10716. By Mr. LAMNECK: Petition of Mrs. Clyde J. Wells, president, and Mrs. S. D. Bradner, secretary, Northern Junior Circle, the Child Conservation League, of Ohio, urging early hearings on motion-picture bills now before Congress; to the Committee on Interstate and Foreign Commerce.

10717. By Mr. MEAD: Petition of the Assembly of the State of New York, that the Congress of the United States be, and it hereby is, respectfully memorialized to appropriate annually to the use of the State of New York the sum of $2,500,000 for the maintenance and operating expenses of the New York State canal system; to the Committee on Interstate and Foreign Commerce.

10718. Also, petition of the Chamber of Commerce, Hamburg, N. Y., opposing the Wheeler-Crosser bills (S. 4174 and H. R. 11609) affecting railroads, express companies, and certain other common carriers; to the Committee on Interstate and Foreign Commerce.

SENATE

TUESDAY, APRIL 14, 1936

(Legislative day of Monday, Feb. 24, 1936)

IMPEACHMENT OF HALSTED L. RITTER

The Senate, sitting for the trial of the articles of impeachment against Halsted L. Ritter, judge of the United States District Court for the Southern District of Florida, met at 12 o'clock meridian.

The managers on the part of the House, Hon. HATTON W. SUMNERS, of Texas; Hon. RANDOLPH PERKINS, of New Jersey; and Hon. SAM HOBBS, of Alabama, accompanied by the clerk of the Committee on the Judiciary of the House of Representatives, Elmore Whitehurst, and by Thomas M. Mulherin, special agent, Federal Bureau of Investigation, Department of Justice, appeared in the seats provided for them.

The respondent, Halsted L. Ritter, with his counsel, Frank P. Walsh, Esq., and Carl T. Hoffman, Esq., and R. O. Cullen, Esq., of Miami, Fla., associated with Mr. Hoffman, appeared in the seats assigned them.

The VICE PRESIDENT. The Sergeant at Arms by proclamation will open the proceedings of the Senate sitting for the trial of the articles of impeachment.

The Sergeant at Arms made the usual proclamation.

On request of Mr. ASHURST, and by unanimous consent, the reading of the Journal of the proceedings of the Senate, sitting for the trial of the articles of impeachment, for Monday, April 13, 1936, was dispensed with, and the Journal was approved.

LIST OF ADDITIONAL WITNESSES SUBPENAED

The VICE PRESIDENT. The Chair lays before the Senate a communication from the Sergeant at Arms, which will be printed in the RECORD.

SENATE OF THE UNITED STATES,
OFFICE OF THE SERGEANT AT ARMS,
Washington, D. C., April 14, 1936.

Hon. JOHN N. GARNER,
Vice President, and President of the Senate,
Washington, D. C.

MY DEAR MR. VICE PRESIDENT: There are attached hereto a list of additional witnesses for the Government submitted to me by the managers on the part of the House of Representatives, and a list of additional witnesses for the respondent submitted to me by his counsel, all of said witnesses to be subpenaed for the trial of Halsted L. Ritter, United States district judge for the southern district of Florida.

There are also attached hereto original subpenas served on the witnesses desired by both parties, said subpenas being duly served as shown by my report on the back thereof, and return made according to law.

Respectfully,

CHESLEY W. JURNEY,
Sergeant at Arms.

ADDITIONAL LIST OF WITNESSES SUBPENAED FOR THE RESPONDENT

Mrs. Eleanor I. Balsley, 1535 Leland Avenue, Chicago, Ill.; Louis P. Eisner, 72 Wall Street, New York, N. Y.; James M. Owens, Jr., tax assessor, West Palm Beach, Fla.

ADDITIONAL LIST OF WITNESSES SUBPENAED FOR THE UNITED STATES

Carl Tegder, Orlando, Fla.

Mr. ROBINSON. 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:

Adams	Clark	Keyes	Radcliffe
Ashurst	Connally	King	Reynolds
Austin	Coolidge	La Follette	Robinson
Bachman	Copeland	Logan	Russell
Bailey	Couzens	Lonergan	Schwellenbach
Barbour	Davis	Long	Sheppard
Barkley	Donahey	McAdoo	Shipstead
Benson	Duffy	McGill	Smith
Bilbo	Fletcher	McKellar	Steiwer
Black	Frazier	McNary	Thomas, Okla.
Bone	George	Maloney	Thomas, Utah
Borah	Gerry	Metcalf	Townsend
Brown	Gibson	Minton	Truman
Bulkley	Glass	Moore	Tydings
Bulow	Guffey	Murphy	Vandenberg
Burke	Hale	Murray	Van Nuys
Byrd	Harrison	Norris	Wagner
Byrnes	Hastings	Nye	Walsh
Capper	Hatch	O'Mahoney	Wheeler
Caraway	Hayden	Overton	White
Carey	Holt	Pittman	
Chavez	Johnson	Pope	

Mr. ROBINSON. I announce that the Senator from Alabama [Mr. BANKHEAD], the Senator from Colorado [Mr. COSTIGAN], the Senator from Nevada [Mr. MCCARRAN], and the Senator from Florida [Mr. TRAMMELL] are absent because of illness, and that the junior Senator from Illinois [Mr. DIETERICH], the Senator from Oklahoma [Mr. GORE], the senior Senator from Illinois [Mr. LEWIS], and the Senator from West Virginia [Mr. NEELY] are unavoidably detained from the Senate.

Mr. AUSTIN. I announce that the Senator from Iowa [Mr. DICKINSON] is necessarily absent.

The PRESIDENT pro tempore. Eighty-six Senators having answered to their names, a quorum is present.

(At this point, as in legislative session, on request of Mr. ASHURST, the special order set for Wednesday, Apr. 15, was postponed to Wednesday, Apr. 29. Mr. ASHURST's request appears elsewhere in today's RECORD under the appropriate heading.)

(At this point, on request of Mr. ROBINSON and by unanimous consent, the Senate, sitting for the trial of the articles of impeachment, suspended its session in order that the Senate might receive a message from the President of the United States by Mr. Latta, one of his secretaries. The message having been received, and noted elsewhere in the RECORD of today's legislative proceedings, on motion of Mr. ROBINSON, the Senate resumed its session sitting for the trial of the articles of impeachment.)

The PRESIDENT pro tempore. Do the counsel for the respondent desire to proceed with the argument?

Mr. WALSH (of counsel). Yes, Mr. President.

ARGUMENT IN BEHALF OF RESPONDENT BY FRANK P. WALSH, ESQ. (CONT.)

Mr. WALSH (of counsel). May it please the Court, as I concluded the remarks I was making yesterday evening I was at the point of adverting to the circumstances surrounding the making of the final decree in the Whitehall case.

Before I do that, however, I wish to call attention to one fact, one circumstance I think is overwhelming in this record, which shows that the conduct of Judge Ritter—and I think I can rest the whole case on that point—was absolutely right and was so considered by everybody connected with the litigation, including everyone who had any objection to the procedure followed in that case. Remember this was a class case. It was brought for the benefit, not of one bondholder, but of all. Once it was started, no matter who objected, it could not be stopped. There was an intervener. I do not care how the intervener got in, if the judge saw him simply as an intervener, he was powerless to stop the suit, and on that proposition there is no countervailing evidence in this case.

There is a statute that fully protects each litigant, namely, title 28, section 25, of the Judicial Code, and I say that the remedy provided by the Congress of the United States in this matter is the most effective remedy that one can find in any court in the Union. It provides that if, in the judgment of any of the parties, the court is biased or prejudiced against or in favor of any party to the suit, that party has a right to file an affidavit.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

It does not require, as in an ordinary case, a supporting affidavit; it requires nothing else but the certificate of the lawyer that the action is in good faith; and, again, when that is filed, it does not require any hearing, but the act of the Congress of the United States is mandatory. It says that the judge shall go no further in that case; in other words, that he shall stop in his tracks, and that the senior judge of the circuit court of appeals for that circuit shall designate another judge to hear that case.

Now, I say Mr. Lautmann, an eminent lawyer, and all of the other lawyers who appeared, including Mr. Holland himself, of course, knew that, and if it was even suspected that there was anything wrong with this man, they had their remedy then and there.

But when we come to consider the matter after all of these years, such things as that are overlooked. I call your attention to it, and I have only to say that I would stand upon that alone for the basis of my belief, that his judgment was honest and fair, and that he was acting in a judicial capacity in everything he did.

The final decree was presented to the court, initialed by Mr. McPherson, of the firm of Shutts & Bowen. There was nothing in the final decree that was not concurred in by every party to the case, and it represented an agreed settlement on every point. So far as the fee itself is concerned, let me remind you that the managers have had no witness here to testify as to the reasonableness of the fee except Judge Davis.

He swore that, judging from the different allowances that had been made in such cases by State courts in Florida, he believed a reasonable fee would be $50,000 to the attorney for the plaintiff, to the attorney for the mover, to the attorney who carried the matter through to final decree. That is the lowest figure named by any witness before the court, and it exceeds the amount Rankin actually received.

I am not going to accept what my friend Mr. Manager HOBBS said, that these men gathered around like a crowd of vultures to loot the assets and revenues of Whitehall. I do not believe that about Shutts & Bowen. I do not believe it about the Loftin firm. I do not believe it about Lautmann, and God knows I cannot believe it about this honorable man who stood before you and withstood the fire of 62 questions from this floor and manfully and bravely told his story. I take his word alone, but we have in this record supporting evidence in every detail and upon every point.

These gentlemen all came into court and all agreed upon the decree. Mr. McPherson, of the Shutts firm, went to Chicago, and when he took up the matter in Chicago he said that after wiring back to his firm and getting data from them and finding out what had been paid in other cases, he urged $50,000 to $60,000 as a reasonable sum for his fee—because he filed an answer and other papers in the case leading up to the decree.

Who will say in the face of all the evidence and in the face of the law that Shutts & Bowen were vultures and that they had no right to go in there? When it came before the court it was a settled case so far as Judge Ritter was concerned. Judge Akerman said—and common sense would tell one so—that Judge Ritter saw before him the very flower of the Florida bar agreeing, writing their names down there in agreement.

This matter has been referred to as "lawyers splitting fees." That has an ugly connotation. It was no "splitting of fees." It was a division of fees among those who would have had a right to have a judgment separately and to have been heard separately. Mr. McPherson has told you it was the proper thing for the judge to order the whole fee paid to the mover in the case, to the attorney for the plaintiff, and that they should put in the record the division that was made so that for all time to come it would be known.

I am going to drop that matter so far as further argument this morning is concerned. In passing let me say that I am grateful to the Court for the courtesy and toleration which was extended to me in permitting me to suspend temporarily when I did last evening.

We now come to the real vital thing in the case; we come to all there was in the case when I went into it. Mr. Manager HOBBS said he comes into this hearing with a high sense of justice and duty. I give him full credit for doing that. He said that he is acting in this case as an officer of the United States Government and that he is representing 120,000,000 people whose great interest he has at heart. That gives me not only the opportunity, but the duty, to say why I am here.

You heard from the record that we went down to Florida to make an investigation of this case. I represent this respondent, but I represent him by free choice, a choice made after I went to Florida. I am an official of the Government, in a sense, and assuredly I am one of the 120,000,000 people spoken of by my learned friend. I have other duties to perform and I have other urges to go into this or not to go into it just as it pleases me. I am a member of the bar of this country. I am a member of the bar of the Supreme Court of the United States, and have been for more than a generation. I have practiced at the bar of the United States courts for 49 years.

I went into the case with the feeling that I not only represented the respondent in the investigation, but I represented the bar as well. I went in also with the feeling, in addition to that, that I was coming before a court of the most august character that is known to our law. I was coming before a court composed of lawyers to a very great extent. Therefore I went into the matter with great care.

I am prepared to stand here and say that the investigation was made and the results of the investigation, as testified to by one of the witnesses, were brought here under my direction. I asked that there be no random or scattered testimony as to what the real situation was when Judge Ritter retired from the private practice and went upon the bench.

What did Judge Ritter do? Did he sell his business? Did he have a business to sell, or did he sell his sacred honor? I say the result of that investigation, as I shall endeavor to present it to you now, shows that this man had something to sell, that it was his business which he was leaving, and that he comes before this body with his ermine unsullied and with his soul clean.

When this investigation began down there, Judge Ritter gave his account of it and gave it clearly. There has not been anything read from the record, where he was examined and cross-examined, which conflicts in the slightest manner with his statements of what took place there. The House managers began getting statements from witnesses who were put on the stand here. They began getting them from Rankin. What was the net result? He said he got in one account from a client that came into the office, $3,950 in cash; from other clients he collected $2,287. That is, amounts collected as attorney fees since the dissolution of the partnership, $3,950; collected fees by A. L. Rankin from cases pending when Judge Ritter retired and not reserved, $2,287.50; amount collected and pending additional fees, $6,750. So we have from him, gathered together, $12,987 that he collected since that time if he secured the balance of those fees.

Mr. Rankin was asked on the witness stand whether or not he made these statements at the time of the House committee hearings. When I asked the question whether or not he told the investigator for the Government that that was not all the fees but was all that he could remember at that time, Rankin could not recall the facts of his conversation. I had to call Mr. Mulherin, the investigator, as you will remember, to prove what Rankin said at that time. The fact is certified to by the investigator for the Government that it was true that Rankin was not able to remember it all.

So we ask, first, did Judge Ritter have a business there? If he did, is it reasonable to believe that he made a contract for the disposition of that business, valuable business, and that those payments were payments on that contract, or are we to believe without any testimony, on mere suspicion

and conjecture, that he was accepting a bribe; that he was taking money for the performance of his official duties? I say that under all the evidence and under all the facts, everything points to the truth of his sworn testimony upon the witness stand.

What did he have to sell? When Rankin was asked about it at the committee hearing in Florida—and you heard the opening statement made by the distinguished managers on the part of the House—he mentioned only a few cases and the impression was given, mistakenly, that their business did not amount to anything. For the first time since this matter was raised you saw where Judge Ritter and I brought from the files and presented here a record of the cases made by Rankin at the time the investigation was had down in Florida. You remember the list on yellow paper, 42 cases.

We went down there; and Judge Ritter himself, with Mr. Rankin, with an accountant, and with Mr. Salisbury, took those records, none of which are complete. You saw the dockets offered in evidence, thick dockets, containing the names of cases that went before and cases that came afterward. They analyzed them from comparison and from memory, and there were 54 cases turned over there. Judge Ritter says that, reasonably pursued and well handled, they would have produced about $20,000.

At this point Mr. Salisbury comes into the case. Mr. Salisbury was a natural witness. He was brought into the case because he went into that office at the very time of dissolution and made an honest attempt to take care of the business, just as the judge had done before he went out of that office. Mr. Salisbury went in there, and he tells you that every one of those cases was there. He tells you that at the beginning he worked on them nights as well as days. He says that in court he represented practically all of the parties in those cases. He says, furthermore, that he did a great deal of the correspondence, the looking up of law, and other matters. So we have it from him that those cases were there, that they were honest cases, that they were productive cases; and if you add together all the statements that have been made about them, checked and rechecked, you will come to the conclusion that those cases were not only worth as a matter of business $20,000, but that Rankin came very near getting that amount out of them. One of them, on a contingent fee, called for the payment of $3,000 if they lost—that is mentioned in the report, and it undoubtedly has been checked by the other side—$3,000 if they lost and $6,000 if they won. It was a contingent-fee case; and the case was finally won 2 or 3 months ago. If you gather together all of these items as they go along, you will find that the recollection and the testimony of the judge at the very beginning of the House investigation checks up with the facts.

I said when I started, and I repeat, that the only suspicious thing about the transaction in respect to the debt incurred in the purchase of the business was that the money was paid in cash. Rankin did that. When the contract was made it was made for a laudable purpose. The judge could not, during his entire tenure of office, until the last case was tried, reasonably be expected to keep track of the business of the firm. The judge had a good position; he was going on the bench. Rankin did not have half a dozen cases of his own in the office—only two or three cases. The cases were virtually all Judge Ritter's cases. Judge Ritter knew Rankin was a man advanced in years. Two years before he had begun life over again. He had not fared well. He had children going through college; and I am going to make that brief by saying that we have introduced into the RECORD a statement given to the investigators for the House managers which showed the expenditure of every dollar that was received by Mr. Rankin out of those fees, and it tells the story which has been told here briefly upon the witness stand. He was paying the mortgage on his home, paying notes upon which he was an endorser, recovering his insurance policies by the payment of his loans. The entire matter is set out there in the record.

Judge Ritter had that in mind, going on the bench, he was not pressing Rankin for payment, and many months elapsed. There is nothing surprising about it when you consider the careless sort of a man Rankin was and how slow he was in his payments. But it was not a matter that Judge Ritter thought he should press Rankin for; and Judge Ritter swears, and I believe him, that there was nothing in the whole transaction which indicated that the fee that was collected had anything to do with the partial payment. I say that if the fee was collected as the testimony shows, and paid upon the same day, it is an evidence of the innocence of the transaction.

If it was a subterranean thing, if it was something that was to be hidden and kept away from the public, if this respondent had sold himself for a miserable $5,000 or $2,500, would Rankin have walked in there as he did? The banks were in a bad condition. What did Rankin do? He went to the bank with the representative of Shutts & Bowen; and instead of paying them merely the amount he owed them out of the first fee, he paid them something like $2,500 over and above that. He had a large check. He was getting the money out of the bank. He went to the judge and made him a partial payment upon his debt. You can see the other debts he paid, and whether or not they were pressing, if you care to look at them. Rankin gave the money to the judge in cash. The judge asked Rankin why he did not give him a check, and Rankin said because if the bank cleared a check for the amount the bank people might talk about it; and at that time, no doubt, having in mind the payment of the fee on that very day, he concluded that he would not do it.

The judge took the money. Had he been a scoundrel, how many ways would there not have been of getting the money? If he had been selling himself, his honor, his judicial character, his opinions, and everything else he had sworn to hold sacred, do you believe he would have just taken the money and later put $2,000 of it in the bank, on the following Monday? He said he kept $500 out; and that everybody in Miami was doing it at that time. They had to keep something on hand. He said he put $500 in the strong box in his office, in his chambers, and there it remained, and the little accumulations that his wife had from her pin money went in that box; and finally, several months afterward, he put the money in the bank. To say that was not an honest transaction is not true; to say that means, of course, to disregard all the positive and direct evidence in the case.

The other payments came to be made, and they were made in three installments. Would you say that this man had sold himself to Rankin on the installment plan—$2,000, $2,500, $200, and $300?

Finally the whole amount of the debt is paid. I have here this little receipt, dated January 28, 1932, placed in the RECORD as evidence. And I desire now to call your attention, as reasoning persons, to the meaning of it. Judge Ritter said he told Rankin that he would give him a receipt. Rankin said it would not be necessary; the judge could give him a receipt when the whole amount was paid, when he paid the balance of the debt; so it was paid in installments, and on January 28, 1932, the judge gives Rankin a receipt for $300 in full payment of the debt. That is either true or it is a fabrication. That is either true or it is manufactured. This is an intelligent man. This is a man said to have every qualification; and he stands here and demonstrates his qualifications in going over the entire Whitehall case and every other charge against him.

Do you believe that if these men were fabricating something after this investigation commenced that there would not have been a receipt here covering this entire matter, covering the payment of the whole $5,000? If this defense were fabricated, when they heard of the investigation, they could have dated one little receipt back to cover all the payments made from 1929 to 1932.

If this defense were fabricated, would they not have had a receipt for the whole thing? Why, they could have had a detailed inventory of what was sold and a written contract covering the dissolution. I say that receipt stamps the transaction itself as being exactly what Judge Ritter says it was. He swears to it; Rankin swears to it; and we produce the very property that was sold. So, is it credible to believe that Judge Ritter was selling himself and his honor; or is it more

natural to believe, this showing being made of what those cases were, and all about them, that he was selling his business, just as he swore he was doing?

