crop value that ordinarily runs into millions of dollars.

PARCEL POST—WHAT IT IS AND HOW IT CAN SERVE YOU

Mr. MEAD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting an address I made over the radio during the Home and Farm Hour February 16.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MEAD. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

Our Committee on the Post Office and Post Roads, of the House of Representatives, has been making an extensive survey during the past year of all postal activities, and is now engaged in drafting recommendations to Congress which it is hoped will result in many improvements in the Postal Service, as well as a substantial decrease in the cost to the Government.

Of the 10 major departments of our Government, the Post Office Department comes in closest contact with every inhabitant of the Nation. The services of the postal organization reach every community, from the largest cities to the smallest villages, and, through the Rural Delivery Service, even to remote farm houses.

These postal services include the transmission and delivery of letters, newspapers, magazines, books, advertising matter, and merchandise; the money-order system, the postal savings bank, the registry and insurance services, and the collection-on-delivery service. The original purpose of the Postal Service was the carrying of letters and newspapers. The other services have been added from time to time.

To-day I shall speak to you about the Parcel Post Service, what it is, and how it can serve you.

The Parcel Post Service was established on January 1, 1913. More recent readjustments of rates and increases in weight limits have further popularized the service. The people of the country, particularly the business men and manufacturing concerns, have been prompt to take advantage of these expanding postal facilities. The number of parcels of fourth-class matter increased from 250,000,000 during the fiscal year 1912 to over 1,000,000,000 during the fiscal year 1923.

The number continued to increase during the years 1924 and 1925. In 1925 Congress took out of the fourth class those parcels not exceeding 8 ounces in weight, which had previously been included therein, and put them in the third class. Consequently there was a less number of parcels mailed as fourth-class matter in the following years, the number in 1930 being 837,308,320. This does not mean that during that year there was a less quantity of matter mailed, since matter of the character taken out of the fourth-class was mailed as matter of the third class. Owing to present economic conditions and other causes, the number of parcels of fourth-class matter mailed during the fiscal year 1931 decreased to 765,661,536, and during the year 1932 to 616,531,806.

Beginning in 1913 with a size limit to parcels of 72 inches combined length and girth, and a weight limit of 20 pounds, increases have been made in these limits as the service grew. Now parcels measuring as much as 100 inches, combined length and girth, and weighing up to 70 pounds, may be sent by parcel post to any point in the United States or its possessions, except part of the Philippine Islands, where transportation facilities are very limited.

Parcel Post Service extends to all of the 48,159 post offices in the United States and its possessions. Parcels are delivered and may be mailed on all of the 41,602 rural routes in the country. The parcel post reaches every community.

The methods of transportation used include airplanes, railways, motor vehicles, wagons, horseback riders, boats, and in Alaska sleds pulled by dogs. Parcel Post Service is also available practically to all foreign countries. More than 3,963,749 parcels were mailed to foreign countries during the fiscal year 1932.

Parcel-post rates are reasonable. Twenty-eight cents will carry 19 pounds 150 miles; 26 cents will carry a 2-pound parcel to the Philippine Islands, or half way around the world. A 70-pound parcel may be sent 150 miles for 84 cents. The schedule of rates on parcel post is based on the cost of handling only.

The methods used in the handling and transportation of parcel post are such that loss or damage seldom occurs. Insurance against such contingency is available for a small additional fee. The fees range from 5 cents on a $5 valuation to 35 cents for a parcel valued at $200. On a 10-pound parcel, valued at $5, for any distance up to 150 miles, the total charge for transportation and delivery, with insurance against loss or damage, is 23 cents.

The parcel post is a safe method of transportation. All parcels are carried in locked canvas bags, except a comparatively small number, the nature of which is such that individual handling is necessary. These bags, in addition to providing protection against depredation, protect the contents against damage in bad weather while being placed on or taken from cars at railway stations. All of the safeguards which protect the United States mails throughout the Postal Service extend to the parcel-post mails.

Convenient facilities for the mailing of parcels are provided in every community. In addition to the 48,159 post offices, there are 7,447 post-office stations located in the larger cities and towns. These stations are maintained for the convenience of patrons in transacting postal business, and most of them are located in the residential districts.