I say that testimony alone is credible. It comports with the ordinary affairs of life; and I say, when your powers of analysis come to be applied to the matter, the idea that Judge Ritter was taking a bribe or acting in a corrupt manner is absolutely incredible.

So much for that. Now, let us see what Mr. Salisbury says about it. Mr. Salisbury remained in that office for about 2 years or more. He saw the results. He knew the business. He was telling the truth when he testified here. That is the deduction I draw and will ever draw from his testimony. He naturally would know about this transaction. He had gone into the office and he had a percentage on the business that was to come in. The judge was his benefactor; Salisbury was the companion and the friend of the judge's own son. Salisbury came in there, and Rankin did not pay him from time to time as he earned the 15 percent; so Salisbury—he is a young man, only 10 years at the bar now—went to see Judge Ritter, the most natural thing in the world, and complained about Rankin. The judge told Salisbury that he believed in Rankin's honesty, but that he was very slow; and told Salisbury upon that occasion, "He has not yet paid me for the interest in the business which I sold him at the time of the dissolution."

Again, as time went on, Rankin did not pay Salisbury, and the young man said he was dunning Rankin for the money. He says he went to Rankin and tried to get Rankin to pay him, and that Rankin told him he could not pay him; he had paid the mortgage on his house, he had paid this, that, and the other, and he had paid the $5,000 to Judge Ritter, the consideration for which he purchased that business.

Mr. Salisbury was asked whether he was not a good friend of Judge Ritter. He was. He was the judge's appointee as special master. Gentlemen, that young man either told the truth or he falsified. There are no two ways about that. He testified in detail and he testified positively, and I stand before this honorable Court this morning and say that that young man cannot be accused of perjury. He bears the stamp of honesty upon his features and in his every characteristic. He has been at the bar 10 years, and in that time he has been selected by the people of two great, populous counties in the State of Florida to occupy the position of State's attorney.

I shall now touch a little on the minor matters. We will take the Mulford case. The judge wrote a letter to Mulford. He was enthusiastic. The case had been won. He received a report, and he saw the report from Judge Chillingworth that it was decided in all respects in his favor. He had conducted that case all the way through. Mr. Mulford was there. He looked to me as though he was an honest man, and he comes in and tells the whole story. He was satisfied with it. The case had been won and won by Judge Ritter's conduct of it in the State court. Originally the fee agreed upon was $4,000, but a new element came into it out of which they might have lost the entire property, and it was carried to success in the lower court.

Now I wish to answer, as I speed along, the insinuation, which was an unworthy one, that that fee and those expenses were not divided with Judge Ritter's partner, Mr. Rankin. There is no such evidence in this case. You heard the testimony here of Judge Chillingworth, and if there was any doubt—we have his report here—that when that was finally settled, the total fee, $8,000, was allowed by the court.

Of course, the $2,000 which Mr. Mulford paid would be reimbursed out of that fund; he would have that much less to pay. But the $2,000 that was still owed to Rankin was paid out of that. He collected it, and following that there was an appeal, and Rankin did every single thing in defending against that appeal.

Now let us consider the letter in this matter. I will say that it is pretty hard, when one has been in a case over a period of several years, to disconnect himself. He wrote that letter, but the testimony is—if you believe Mr. Mulford, if you believe Mr. Brodek, his attorney, if you believe Judge Ritter, and if you believe Rankin—that Judge Ritter did not do a thing further in the case.

I claim that all he is charged with in this respect is that he practiced law. Do you believe that it would be a proper finding against this man, who attended to an entire case, to hold that he should walk away and not confer with that man? It was not in his court, it was not in the Federal court, and he owed Mulford a duty, and he owed Mr. Brodek a duty.

They say he practiced law because there was a letter written saying that a compromise was offered. Is that practicing law? Did they not have a right to ask him, though sitting on that bench, whether he thought that was a proper settlement or not? But how did that turn out? Unless you believe that these men perjured themselves on the witness stand, it turned out this way, that when that was submitted by letter to the attorney he said that Rankin was unnecessarily alarmed, that he believed it would surely be decided in their favor in the court of appeals. Therefore, it was not necessary for Judge Ritter to pass on it; and Judge Ritter did not pass on it.

Unless you wish to say that a man who goes on the bench and has attended to the business of another man successfully for a long time could not advise with counsel and could not advise with his former client, then you have to acquit Judge Ritter of anything wrong in that respect.

Let us consider now the Francis matter. Francis was Judge Ritter's bosom friend. The gift he received from him, the present he received from him, was like one received from a brother. I say here and now that if you put a bad interpretation on such a matter, you will have to reject many things that have been done with equal innocence by other men upon the bench. One of the most upright and beloved men who ever sat on the Supreme Court of the United States received a bequest for life of $10,000 a year. It came from a great foundation which might be put under fire any day. It was national in its character, and he was an honest man. Of course, Judge Ritter accepted that gift; and had any case arisen in which Mr. Francis was interested, the judge would have stepped aside undoubtedly; but there was no possibility of such a contingency. Mr. Francis never had a case in the Federal court before or after that. The certificate of the clerk of the court is in evidence showing that neither Mr. Mulford nor Mr. Francis ever had a single piece of litigation before the Southern District Court of Florida in which Judge Ritter sits.

Now, as to the charge that in his relations with Mr. Francis, Judge Ritter was practicing law. The first letter written by Judge Ritter to Gedney said, "You will recall that in 1928 you promised to give Mr. Francis a chance to repurchase a certain lot that had gone through bankruptcy." He urged him to do so. The promise was there. This was his friend. Would you call that practicing law? They could not even get Gedney to say that Judge Ritter took any part in it. When he was asked the direct question, all he could say was: "He was there." The judge did want to see that carried out. He wanted to see it carried out in a friendly manner, and he was there for that purpose. Could you say that was practicing law and therefore that he should be found guilty on a specification such as that?

Here was a man who had been in the practice for many years, 30 years in Colorado, and 4 years, I believe, in Florida. Of all the business he had, of all the things he did that needed to be cleaned up and cleared up, there was the Francis case and there was the Mulford case. His whole life prior to that time was found to be clean, not subject to the slightest insinuation. From that time down to the present time, after a most rigid inquiry extending over 3 years, nothing could be found against his honor, nothing could be found against the way in which he carried on his judicial duties on the bench.

When this investigation is made, what do we find? Is this a judge who is arrogant? Is this a judge who is partial to one side or the other, an injunction judge, or an anti-injunction judge? Is this a man who has favorites, and who

gives certain cases to them improperly? I say he was not giving a case to any power or influence when he was giving it to the young man who appeared before you, Mr. Salisbury. Whatever recognition the judge gave him was accorded, I believe, for a purpose that would spring from an honest heart and a proper attitude toward a young lawyer at the bar.

His whole life was found to be clean up to the point covered by the charges related to events in 1929. Now they come here in the last minute with this "catch-all" article. If this man is acquitted of the charges that precede it, as I believe the facts developed show that he should be, as his innocence demands, I say it would be an outrageous thing to find him guilty under that seventh article. There is nothing in the seventh article except what grew out of some transactions in 1929, not one that is not clearly and cleanly explained.

I want to say that this ought to be taken into consideration. Whatever charge is brought here, whatever claim is brought here, you heard the judge testify in each of them. He was meticulously fair and candid about it. He could have given his opinion here to this honorable body that he had nothing to do with the very charge that brought him here—the one that has since been withdrawn.

Now I shall address myself to those here who know something about income taxes, because we have received very little light from the other side on this subject. Judge Ritter is charged with willfully evading the payment of income taxes, first, a tax for the year 1929. I have made a few notes about it. What do we find? No evidence was produced, not a particle of evidence, except what is developed from the examination of the judge himself. He himself furnishes to his accusers, or to his investigators, more properly speaking, the facts regarding his income tax for 1929.

He shows you in his testimony that he has accounted for every particle of income he received in 1929. He explains it. He reported the $2,000 check which he received from Brodek. The other check from Mulford, less expenses, was likewise reported. He had the list of the expenses here. Mr. Mulford also swore to it. Since he owed no tax, it was not necessary for him to report it at all. But he nevertheless did report the two-thousand-three-hundred-odd dollars, and showed he owned no tax after his personal exemption was allowed.

The member of the board of managers who addressed you yesterday said that, no matter how small it is, he should be convicted on it; that there was $168 in expenses which the judge could not now recall. I do not belittle it, you understand. If he willfully avoided paying a tax, if the evidence shows that he evaded paying the tax, the tax on the $168 would have been $6.25. I should imagine those expenses were such things as allowances are received for—gasoline taxes, amusement taxes, or something like that.

But it goes far beyond that now. This is a criminal charge. If it had been 10 times $168, he was still within his exemption. If, as I have stated, the amount had been 10 times as great, it still was less than $3,500, which is the personal exemption allowed by law, and he would not be guilty.

Gentlemen, all I can say to you is that if this case were being tried in an ordinary court a demurrer to the evidence would be sustained. The law is that those bringing these charges must prove the receipt of income; they must prove the amount that was paid out against that income; they must prove what his exemptions were; they must prove what his allowances were; they must prove a tax liability. Those matters would all have been looked into, and as we look into them in this case there is no tax liability. When Judge Ritter swears he did not defraud the Government of a dollar, when he says that the $6.25 tax was not due because his exemptions exceeded that sum, the court would direct a verdict in his favor.

In 1930 Judge Ritter had a loss which, added to his taxes and other expenditures, gave him a leeway of $4,600 over and above the income that he could be charged with having received. He testified to this, and you ought to believe that he testified to the truth, for a charge must be supported by something greater, I say, than the mere assertion of counsel, and nothing else has been introduced in this case in support of that charge. If Judge Ritter were found guilty upon that charge, which was filed in this Court on March 30, 1936—after he came here to defend himself against the other charges—that would be a monstrous thing. Those bringing the charge did not, nor could they, make proof that Judge Ritter owed his Government a cent of income taxes or that Judge Ritter did anything improper in the filing of his return. It ought to be the pleasure of this body to acquit him of the charges with respect to income taxes, because the law protects him, because he is innocent of any offense in that regard.

Take this whole case in its entirety, gentlemen. I have tried to argue it on the facts. I have drawn no conclusions which I did not honestly believe came from these facts. My argument is backed up by the belief that you must recognize and accept his innocence as he stood here, a brave and manly man, testifying in opposition to these charges which have been made against him. It will not do to say that he undermined the dignity or the honor of the court. He did nothing in his whole career in Florida, according to the witnesses, which would belittle that dignity or besmirch his honor.

There is another thing I wish to call to your attention. I know and you know that a judge ought to have a good reputation. In this case, however, where a charge is made against his integrity, where a charge of corruption is made against him, he put his reputation in that community in evidence before this body.

Judge Akerman swore voluntarily that he knew this man; he occupied the bench with him; he occupied the same chambers; he changed positions with him when other judges were called in. Judge Akerman testified that Judge Ritter's reputation has always been of the highest, and he holds that opinion still.

Let us take Francis P. Fleming, who stands at the very top of the Florida bar. Knowing this man, knowing him through his entire career, Mr. Fleming swore that Judge Ritter has every attribute of an honest and an upright judge; that he has courage; that he has devotion to duty; and that he has honesty—the greatest attribute of all.

Gentlemen, he is in your hands. You can send him forth from this place for the remaining days of his life to suffer a torture worse than any condemnation within the power of any other court. You can send him out to meet that wife who went out there to Colorado with him and later to Florida, as well as his children, with the brand of shame upon his forehead. The authority to do that thing is in your hands. But I say to you, members of this great Court, that if you do that, in the face of the overwhelming proof of the evidence, you will be sending out of this courtroom the most gravely wronged and completely innocent man who ever had to face trial in a court of justice.

I am profoundly grateful for the consideration which Judge Ritter and all of us have received at the hands of this Court and for the genuine assistance which was given to us by the questions which were propounded individually by the Members of the Court.

The PRESIDENT pro tempore. The managers on the part of the House will make the closing argument.

CLOSING ARGUMENT OF MR. MANAGER SUMNERS ON BEHALF OF THE MANAGERS ON THE PART OF THE HOUSE

Mr. Manager SUMNERS. Mr. President and members of the Court, first I wish to express the great appreciation of the managers on the part of the House for the courtesy and indulgence of the Court during the trial of this matter.

We come now to the consideration of as important a matter as can be dealt with by Members of the Senate who now occupy these places of responsibility as members of a high Court of Impeachment. There is not in the constitutional structure of this country any guardianship of the purity and fitness of the Federal judiciary except that which rests with this august body in the last instance.

With regard to ourselves, with regard to the President, the people have reserved the power of direct control. They have paid to the persons constituting this Court the high compliment of trusting to you the power and giving to you the

responsibility of preserving in this country a judiciary which can command the respect and confidence of the American people.

We do not assume the responsibility, Members of this distinguished Court, of proving that the respondent in this case is guilty of a crime as that term is known to criminal jurisprudence. We do assume the responsibility of bringing before you a case, proven facts, the reasonable and probable consequences of which are to cause the people to doubt the integrity of the respondent presiding as a judge among a free people.

We take the position, first, that justice must be done to the respondent. The respondent must be protected against those who would make him afraid. But we take the position also that when a judge on the bench, by his own conduct, does that which makes an ordinary person doubt his integrity, doubt whether his court is a fair place to go, doubt whether he, that ordinary person, will get a square deal there; doubt whether the judge will be influenced by something other than the sworn testimony, that judge must go.

This august body writes the code of judicial ethics. This Court fixes the standard of permissible judicial conduct. It will not be, it cannot be, that someone on the street corner will destroy the confidence of the American people in the courts of this country. That cannot happen if the courts are kept clean. If confidence in the courts of this country is destroyed it is going to be destroyed from within by the judges themselves. I declare to you, standing in my place of responsibility, that that is one thing which neither the House nor the Senate can permit to be tampered with or which they can be easy about.

We are sorry to go into a case like this. It is not a pleasant matter to stand here and ask that an incumbent of the Federal bench be separated from his responsibilities. The Government has been very good to this respondent and to all judges. The United States gives this respondent a position for life, subject to but one condition. He does not have to undertake any campaign. When he grows old he continues to draw his salary. What does the Government ask? It imposes just one condition, and that is that the judge shall behave himself, that his conduct shall be good. Is that too much to ask? Destroy the confidence of the people in those who occupy judicial positions and you destroy the confidence of the people in the courts. That is not something to be dealt with lightly, and no man on the bench has any right by doing questionable things to put in peril the confidence of the people in the courts. That is a high crime.

He takes "the veil"; he cuts himself loose. That is the plan of the Constitution; it is the plan and the philosophy of any government of a free people. He does not have to bother about his income. His office, his place of business, his help, everything the people pay for. He is not appointed to reign over a free people. He is appointed to serve the people, and they say to him, "If you behave, if you will only be good, we will make a contract with you for life, and we will fix that contract in the Constitution." Under such circumstances he does not have any right to be flirting on the outside with anything that will bring into question the integrity of his judicial conduct.

Now, let us look at this case. I do not know anything about what happened in Colorado, but when we see this respondent in this record he is down there in Florida as the secretary of a real-estate concern. After that he forms a copartnership with Mr. Rankin. Two years and three months after that time he occupies a position on the Federal bench, and when the Government put him there, when the people put him there, they said to him, "All we ask of you is to behave yourself." Good behavior! What does that mean? It means obey the law, keep yourself free from questionable conduct, free from embarrassing entanglements, free from acts which justify suspicion; hold in clean hands the scales of justice. That means that he shall not take chances that would tend to cause the people to question the integrity of the court, because where doubt enters confidence departs. Is not that sound? When a judge on the bench, by his own conduct, arouses a substantial doubt as to his judicial integrity he commits the highest crime that a judge can commit under the Constitution. It is not essential to prove guilt. There is nothing in the Constitution and nothing in the philosophy of a free government that holds that a man shall continue to occupy office until it can be established beyond a reasonable doubt that he is not fit for the office. It is the other way. When there is resulting from the judge's conduct a reasonable doubt as to his integrity he has no right to stay longer. He has forfeited his right. It is the high duty of this Court to write the judgment and make effective the terms of that contract.

Let us look a little further. Judge Ritter goes on the bench. The Whitehall case comes on. We look across and see Mr. Rankin, the judge's former partner. Senators saw him on the witness stand. This respondent did not have to take Mr. Rankin as his partner, but he selected him, and he swore on the witness stand: "We expected to spend the rest of our lives practicing law there." But—mark this, Members of the Court—when the respondent was recommending Mr. Rankin for another place on the Federal bench, vacant in Alabama, he said: "We continued with the understanding that Judge Rankin might at any time go back to Alabama." Now you begin to get a picture of the respondent who swore on the witness stand, in the presence of this honorable Court, that when he and Rankin formed the copartnership they expected it to last for life, but in his letters to the Attorney General, written by him, a judge on the bench, with the prestige of his position, to a copartner in governmental responsibility, who had a right to depend upon every word that came from the judge; he said:

> I understand the real difficulty in considering his appointment is the fact that he took up his residence in Florida and abandoned his Alabama residence, but I know that he never fully did that and always considered himself a resident of Alabama and voted there.

We, however, produced the witness, Rankin, himself, who testified that since 1926 he has been registered as a voter in the State of Florida. Do you think the judge, having been a partner of the man, did not know that? Birds of the same feather, they say, are disposed to flock together. Rankin's residence was in question. The respondent, when this little library matter was in issue, swore that a lifetime partnership was in contemplation between him and Rankin. That would help out in his claim to a half interest in Rankin's books. When Rankin is trying to get into the judgeship business in Alabama the respondent writes the Attorney General:

> We continued with the understanding that Judge Rankin might at any time go back to Alabama.

If that statement is true, the oath is false.

I am not going to attempt to follow all that we charge; I am going to try to follow this respondent. I repeat, it is not a pleasant task. No; I am sorry that the facts are as they are; but we are dealing now with the question of the integrity of this judge. We are dealing with the sanctity of judicial position. Is there a person constituting this Court who will say if a judge himself does not possess integrity that there is anything else upon which a free people can base confidence? Let us follow the respondent into another matter. He wrote a letter with reference to one of the cases out of which grows the law-practicing charge. Now listen to me, Members of the Court: This is a serious hour and I tell you that if the confidence in the judiciary of this country is destroyed, this Government goes down, and I tell you that the confidence in the Federal judiciary cannot be preserved except by men of sterling integrity, and when a man is given his chance and will not measure up to it, he has got to go. It is too bad, but he has got to go. This is not only a trial of this man but it is a trial of the House and of the Senate—the only places in which the people, by the Constitution, have put the power and responsibility to protect their judiciary against destruction. That is what it means and it means nothing less. In the instance when he is charged with practicing law in violation of Federal law, when he is trying to get $2,000—a judge on the bench, now, mark this, Members of the Court—

he had gotten every red cent that his client agreed to pay him. After he became a judge, he wrote his client and said, "I am now a judge on the bench"—he said it twice in the same letter—"and I want $2,000 more than you contracted to give me." Think of it! Was that all? No. He said, "I am going to follow this case through to the end." An appeal was in prospect. He said, "We think D'Esterre is going to ask for a supersedeas bond." Here is a picture of the judge, here is a flashlight of him, in action. I never in my life ran into a case such as this. A litigant, an American citizen, had a right to appeal, and what happens? A man on the bench, a judge, trying to get some more money, says, "We hope to get a supersedeas bond fixed so high that D'Esterre cannot appeal." Think of that conduct on the part of a man on the bench! He would deny to a litigant the right of appeal by persuading another judge to fix an amount beyond his ability to provide. Doing it for money! Doing it in violation of a statute! You heard Judge Chillingworth's testimony. You heard that memorandum read. Nobody denied it.