Carriers on rural-delivery routes accept parcels for mailing from their patrons. As an added inducement for the mailing of farm products the postage on parcels collected on rural routes, for local delivery, is 2 cents less per parcel than when mailed at a post office, and 3 cents less per parcel when for other than local delivery.

The use of parcel post provides farmers and residents of country districts a convenient, practical, and economical method of marketing seasonable and staple farm products. Many residents of cities have arranged with farmers to furnish them with eggs and other products at regular intervals by parcel post. In many instances the containers are returned when empty for reuse.

Standard, 30-dozen egg cases are mailable, and the postage on a full case, for delivery within 150 miles, averages less than 66 cents, making the transportation cost a trifle over 2 cents for a dozen eggs. Many storekeepers in the smaller towns, as well as farmers, ship eggs to commission houses in the cities by parcel post.

Delivery service is provided for parcel post in all cities and towns having carrier service, as well as on rural routes.

Due to the immense volume of parcel post and the distribution methods which are necessarily used, transportation and delivery of this class of mail can not be accomplished as quickly as of letters. When the utmost speed is essential, parcels should be sent special delivery or special handling.

The fees for special-delivery service, in addition to the regular postage, are 15 cents for parcels weighing 2 pounds or less, 25 cents for parcels over 2 pounds and up to 10 pounds, and 35 cents for parcels weighing over 10 pounds and up to 70 pounds.

Special-delivery parcels addressed to patrons on rural routes are delivered at the house of the addressee, instead of being left at his roadside mail box, if the house is within one-half mile of the road traveled by the carrier. Postmasters are instructed to notify, by telephone or otherwise, patrons who reside outside the special-delivery limits, of the arrival of special-delivery parcels, in order that they may be secured without delay. It is our intention to make this service just what its name implies—a real special-delivery service.

Special-handling parcels are handled in transit exactly the same as special-delivery parcels, but on arrival at destination they are delivered on the next regular carrier trip, instead of by special messenger. The fees for this service are, for parcels up to 2 pounds, 10 cents; over 2 pounds and up to 10 pounds, 15 cents; and over 10 pounds and up to 70 pounds, 20 cents, in addition to the regular postage.

Parcels may be sent C. O. D.—that is, the value of the parcel and the amount of postage prepaid by the sender, if desired, will be collected from the addressee on delivery, and the amount collected will be remitted promptly by postal money order to the sender of the parcel. The fees for this service range from 12 cents for a collection of $5 or less, to 45 cents for a collection of $200, and are in addition to the regular postage. The C. O. D. fee automatically insures the parcel against loss or damage. Articles can not be sent C. O. D. to persons who have not actually ordered them.

In conclusion: The Parcel Post is your service, operated without profit by your Government, for your benefit and convenience. Get acquainted with your postmaster, your mail carrier, or the clerk at the post-office window. You will find them ready and willing to extend the fullest cooperation in making your postal service satisfactory.

SENATE BILL AND JOINT RESOLUTION REFERRED

A bill and joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 5408. An act relating to the revolving fund established by the joint resolution of December 21, 1928, for the relief of Puerto Rico; and

S. J. Res. 183. Joint resolution to amend a joint resolution entitled "Joint resolution for the relief of Porto Rico, approved December 21, 1928," as amended by the second deficiency act, fiscal year 1929, approved March 4, 1929; to the Committee on Insular Affairs.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1044. An act authorizing the issuance to Cassie E. Howard of a patent for certain lands;

S. 2148. An act for the relief of Clarence R. Killion;

S. 2259. An act for the relief of Mathie Belsvig;

S. 4286. An act to authorize credit in the disbursing account of Donna M. Davis; and

S. 4287. An act for the relief of Harold W. Merrin.

BILL PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 7521. An act to provide a new Code of Civil Procedure for the Canal Zone and to repeal the existing Code of Civil Procedure.

ADJOURNMENT

Mr. O'CONNOR. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 2 minutes p. m.), in accordance with the order previously made, the House adjourned until to-morrow, Saturday, February 25, 1933, at 11 o'clock a. m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. ARENTZ: Committee on the Public Lands. H. R. 14646. A bill to extend the mining laws of the United States to the Death Valley National Monument in California, and for other purposes; with amendment (Rept. No. 2107). Referred to the Committee of the Whole House on the state of the Union.