On the 3d of May, Rankin was seeing about the D'Esterre bond, and on the 4th—what year was that?

Mr. Manager HOBBS. That was in 1929.

Mr. Manager SUMNERS. Who else was showing up? Ritter. The Members of the Court have read the statute. Congress, in its wisdom, has said, "Judge, here is your $10,000 salary for life; now you stay out; do not be flirting with this outside business."

This Federal judge cites Judge Chillingworth, a case in which it had been held that $25,000 under the circumstances of that case would not be too much. What does he mean by that? He means, "Judge, I want you to fix the bond at $25,000, and we do not think D'Esterre can get it; and if you can do it it will help me to earn my $2,000." What do you think of that?

That was not all, though it is enough. Rankin wrote a letter to New York, and he said, "Judge Ritter is coming there, and so I want you to look over these cases." Rankin got back a letter from the New York correspondent, who said, "I am going to look over your citations against the day Judge Ritter comes." Judge Ritter went up there and saw this person. We did not have any other witness as to what really took place, and so I suppose they just talked about the climate.

Why did he hesitate to talk about the case? Do you think he hesitated? What do you think? Listen to me, Members of the Court! What is his defense—to this charge of practicing law—what is his only possible defense to the charge that he was practicing law? It is that he did not tell the truth in the letter he wrote applying for the $2,000. That is the only defense on earth that he has to that charge. Does that not arouse a reasonable doubt that he was either practicing law while a Federal judge or not telling the truth? It is not a reasonable doubt; it is a certainty. Is that good behavior?

Let us now take the other charge of practicing law. Upon the days when the Book of Deuteronomy was written judges were warned against just that sort of thing. All the wisdom of the ages has warned against that sort of thing—judges taking money. It does not matter what sort of wrapper it comes in. Francis was an old friend. He had been a friend, lo, these many days, but the respondent told you, Francis never gave the respondent a split penny until the respondent came to be a judge in the jurisdiction where Francis had a million dollars invested.

What do you think of that? Is that good behavior? Are you going to underwrite that? What is the use of spending the people's money trying to find out why this sort of thing is being done if, as respondent asks, you are to underwrite with your approval this conduct and thereby send word to the judges of the Nation that the Senate, the only body on earth that can control the judiciary, says this sort of stuff is all right.

Now is the time and this is the place to do the job that shall preserve for our people the standard of judicial conduct at which public confidence in the courts can live. If confidence in the courts shall die, it will not be some agitator on the street corner who will destroy it. It will be the House of Representatives and the Senate of the United States. Whenever you let the word go out from this august body, "We are not going to stand for any such conduct", we will not have that sort of thing happening.

Seven thousand five hundred dollars in cold cash handed to the respondent by Mr. Francis, the owner of a million dollars' worth of property in the respondent's jurisdiction. He had been a friend many years, but not a penny of gift or fee up to that time had been made. Nothing to Ritter the lawyer, $7,500 to Ritter the judge.

Then what happened? The respondent did not make any return of that money in his income-tax return. Counsel for the respondent said something about "when you are doing things in devious ways you keep them hidden." He was right about that. There are certain things that God Almighty has fixed in His big economy by which you may be pretty certain whether a transaction is straight or not. There is something else, when honest men pay an honest debt in this country they do not go around toting $2,500 in cold cash to pay it and then slip it to the creditor behind closed doors in the secrecy of his office where no eye can see except their own and God Almighty's. Neither do honest men receive payments that way. They just do not do it that way. It just does not happen!

I want to get away from this legalistic turn of mind. A gentleman, a great lawyer, has talked to you about everything except what is in this case—no; I will not say that. I take it back. He did talk about the case, but some other things as well. If he had had a good case he would have made a great speech. There is something pathetic about this case. I have seen some of you Members on the floor of the Senate who have manifested every interest and have tried to be as useful to the judge as could be done with propriety, and I am glad of it. I have watched the faces of Senators and it has been interesting to note the manifestations of surprise, of disappointment, and of humiliation as this case has unfolded itself, as this judge has come into plain view—this is a remarkable case. The respondent has walked across the pages of this RECORD. You have been able to see his actions and look into his soul.

They have put his reputation in issue. We have not followed into that road. Reputation is not an issue in the presence of positive facts.

Reputation is something a man gets as much by what he does that people do not find out as by what he does that he causes the people to find out. There are some people who have a way of getting on the housetops when they do good deeds, and going down cellar in their offices, behind closed doors, when they do the other kind of deeds. Reputation is often the doorway which leads to the opportunity to do crooked things.

It is the facts in the case to which I call your attention. We are sorry about it. If it were just a question of the respondent we would say, "Yes; go, and God forgive you." But that is not this case. It is not alone the respondent that is involved. The great big matter which challenges you to lift yourselves above party alliances, above friendship, is this: "My country's courts, my sworn duty, my oath I took, my obligation to this generation and to all the ages that are to come." That is the stupendous responsibility of this hour.

You can come here and legislate; you can do this and you can do that. The permanent consequences may not be important. But by your verdict you, in this matter, fix a code of permissible judicial conduct in this country for this judge and all the judges throughout the length and breadth of our land.

Now I come back to the Whitehall case. That is as remarkable a case as I have ever examined in my life. I do not believe there has ever occurred in the judicial history of this country a case which has tested a judge and portrayed a judge—in more details of the requirements which the necessities of the situation put upon a judge, as did the Whitehall case. In every essential detail of the respondent's conduct in that case he violated the "good behavior" provision in his contract with the people.

Counsel for the respondent made a statement a moment ago, probably inadvertently, to the effect that the transactions which brought this case here had been dismissed. Counsel is mistaken about that. The House may have been overdeliberate. I cannot discuss it, because it would not be fair to the respondent, but it makes it necessary for me to submit this brief statement. The managers are here under the commission of the House to present this case to the Senate sitting for the trial of the articles of impeachment as the case had developed at the time the vote was taken. That is all I can say. That is all it is fair to the respondent to say.

With regard to the Whitehall case, having in mind an observation of counsel for the respondent in which he asked, "Is this a tyrannical judge?" I call your attention to one transaction in this case which I do not believe a single American citizen, who has the slightest instinct and notion that an American citizen ought to have, can look upon without it making every drop of blood in his body boil.

You Members of the Court saw Mr. Holland when he appeared before this body. I do not think anybody who looked into his face failed to recognize that he represented as high a type of New England gentleman as can be found in the whole country. He leaned backward when he testified.

Now, look at the scene! We are here in the courtroom. Here comes Mr. Holland. You are familiar with what Rankin did to him and what he tried to do. Holland wired the judge's partner, who, the judge stated, when he was writing the Attorney General, was as fine a common-law lawyer as there is in the country, a man of the highest integrity, and one who would lift the bench. He would take it with him if he lifted it. I am going to read those letters directly.

Here is Holland before the judge. He is a diffident sort of person. He is a gentleman. He had been trying to get Rankin out. He had fired him just outside the courtroom. Now, listen, as a matter of common sense: The respondent said he did not know Rankin was discharged. Most of you are lawyers. Many of you have been judges. If a plaintiff, a party to a suit, rose and wished to address himself to the court, you would know that he had fired his lawyer. Anybody who has sense would know that. Three or four witnesses testified that they understood Holland to state to the judge that he had discharged Rankin; he did not want anything done about the matter; he wanted the case dismissed.

Holland was a stranger in the judge's jurisdiction. Over that court floated the flag of his Nation, and this man had a right to believe that he would be treated as a decent, freeborn American citizen should be treated. But what kind of treatment did he get? The judge looked down at him and said, "Who has bought you off? Who paid you?" And they ask you to underwrite that sort of thing and to say to any judge in this country that he may treat any constituent of yours that way in the future! That is what they are asking you to do. Are you going to do it?

There is another matter. I am going to ask you to read the provisions of the trust deed.

Mr. ROBINSON. Mr. President, I ask unanimous consent that the general order to recess at 1: 30 o'clock for lunch be vacated, and that the manager on the part of the House may proceed to the conclusion of his argument.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. Manager SUMNERS. I cannot cover all this case. When you come to look at this record, I ask you to examine section 7 of the trust deed, because the respondent on the witness stand attempted to read section 7, and he read all of section 7 except the part of section 7 which showed that he did not have any right to entertain a suit in behalf of those interveners suing for all the bondholders, under the circumstances of that case. I will leave the matter to you on that statement.

Let us look at that case a little further. I am just touching a few high points.

All through this case there has been an attempt to appeal to sympathy in behalf of Sweeny and his partner, Bemis. You have heard it stated over and over again that they put $450,000 into that property, but between their $450,000 and that property was a first mortgage of $2,500,000, and a second mortgage, and a third mortgage. Sweeny and Bemis were out the first little wrinkle that came in the boom in Florida. They were gone.

Here are Rankin and his associates. What had happened? They had ridden the range and they had only been able to get three poor little mavericks into the corral, and one of them had Bemis' brand on it. Hill did not own any bonds. Here are these lawyers. There is Rankin, the judge's partner, standing right there, claiming to be bringing a suit in behalf of the first-mortgage bondholders, and all he had a right to represent after they had scoured the country, was two little bondholders; and when Holland, the man who controlled $50,000 worth of bonds, whom Rankin was claiming to represent, appeared in the court in opposition to these people who had two little bonds, the judge said, "Who has bought you off?" Why did he do that? Because that man was about to come between Rankin and his right to collect a fee. I make that statement upon the evidence. That is what made the judge so angry.

I am not going further into the details of that phase of the case. Rankin filed a bill which Metcalf had written; and between the filing of the bill and the final decree there were only incidental papers filed. Look at the record about that. It was not a contested case. It was settled by agreement; and how was it settled? It was settled by the judge on the bench allowing to Rankin $90,000 of the money of the widows and orphans and the old people and the other people who put their money into those bonds.

There is not a bit of use in hollering our heads off about that sort of stuff if you do what they want you to do in this case—underwrite the practice and say, "Mr. Judge, just go and soak them a little more."

This is no plaything. You are not dealing just with a man; you are dealing with a code of judicial conduct. The judge not only allowed Rankin $50,000, but he gave him $40,000 additional of the bondholders' money. All this talk about reflecting upon these great lawyers is what people do when there is no defense—hide behind a respondent's "greatness" and his "probity." When nothing in reason and justice can come to his defense they have to fall back on "reflection on an honest man." That is not what we are talking about; but the plain fact is that the judge on the bench gave Rankin enough money to retain $50,000 for himself, split up $40,000 with everybody else interested, give some more to Richardson, and he had a little left over; and what did he do with it?

Listen to me, Members of the Court: This is no child's play. Rankin got his order from Ritter for $25,000 about 12 o'clock on Christmas Eve. Right after that he went down to the bank and put the money in the bank; and then he went to the respondent and, behind closed doors, gave him $2,500 in cash, hot from the hand of the judge who had just given it to him. Do you say that is all right? They ask you to underwrite that. Under your oaths, gentlemen of the Court, they ask you to say that that is O. K.; that is all right. Are you going to do it? Are you going to do it?

We have introduced testimony about the alleged sale of this business; but we are not bound by that. We were able to penetrate behind the doors of the judge's office and find a judge taking a part of the money that he had just given to Rankin from a trust fund in his court. What are you going to do about it?

That is not all. Once more that happened. When Rankin got the allowance of $45,000 from the judge, what would any honest judge do when a man came and asked him to take cash the second time? This respondent took it—$2,000 cash which the judge had given Rankin out of the bondholders' money—and yet he is asking the people of the Nation to have confidence in his judicial integrity. Members of the Court, what cannot a judge do if a judge can take money under these circumstances? There is not any doubt about his taking it. There is no argument about that. He got from Rankin the money that he gave to Rankin; and the money he gave to Rankin he took out of the estate that was being administered in his court.

What do you think of that? What are you going to do about it? There is not a bit of use in excusing it in this case and complaining in other cases because it is done. Here is where you are doing the business, right now.

I say that in fundamental morals there is not one bit of difference between a judge on the bench taking money out of an estate and giving it to a lawyer to make good a bad debt owing to him and the judge who just splits it right straight off the top of the roll. Just think about that. Respondent had a debt which he could not get paid. I am talking of respondent's theory. He gave Rankin the money from a trust estate to pay it with. Is there anyone in this courtroom who thinks that Rankin was worth $90,000 or $50,000 to that estate? I should like to ask him to hold up his hand if there is such a one. Of course, I cannot do that. I would be fined for contempt of court.

The estate was not in the custody of the lawyers. Just put that down, too, will you not? This judge had the solemn, sacred responsibility of holding that estate for the people, many of whom, we know by common experience, had their life savings invested there. How much money did he have a right to take out of it? He had a right to take all the money necessary for an economical and efficient administration of the estate and no more. Is that right? Is that sound? Does that comport with common sense and common honesty?

Then, when he reached his hand to the elbow into that estate, and handed over $90,000 to his former partner who was not worth five, whose money was he taking and to whom did he give it? He plundered a trust estate and gave the money to a man who gave him back a part of it. Those facts cannot be controverted. What are you going to do about it? Are you going to say it is all right?

I believe I have covered about all I care to speak of in reference to the Whitehall case. I think I have made all the reference that seemed to me to be pertinent with reference to the two cases of practicing law. Of course, we do not know whether that $7,500 came from practicing law or whether it came as a gift, but the judge is hung on one horn of the dilemma, and no counsel, this eminent counsel or any other counsel on this earth, can extricate him. Will you say one is right and the other is wrong? Will you say that both are right? What are you going to say about it? What are you going to do about it?

Now, I wish to make just one or two more observations about this debt business. This is another dilemma on which the respondent unfortunately is hung. All the testimony shows the condition of Mr. Rankin. The judge first ordered him paid $2,500 out of the assets of the business. The judge did not get any of his so-called debt paid out of that.

Then they perpetrated the grossest sort of an imposition on Judge Akerman. I want to read you the letter in the record about that matter. The letter of the respondent to Judge Akerman said, in substance: "I do not want to be embarrassed by allowing this total fee. I want you to fix the total fee, because this man has been my partner."

Of course, Judge Akerman did not read the order. He just wrote in his name. Rankin was bearing a letter from the respondent who, by giving that letter, vouched for the bearer, in effect. It was among fellow judges, and he gave him the order for $12,500 more. Respondent did not get anything out of that on his debt, he says. Members of the Court are familiar with the other aspects of this article. After that Ritter allowed Rankin $75,000 more. Respondent was embarrassed when $15,000 to his former partner was involved, but not embarrassed when $75,000 was involved.

I want to call attention again to one other thing. I refer to page 536 of the record. I asked the respondent this question:

At the time you and he formed your relationship was it not contemplated that the firm would have a greater degree of permanency than it developed to have?

This is the answer:

We expected to spend the rest of our lives practicing law there.

Did you get that? That appears on page 536. Yet in his letter to the Assistant Attorney General under date of April 9 he said this:

I understand the real difficulty in considering his appointment—

Referring to Judge Rankin—

is the fact that he took up his residence in Florida and abandoned his Alabama residence.

Here is the judge who swore on this stand in front of this Court that he expected to have a partnership that would last through life, but this is what he is saying when he wrote the letter:

But I know that he never fully did that and he always considered himself a resident of Alabama and voted there—

And is liable to go back any time.

Mr. President, I wonder if I might ask the clerk to read one of these letters?

The PRESIDENT pro tempore. The clerk will read the letter for you.

Mr. Manager SUMNERS. I will ask the clerk to read the letter of December 19, 1929.

The legislative clerk read as follows:

UNITED STATES DISTRICT JUDGE'S CHAMBERS,
SOUTHERN DISTRICT OF FLORIDA,
Miami, Fla., December 19, 1929.

Halsted L. Ritter, Judge.

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

SIR: I am advised that Hon. Henry D. Clayton, judge of the United States Court for the Middle District of Alabama, has asked retirement. If this is true, I desire to recommend most strongly for the appointment as his successor of A. L. Rankin, of Andalusia, Ala., whom I have known for a number of years.

Judge Rankin was judge of the Law and Equity Court for Covington County, in that State, for a number of years, and has practiced in the Alabama bar 25 years, being a member of all the courts. He is a man of exceptional ability, thoroughly versed in the law, is of unquestionable integrity, and well known throughout the State of Alabama. He has the judicial temperament in a high degree, and would fill the position with great honor and satisfaction, I feel certain.

Mr. Manager SUMNERS. I do not want to be tedious, but this is very important, because these things go down to the depths of this man's character.

When he wrote this letter he referred to him as "A. L. Rankin, of Andalusia, Ala." Why did he do that? Because the job Rankin was trying to get was in Alabama. Just think of that, and weigh it.

In another letter he said:

I want to say that Judge Rankin is a man of the highest character and integrity. He is one of the ablest common-law lawyers in the South.

That is a statement made by a judge upon his responsibility.

We were partners in the practice of law in West Palm Beach before my appointment on the bench. I know of no man better qualified from the standpoint of experience, ability, and character for the position.

And so forth. Then he writes again in another letter that if he is appointed he will raise the bench to a high place.

I say a man who will not speak the truth above his signed name will not swear it, and a man who will not state the truth, and who does those things which arouse doubt as to his integrity must go from the bench.

I appreciate profoundly the attention which the Members of this honorable Court have given the case.

There ought to be a unanimous judgment in this case, and let it ring out from this Chamber all over the Nation that from now on men who hold positions in the Federal judiciary must be obedient to the high principles which in the nature of things it is essential for a judge to manifest.

A few Federal judges can reflect upon the great body of honorable men who hold these high positions.

There is another thing I was about to forget. Of course, the bondholders in Chicago did not protest the $90,000 fee to Rankin. The attorneys for the bondholders and Mr. Holland were in the respondent's court at the same time. They came to represent 93 percent of the $2,500,000 of the first-mort-

gage bonds. They heard the respondent advised of the champertous conduct of Richardson, Rankin et al., and they saw the respondent approve. They were virtually kicked out of the court. They wanted the case out of that court and away from Rankin and the respondent just as quickly as they could get it out, and they would have stood not only for that fee of $90,000 but for more; and any of you practicing law would have done the same thing under the circumstances. You remember McPherson said respondent was positive, very positive, about Mr. Holland. Respondent was a great deal stronger with regard to the attorney for the bondholders. Remember the judge asked Holland, "Who bought you off?" Of course, they were glad to get out at almost any price.

Members of the Court, there is a great deal more which ought to be said, but you have the record and my time has about expired. I have a duty to perform and you have yours. Mine is finished.

The House has done all the House can do toward protecting the judiciary of the country. The people have trusted in you. Counsel for the respondent kept emphasizing the fact that this respondent stood and swore, stood and swore, stood and swore. I remember that I saw the Members of this honorable Court lift their hands to God Almighty, and, in that oath which they took, pledge themselves to rise above section and party entanglements and to be true to the people of the Nation in the exercise of this high power. I have no doubt you will do it.

I thank this honorable Court for the courtesy and consideration which have been shown to my colleagues and to me as we have tried to discharge our constitutional duty in this matter.

LEGISLATIVE SESSION

Mr. ROBINSON. Mr. President, I move that the Senate proceed to the consideration of legislative business.

The motion was agreed to; and the Senate proceeded to the consideration of legislative business.

TERMS OF DISTRICT COURT, MIDDLE DISTRICT OF PENNSYLVANIA

(During the course of today's proceedings of the Senate sitting for the trial of the articles of impeachment, by unanimous consent, the following legislative business was transacted:)

Mr. ASHURST. Mr. President, as in legislative session, I ask Senators to look at the first page of the calendar where there is set forth a special order for tomorrow at 1 o'clock. Obviously that order cannot be observed. I therefore ask unanimous consent that the date of Wednesday, April 15, be changed to and set for Wednesday, April 29. I have consulted, or caused a mutual friend to consult, with the Senator from New York [Mr. COPELAND], and that date, I believe, namely, the 29th of this month, is agreeable to him.

The PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

(During the impeachment proceedings, on motion of Mr. ROBINSON, the proceedings were suspended so that, as in legislative session, the Senate might receive messages from the President of the United States, communicated by Mr. Latta, one of his secretaries.)

ADDRESS OF PRESIDENT BEFORE YOUNG DEMOCRATIC CLUBS OF MARYLAND

Mr. ROBINSON. Mr. President, I ask that there be printed in the RECORD as a part of my remarks the address delivered by the President of the United States at the city of Baltimore last evening.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The address is as follows:

ADDRESS OF PRESIDENT FRANKLIN D. ROOSEVELT BEFORE THE YOUNG DEMOCRATIC CLUBS OF MARYLAND, DELIVERED AT BALTIMORE, MD., APRIL 13, 1936

You in this great armory tonight represent a cross section of our young people who have come to maturity since 1929. You are the symbol of young men and women living in every State of the Union, affiliated with every political party and belonging to every so-called stratum of society.

The world in which the millions of you have come of age is not the set old world of your fathers. Some of yesterday's certainties have vanished; many of yesterday's certainties are questioned. Why have some vanished and many been questioned? Because the facts and needs of civilization have changed more greatly in this generation than in the century that preceded us.

I need not press that point with you. You are measuring the present state of the world out of your own experiences. You have felt the rough hand of the depression. You have walked the streets looking for jobs that never turned up. Out of this has come physical hardship and, more serious, the scars of disillusionment.

YOUTH HAS BECOME RESTLESS

The temper of our youth has become more restless, more critical, more challenging. Flaming youth has become a flaming question. And youth comes to us wanting to know what we propose to do about a society that hurts so many of them.

There is much to justify the inquiring attitude of youth. You have a right to ask these questions—practical questions. No man who seeks to evade or to avoid deserves your confidence.

Many older people seem to take unmerited pride in the mere fact that they are adults. When youth comes crashing in on them with enthusiasm and ideals they put on their most patronizing smiles and pat the young man or the young woman on the shoulders and in a worldly wise sort of way send them out with what they call their blessing. But—as every young person knows—that is not a blessing; it is a cold shower. What they have really said to you is: "You're young. Enjoy your enthusiasms and your ideals while you can. When you grow up and get out in the world you will know better." And the tragedy is that so many young people do just that. They do grow up and, growing up, they grow away from their enthusiasms and from their ideals. That is one reason why the world into which they go gets better so slowly.

OUTLINES YOUTH'S OBJECTIVE

Your objective in the widest sense is, I take it, this: An opportunity to make an honest living; a reasonable chance to improve your condition in life as you grow older; a practical assurance against want and suffering in your old age; and with it all the right to participate in the finer things of life—good health, clean amusement, and a part in the satisfactions of the arts, the sciences, and religion.

Faced with that objective, it is clear that many of the old answers are not the right answers. No answer, new or old, is fit for your thoughts unless it is framed in terms of what you face and what you desire—unless it carries some definite prospect of a practical down-to-earth solution of your problems.

For the next few months you are going to be thoroughly bored by so-called answers. There are two or three new panaceas in every day's paper. Here is one picked out at random from three on the same page of one newspaper. The eminent author suggests a four-point cure for all our ills. I hope you will be as thrilled and excited by them as I was. Here they are:

1. Establish a monetary unit with a definite gold content subject to change only by Congress.
2. Restore convertibility of money into gold coin and private ownership of gold.
3. Accept responsibility as the world's greatest creditor nation.
4. Put Federal finances in order.

DO NOT SOLVE PROBLEMS

I ask you what do panacea plans like these offer to you as a way out of the problems that you had today and will get up to face tomorrow? Is there opportunity? Is there work today? Is there assurance for tomorrow? Is this the practical, definite answer you are looking for? Most important of all, is there even a recognition in that type of panacea of the fact that the youth of America has any problems at all?

No, my friends; you have a right to expect something better than that. You have a right to expect that those in authority will do everything within their power to help restore conditions that make employment and opportunity possible; more than that, you will be protected, insofar as is humanly possible, from the physical and mental and spiritual ravages of economic and social maladjustment.

1928 WAS NO MILLENNIUM

Some counselors say "confidence and normal prosperity will cure everything—give everybody jobs." They generally mean by that the confidence and prosperity of 1928. But, my friends, 1928 was no millennium. You and I know the simple fact that while production was increasing and profits were increasing in 1928 and 1929 unemployment was growing at an astounding rate. Return to the 1928 kind of prosperity is no sufficient answer. The best that the captains of the country could do for you before the depression was not good enough then, and it is not good enough today.

And you and I know that while the total production of America is about back to the high point before the depression, only a little over 80 percent as many human beings are engaged in turning out that production. It does not matter very greatly what the cause of this is. It may be a greater efficiency; it may be the development of new machinery; it may be a variety of other causes. We cannot legislate against greater efficiency nor can we legislate against the use of new tools—nor would we if we could. But the fact remains. And that fact requires an answer.

Some people tell you that even with a completely restored prosperity there will be a vast permanent army of unemployed. I do

not accept that. No man who is sensitive to human values dares to accept that. That is why we are not content merely to restore what is sometimes called prosperity. We propose to attack the problem from every conceivable angle.

WOULD LIMIT WORKING AGES

We readily admit that a greater purchasing power, far more widely distributed, will mean the consumption of more goods—industrial products and farm products. The production of these goods will mean more employment. Most businessmen believe with us in a greater purchasing power on the part of more people; they know that their businesses will be helped thereby.

To work in unity toward this end constitutes one form of attack, and there are others which we must not overlook.

Our working population increases every year, both because of population increase and because more and more women are working for wages. That is as it should be. But when we face your problems, these increases raise the question as to whether it is not possible and right to limit the active working ages at both ends.

We in your Government are seeking to extend the school age in every State in the Union and to make it easier for boys and girls to stay in school. Work out for yourselves what would happen if all the boys and the girls of 14 and 15 and 16 and 17 who are now working in industry found it possible to stay in school until they were at least 18 years old.

How many jobs would that give to the young people of the Nation who have been graduated from high school and from college? And how much better equipped would be these youngsters who are now at work if they could stay in school to the completion of their education?

In the same way ask yourselves how many jobs would be created if the great majority of people who are now over 65—to take a figure at random—were in a position to retire in security for the balance of their days on earth. And how much greater happiness would such security give to their old age?

CITES EFFECT OF END OF N. R. A.

And there is another angle of reemployment which, from the point of view of youth, is worth pursuing. I will point it by an illustration. In a certain manufacturing industry the average hours of weekly work were greatly curtailed under the operation of the National Industrial Recovery Act, and curtailed, incidentally, with the complete support of the great majority of employers within the industry. When this act came to an end the average hours of work were 36.4 per week. Since that time the great majority of employers in this particular industry continued the old scale of hours. But gradually first a few and then a larger number of employers began lengthening the work week. The result today is that the average of employment in this industry is 39.9 hours per week. Not a serious difference, you say. And yet if you figure it out on the assumption that there were 166,500 men and women in this industry, 10 percent or 16,650 people have either lost their jobs or, by working longer hours, are preventing 16,650 other people from getting employment. Actually the records show that 1,400 people lost their jobs and 15,250 other people were kept from getting work.

It seems reasonable, therefore, that industry can contribute in great measure to the increase of employment if industry as a whole will undertake reasonable reductions of hours of work per week, while, at the same time, they keep the average individual's pay envelope at least as large as it is today.

MUST ASSURE ADEQUATE WAGE

Because the practices of employment definitely affect the problem of unemployment, the Government must give and will give consideration to such subjects as the length of the working week, the stability of employment on an annual basis, and the payment of at least adequate minimum wages. A government doing that is a government that is working actively at the answers to your problem.

We do not yet know enough in a changing economic order to guarantee any nation permanently against times of depression. We believe, however, that steps like these which we have taken and are taking will at least greatly cushion depressions—will prevent the upcurve from rushing to a violent, mad peak of false prosperity and prevent another violent, mad descent into another sink of suffering and disillusionment like the one from which for the last 3½ years we have been surely emerging.

And there is another aspect to the answer which you have a right to expect from us. What do we propose to do about the casualties of depression? Since 1929 those casualties, in America, have run into the millions. They are a charge upon us as a people. I have recognized that fact. And, by every reasonable means, we have sought to care for those casualties—to keep them from the physical suffering of hunger; to keep them from the mental suffering of a loss of morale.

In regard to all these problems there are counselors these days who say, "Do nothing"; other counselors who say, "Do everything." Common sense dictates an avoidance of both extremes. I say to you, "Do something"; and when you have done that something, if it works, do it some more; and if it does not work, do something else.

And you young people want action. You believe, as I believe, that the something which needs to be done can be done, and how significantly American it is to believe that.

NATION DUE TO YOUTH'S VIGOR

The vigor of our history comes largely from the fact that, as a comparatively young Nation, we have gone fearlessly ahead doing things that were never done before. We subdued a wilderness that men said could never be conquered. We established a civilization where others insisted a civilization could not survive. Between 1776 and 1789 we built a government for which, in the extent of its democracy, there was no precedent—a government which royalists declared could not endure.

We did all these things with zest. The very air was exhilarating. We were young—and we were getting things—worth-while things—done. It is part of the spirit of America to believe that now, in our day, we can do equally well in getting things done.

I, for one, do not believe that the era of the pioneer is at an end; I only believe that the area for pioneering has changed. The period of geographical pioneering is largely finished. But, my friends, the period of social pioneering is only at its beginning. And make no mistake about it—the same qualities of heroism and faith and vision that were required to bring the forces of nature into subjection will be required—in even greater measure—to bring under proper control the forces of modern society. There is a task which—for importance and for magnitude—calls for the best that you and I have to offer.

There cannot be too many Americans thinking about the future of America. Our country, richly endowed in body, mind, and spirit, still has need of many things. But I am certain that one of its chief needs today is the releasing and the enlistment of the spirit of youth.

LISTS AGES OF FOUNDERS

Do not underestimate the significance of that spirit. Yesterday Christendom celebrated Easter—the anniversary of the resurrection of our Lord, who at the beginning of His ministry was 30 years of age and at His death was only 33. Christianity began with youth, and through the last 2,000 years the spirit of youth repeatedly has revitalized it.

Our war for independence was a young men's crusade. Age was on the side of the Tories and the Tories were on the side of the old order. At the Revolution's outbreak George Washington was 43, Patrick Henry 38, Thomas Jefferson 32, and Alexander Hamilton 18. Our Constitution, likewise, was the creation of young minds. The average age of the men who wrote the Constitution was about 44. The qualities of youth are not of a sort that self-satisfied people welcome in 1936 any more than self-satisfied people welcomed them in 1776.

I have used the words "the qualities of youth." Be wise enough and tolerant enough, you who are young in years, to remember that millions of older people have kept and propose to keep these qualities of youth. You ought to thank God tonight if, regardless of your years, you are young enough in spirit to dream dreams and see visions—dreams and visions about a greater and a finer America that is to be; if you are young enough in spirit to believe that poverty can be greatly lessened; that the disgrace of involuntary unemployment can be wiped out; that class hatreds can be done away with; that peace at home and abroad can be maintained; and that one day a generation may possess this land, blessed beyond anything we know, with those things—material and spiritual—that make man's life abundant. If that is the fashion of your dreaming, then I say: "Hold fast to your dream, America needs it."

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the Speaker of the House had affixed his signature to the enrolled bill (S. 2524) to amend section 51 of the Judicial Code of the United States (U. S. C., title 28, sec. 112), and it was signed by the Vice President.

SPECIAL COMMITTEE TO INVESTIGATE CAMPAIGN EXPENDITURES

The VICE PRESIDENT, in accordance with the provisions of Senate Resolution 225 (agreed to Apr. 1, 1936), appointed the Senator from Connecticut [Mr. LONERGAN], the Senator from Indiana [Mr. MINTON], the Senator from Washington [Mr. SCHWELLENBACH], the Senator from Vermont [Mr. AUSTIN], and the Senator from Wisconsin [Mr. LA FOLLETTE] as the members of the special committee to investigate campaign expenditures of the various Presidential, Vice Presidential, and senatorial candidates in 1936.

CIVIL-SERVICE RETIREMENT AND DISABILITY FUND—(S. DOC. 196)

The VICE PRESIDENT laid before the Senate a letter from the President of the Civil Service Commission, transmitting, pursuant to law, the Fifteenth Annual Report of the Board of Actuaries of the Civil Service Retirement and Disability Fund, which, with the accompanying report, was referred to the Committee on Civil Service and ordered to be printed.

PETITIONS

The VICE PRESIDENT laid before the Senate resolutions adopted by a joint meeting of the Nebraska Home Owners Association, the Workers Alliance of Nebraska, and the Unemployment Council, all of Omaha, Nebr., favoring an immediate appropriation for the relief of all families on the

rolls at the F. E. R. A. standard in Douglas County, Nebr., and the engagement on W. P. A. projects of all employables now on the relief rolls, which were referred to the Committee on Appropriations.

Mr. COOLIDGE presented a petition, a telegram, and letters in the nature of petitions from members of Lodge No. 1441, International Association of Machinists, of Auburn; Albany Lodge, No. 271, Brotherhood of Railway Clerks, and Commonwealth Lodge, No. 229, Brotherhood of Railway and Steamship Clerks, both of Worcester; and William Blanchette, legislative representative, Order of Railway Conductors, of Taunton, all in the State of Massachusetts, praying for the enactment of the bill (S. 4174) to foster and protect interstate commerce by authorizing the Interstate Commerce Commission to approve or disapprove of the consolidation or abandonment of carrier facilities of public service, which were referred to the Committee on Interstate Commerce.

REPORTS OF COMMITTEES

Mr. FLETCHER, from the Committee on Banking and Currency, to which was referred the bill (H. R. 9484) to amend section 36 of the Emergency Farm Mortgage Act of 1933, as amended, reported it with an amendment and submitted a report (No. 1828) thereon.

Mr. McKELLAR, from the Committee on Appropriations, to which was referred the bill (H. R. 12098) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1937, and for other purposes, reported it with amendments and submitted a report (No. 1829) thereon.

Mr. ASHURST, from the Committee on the Judiciary, to which was referred the bill (S. 4353) to provide for the establishment of a term of the District Court of the United States for the Western District of Oklahoma at Shawnee, Okla., reported it without amendment and submitted a report (No. 1830) thereon.

ENROLLED BILL PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on April 13, 1936, that committee presented to the President of the United States the enrolled bill (S. 2042) for the relief of Grace Park, a minor, the Westerly Hospital, and Dr. H. M. Scanlon.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters, which were ordered to be placed on the Executive Calendar.

BILLS INTRODUCED

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

By Mr. HATCH:

A bill (S. 4476) for the relief of Benton Crist; to the Committee on Military Affairs.

By Mr. FLETCHER:

A bill (S. 4477) providing for loans by the Reconstruction Finance Corporation to port districts in certain cases; to the Committee on Banking and Currency.

WOMEN IN CONGRESS—ADDRESS BY SENATOR CARAWAY AND EDITORIAL

Mr. BAILEY. Mr. President, I ask leave to have printed in the RECORD a very interesting radio address delivered by the junior Senator from Arkansas [Mrs. CARAWAY] on Monday night, the 6th instant, and also an editorial from the Washington (D. C.) Star entitled "Women in Congress."

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

Ladies and gentlemen of the radio audience, I wish to thank the National Broadcasting Co. for allowing me this time. When they asked me to appear on this program it was suggested that I choose my own subject. However, the inevitable suggestion that I speak on women in politics followed, not from the broadcasting company but others. In fact, A Woman Looks at the Senate was favored. To me that implied talking of the Senate as one seated on the side lines, observing superficially, analyzing, also superficially, then writing a story colored entirely by one's own beliefs. That would be impossible for me as I am not on the side lines. I am of that body, an integral part. What is done there is, in part, my responsibility, so that any discussion would have to be of a serious nature. Those who take a job seriously get to have a pride in their work and a great respect for those associated with them in serious endeavor.

Each Senator is assigned to a number of committees and, insofar as possible, each is allowed a choice in these assignments. Sometimes they have to wait for a vacancy on a committee. The chance of a chairmanship comes from seniority (on a committee), and, of course, the chairmen are always of the majority party. When the Democrats secured a majority in the Senate the ranking Democrat on each committee automatically became the chairman. You see, neither the amount of work you do nor any special aptitude you may show, or knowledge you may have on things considered in a committee, advances you on a road to the chairmanship. However, it can be said that your attention to your duties and your ability does give you influence in the committee. In fact the committees may be termed "schools", in which in executive sessions the subjects are taken up and studied from every angle. Public hearings are often held, in which impassioned witnesses testify for or against the bill. A record is kept of this testimony. It is when such hearings are under way that the offices are swamped with telegrams and letters, hundreds of them sometimes being identical, word for word, and comma for comma.

I remember one time getting many letters on a certain matter. Those letters were answered, naturally, and, to my astonishment, replies were received saying that they were glad to have had my letter but they had not written me concerning this legislation, that they were relying on my judgment in such matters. Some of them even sent affidavits that they had not written me concerning this bill; but I digress. When all the testimony in these hearings is printed, the committee in executive session again goes over the bill, thrashing out the pros and cons, and, after weighing all the testimony, striving to see that no injustice is done, trying to protect the helpless, and to be fair. The bill is finally reported to the Senate in the form, you might say, of predigested matter. Of course, someone may be quick to suggest that though presented as predigested matter, they give a lot of people stomach aches; true, but they likely relieve a lot of heartaches, and pains from empty stomachs. This does not preclude amendments on the Senate floor. Very often members of the committee have pet amendments which they offer, but as a general rule the bill is passed much as it comes from the committee. That is why it is considered that the committee work is a most important part of the job.

My committee assignments are most pleasing—Agriculture and Forestry, Commerce, Library, and Enrolled Bills. My favorite is that of Agriculture and Forestry. Maybe because, as some newspaperman has said, "I am a typical farm woman." For weeks this committee has been carrying on an investigation of stock-market trading in cotton, in an endeavor to find out the cause of the slump in cotton prices on March 11, 1935, and the cause of the decline in our export markets.

As Arkansas has more miles of navigable streams than any other State in the Union, with the resultant flood-control and other problems, I deem it a privilege to be a member of the Commerce Committee. As chairman of a subcommittee in that committee, I have attended joint hearings in the House, and for a week I conducted hearings on Senator LONERGAN's stream-pollution bill. We have had hearings on the Overton flood-control bill, which conflicted with some other committee work, and so time had to be divided between them. Only last week in the consideration of the House omnibus flood-control bill, we were in session nearly all day, only leaving the committee room for a bite of lunch and to return to the Senate floor for yea-and-nay votes. I left that committee room at 5:30, and it was after 6 when I reached sanctuary; in other words, when I could shut out the world by closing the door of the rented house my son and I occupy in Northwest Washington. Being chairman of Enrolled Bills Committee entails a lot of work, as the function of this committee is to see that the bills which are printed on parchment for the signatures of the Speaker of the House of Representatives, the Vice President, and the President are correctly enrolled from the accompanying papers. This work is tedious but important, as the misplacing of even a comma could bring disastrous results.

Let me give you a brief outline of a run-of-the-mill day for a Senator. Pardon me, but I will have to take one of my days as an example. I arrive at the office around 8 o'clock every morning, go over the letters on my desk which have had to wait over from the day before, and look over some of the home papers. The office force arrives about a quarter of 9, then the serious work of opening, sorting, filing, and dictating begins. The letters average from 200 to 500 daily. Then visitors begin to arrive. People from home—whom we are always glad to see—people who want autographs, people who want to paint your portrait or do a bas-relief in bronze, people who say they live in Arkansas and want a loan; in fact, people of all sorts and conditions. Do you know that it is not unusual for a Senator to have 25 to 50 callers whom he must see in 1 day? And those who represent nearby States have even more. More than likely there is a call from a committee chairman for a meeting at 10 or 10:30—there the morning's gone. The Senate convenes at 12 m. You get out to lunch, but not so far away that you cannot hear the call of the bells in case some bill or amendment should come to a record vote. If lucky, adjournment is had about 4:30 or 5—then back to the office to go over

that day's mail. A never-ending round of tasks, all demanding deep concentration and much study.