Mr. BUCHANAN: Committee on Appropriations. H. R. 14769. A bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1933, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1933, and June 30, 1934, and for other purposes; without amendment (Rept. No. 2108). Referred to the Committee of the Whole House on the state of the Union.

Mr. VINSON of Kentucky: Committee on Ways and Means. H. R. 6017. A bill to amend section 24 of the trading with the enemy act, as amended; with amendment (Rept. No. 2109). Referred to the Committee of the Whole House on the state of the Union.

Mr. COLLIER: Committee on Ways and Means. H. R. 14579. A bill to provide for the free importation of certain articles exported temporarily for scientific or educational purposes; without amendment (Rept. No. 2110). Referred to the Committee of the Whole House on the state of the Union.

Mr. STEAGALL: Committee on Banking and Currency. Senate Joint Resolution 256. Joint resolution authorizing the Comptroller of the Currency to exercise with respect to national banking associations powers which State officials may have with respect to State banks, savings banks, and/or trust companies under State laws; with amendment (Rept. No. 2111). Referred the the House Calendar.

Mr. BANKHEAD: Committee on Rules. House Resolution 396. A resolution providing for the consideration of Senate Joint Resolution 256, a joint resolution authorizing the Comptroller of the Currency to exercise with respect to national banking associations powers which State officials may have with respect to State banks, savings banks, and/or trust companies under State laws; without amendment (Rept. No. 2132). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. PITTENGER: Committee on Claims. H. R. 14217. A bill for the relief of Ellis Duke, also known as Elias Duke; without amendment (Rept. No. 2112). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 2394. A bill for the relief of Wade Dean; without amendment (Rept. No. 2113). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 2496. A bill for the relief of Joseph Dumas; with amendment (Rept. No. 2114). Referred to the Committee of the Whole House.

Mr. BOEHNE: Committee on Claims. H. R. 5391. A bill for the relief of George L. Stone; without amendment (Rept. No. 2115). Referred to the Committee of the Whole House.

Mr. BOEHNE: Committee on Claims. H. R. 5392. A bill for the relief of James L. Barnett; without amendment (Rept. No. 2116). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 10778. A bill for the relief of Irvin Pendleton; with amendment (Rept. No. 2117). Referred to the Committee of the Whole House.

Mr. ELLZEY: Committee on Claims. H. R. 14151. A bill for the relief of I. T. McRee; with amendment (Rept. No. 2118). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 14313. A bill for the relief of Robert B. James; without amendment (Rept. No. 2119). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 14324. A bill for the relief of certain disbursing officers of the Army of the United States and for the settlement of an individual claim approved by the War Department; without amendment (Rept. No. 2120). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 14491. A bill for the relief of William E. Bosworth; with amendment (Rept. No. 2121). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 14625. A bill for the relief of Gale A. Lee; without amendment (Rept. No. 2122). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. S. 254. An act authorizing adjustment of the claim of the Chicago, North Shore & Milwaukee Railroad Co.; without amendment (Rept. No. 2123). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. S. 257. An act authorizing adjustment of the claim of the Baltimore branch of the Federal Reserve Bank of Richmond; without amendment (Rept. No. 2124). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. S. 2469. An act for the relief of Nellie E. Treuthart; without amendment (Rept. No. 2125). Referred to the Committee of the Whole House.

Mr. SCHAFER: Committee on Claims. S. 3972. An act for the relief of Alva D. McGuire, jr.; without amendment (Rept. No. 2126). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. S. 4782. An act authorizing adjustment of the claim of Arthur R. Saffran; without amendment (Rept. No. 2127). Referred to the Committee of the Whole House.

Mr. SCHAFER: Committee on Claims. S. 5203. An act for the relief of the Harvey Canal Ship Yard and Machine Shop; without amendment (Rept. 2128). Referred to the Committee of the Whole House.

Mr. SCHAFER: Committee on Claims. S. 5204. An act for the relief of the Texas Power & Light Co.; without amendment (Rept. No. 2129). Referred to the Committee of the Whole House.

Mr. MILLER: Committee on Claims. S. 5205. An act for the relief of the Great Falls Meat Co., of Great Falls, Mont.; without amendment (Rept. No. 2130). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. S. 5413. An act for the relief of the Booth Fisheries Co.; without amendment (Rept. No. 2131). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

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

By Mr. BUCHANAN: A bill (H. R. 14769) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1933, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1933, and June 30, 1934, and for other purposes; to the Committee of the Whole House.

By Mr. McLEOD: A bill (H. R. 14770) to amend sections 3 and 9 of the act of July 15, 1932, entitled "An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions, and for other purposes"; to the Committee on the District of Columbia.

By Mr. ERK: A bill (H. R. 14771) to provide for regulation and examination of national bank affiliates, and for other purposes; to the Committee on Banking and Currency.

By Mr. BANKHEAD: Resolution (H. Res. 396) providing for the consideration of Senate Joint Resolution 256, a joint resolution authorizing the Comptroller of the Currency to exercise with respect to national-banking associations powers which State officials may have with respect to State banks, savings banks, and/or trust companies under State laws; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. COCHRAN of Pennsylvania: A bill (H. R. 14772) granting a pension to Grace Amanda Black; to the Committee on Invalid Pensions.

By Mr. HOOPER: A bill (H. R. 14773) for the relief of Edwin L. Menzer; to the Committee on Military Affairs.

By Mr. HORR: A bill (H. R. 14774) for the relief of Berg Shipbuilding Co.; to the Committee on Claims.

By Mr. MEAD: A bill (H. R. 14775) for the relief of Henry C. Zeller and Edward G. Zeller with respect to the time within which suit may be brought against the United States for the recovery of any income tax paid to the United States for the fiscal year beginning October 1, 1916, and ending October 30, 1917, in excess of the amount of tax lawfully due for such period; to the Committee on Claims.

By Mr. SUMNERS of Texas: A bill (H. R. 14776) for the relief of J. H. Knott; to the Committee on Claims.

PETITIONS, ETC.

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

10655. By Mr. BACON: Petition of sundry people of Ronkonkoma, N. Y., urging revaluation of gold dollar and correction of abuses associated with present-day mass production; to the Committee on Banking and Currency.

10656. Also, petition of sundry people of Mastic, N. Y., urging revaluation of gold ounce and correction of abuses associated with present-day mass production; to the Committee on Banking and Currency.

10657. Also, petition of sundry citizens of Greenport and East Marion, N. Y., urging a constitutional amendment to eliminate the count of aliens for apportionment purposes; to the Committee on the Judiciary.

10658. By Mr. BIDDLE: Petition of members of Cloyd K. Davis Post, No. 150, Petersburg; Capt. James McKibbin Post, No. 561, McConnellsburg; Mansbarger-Brumbaugh Post, No. 288, Three Springs; and Horace Corbin Post, No. 518, Orbisonia, Pa., protesting against any changes in veterans' legislation as set out in the proposition of the Economy League and the United States Chamber of Commerce, and favoring immediate and full payment of adjusted-service certificates, as well as passage of the widows and orphans' pension bill; to the Committee on World War Veterans' Legislation.

10659. By Mr. BOEHNE: Petition of Mrs. George Meyer, rural route No. 5, box 459, Evansville, Ind., and others, for the enactment of a law establishing Federal motion-picture commission; to the Committee on Interstate and Foreign Commerce.

10660. Also, petition of Mrs. George Meyer, rural route No. 5, box 459, Evansville, Ind., and others, favoring prompt action on the ratification of the World Court protocols; to the Committee on Foreign Affairs.

10661. By Mr. BURDICK: Petition of Herman C. Richter, 125 Second Street, Newport, R. I., and 61 other citizens of the United States, urging that no repeal or modification of existing legislation beneficial to Spanish War veterans, their widows, or dependents be made; to the Committee on Pensions.

10662. Also, petition of Herman C. Richter and 52 others of Newport, R. I., urging that no repeal or modification of existing legislation beneficial to Spanish War veterans, their widows, or dependents be made; to the Committee on Pensions.