Let me digress here to comment on the class of letters which filter into a Senator's office. Some are intentionally humorous; others funny because of some bizarre statement made. For example, I had one not long ago saying, "I was brutally murdered in a hospital in ——." I will not mention the name of the city. One man, who wanted a job as a detective, wrote: "Please send me gun, badge, and handcuffs by return mail; I know something." Letters from mothers whose sons are in the penitentiary; many, oh, so many, saying they are 74 or 75 years old, nearly blind—cannot something be done to give them only a few dollars per month so that they can last out their days free from the fear that they cannot have enough food to exist upon. Letters telling of such abject poverty and helplessness that it makes your heart ache. Naturally some of these are spurious, but you learn to differentiate. These letters are all answered, then forwarded to relief agencies in their districts, where they are investigated and relief given if facts warrant. If this administration had done nothing else in the 3 years it has functioned, it would have justified the change of administration, as well as the radical departure from what has been the conventional—nay, the old and ultraconservative way of dealing with these problems. Legislation for all the people and all sections of the United States is a very complex and vexing problem. Take, for example, river and harbor legislation; not all the States are directly affected by this legislation, but it is a problem for all because it involves spending the taxpayers' money. Take the very controversial ship-subsidy legislation; naturally all our States bordering on the Atlantic, the Gulf, the Great Lakes, and the Pacific are intensely interested, while the inland States are interested insofar as freight rates are affected. The same is true of flood control, though more States have such a problem.

There is some talk looking to legislation putting flood control in the same category with rivers and harbors. In fact, making it a Government problem, and directly under the supervision of the Corps of Army Engineers. It follows, of course, that States like Arkansas, Tennessee, Louisiana, and Mississippi, with their problems of floods from the Father of Waters, the great Mississippi River, would favor such legislation. The northwest section, with its problem of floods from the Columbia River, would at least be receptive to such legislation. And why not? The people of the lower Mississippi have themselves spent millions of dollars building up a system of levees. Unhappily for them, they cannot tax themselves enough to build an adequate system. True, the Government has in the last few years—appropriations have only come directly following a disastrous flood; and all the money thus obtained has had to be used to repair breaks in the levees, with none left with which to raise the levees to real protection heights.

The recent flood disasters in the northeast section of this country have certainly brought home to a great many of our people that we have a national flood-control problem. This will, I hope, make it possible to start something really constructive that will be of permanent nature. It is not unusual in our section to have the farm lands overflowed three times in one spring and then have a severe drought during the summer. This is especially true of the St. Francis, Arkansas, and White River Basins. Even though a flood like the one at Johnstown, Pa., only occurs once in 50 years, we cannot afford, with our engineering facilities, to sit idly by, either in a spirit of economy or mere "do-nothingness" and let such wholesale destruction of life and property continue without using these facilities in prevention work. If the manufacturers and industrialists had to produce their wares under the same handicaps as the farmers who buy from them, I wonder how long they would exist.

This administration is the first to really consider agriculture as a major problem. Of course, in the thickly populated centers this does not have much appeal. Anything that boosts the prices of foodstuffs steps on their toes, or, more painfully, their pocketbooks. The more they have to pay for pork and beans, to say nothing of asparagus, alligator pears, and porterhouse steaks, the less they have to spend for automobiles and amusements, so a howl goes up that the farmers are a shiftless lot and their tax money is being squandered for them. It would be enlightening to know just how many of these who so deeply deplore the farm legislation are taxpayers and how many are the propertyless wage earners. Do not misunderstand me—I am just asking here some of the questions I often ask myself, that you may know that every problem has as many facets as the most beautifully cut diamond. That in a final analysis the rights of all must be considered and weighed, then your best judgment invoked to meet the complexities of the legislation for all the people of this so great country. The diverse and often extremely divergent interests of one section to the interests of another sometimes act as a brake, but too often make for class legislation in favor of powerful interests and are responsible for the accusation of logrolling. In saying this I am not meaning to imply a criticism of anyone in either branch of the Congress. That body in which I serve is composed of serious-minded, hard-working, conscientious Members. They bring their best judgment to bear on all these problems, for which they deserve the respect of the country. Naturally there are many differences of opinion as to what is best. Right here let me say I am not differentiating between the women and men who are serving in legislative capacities. It is no longer a 9 days' wonder that women are in this field. It is an accepted fact, and while sort of a sporadic growth as yet, the time is past for treating them as set apart by sex from any serious legislative qualifications. Not one of them has failed to take the responsibility as less than a sacred trust; while they may bring some fresh viewpoint to bear on matters, they have displayed that broad vision and understanding of the problems which only come from hours of conscientious study. Not one has given evidence that she goes about her legislative duties with less honesty of purpose and understanding than other Members. In the performance of their duties they are governed by the same rules and they as truly represent all the people of their States. That is as it should be. Equal responsibility, equal service, with identical aims.

I am exceedingly proud, even to the point of humility, that my State in three contests has entrusted to me such a grave responsibility. I still feel that nothing but the utmost in loyalty and effort on my part is their due. It is no longer front-page stuff, to the extent that one's head may be turned by publicity, for women to serve in Senate or House, with a woman Cabinet member, and a woman minister to a foreign country. However, if you get big bubbles of self-esteem, you will get them dissolved. One day a nice-looking woman accosted me—this was before Mrs. LONG, who is lovely, came to the Senate—saying, "You are a Senator, aren't you?" I said, "Yes." She hesitated, then said, "But I don't know which one you are." That is deflation.

In the few minutes left to me in this informal talk I want to call to your attention that Arkansas will be celebrating her one hundredth birthday as one of the States which form the Nation. It is our hope that a great many of you will find the time to visit us and to investigate the claims always made that in abundance of natural resources, scenic beauty, and citizenship Arkansas excels. The reason for a slow train through Arkansas is in order that the traveler may feast his eyes and restore his soul in this, one of the greatest States of the Union. Many of you, perhaps, know that Hot Springs was the first Federal reservation to be set aside, in 1832, to conserve the healing hot-springs waters. Our citizens take much pride in the fact that the President and Mrs. Roosevelt are to visit our State this year. They view the President as a man of great courage, intensely human, sympathetic, and able. A man who, in these years of stress, has made history in his efforts to fit the Government to the people with justice and impartiality.

I thank you. Good night.

[From the Washington Star of Apr. 8, 1936]

WOMEN IN CONGRESS

Senator HATTIE W. CARAWAY, of Arkansas, very properly paid tribute to women in the legislative field of government in her address in the National Radio Forum entitled "A Woman Looks at the Senate." It is, she said, no longer a 9 days' wonder that women are in this field. And yet it is only a little more than 19 years ago that the first woman took her seat in the Halls of Congress, Miss Jeannette Rankin, a Representative from Montana. Speaking of the women who have since that time held legislative office in Washington, Mrs. CARAWAY said: "Not one of them has failed to take the responsibility as less than a sacred trust; while they may bring some fresh viewpoint to bear on matters, they have displayed that broad vision and understanding of the problems which only come from conscientious study. Not one has given evidence that she goes about her legislative duties with less honesty of purpose and understanding than other Members."

No one will gainsay this estimate of the women who have served and are serving in Congress. Many of them have been reelected by their constituents. Obviously this has not been because they were women. For, take it by and large, there has been more prejudice against women aspiring to hold seats in Congress than there has been prejudice in their favor. They have been reelected because they did a good job and because their constituents appreciated their work.

Mrs. CARAWAY is the first woman ever to have been elected a Senator of the United States. It is an office to which she has been twice elected by the people of her State. One woman, Mrs. Rebecca L. Felton, of Georgia, bore the title of Senator before her, but only for a day. Mrs. Felton was appointed to fill the vacancy caused by the death of Senator Tom Watson, of Georgia, back in 1922. Before she had an opportunity to take her seat, Senator GEORGE was elected to fill out the unexpired term. Senator GEORGE withheld his credentials at the opening of the session for 1 day, and for that day Mrs. Felton was Senator. For 5 years Mrs. CARAWAY, however, has been a Senator, a conscientious, hard-working, and intelligent Senator. Mrs. CARAWAY believes in taking her job seriously, in working at it long hours, and she does both.

It was nearly 15 years after the first woman, Miss Rankin, had been elected to the House that a woman was elected to the Senate of the United States. And it was only a few months ago that a second woman Senator, Mrs. HUEY P. LONG, of Louisiana, took her seat. The struggle of women for recognition and representation by one of their sex in the upper House of Congress was a long one. Miss Rankin was the first to make serious contest for the honor. After a single term in the House, Miss Rankin sought nomination for the Senate but was defeated in the primaries. Another woman Member of the House, Mrs. Ruth Hanna McCormick Simms, sought 6 years ago to be elected Senator from Illinois. Mrs. Simms won the nomination but was defeated in the general election.

The records that women have made in Congress are distinguished—records that many men Members may envy. Three sitting women Members of the House entered Congress in 1925—Mrs. EDITH NOURSE ROGERS, of Massachusetts; Mrs. FLORENCE P. KAHN, of California; and Mrs. MARY T. NORTON, of New Jersey. For more than a decade these women have ably served their districts and States in the House of Representatives. Each has

been elected six times. Mrs. NORTON, a Democrat, is now chairman of the House Committee on the District of Columbia, in charge of legislation for the Nation's Capital. As Mrs. CARAWAY so aptly said, the time is past when women are to be treated "as set apart by sex from any serious legislative qualifications."

FLOOD CONTROL

Mr. OVERTON. Mr. President, I ask unanimous consent to have printed in the RECORD two editorials, one printed in the Commercial Appeal of Memphis, Tenn., entitled "Pass the Overton Bill", and the other printed in the New Orleans Item of April 11, 1936, entitled "Our Flood Control Bill."

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

[From the Memphis (Tenn.) Commercial Appeal of Apr. 11, 1936]

PASS THE OVERTON BILL

The people of the lower valley would be the last to begrudge their neighbors in Pennsylvania, New York, Massachusetts, and Connecticut the fullest measure of relief from the disastrous floods that have recently overtaken those States. We know what floods are, and we know the absolute necessity of Government cooperation. We know how helpless we are when left to our own resources, and have rightly insisted that it was a national rather than a local problem.

That theory applies to the flood regions of the East as properly as it does to those of the lower valley.

But it is unfortunate, to say the least, that those who are demanding relief in the East are doing so at the expense of the people of the lower valley. They are sidetracking the Overton bill, thereby holding up the completion of the great flood-control project of 1928 upon the mistaken idea that both are projects of a kind and should be merged into an omnibus measure.

The facts are these: The great lower-valley project of 1928, known as the Jadwin plan, is only about half completed. One reason for the delay is that public opposition to a floodway in north Louisiana became so great that the Government did not see fit to proceed. Several years ago the House Flood Control Committee, by resolution, directed that a survey be made looking to a reexamination of the entire project. The Mississippi River committee and the Chief of Engineers made this survey, and reported certain modifications. These modifications were approved by such engineers as Jadwin, Brown, and Markham. They came as near bringing together all diverging elements as was humanly possible, with the result that the experts and the leaders all up and down the valley gave it their general approval.

The modifications were submitted to Congress in the Overton bill. No project has ever had more earnest and thorough consideration.

It is designed to carry to completion a project already begun. It is in furtherance of the national policy adopted in 1928, to wit: That is dealing with flood control of the lower valley the responsibility is to be assumed by Congress.

No policy whatever has been adopted by the Government in respect to all the various projects incorporated in the omnibus bill. It is apparent that a sound flood-control policy applying to all the States and Territories cannot be formulated in a few hours.

This objection is raised not to minimize the necessity for relief or to throw obstacles in the way, but merely to indicate that it may be many weeks before such a policy is whipped into shape. Why, it can be asked, should the lower valley wait on flood-control projects stretching from Maine to California when the Government has already formulated such a policy, has spent over $200,000,000 in prosecution of that work, which, if not further prosecuted, will be practically worthless?

The Overton bill, being merely an expression of the previously adopted national policy, has no relation to the eastern flood-control problem. It comes under an altogether separate head. That is why Senators and Representatives familiar with the lower-valley problem are demanding that the Overton bill pass now, without waiting and facing the possibility of its being thrown into the omnibus bill designed primarily to give relief to the East.

Flood control in the East is something new. It is a long, laborious process. In the lower valley the project is already under way. It is in furtherance of a definite, fixed national policy. Delay is not only unwise but serious. Our Senators and Representatives will perform a splendid service if they will continue to present this view forcefully and vigorously to their colleagues.

The Overton bill should be passed now.

[From the New Orleans (La.) Item of Apr. 11, 1936]

OUR FLOOD-CONTROL BILL

In leaving New Orleans General Ferguson, head of the Mississippi River Commission, said:

"The outstanding news of the week is that the snags which have delayed the Mississippi River flood bill have been removed."

We fully agree with this appraisal of this news if all the snags have really been removed. It is our understanding that all of them have so far as the Senate is concerned. The prevailing opinion in Washington seems to be that the Overton measure will pass the Senate. We are not so sure, however, about the House.

Comprehensive floodway legislation along lines satisfactory to the Army Engineers was stalled in the House throughout the last session by opposition from a Louisiana Congressman, Mr. WILSON, himself chairman of the Flood Control Committee, and by several others, all animated by conflicting viewpoints arising from local or regional interests in the floodway program.

Some of the most damaging opposition arose from regional aversion to the Eudora floodway, favored by the engineers. We don't know whether that opposition is to be resumed in this session or not. We have seen no statement that it will, but neither have we seen any to the contrary. Everybody in this State and the other suffering areas of the lower flood valley who wants real comprehensive protection from recurrent catastrophe should turn his attention to the House with a view to advancing the Overton Act, if it gets through the Senate.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore, as in executive session, laid before the Senate messages from the President of the United States submitting several nominations in the Public Works Administration, which were referred to the Committee on Appropriations.

(For nominations this day received, see the end of Senate proceedings.)

RECESS

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 1 o'clock and 58 minutes p. m.), under the order previously entered, the Senate took a recess, to meet, for the trial of the articles of impeachment against Halsted L. Ritter, tomorrow, Wednesday, April 15, 1936, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 14 (legislative day of Feb. 24), 1936

PUBLIC WORKS ADMINISTRATION

George H. Sager, Jr., of Kentucky, to be State director of the Public Works Administration in Kentucky.

William F. Cochrane, of South Dakota, to be State director of the Public Works Administration in South Dakota.

Richard A. Hart, of Utah, to be State director of the Public Works Administration in Utah.

James A. Anderson, of Virginia, to be State director of the Public Works Administration in Virginia.

Eugene R. Hoffman, of Washington, to be State director of the Public Works Administration in Washington.

Malcolm L. O'Neale, of West Virginia, to be State director of the Public Works Administration in West Virginia.

HOUSE OF REPRESENTATIVES

TUESDAY, APRIL 14, 1936

The House met at 12 o'clock noon.

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

Heavenly Father, Thou hast set Thy love upon us; we are blessed with Thy jealous care and with Thy unsleeping and faithful watchfulness; praises be unto Thy holy name. We thank Thee for the good gift of life, rich, full, and crowded with interest. These days when so many are seeking something that shall make it fuller and better, grant, blessed Lord, to give them newer and richer blessings of wisdom and understanding. We pray that we may bring to Thee grateful hearts and happy spirits. Enable us to stand where we have fallen and win where we have faltered. Almighty God, increase our devotion to our traditional institutions; embue us plenteously with heavenly gifts, and may we hallow Thy name in all that we shall do. In our Savior's name. Amen.

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

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate agrees 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. 11968) relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and for other purposes.

OMNIBUS BILLS

Mr. COCHRAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. COCHRAN. Mr. Speaker, on Tuesday next, under the rule, omnibus bills will be considered by the House. While I am opposed to some of the individual bills in the omnibus bills, I think at least 75 percent or more should be passed. I want to do everything I can to expedite the consideration of the bills, although I have not one bill to be considered. I note in the RECORD of yesterday that the gentleman from Oklahoma [Mr. MASSINGALE] asked unanimous consent to speak for 20 minutes on next Tuesday. I understood the gentleman to ask unanimous consent at that time to speak next Thursday. I notice on the calendar this morning the request is listed as Thursday. I should like to know whether the gentleman from Oklahoma [Mr. MASSINGALE] is to speak on Tuesday or Thursday. While I have never objected to a unanimous-consent request, I think when a special day is set aside for the consideration of omnibus bills that the Members should recognize that fact and not ask unanimous consent to speak on that particular day.

The SPEAKER. The Chair may say to the gentleman that the Journal, which is controlling, shows that consent was given the gentleman to speak on next Thursday.

Mr. COCHRAN. I hope the Members of the House will permit an entire day to be given to the consideration of omnibus bills and not take up part of the time with speeches.

PRIVILEGES OF THE HOUSE

Mr. ZIONCHECK. Mr. Speaker, I rise now to what is known as the privileges of the House. If the Speaker insists or someone objects, I shall prepare a resolution and take an hour. At this time I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. ZIONCHECK. Mr. Speaker, yesterday unintentionally I did not insert myself into anybody's remarks. The gentleman from New York [Mr. BOYLAN] was making a very fine address upon Thomas Jefferson, yesterday being Thomas Jefferson's birthday, and it was a very fine thing to do, and the gentleman did well. There is no one who admires Thomas Jefferson any more than I do, and there is no one who appreciates a good speech any more than I do, and the gentleman made a very fine speech. In fact, he did better when he started to talk than he did when he was reading. But he seemed a trifle irritated yesterday. I asked unanimous consent to proceed for 1 minute to tell the gentleman something in order to enlighten him, if I could. Of course, I am young but yet I keep on trying. The gentleman from New York objected. The gavel fell, and he lost the floor. I told him at that time—and I think the RECORD will so show—that the reason he objected was because he could not answer it. So very suavely and in a very meek and surreptitious manner the gentleman goes to the reporters and suggests they might leave that remark out.

Now, Mr. Speaker, his remarks had ceased. I admit I had no business making the remark, but I did it intentionally, and it was there.

Mr. Speaker, may I ask what right the gentleman from New York had to cause those remarks to be taken out of the RECORD? The Speaker may have ordered them out, or the House may have ordered them out, but he did not have that right.

Mr. BLANTON. I make the point of order that when a Member is speaking on the floor, as the gentleman from New York was yesterday, and someone attempts to interrupt him and he states he refuses to yield, and he does not yield, no Member then has the right to make remarks and to put them in the RECORD without being recognized by the Chair or getting permission of the House.

I think the gentleman from New York would have been well within his rights if he had taken a pencil and wiped out the remarks himself, because the gentleman from Washington did not have any right to make a remark in the RECORD unless he got permission of the House or permission of the Chair. Mr. Speaker, I make that point of order.

Mr. ZIONCHECK. Mr. Speaker, I should like to be heard on the point of order.

Mr. Speaker, the reason I am not going to try to explain to the gentleman from Texas what I have been telling the House is because I have long ago learned not to describe the beauty of a morning sunrise to a cat.

The SPEAKER. The Chair understands the gentleman did not have the consent of the gentleman from New York to interrupt him?

Mr. ZIONCHECK. May I make this explicit?

The SPEAKER. The Chair is trying to ascertain the facts.

Mr. ZIONCHECK. That is what I am going to try to tell the Chair. I know this is a very delicate point, you know, from a parliamentary standpoint. I do not know what the Chair is going to do. I know how I would decide the question, but that is the only thing I can state to the Chair.