10663. Also, petition of Harry L. Albee and 70 others of Newport, R. I., urging that no repeal or modification of existing legislation beneficial to Spanish War veterans, their widows, or dependents be made; to the Committee on Pensions.

10664. Also, petition of John T. O'Neill and 47 others of Newport, R. I., urging that no repeal or modification of existing legislation beneficial to Spanish War veterans, their widows, or dependents be made; to the Committee on Pensions.

10665. Also, petition of Violet Ramos and 56 others of Newport, R. I., urging that no repeal or modification of existing legislation beneficial to Spanish War veterans, their widows, or dependents be made; to the Committee on Pensions.

10666. Also, petition of William Harris and 56 others of Newport, R. I., urging that no repeal or modification of existing legislation beneficial to Spanish War veterans, their widows, or dependents be made; to the Committee on Pensions.

10667. By Mr. CLARKE of New York: Petition of the Woman's Home Missionary Society, Sanitaria Springs, N. Y., requesting that a Federal motion-picture commission be established to regulate through public utility the motion-picture business as to selection and treatment of subject material and its various processes; to the Committee on Interstate and Foreign Commerce.

10668. By Mr. ESTEP: Memorial of the General Assembly of Pennsylvania in regular session on February 20, 1933, protesting against the cutting of appropriations for the support of the Army, Navy, and Marine Corps of the United States and of the National Guard of the several States; to the Committee on Naval Affairs.

10669. By Mr. GIBSON: Petition of D. C. Howard and 48 citizens of West Burke, Vt., opposing passage of House bill 13742, Collier beer bill; to the Committee on Ways and Means.

10670. By Mr. HOUSTON of Delaware: Resolution of the Milford (Del.) Woman's Christian Temperance Union; to the Committee on the Judiciary.

10671. Also, resolution of the Thatcher Woman's Christian Temperance Union, Wilmington, Del.; to the Committee on the Judiciary.

10672. Also, resolution of the Laurel (Del.) Woman's Christian Temperance Union; to the Committee on the Judiciary.

10673. By Mr. McCORMACK: Memorial of the General Court of Massachusetts, vigorously opposing any policies that involve the closing, in whole or in part, of the Boston Navy Yard, and protesting against any action by the Secretary of the Navy or the Congress of the United States which will affect as aforesaid the said navy yard; to the Committee on Naval Affairs.

10674. By Mr. PERSON: Petition of the Woman's Home Missionary Society, Stockbridge, Mich., advocating ratification of the World Court protocols; to the Committee on Foreign Affairs.

10675. Also, petition of the City Commission of the City of Pontiac, Mich., favoring the recognition of the memory of Brig. Gen. Thaddeus Kosciusko by the issuing of a special series of postage stamps; to the Committee on the Post Office and Post Roads.

10676. Also, petition of the Woman's Home Missionary Society, Stockbridge, Mich., advocating a law establishing a Federal motion-picture commission, etc.; to the Committee on Interstate and Foreign Commerce.

10677. Also, petition of 42 residents of Grand Ledge and Lansing, Mich., protesting against the repeal of the eighteenth amendment; to the Committee on the Judiciary.

10678. Also, petition of 97 residents of Detroit, Mich., protesting against House bill 13742, the beer bill; to the Committee on Ways and Means.

10679. By Mr. SINCLAIR: Petition of the Senate of the State of North Dakota, favoring the enactment of House bills 20 and 21 to raise and stabilize the commodity price level; to the Committee on Banking and Currency.

10680. By Mr. SUTPHIN: Petition of the Manufacturers Club of Bloomfield, N. J., urging the balancing of the Budget; to the Committee on Ways and Means.

10681. By Mr. WATSON: Petition of Mrs. B. Hartman, with 26 other signatures, residents of Bucks County, Pa., urging the elimination of aliens in making future apportionments for congressional districts; to the Committee on the Judiciary.

SENATE

SATURDAY, FEBRUARY 25, 1933

The Senate met at 11 o'clock a. m.