Mr. Speaker, the point is the gavel had fallen. The Speaker had stated "Your time has expired." So the gentleman from New York throws in an objection to my speaking, and then my remarks that followed the objection, without the permission of the House, are taken from the RECORD. After his time had expired he goes to work and deletes my remarks that I should not have put in anyway, but they were there. He did this without my permission. If the gentleman had called me up and asked me about the matter I would have stated it was all right to delete the remarks.

The SPEAKER. The Chair may say to the gentleman that no Member of the House has the right to have his remarks inserted in the RECORD unless he has obtained the consent of the House or the Chair or the gentleman addressing the House.

The present occupant of the chair was not presiding at the time, but the Chair understands from the gentleman from Washington [Mr. ZIONCHECK] that when he asked the gentleman from New York [Mr. BOYLAN] for permission to interrupt him the gentleman from New York declined to yield. Thereupon the gavel fell, and the gentleman's remarks were made after the gavel had fallen and without recognition from the Chair or the permission of the gentleman from New York.

Mr. ZIONCHECK. That is right. I admit I was wrong.

The SPEAKER. The Chair, under such circumstances, holds that the remarks were not proper for the RECORD.

Mr. ZIONCHECK. That is right.

The SPEAKER. And certainly if they affected the gentleman from New York or anything he had stated in his remarks, the gentleman from New York had the right to strike them out.

Mr. ZIONCHECK. Yes; but, Mr. Speaker, what right did he have to delete remarks that were not properly there and were not within his remarks without my permission or the permission of the House?

The SPEAKER. For the reason that the remarks of the gentleman from Washington were made out of order and affected the gentleman from New York.

Mr. ZIONCHECK. But who is the gentleman from New York to start cleaning up the RECORD?

The SPEAKER. If the remarks affected the gentleman from New York personally or referred to anything he may have said, the gentleman from New York was clearly within his rights in not having the remarks of the gentleman from Washington appear as a part of his speech.

Mr. ZIONCHECK. Is he going to start editing the Senate speeches now?

The SPEAKER. The Chair need not reply to that.

Mr. BOYLAN. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BOYLAN. Mr. Speaker, I have been a Member of this House for seven terms. During this entire period I have never objected to the request of any Member to proceed in

a regular or orderly way. For the first time during my years of service I am accused of surreptitiously causing some remarks of the gentleman from Washington [Mr. ZIONCHECK] to be eliminated from the RECORD.

There has grown up a practice in this House lately, and only a couple of months ago I spoke to the Speaker about it, of men rising on the floor and making certain requests and then, after the requests are denied, to continue talking. I have held that under the rules of the House, after a decision is made by the Speaker or the Chairman, no further language should be taken down, and I think you will admit this is right, otherwise we get a lot of extraneous matter in the RECORD that does not belong there.

I am not so obtuse that I need any admonition or instructions from the gentleman from Washington. I have always held my membership in this House in the greatest dignity. I have tried to proceed according to the rules, and, above and beyond all that, irrespective of any rules, I have always tried to be a gentleman. [Applause.] I have never impeded or stood in the way of any reasonable request made by any Member of this House.

Yesterday, the one hundred and ninety-third anniversary of the birth of Thomas Jefferson, I thought we ought to pause a while and consider the work of this great man. As I said yesterday, and as I repeat today, there seems to be a philosophy growing up that there is nothing to the credit of men who have given their lives and their best endeavors for the Republic. A certain element today sees nothing in that philosophy. They see nothing in the historic backgrounds of the past that have been the milestones along which our Republic has traveled. They would have them all sink into insignificance for that of the present day and the present hour.

The gentleman from Washington requested me to yield. I said to him, off the record, I preferred not to yield until I had completed my speech, as I wanted to keep it connected and all together, but the gentleman still persisted, and, as you all know, I try to make it a practice to yield to anyone who requests me to do so. I yielded to the gentleman, and he made a remark in a sneering manner that would tend to disparage any attempt to erect a memorial to the memory of Thomas Jefferson. However, I proceeded with my statement, and after the gentleman sought to interrupt me further several times——

[Here the gavel fell.]

Mr. BOYLAN. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER. The gentleman from New York asks unanimous consent to proceed for 5 additional minutes. Is there objection?

There was no objection.

Mr. BOYLAN. The gentleman sought to interrupt me further, and in view of the tenor of his first remark I declined to yield to him. He persisted, however, in his endeavors to spurt himself into my speech. I refused to yield to him, and at the conclusion of my speech he asked time to proceed for 1 minute. Judging by his previous action in his question and statement, I did not care to have any similar remarks follow my address. So I objected to his request.

I cannot recall when I objected to any other man's request before, but I objected for the reason I have stated; and after I had objected he went on with some irrelevant statement to the effect that I did not yield because I was not able to answer the question.

I am not a crystal gazer, and I do not hold forth as an astrologer. I do not know what question was in the gentleman's mind. I do not know his mental processes. Of course, I have certain opinions of them, based on observation of his actions and talk on this floor, but courtesy prevents me from expressing these opinions. [Laughter.] I shall not put them in the RECORD.

Of course, if he tried to spurt himself into my speech——

Mr. ZIONCHECK. Mr. Speaker, a point of order.

The point of order is this: I did not intend to refer to other matters, but it is like the gentleman from Texas, when he said that I was doped, and he took the word "doped" out and left a blank.

Mr. BLANTON. Mr. Speaker, I make the point of order that the gentleman is not stating a point of order.

Mr. ZIONCHECK. I would have a right to delete those remarks. I think the gentleman from Texas is a son of a Texan, and I am going to take the "Texan" out.

The SPEAKER. The Chair thinks the gentleman from New York was proceeding in order, and the Chair overrules the point of order made by the gentleman from Washington.

Mr. BOYLAN. Mr. Speaker, I had not quite finished. After I objected the gentleman made this irrelevant remark that I was unable to answer the question. Then when I received the written transcript of the proceedings I noticed that that statement was in the RECORD after I had objected to his request, and therefore I called the attention of the reporter to the fact that extraneous matter had been injected after I had objected to his proceeding.

Now, I said that under the orderly procedure of the House that remark should be eliminated because it was squirted or spurted in there. I took it up with the chief reporter, and he consulted with his colleagues who have been here for many years, and they all agreed that it should come out. I did not take it out, I merely called the attention of the reporter to the rules of the House, and he took it out. The gentleman from Washington seems to be very much perturbed about it this morning.

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

Mr. BOYLAN. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes more.

The SPEAKER. Is there objection?

Mr. RANKIN. Reserving the right to object, we have a very important conference report to dispose of this morning.

Mr. BOYLAN. If the gentleman objects, I shall have to raise the question of the privilege of the House.

Mr. RANKIN. I hope the gentleman will not interrupt me until I have finished my statement. Mr. Speaker, I reserve the right to object, although I am not going to object, to the gentleman's proceeding for 5 minutes more. I think this matter the gentleman is now discussing has taken too much time already, and we have a conference report here that affects the people in many States—people whose homes have been washed away by floods or destroyed by cyclones. I shall object to anybody else having time until this conference report is disposed of.

The SPEAKER. Is there objection?

There was no objection.

Mr. BOYLAN. So that language was struck out. Now, I have the greatest admiration for the gentleman from Washington. I wish he would pay a little attention to me. I have great respect for the gentleman from Washington.

Mr. ZIONCHECK. And I have for the gentleman from New York.

Mr. BOYLAN. He is young and impulsive and needs a little seasoning, which he will probably get in time. [Laughter.] My admiration, my respect and love for the gentleman are so great that I would not put a stone in his way, but I do say that if he is left to himself he is liable to squirt himself out of his seat, and I would not like to see that happen.

Mr. ZIONCHECK. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. ZIONCHECK. The point of order is this: When I squirt myself out of my seat where will I squirt myself and who cares?

Mr. BOYLAN. The gentleman will probably squirt himself into that oblivion from which he emanated.

The SPEAKER. It is distinctly out of order and against the rules for Members to interrupt another Member who is speaking, especially when seated. The Chair trusts that the gentleman from Washington will observe that rule.

Mr. BOYLAN. Mr. Speaker, I do not want to see the House lose the services of such a valuable gentleman as the Member from Washington. We need all types of character, as they all go to make up a general ensemble. The gentleman from Washington may have his peculiarities, perhaps due to a different temperament, perhaps attributable to the air of the great West, but we tolerate him, and we ask him

at all times to have a little respect for the dignity of the House, to feel his membership here, to so carry on that he would show not only in his language but also in his daily actions and conduct that he appreciates being a Member of the great House of Representatives. I have never done anything surreptitiously in my life, and I am too old to start now, and let me assure the gentleman that I shall proceed in the same even tenor of my way.

Mr. ZIONCHECK. Is that a promise?

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

Mr. BOYLAN. Mr. Speaker, have these interruptions been taken out of my time? If they have, then I have not quite finished my 5 minutes.

The SPEAKER. Does the gentleman ask unanimous consent for more time?

Mr. BOYLAN. Mr. Speaker, I ask unanimous consent to proceed for another minute.

The SPEAKER. Is there objection to the gentleman from New York proceeding for 1 minute?

There was no objection.

Mr. BOYLAN. Mr. Speaker, I do hope that the young gentleman from Washington will not feel that I have spoken harshly about him. Everything that I have said has been said as in the light of a big brother. I do not want to see him go wrong. I should like him to study the rules of the House and be familiar with our procedure, and then I am sure he will not make the same error that he made yesterday.

LEAVE TO ADDRESS THE HOUSE

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. The gentleman from Indiana asks unanimous consent to proceed for 5 minutes. Is there objection?

Mr. RICH. Mr. Speaker, I reserve the right to object. There is a very pressing conference report here ready for consideration on flood control and flood relief. For 2 weeks we have been trying to get some relief for the people of this country who are in dire circumstances, but we take the time to discuss many matters here that are not of great importance. I think we ought to give consideration to flood-control legislation. I shall not object to this request, but I think we ought to get down to brass tacks here and do something.

The SPEAKER. Is there objection?

Mr. RANKIN. Mr. Speaker, I reserve the right to object. I agree with the gentleman from Pennsylvania [Mr. RICH]. We have a measure here that means almost life and death to thousands, probably hundreds of thousands, of people in this country, many of whom have been out of their homes for a week, ever since the flood struck here several days ago. I wonder if the gentleman from Indiana would be willing to wait and get his time later.

Mr. WOLCOTT. Mr. Speaker, I demand the regular order.

The SPEAKER. The regular order is called for. Is there objection to the request of the gentleman from Indiana?

Mr. RANKIN. Mr. Speaker, for the present I shall have to object.

THE IMPORTANCE OF THE IMMEDIATE CONSTRUCTION OF AMERICAN AIRSHIPS

Mr. O'CONNELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'CONNELL. Mr. Speaker, not a day passes that the press of our Nation fails to publish some article or cable report concerning the new German Zeppelin, the *Von Hindenburg*, which is the largest airship ever constructed. This airship is scheduled to visit the United States early in May.

This trip of the *Von Hindenburg* is for the purpose of making a demonstration through which Congress may be influenced to provide more money to construct more German-designed airships, like the *Akron* and the *Macon*, and perhaps also that the United States may place orders for Zeppelin airships to be constructed in Germany.

The German Zeppelin interests now practically dominate airship construction in the United States by its American Zeppelin patents and its large holding of stock in the Goodyear Zeppelin Corporation, to which the American Zeppelin patents are transferred or licensed.

The Zeppelin influence extends further, in that some former Zeppelin engineers, many of whom are now American citizens, are members of boards which have been appointed to investigate airships. Their reports, directly or indirectly, constitute an influence in favor of the Zeppelin, especially as they appear to recommend only airships that have "demonstrated flight."

The *Akron* and the *Macon* have "demonstrated flight" through the appropriation of public funds by Congress. An American airship designer may have an airship endorsed by eminent American engineers as being stronger, safer, and better in other respects, yet its construction may not now be considered by the Government agencies because he has not previously "demonstrated flight."

There is still another important thought that should be considered. The operation of the *Graf Zeppelin* to South America has definitely increased commerce between Germany and South America. The new *Von Hindenburg* will also be placed in service to South America, and still further may increase German exports to South America. A sister ship of the *Von Hindenburg* is reported to be now under construction in Germany, and a deal with Dutch interests is said to provide the construction of more German-built Zeppelin airships to engage in trade to the Dutch island colonies. It seems evident Germany contemplates dominating lighter-than-air transportation.

The Germans have built in Germany only five airships since the World War. Two of these were employed for several months in intercity commercial service with very satisfactory results and with substantial profit, then were delivered to France and Italy as part war indemnity and were broken up.

The *Los Angeles* was delivered to the American Government, and after many years of successful flight is still reported as sound, and with some repairs could be put in service now. The *Graf Zeppelin* has conducted a wide range of successful flight for 7 years, in which was included a trip around the world. The *Von Hindenburg* has completed its first long overseas journey, and is said to be the best airship that has been constructed.

The Zeppelin frame is classified as an indeterminate structure and may be calculated only upon what is termed an "empirical formula" and may not be calculated upon normal engineering formulas. It is interesting to know that the empirical formula is established only through experience of actual construction and use of what is classed as an indeterminate structure.

Prior to the construction of the *Akron* and *Macon*, the Zeppelin engineering organization was supplied with data for an airship only as large as the *Los Angeles* or the *Graf Zeppelin*. They may have desired to construct an airship the size of the new *Von Hindenburg*, but perhaps had no data to then warrant such construction. What would they do about it?

It has been stated that when Germany believed it would win the war against France, England, Italy, and Russia the German imperial command considered who would pay Germany. Their opponents were without resources to pay, and if the United States was forced into war against Germany then the United States could pay Germany, for the United States was known to be a wealthy country.

The German imperial command, therefore, is said to have deliberately ordered certain naval operations which resulted in the United States becoming involved and while the opinion as to Germany's winning was an error, they were right in that the United States would pay for the conflict, for while we did not pay Germany, we did pay our allies.

If the German Zeppelin engineers wanted definite information that would warrant them to build the *Von Hindenburg*, which is larger than the *Akron* or *Macon*, and to advance their empirical formulas with construction and operation data, they would need to build larger airships or get someone else to pay for the experiment. My opinion is

the United States was again chosen to be "the goat." The construction and destruction of the *Akron* and *Macon* undoubtedly supplied valuable data to the German Zeppelin organization for the construction of the *Von Hindenburg*.

I do not wish to say anything detrimental to our now valued American citizens of German birth, who may formerly have been Zeppelin-trained engineers and came to our country to aid in the design and construction of the *Akron*.

The fact remains, however, that these engineers perhaps had not acquired the full technical knowledge then possessed by the Zeppelin organization, or, if they had such knowledge, they did not insist that the *Akron* and *Macon* be constructed with certain important reinforcements which I am informed were employed in the construction of previous Zeppelin airships.

I understand that during the Lighter-Than-Air Forum, at Akron, Ohio, July 25 and 26 last year, the Navy Department was charged with responsibility for the loss of the *Akron* and *Macon* because the builders were not allowed to include certain reinforcements which had been considered necessary and were included in previous Zeppelin-constructed airships.

I do not know if an investigation has been made concerning these charges or the result of such investigation if made.

The loss of the *Akron* and *Macon* is thought to be directly the result of structural failure at a place which in other Zeppelin airships were reinforced, and the operating personnel of these airships were no more to blame than a driver of an automobile should be blamed when a front axle breaks and the automobile is wrecked.

We should at least learn from the loss of $10,000,000 worth of airships, with the lives of scores of men, that we should now question the advice of those who may be responsible for the structural failure of the *Akron* and *Macon* and of those who now recommend the continued construction of such airships, when the United States has the most competent structural engineers in the world, who have been ignored when American airship construction has heretofore been considered.

When the new Zeppelin, the *Von Hindenburg*, arrives in America these American engineers must feel that the American people, the American press, and the American Government have no confidence in their ability to design and construct airships as well as the German engineers and that other nations may feel the American engineer has fallen from his former leadership among engineers of the world.

I have been very much impressed by a brief prepared by Dr. D. B. Steinman, president of the National Society of Professional Engineers, published in the February issue of the American Engineer, as follows:

The engineer—he is the master of the laws of nature. On a sound foundation of mathematics, science, and economics he bends the materials and forces of nature to his plan and rears the structure of civilization.

With vision, resourcefulness, and ingenuity, he labors to increase the comfort, wealth, and safety of his fellow men.

He attacks his problems with the vision of the pioneer, the integrity of the scientist, the accuracy of the mathematician, the practicality of the businessman, the resourcefulness of the inventor, and the courage of the conqueror.

He is the planner and builder. He builds his visions into enduring realities.

He is the pathfinder of civilization. He breaks down barriers, bridges chasms, establishes communication, and straightens the way for commerce and human progress.

He is the protagonist of efficiency. He reduces effort, eliminates waste, and increases production.

He is the creator of a nation's wealth. He drains the swamps, reclaims the deserts, develops resources, and harnesses power. He builds the machinery of industry, the wheels of commerce, and the structure of business.

He is the great coordinator. He plans and directs the construction of projects representing the investment of millions of dollars and involving the labor of thousands of men.

He investigates with open mind and gets the facts before he makes decisions. He plans with thoroughness and builds with fidelity.

To his rich heritage from the labors of past generations of engineers and scientists he adds his contributions. He continues the work of forcing outward the challenging barriers that separate man's efforts from the impossible.

Dr. Steinman is an eminent consulting engineer, in the design and construction of both arch-frame and suspension bridges, and is recognized throughout the world as among the leaders in his profession. He has designed many of the great bridges in North and South America, as well as in other sections of the world.

He has knowledge and experience that assures his ability to analyze the Zeppelin arch-bridge type frame, the aerodynamic and load stresses imposed on an airship in flight, and to design an airship structure with the application of the suspension-bridge engineering principles, for any size airships.

One of our American inventors developed the idea of employing the self-anchored suspension-bridge principle in the construction of airships. With the cooperation and advice of the Guggenheim School of Aeronautics, of New York University, following standard procedure, a scale model was made and tested with very satisfactory results. Robinson & Steinman, consulting engineers, were then employed to design a suspension-bridge frame for an airship, to be constructed upon specifications prepared by the Bureau of Aeronautics of the Navy Department, for the *Akron* and *Macon*.

Upon the completion of this work Messrs. Robinson & Steinman submitted a report in which were the following statements.

Whatever may be said of the performance of the Zeppelin airship will apply equally to the Respess airship, but the Respess airship would have in addition the following advantages:

Greater strength and safety.
Greater inherent strength.
Increased length of life.
Decreased maintenance costs.
More efficient use of material.
Reduction in cost of construction.
Reduction in time of construction.
Ease of construction.
Simplicity, accuracy, and definiteness of calculation.

The stresses in this airship never reverse, thereby removing all fear of failure in the hull through fatigue and crystallization.

The net pay load will be unusually high, facilitating economical commercial operation.

This is the type of airships proposed to be constructed under bill H. R. 2744, for two 7,000,000-cubic-foot airships and their operation in trans-Atlantic service, and in bills H. R. 10186 for a 300-ton military airship and H. R. 12030 for a 300-ton naval airship.

The main purpose of these bills is (1) to demonstrate the practical and profitable operation of American-designed airships in overseas trade and thus may attract private capital to engage in the extension of such operation; (2) to demonstrate the military or naval value of American airships that are designed for commercial use but may be converted to military service in the event of war. Thus we may determine the support the Government should extend as loans to encourage commercial airship construction and operation by private capital, as now provided for our merchant marine.

The value of airships has been determined to a sufficient extent to warrant American airship construction, and such construction has been approved by several Government agencies—the National Advisory Committee for Aeronautics, the Federal Aviation Commission, the Science Committee, and the Navy, War, and Commerce Departments.

In heavier-than-air transportation the United States is farther advanced than any other nation of the world. With our huge supply of nonexplosive helium gas we also have the opportunity to become the leader in overseas airship transportation. Our leadership in heavier-than-air transportation has been attained through gradually increasing investment of private capital. Leadership in airship overseas transportation may also be established with invested private capital when it is demonstrated such service may be conducted with profit.

The Government itself constructed the *Shenandoah*. The *Akron* and *Macon* were constructed under naval specification and supervision. We now have none of these airships, and they were not insured. I am opposed to further airship construction under such conditions. I am in favor of American private agencies attacking the problem of American airship construction and operation and to carry full insurance during such construction and operation.

That airships may be operated at an attractive profit is indicated by an estimate of the probable annual receipts and expenditures for such service, as contemplated under bill H. R. 2744, for the construction and operation of two 7,000,000-cubic-foot airships, each making a round trip weekly between our Atlantic coast and England or Europe.

Operating charges

Administration and communication	$300,000
Fuel and oil	850,000
Helium gas	300,000
Crew	300,000
Engine maintenance and replacement	500,000
Terminal charges	300,000
Contingencies	400,000
Insurance	750,000
Airship maintenance	500,000
Airship depreciation	500,000
Liquidation of construction loan	500,000
Interest at 3½ percent annually	175,000
Traffic solicitation and handling	660,000
	6,035,000

Estimated income

	Pounds
Total pay load available each trip	48,000
Total load, 208 trips	9,984,000
Average 75 percent full loads	7,488,000
Average 80 percent of schedule trips	5,958,400
Income with $1.50 pound charge	$8,937,600
Deduct operating charges	6,035,000
Net profit	2,902,600

These estimates were submitted with realization that no service of this character has ever been operated, and consequently the figures must be taken as approximate. A sincere effort was made to estimate the operating charges high and the prospective income low. It is fair to state also it is believed the pay load will be much more than 48,000 pounds.

Airships for commercial operation of this character must be strong and flexible in order to resist unusual or unexpected stresses during all seasons of the year and in all kinds of weather. They must have speed of at least 100 miles per hour for rapid transportation and to avoid storms as far as may be possible. They must be able to operate at relatively high altitudes if necessary in order to avoid low storms, or seek a level of most favorable air currents, and they must have these qualities without reduction of the useful load beyond the point of providing a profitable pay load.

There are two types of thoroughly tested engineering principles that may be employed in designing airship frames. One is that of the arch-type bridge, that requires a structural weight 40 percent greater than that of a suspension bridge of equal strength and capacity. If the arch-frame bridge were reduced 40 percent in weight it would not be capable of carrying the same load, and no bridge engineer could endorse the safety of such bridge for such load.

The suspension-bridge engineering principles, when employed for an airship frame, not only has the important advantage of reduced weight but receives stress on elastic steel bridge strand wire, and in this type of structure the stresses never reverse, therefore removing all fear of failure in the hull through fatigue and crystallization. In the operation of Zeppelin-frame airships reversal of stress, fatigue, and crystallization of the metal employed cannot be avoided.

That there is a need for safe American overseas airship service and ample opportunity for conducting such service profitably is supported by the House Committee on Commerce in its report on the merchant airship bill, H. R. 8681, June 15, 1932, from which I take the following extract:

The Committee on Commerce, to whom was referred the bill (H. R. 8681) to develop American air transport services overseas, to encourage the construction in the United States by American capital of American airships for use in foreign commerce, and to make certain provisions of the maritime law applicable to foreign commerce by airship, have considered the same and report thereon with amendments and, so as amended, recommend that the bill do pass.

The purpose of the bill is to promote national defense and foreign trade by having suitable American aircraft serving such trade and available for use in time of war. The creation of commercial air-transport services overseas as a supplement to the American merchant marine is a possibility that has only now become practicable by recent advances in applied science. There is ample evidence that the time has now come to use the air as the medium for rapid transport of the urgent portion of our business representatives, samples, and mails to overseas markets.

The speed of steamships has about reached its economical limit. To maintain a speed of more than 24 knots requires vessels of enormous size and cost. Freight and passengers cannot be found to fill such superships except on the North Atlantic, and even there international rivalry supported by governments has only pushed the speed up to 28 knots. Naval architects propose the ultimate ship of 30-knot speed, to cost twice as much as a 24-knot vessel, saving 1 day in the Atlantic crossing. Such ships, flying our flag, will cost approximately $30,000,000 each, of which amount three-fourths is required, under existing law, to be loaned by our Government at low rates of interest.

In the Pacific there is slight possibility of supporting from commercial revenues steamships of much greater speed than are now available. And yet in the Pacific our national and commercial interests may have the greater need for increased speed of transportation. To increase the speed of water transportation materially is usually prohibitive in cost, because the portion of passengers, mails, and goods that really require high speed is too small to fill at increased charges the great vessels needed to provide such speed.

The other side of the picture reveals the air over the sea as an available medium for the very high-speed transport by aircraft of this relatively small portion of the traffic now moving that is able to pay for time saved. Instead of a possible speed increase of 10 or 15 percent offered by steamships at a very great cost, aircraft offer the possibility of a speed increase of several hundred percent over existing means and at moderate cost. In other words, the economical speed for aircraft operations is high compared with that for vessel operations.

Today our trade and manufacture are not simply a matter of domestic industry and exchange. We have developed the principles and practices of quantity production to such an extent that we have become an exporting Nation. This export field is new to our generation, but we are in competition with the old, experienced export nations of the world. If our future in this export field is to be a success we must proceed with a definite program of aggressiveness.

Once we had the leading position in the China trade until the Civil War destroyed the American merchant marine. We had the cream of that carrying trade, because we had the swiftest sailing ships in those days of sail and wooden ships. It was speed that won us the tea and silk cargoes.

In the Atlantic we have no geographical advantage, and if we are to receive our share of trade we must take the lead in securing closer contacts and better relations. Here our problem of maintaining a reasonable position in foreign trade is one demanding the greatest application of American ingenuity.

Europe is fast learning the lesson of mass production from American industry, and with its present almost unchallenged position in the field of steamship transportation bids fair to assume a commanding lead in the Atlantic trade to the exclusion of her American competitors.

In the Pacific geography has been more favorable to us. We are in the enviable position of being closest to the largest concentration of population on earth. We must take those steps now which facilitate intercourse and increase accessibility.

It is 6 or 7 days from San Francisco to Honolulu by steamship (one ship only making it in 4 days—the fastest on the Pacific), and approximately 14 days to Japan. It is 3 weeks from California to Manila and even longer to Hong Kong or Shanghai. Two months must pass before the average letter receives a reply. Trade must develop slowly under such conditions. Speed is essential for letters and documents, for samples and high-class express traffic, for orders, for the service of filling these orders, and for the transport of business representatives.

The application of airships of the *Akron* type to trans-Pacific service has been represented to the committee by responsible American business and shipping men as promising a profound alteration in the effects of geographical distance. For example, Hawaii can be brought within 36 hours of California, giving not only obvious trade benefits but also a powerful corrective to the unfortunate effects of the relative inaccessibility of our primary Pacific fortress.

Airship service to Manila can cut the travel time from 3 weeks to 6 days and bring Shanghai, Hong Kong, and Tokyo as close to our west coast as London, Paris, and Berlin are by steamship from our east coast. Airships on the North Atlantic can deliver passengers, mails, and express in Europe in less than half the time now taken by the faster foreign steamships.

Such overseas air-transport services will be supplemental to the merchant marine, which must continue to carry the bulk of passengers and mails and all of the heavy cargo. The merchant marine is supported by the volume of our foreign trade and will be benefited to the degree that airships succeed in stimulating this trade. Captain Dollar has well said, "When business representatives can visit their foreign customers more quickly they will go more often, get more orders, and our ships will get more cargoes."

The airship as a new vehicle for the service of our foreign trade can give an increase in speed over our existing fast steamers comparable to that following the replacement of sail by steam in the last century.

The volume of traffic now moving across the Pacific and Atlantic is enormous. For example, over 1,000,000 persons crossed the North

Atlantic by steamship in 1930. Of these, 100,000 persons each way went first class and half of them booked passage at extra fares on the 10 fastest ships. An airship service to Europe giving a sailing twice a week would carry the small fraction of this traffic for whom time saving was really worth while.

Across the Pacific the present passenger traffic is very much less than on the North Atlantic. Even in 1929 but 100,000 persons crossed the Pacific. It is obvious that passengers do not travel when ships are slow and distances great. While the traffic available for the trans-Atlantic airship service is more than ample, the need for a speedier service across the Pacific is even more evident.

The weight of all mail dispatched from New York to Europe reaches annually nearly 40,000,000 pounds, of which about 3,850,000 pounds is first class. The weekly shipment of first-class mail by all steamers exceeds 69,000 pounds. With two airships sailing weekly, a large portion of this first-class mail could be expedited, but with a surcharge to the public in the form of an extra stamp the volume actually designated to be sent by air can be controlled by the post office. The post office can in this way adjust the relation between the compensation paid to the carrier and the surcharge paid to the post office.

Across the Pacific, like the passenger movement, the mail movement is less than across the Atlantic, the first-class portion of such mails being about 28 percent of Atlantic first-class mail. This quantity is within the capacity of airships to handle.

There is no international express business, but it is to be expected that a rapid air-transport service will develop such a business analogous to our domestic railway and air express. Newsreel films, machinery parts, style goods, plans, specifications, drugs and cultures, manuscripts, and samples may be counted on for such shipments. Also there will always be a great variety of miscellaneous merchandise which through special attendant circumstances must be shipped by the fastest means available regardless of cost. Such shipments may represent the specifications for new construction, a delayed order, machinery repair parts, technical apparatus, and the like.

There appears to be in our foreign trade a large potential volume of passengers, mail, and express that can benefit by time saving. These three classes of business should share in an equitable manner the expense of operating the air service.

The United States has in the past established itself as leader in fast overseas transportation, but today other nations have larger and faster ships. The construction and operation of these ships are possible only through very large Government construction loans and operation subsidies.

Rear Admiral H. I. Cone, retired, when chairman of the Advisory Committee of the United States Shipping Board Bureau, told the Federal Aviation Commission that "the Government should build a series of airships suitable for transoceanic passenger and express service." In that way, he declared, "the United States would assume world leadership in the aircraft industry, enabling us at the same time to recapture our lost position in the field of world shipping", adding, "the United States will be left hopelessly behind unless we take steps for building airships to fill out our merchant marine."

In the consideration of building and operating commercial airships, with subsequent construction of additional airships with private capital, the operations as stated must be conducted at a profit. Thus, there are two vital points to be decided: The type and size of the airships to be constructed and the conditions under which the airships shall be operated.

In the choice of airships the type and size that provide the greatest strength and safety, with assurance of rendering the most valuable commercial and military service, should be selected. The conditions under which the airships may be operated should give assurance of a reasonable profit, after providing for replacements, liquidation of principal, and interests on funds employed in the construction and in establishing the service.

Assuming that the present airships can be improved, for important improvement has always heretofore resulted with the extension of transportation operations, shall we be content to build airships on the Zeppelin adaptation of the arch-frame bridge construction, or shall we seek improvement through the advice and service of our eminent American engineers?

Some of my friends in Congress have suggested that—

We know about the Zeppelin's performance and we are not engineers to determine the highly technical principles involved in a comparison of the Zeppelin frame and the suspension-bridge frame.

Fundamentally, the suspension-bridge-frame airship is, to our highly trained engineer, just another suspension-bridge-type structure that is covered with waterproofed fabric, in which gas balloons are installed, with engines for propulsion, with control surfaces provided for directing flight, and with other equipment installed.

If a duplicate of the *Akron*, the *Macon*, the *Graf Zeppelin*, or the new *Von Hindenburg* were constructed, the only difference being in the type of frame employed, both airships would perform equally well. If the frame in the new airship is stronger, safer, and costs much less to construct, that is the airship we should have.

In order to determine what airships we should build, a committee of Congress may call American engineers of structural design and obtain their opinion as to the more dependable frame, then call representatives of our great construction engineering organizations and ask if they could build the suspension-bridge airship frame when designed; call those capable of supplying and fitting the cover to the airship; call those who have constructed gas bags, balloons, or blimps, and are capable of installing the gas bags in the airship; call our leading manufacturers of airplane or other suitable engines; call experienced men from our Government agencies who are capable of advising concerning other equipment for the airship; then finally call those who are experienced in operating airships to secure their opinions concerning their ability to fly the airship if the only difference is the frame.

If the suspension-bridge frame is better, the airship should be better. If the construction is simpler and the airships can be built quicker, we need airships now, and the time element is of material value. If the cost of construction and maintenance is less, such airships will have a considerable advantage as a vehicle of transportation and commerce. With these facts supported by American engineers who have designed and constructed our great public works, for which we have appropriated millions of dollars, then we are warranted in accepting the judgment of these engineers and in approving the airship bills, H. R. 2744, H. R. 10186, and H. R. 12030, and this should be done by the present Congress.

Mr. Speaker, I feel this is a matter of vital importance to our Nation. The airship is destined to become a major form of air transportation, and we will realize this fact within a very few years, perhaps after another nation has become well established, and we may not then obtain the dominating place in overseas rapid transportation.

At the present time we have the only supply of nonexplosive helium gas in the entire world; we have our unsurpassed American engineers, who have been pioneers in the major improvements that we have secured in the past 50 years; and we have a Congress in session concerning which history can record as being responsible for American domination of airship overseas transportation, for extending our commerce by air to the trade marts of the world, and for giving our country a valuable means of defense in event of war.

I have investigated the sentiment of Congress concerning American airship construction and operation. I believe a majority of Members, in both the House and Senate, favor action by the present Congress and would vote in favor of such legislation were an opportunity provided for them to do so.

RELIGIOUS LIBERTY

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. MAVERICK. Mr. Speaker, I have made numerous talks on this floor concerning civil liberties. Today I shall say only a very few words about religious liberty.

(NOTE.—Should any person making research desire to find facts concerning freedom of speech and a résumé of cases, especially of the wartime, see speech delivered by me Mar. 4, 1936, CONGRESSIONAL RECORD.)

My purpose is merely to mention the danger to religious liberty by the suppression of civil liberties. All the statements I have made in reference to civil liberties in my recent speech and in other speeches apply in equal force, if not greater

force, to all religions, churches, and even all unorganized philosophical or religious theories.

The history of the world shows that religious groups are often utilized by selfish interests under some false theory of preventing subversive tactics, immoral tendencies, and so on, when the real purpose is to eliminate civil liberties, and the result has always been the loss of religious liberties. It is obvious that the church should fight all subversive movements and anything that might degrade the Nation morally, but it should look with decided suspicion on any plan that might lead to its loss of civil and religious liberty.

I respectfully suggest to every minister in America and every person who loves his own religion to fight consistently for civil liberties, in which is included freedom of conscience and religion.

NEUTRALITY

Mr. SCHULTE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection to the gentleman from Indiana extending his remarks in the RECORD?

There was no objection,

Mr. SCHULTE. Mr. Speaker, ladies and gentlemen of the House, it was my pleasure and privilege sometime ago to vote for extension of the neutrality legislation. We passed this same legislation in 1935, but owing to the fact that the law expired our President asked us to extend the act for another year in order that this country would be in a position to meet the emergencies that may arise from threatening war clouds to the east and the west. Hardly has this neutrality legislation been approved by this Congress than war clouds began to darken in the European war zone and the Far East. Wars nowadays are not contemplated nor declared, they simply start. And it was with these thoughts in mind that the President asked extension of the neutrality law.

I am not altogether satisfied with the present law, because I feel that it is not strict enough to keep us out of war with other nations into which we may be drawn and in which we have no business. Since this act was extended I have received hundreds of letters from the fathers and mothers of my district urging that this country pass a neutrality law that will definitely keep this country from becoming embroiled in another world war. The law which was recently signed by the President forbids the sale of arms to belligerents, and for that we can be thankful. It forbids the lending of money to belligerents, and from that it is shown that America has learned a lesson from the World War. It authorizes the President, at his discretion, to withdraw the protection of the United States Government from Americans traveling on vessels flying a belligerent's flag.

But our neutrality law does not forbid, or even limit, the building up of a synthetically prosperous American trade in war materials other than arms, and the development of an economic stake in other people's war.

None of us can forget that memorable day in April 1917 when newspapers heralded throughout the land the news, "America declares war!" Thus from Sarajevo, in 1914, to April 1917, the hand of Europe has drawn us ever closer and closer. With all our resources, with all our strength, with all our might, we struck for justice, for freedom, and for humanity. From every walk of life, from the hills and valleys, from the cities and the countrysides, from the offices and the workshops, from the platform and the pulpit even, there was mobilization of valor such as only a people who love liberty truly, who believe in Government where individual opportunity is synonymous with individual liberty, in a land where "every man is set free to be his best and do his best", could produce.

I am sure, ladies and gentlemen, that the American people do not want to have such another war forced upon them as the one this Nation was virtually shoved into almost a score of years ago—a war which has left its scars even on the people of this generation. No father or mother wants to send his son off to war to make the supreme sacrifice. This is the age of reason and not barbarism. But, my friends, the same propagandists that lit the torch that led the way for the god of war into America in 1917, 1898, in 1863, and during the Revolutionary War, are again at work. The same propagandists, the same munition manufacturers, and the same interests are today fostering another war. Little do they appreciate or care about the value of home life. Little do they care about the loved ones that need a mother's care. Little do they care about the hardships of battle. They will receive their profits in bloody bonds, high prices for their products, and gloat over the gouging of their huge profits.

Just recently one of the foremost newspapermen of this country predicted that in 2 more years the world would again be tossed into the chaos of war.

That is why our President wished the extension of the present neutrality law. He foresaw the trend of events. The American people, who have paid and paid for wars, realize what war means to our civilization and the peace and tranquillity of our homes. It means that the man who is going to do the fighting, who does the real and final paying, is going to stop and give particular thought to the question of neutrality. He is going to stop and ask himself:

"Why must I be placed in a foreign territory to fight?"

"Why must I be the one to sacrifice my life when my country is not directly embroiled?"

"Why must I be the one to sacrifice my life for those who sit in swivel chairs and make millions and millions in war profits from manufacturing implements of war, of death and hell, while I lie in the mud and the filth in the trenches in the dark?"

Now, let us stop and think what we have paid—what was the price, in blood and money, paid by America, Great Britain, and all of the Allies for the World War from 1914 to 1918?

Did you ever stop to think, my friends, that the number of dead totaled 6,938,519; that 3,437,740 soldiers were seriously wounded, and that 8,516,497 were otherwise wounded? Did you ever stop to consider that America's entry into the World War cost this Government the staggering sum of $50,361,435,200.78, and more?

Wars have been costly for the people of this country not only from a financial standpoint but from the standpoint of deaths and casualties. I should like to set forth some figures just to reveal the toll of wars which this country has engaged in. In the Revolutionary War from the Battle of Lexington to the surrender of Yorktown, in 24 engagements, the American losses in the field were about 8,000.

In the War of 1812 the number killed in battle was about 1,500; the total number killed and wounded in land battles was approximately 5,000, with the grand total of losses, including prisoners, 9,700.

In the Mexican War the total losses were estimated at 1,549 killed or died of wounds; 10,986 died of disease. In the Civil War the Union Armies' total number of deaths was 359,528. Of these, 67,058 were killed in battle and 43,012 died of wounds, giving a total of 110,070 deaths from battle casualties. For the Confederate Armies it is estimated that the battle losses were 94,000 and that twice that many died of disease.

The total loss of life in the Spanish-American War totaled 2,910, including 280 killed. The wounded number 1,577, of whom 65 died. Those who died of disease totaled 2,565.

Losses sustained by the United States troops in the Philippine Insurrection totaled 777 killed, 227 died of wounds, 2,572 died of disease, while 598 died of miscellaneous causes to total 4,165 deaths and 2,911 wounded.