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

Eternal Father, in whose hands are life and death, by whose power we are sustained, by whose mercy we are spared, we thank Thee for the endless renewing of life in the divine ordering of this wondrous world, for Thou art never weary in releasing us from the bonds wherewith we have bound ourselves. Help us, therefore, to walk in this new day free from the bondage of fear, and as Thou hast committed unto us our work so would we commit our care unto Thee. Open our eyes that we may receive new light, our ears that we may hear the voice of Thy love, speak peace unto our hearts that we may gain the victory o'er the things that press us down and o'er the flesh that doth so often encumber us, that we may hope all things and endure all things as messengers of Thy healing mercy to this troubled and distracted world. We ask it in the name of Him who is our peace, Jesus Christ our Lord. Amen.

Mr. FESS. Mr. President, I ask unanimous consent for the approval of the Journal for the calendar days of Thursday and Friday, February 23 and 24, 1933.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

CALL OF THE ROLL

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

The VICE PRESIDENT. The clerk will call the roll.

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

Ashurst	Carey	Harrison	Moses
Austin	Clark	Hastings	Neely
Bailey	Coolidge	Hatfield	Norbeck
Bankhead	Copeland	Hayden	Norris
Barbour	Costigan	Hebert	Nye
Barkley	Couzens	Johnson	Oddie
Bingham	Dale	Kean	Patterson
Black	Dickinson	Kendrick	Pittman
Blaine	Dill	Keyes	Reed
Borah	Fess	King	Reynolds
Bratton	Fletcher	La Follette	Robinson, Ark.
Brookhart	Frazier	Lewis	Robinson, Ind.
Broussard	George	Logan	Russell
Bulkley	Glass	Long	Schuyler
Bulow	Glenn	McGill	Sheppard
Byrnes	Gore	McKellar	Shortridge
Capper	Grammer	McNary	Smith
Caraway	Hale	Metcalf	Smoot
Steiwer	Thomas, Okla.	Tydings	Watson
Stephens	Townsend	Vandenberg	Wheeler
Thomas, Idaho	Trammell	Walsh, Mass.	White

Mr. NORRIS. I wish to announce that my colleague [Mr. HOWELL] is absent from the Senate because of illness.

Mr. BLAINE. I wish to announce that the senior Senator from Minnesota [Mr. SHIPSTEAD] is unavoidably absent owing to illness.

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had passed a bill (H. R. 14395) relating to the prescribing of medicinal liquor, in which it requested the concurrence of the Senate.

The message also announced that the House had rejected, by striking out the enacting clause thereof, the bill (S. 417) to provide a government for American Samoa.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 14562) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1934, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 88) to authorize the Postmaster General to investigate the conditions of the lease of the post-office garage in Boston, Mass., and to readjust the terms thereof.

The message returned to the Senate, in compliance with its request, the joint resolution (S. J. Res. 223) establishing the United States Georgia Bicentennial Commission, and for other purposes, with the accompanying papers.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 1044. An act authorizing the issuance to Cassie E. Howard of a patent for certain lands;

S. 2148. An act for the relief of Clarence R. Killion;

S. 2259. An act for the relief of Mathie Belsvig;

S. 4286. An act to authorize credit in the disbursing account of Donna M. Davis; and

S. 4287. An act for the relief of Harold W. Merrin.

AMENDMENT OF BANKRUPTCY ACT

Mr. BLAINE. Mr. President, on page 4912 of the RECORD of Friday, February 24, in the first column, I find the following:

> The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin to the amendment of the committee.
>
> On a division, the amendment to the amendment was rejected.

Following that announcement, this statement appears:

> Mr. BLAINE. Mr. President, I send to the desk an amendment which I shall propose to the pending bill and ask that it be printed and lie upon the table.

I was not advised of the error in time to make the correction in the stenographic report of the proceedings yesterday. I want to correct the RECORD to the effect that while the Senator from Nebraska [Mr. NORRIS] had the floor he yielded to me to present the amendment which I sent to the desk and which I proposed or said I would propose as an amendment to the pending bill, and I asked that it be printed and lie upon the table. The Senator from Nebraska had the floor and yielded. I was immediately called from the Chamber and, evidently in the confusion that existed upon the floor and the general disorder, action upon the amendment which I had offered at an earlier date is shown to have taken place while I was present. I could not have been present at the time, because I was absent from the time I said I would propose an amendment, which I sent to the desk to be printed, through the kindness of the Senator from Nebraska in yielding to me for that purpose.