Statistics on America's participation in the World War reveal: Total number of men in active service in the front line, 1,390,000; total number of deaths in action and from wounds, 48,909.

I should like to call your attention at this moment not only to the staggering toll suffered by the Allied armies during the World War but to the number of dead, those seriously wounded, otherwise wounded, and prisoners taken or otherwise missing of all armies engaged on both sides to illustrate concretely that war is costly and does not pay:

Casualties of the Great World War, 1914–18

Country	Known dead	Seriously wounded	Otherwise wounded	Prisoners or missing
United States	[1] 107,284	43,000	148,000	4,912
Great Britain	[2] 807,451	617,740	1,441,394	64,907
France	[2] 1,427,800	700,000	2,344,000	435,500
Russia	2,762,064	1,000,000	3,950,000	2,500,000
Italy	107,160	500,000	462,196	1,359,000
Belgium [3]	267,000	40,000	100,000	10,000
Serbia	707,343	322,000	28,000	100,000
Rumania [4]	339,117	200,000	(5)	116,000
Greece [3]	15,000	10,000	30,000	45,000
Portugal [3]	4,000	5,000	12,000	200
Japan [3]	300	(5)	907	3
	6,938,519	3,427,740	8,516,497	4,653,522
Germany	1,611,104	1,600,000	2,183,143	772,522
Austria-Hungary	911,000	850,000	2,150,000	443,000
Turkey	436,924	107,772	300,000	103,731
Bulgaria	[6] 101,224	300,000	852,399	10,825
	3,060,252	2,857,772	5,485,542	1,330,078
Grand total	9,998,771	6,295,512	14,002,039	5,983,600

[1] Includes deaths at home and in Expeditionary Force.
[2] Includes colonial casualties as follows:

Force	Dead	Wounded	Prisoners or missing
Great Britain:			
Canada	60,383	155,799	8,761
Australia	54,890	158,199	(5)
New Zealand	16,500	41,432	45
India	59,296	46,969	(5)
French colonials	42,569	[7] 15,000 [8] 44,000	3,500

[3] Unofficial.
[4] Exclusive of deaths at Wallachi while controlled by Germany, of the 18,000 prisoners taken by Bulgaria only 7,200 were returned alive, and of the 98,000 prisoners taken by Austria and Germany 43,000 were reported dead, 15,000 were returned alive, and the remainder were reported as still held.
[5] Included in preceding column.
[6] Exclusive of influenza deaths and those killed in Macedonia retreat.
[7] Serious.
[8] Otherwise.

Reference: From Bogart, Ernest L.: Direct and Indirect Costs of the Great World War (p. 272). (Carnegie Endowment for International Peace.)

My dear friends, this is "a Government of the people, by the people, for the people", and I have a very high estimate of the intelligence of my constituents, and justified confidence in their good judgment, and sincerely appreciate their earnest desire to be helpful to me by the letters they write and the telegrams they send in the sacred trust they have imposed on me to cast my vote for neutrality legislation that will be so airtight that this country will never again ally herself to take up arms in succor to another country and send the flower of our youth across perilous seas to fight the battles of another country.

From the thousands of letters which I have received, the greater number which indicate a clear conception of the issues involved in our neutrality program, it is apparent to me that the people of the First Congressional District of Indiana are against this Government sending our boys outside of the confines of the United States to fight a war that is none of our concern. I have always been opposed to any entangling alliances with foreign nations, and I believe, as I am sure that 92 percent of the people believe, that this Government of ours should remain free from becoming embroiled with any foreign countries.

In fateful situations like the present, when the question of strict neutrality is involved, when a false step may mean destruction, when a blunder may amount to a crime, when a mistake may mean a hurt which can never be healed, it would be "plucking the fruit of unripe wisdom" to disregard the war clouds which are forming on all sides of us at the present. I do not mean to speak of the danger of this country going to war. I do not mean to speak of the horrors of war. Were I to do so, I should dwell most upon the anguish of those at home, of families broken up, hopes blasted, bodies crippled, insanity and disease, debt and poverty, and want and famine, which are only a few of the results of every great war.

I would speak of liberties lost, constitutions destroyed, of peoples exterminated by the immediate savagery of war or languishing in bondage for generations under tyranny, foreign or domestic, military or economic, that always rides in the wake of war. I will not let my mind dwell upon the distress and disaster that wars bring, but we cannot forget what has happened in former wars, and know that what we need now is the strictest kind of a neutrality measure.

Are we particularly uneasy about the Atlantic coast, fearing the landing there of enemy spies or armies? No. Are we anticipating danger from the 3,000 miles of Canadian border? No. Are we especially apprehensive about the invasion of our country from that portion of the Pacific coast not contiguous to Mexican possessions? No. But our uneasiness lies in the intrigue that newspaper headlines carry to us today of the menacing dangers as evidenced by the darkened war clouds to the east and to the west. That is why I say that this Government should be on its guard as to the happenings all about us.

This country is today sitting on a dangerous precipice, from which foreign nations and the big munitions manufacturers are trying their mightiest to tumble us into oblivion. In London recently the League of Nations Council tried to reach a settlement of the problems tossed into its lap. There was talk that it might propose a new agency through which the nations of Europe might settle their disputes and agree upon a common adjustment and protection of their interests. It is obvious that this cannot be done through the institutions and covenants growing out of the World War. These have been so warped and violated by all nations concerned that they have lost their prestige and usefulness. The League covenant has been reduced to shreds and tatters, and the Kellogg and Locarno pacts have gone the same way.

Another war is not the answer to the question. No nation is financially able to support a war over any grievance that now exists. I am sure that with adequate neutrality that this Nation will not become entangled. I am sure that this country wants no part of any war over existing disputes now at stake.

We must have a strong neutrality law, sponsored by the people of this great Nation of ours, that will safeguard the priceless Government established by Washington and his compatriots and preserved by Lincoln and his invincible heroes and saved by those two great Presidents, Woodrow Wilson and Franklin Delano Roosevelt.

Such a government is worth fighting for, worth dying for. If necessary, every patriot, every free man, every American, will draw his sword to uphold, vindicate, and make good the wise and patriotic stand taken by at least 92 percent of the American people who do not wish to send our armies across dangerous seas to fight a war for the benefit of the munition manufacturers and a foreign power.

The brave, generous, and patriotic people I represent as a Member of this House desire peace with all the world, and as long as I am a Member of Congress I shall never vote to declare war on any country unless this country is invaded by a foreign power, when it will become the duty of every able-bodied citizen to protect and preserve this great Nation.

LOANS TO REHABILITATE FLOOD DAMAGE

Mr. GOLDSBOROUGH. Mr. Speaker, I call up the conference report upon the bill H. R. 11968, relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. The gentleman from Maryland calls up a conference report upon the bill H. R. 11968 and asks unanimous consent that the statement be read in lieu of the report. Is there objection?

There was no objection.

The SPEAKER. The Clerk will read the statement of the conferees.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

[To accompany H. R. 11968]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11968) relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, 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 House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, and 9, and agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 3. Title I of the National Housing Act, as amended, is amended by inserting after section 5 thereof the following new section:

"'SEC. 6. (a) The Administrator is authorized and empowered, upon such terms and conditions as he may prescribe, to insure banks, trust companies, personal finance companies, mortgage companies, building and loan associations, installment lending companies, and other such financial institutions, heretofore or hereafter approved by the Administrator as eligible for credit insurance, against losses which they may sustain as a result of loans and advances of credit, and purchases of obligations representing loans and advances of credit, made by them subsequent to the date this section takes effect and prior to January 1, 1937, or such earlier date as the President may fix by proclamation upon his determination that the emergency no longer exists, for the purpose of financing, by the owners of real property or by lessees thereof under a lease for a period of not less than one year, the restoration, rehabilitation, rebuilding and replacement of improvements on such real property and equipment and machinery thereon which were damaged or destroyed by earthquake, conflagration, tornado, cyclone, hurricane, flood, or other catastrophe in the years 1935 or 1936, either on the same site or on a new site in the same locality where the damaged or destroyed property was located. The Administrator is authorized to grant insurance under this section to any such financial institution up to 10 per centum of the total amount of loans, advances of credit, and purchases made by such financial institution for such purpose, and any insurance reserve accumulated by any such financial institution under section 2 of this title prior to April 1, 1936, shall be applicable to the payment of any losses sustained by it as a result of loans, advances of credit, or purchases insured under this section.

"'(b) No insurance shall be granted under this section to any such financial institution with respect to any obligation representing any such loan, advance of credit, or purchase by it (1) unless the loan bears such interest, has such maturity, and contains such other terms, conditions, and restrictions, as the Administrator shall prescribe in order to make credit available for the purposes of this section; and (2) unless the amount of such loan, advance of credit, or purchase is not in excess of $2,000, except that in the case of any such loan, advance of credit, or purchase made for the purpose of such financing with respect to apartment or multiple family houses, hotels, office, business, or other commercial buildings, hospitals, orphanges, colleges, schools, churches, or manufacturing or industrial plants, such insurance may be granted if the amount of the loan, advance of credit, or purchase is not in excess of $50,000.'"

And the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 4. (a) The third sentence of subsection (a) of section 2 of the National Housing Act, as amended, is amended to read as follows: 'The total liability incurred by the Administrator for all insurance heretofore and hereafter granted under this section and section 6 shall not exceed in the aggregate $100,000,000.'"

And the Senate agree to the same.

T. ALAN GOLDSBOROUGH,
M. K. REILLY,
JESSE P. WOLCOTT,
Managers on the part of the House.

DUNCAN U. FLETCHER,
ROBERT F. WAGNER,
ROBERT J. BULKLEY,
JAMES COUZENS,
JOHN G. TOWNSEND, Jr.,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11968) relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

On amendment no. 1: The House bill authorized rehabilitation loans by the Reconstruction Finance Corporation to be made to "corporations, partnerships, or individuals." The Senate amendment adds "municipalities, or political subdivisions of States or of their public agencies, including public-school boards and public-school districts, and water, sewer, drainage, and flood-control districts." The House recedes.

On amendment no. 2: The Senate amendment adds "highways and bridges" to the type of structures enumerated in the House bill with respect to which such rehabilitation loans might be made. The House recedes.

On amendment no. 3: The House bill provided that such rehabilitation loans might be made with respect to property damaged or destroyed by catastrophes in the years "1933, 1934, 1935, 1936, and 1937." The Senate amendment provides that the catastrophes must have occurred in the years "1935 or 1936." The House recedes.

On amendment no. 4: The House bill contained a requirement that as a condition to obtaining any such loan, the repair, construction, reconstruction, rehabilitation, or acquisition for which the loan was made should be deemed by the Reconstruction Finance Corporation to be "economically" useful or necessary. The Senate amendment eliminates the word "economically." The House recedes.

On amendment no. 5: The House bill provided that the aggregate amount of such loans made by the Reconstruction Finance Corporation should not exceed $25,000,000. The Senate amendment increases the amount to $50,000,000. The House recedes.

On amendment no. 6: This is a clerical amendment. The House recedes.

On amendment no. 7: This amendment adds a new section to title I of the National Housing Act, as amended, under which the Federal Housing Administrator is authorized to insure financial institutions heretofore or hereafter approved by him as qualified by experience and facilities as eligible for credit insurance, against losses which they may sustain as a result of loans, advances of credit, and purchases of obligations representing loans and advances of credit, made by them for financing the restoration, rehabilitation, rebuilding, and replacement of property damaged or destroyed by flood or other catastrophe in 1935 or 1936. To be eligible for such insurance, the loans or advances must have been made subsequent to the date the new section takes effect and prior to January 1, 1937, or such earlier date as the President may fix by proclamation upon his determination that the emergency no longer exists, and no such loan or advance may be so insured unless it was made to an owner of real property or to a lessee thereof under a lease for a period of not less than 1 year.

The maximum amount of insurance which may be granted under the new section to any approved financial institution is fixed at 20 percent of the total amount of such loans, advances of credit, and purchases made by it, and any insurance reserve which it may have accumulated under section 2 of the National Housing Act prior to April 1, 1936, is made applicable to the payment of any losses it sustains as a result of loans, advances of credit, or purchases insured under the new section. The provisions with respect to the maximum amount of individual loans and advances which may be insured, and those which relate to interest, maturity, etc., correspond to the provisions contained in such section 2.

The conference agreement retains the provisions of the Senate amendment, but reduces the maximum amount of insurance to be granted to any such approved financial institution from 20 percent of the total amount of its loans, advances of credit, and purchases to 10 percent of such total amount.

On amendment no. 8: This amendment changes the provision of existing law that the total liability of the Administrator for all insurance under section 2 of the National Housing Act, as amended, shall not exceed $100,000,000, so as to make this limitation applicable not only to such section but also to the new section added to such act by Senate amendment no. 7. It is also provided, however, that if the President finds at any time that there exists a necessity for such insurance in order to make ample credit available, he may authorize the Administrator to incur additional liability for such insurance in an amount not in excess of the amount of the liability incurred under the new section. There was no corresponding provision in the House bill. The conference agreement retains the $100,000,000 limitation, but eliminates the authority of the President to allow the Administrator to incur additional liability for such insurance.

On amendment no. 9: This amendment adds a provision to section 2 of the National Housing Act, as amended, for the purpose of removing certain technical difficulties that have arisen in connection with the administration of title I of such act. It authorizes the Administrator to waive compliance with his regulations in certain cases where the enforcement thereof would impose an injustice upon an insured institution which has substantially complied with such regulations in good faith, and where such waiver would not increase the obligation of the Administrator beyond that which would have been involved if the regulations had been fully complied with. There was no corresponding provision in the House bill. The House recedes.

T. ALAN GOLDSBOROUGH,
M. K. REILLY,
JESSE P. WOLCOTT,
Managers on the part of the House.

The SPEAKER. The gentleman from Maryland [Mr. GOLDSBOROUGH] is recognized for 1 hour.

Mr. GOLDSBOROUGH. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, I do not think I will require the 10 minutes which I have allotted to myself. I am going to ask the Members to give as careful attention as possible, and I will be brief.

Some days ago the House passed a bill providing that the Reconstruction Finance Corporation should continue to make loans in flood areas up to $25,000,000. That bill went to the Senate, and the Senate, because of the terrible condition in the South, due to the tornado, increased that amount from $25,000,000 to $50,000,000.

In addition to that, the Senate added to the bill, as an amendment, a bill which provided for additional power on the part of the Federal Housing Commission to insure loans, which bill had been tabled by the House Committee on Banking and Currency. By the time the conferees met we realized the overwhelming and overpowering effect of this tornado through the South, and this, in addition to conditions in the flooded area, caused a majority of the House conferees to yield to the Senate and agree to leave in the bill the indicated Senate amendment in a modified form. The House yielded, but it was careful about what it did. The so-called housing part of the bill, which the Senate had passed, provided for 20 percent insurance. In order for us to agree to recede from our position, we required the Senate to yield to us and reduce that amount to 10 percent. The bill passed by the Senate also provided that the $100,000,000 insurance limitation, which was in the bill originally, could be increased in the discretion of the President; the provision giving the President this right was stricken from the bill at our instance.

Now, the exact situation is this: There are several members of the Committee on Banking and Currency, of which number I am one, who never approved of the principle involved in title I of the Federal housing legislation, but we are confronted in this flood area and in this tornado area with a great national calamity which must be met in the best way possible. The House committee felt, and I am sure the Senate committee felt, that the Housing Commission and the Reconstruction Finance Corporation were not relief agencies, and that whatever money was dispensed by either of those organizations should be loaned, but it should be loaned on very reasonable terms.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. RANKIN. As I understand it, the Federal housing provision in this bill, as it was explained to me by members of the Senate committee, will reach a certain class of cases that could not be taken care of under the Reconstruction Finance Corporation provision of the bill. Is that correct?

Mr. GOLDSBOROUGH. That is correct, and I am coming to that.

Now, under the provisions for loans to be made by the Reconstruction Finance Corporation, those are loans, many of which would not be made by private organizations. I have discussed the matter several times with officials of the Reconstruction Finance Corporation. Their purpose is to charge not more than 5-percent interest, and charge as little as 3½-percent interest if they can possibly do it.

These loans to be made by the Reconstruction Finance Corporation will be of distinct value. In the first place, the interest rate will not be as large as it would be if the money were loaned by any private organization. Second—and I have this very definite understanding with the Reconstruction Finance Corporation—they are going to make these loans quickly. They have said to me, "One reason we cannot assure you of a rate of less than 5 percent is because we have to make these loans quickly, and we have to take more of a chance than we have been taking in making loans."

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. RICH. As I understand it, these loans are going to be made by the Federal Housing Administration?

Mr. GOLDSBOROUGH. I am coming to that now. I was speaking of the Reconstruction Finance Corporation.

Mr. RICH. May I ask the gentleman another question?

Mr. GOLDSBOROUGH. Certainly.

Mr. RICH. Will the flood sufferers and the tornado sufferers be given the same privilege under the terms of that bill?

Mr. GOLDSBOROUGH. Oh, absolutely.

Mr. RICH. In cases where practically everything has been ruined and they have only their good name on which to get a loan, does not the Reconstruction Finance Corporation feel that is a pretty stiff rate to charge; and should they not under conditions of this kind grant a loan at, say, a rate of 3 percent, because these people will never rehabilitate their properties unless they get some advantage? There are many people who will never start up in business or improve their property if they cannot see the light of day ahead.

Mr. GOLDSBOROUGH. I am sure that the directors of the Reconstruction Finance Corporation are going to act as fast as they can in making loans and make the interest rates as low as possible.

[Here the gavel fell.]

Mr. GOLDSBOROUGH. Mr. Speaker, I yield myself 5 additional minutes.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I would rather get into the Housing Administration end of it a little first.

Mr. RANKIN. I just wanted to say to the gentleman from Pennsylvania [Mr. RICH] that the Chairman of the Reconstruction Finance Corporation said he would take this proposition up with the Board and that they might be able to lower the interest rate later; but that they did not want to hold up these loans in the meantime when the interest rate could be lowered after the loans were made.

Mr. RICH. Do I understand they will make a loan now and may change the rate later on?

Mr. GOLDSBOROUGH. One of the things they said was that they had to make the loans quickly and that after they made them, if they found they were sound, then they could lower the rate.

Mr. RANKIN. At any time?

Mr. GOLDSBOROUGH. At any time.

Mr. KOPPLEMANN. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. KOPPLEMANN. That we may have a clear understanding of the gentleman's conversation with the directors of the Reconstruction Finance Corporation, I ask the gentleman if he is satisfied after his talks with them that they will make loans without insisting on their usual requirements for collateral and security?

Mr. GOLDSBOROUGH. That is exactly what I have said. They say they are going to make the loans quickly; and I may say to the gentleman from Connecticut that to my certain knowledge they have had their representatives in the flood and tornado areas for the past several days waiting only for the passage of this act.

Mr. WILLIAMS. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. WILLIAMS. As I understand the situation, there is no conflict now between the House bill and the Senate bill so far as they concern loans to be made by the Reconstruction Finance Corporation; they are substantially the same.

Mr. GOLDSBOROUGH. They are substantially the same.

Mr. WILLIAMS. The only controversy is on the question of whether these loans shall be insured by the Housing Administration.

Mr. GOLDSBOROUGH. I was just coming to that.

Mr. WILLIAMS. The Housing Administration has been charging not 5 percent but 10, and the plan is to continue that under this bill, is it not?

Mr. GOLDSBOROUGH. I am going to make my statement just as full as I can.

Mr. WILLIAMS. So, if this bill passes, loans made to sufferers in the flood and tornado districts will be at 10 percent instead of 5 percent.

Mr. RANKIN. That does not apply to the Reconstruction Finance Corporation loans.

Mr. WILLIAMS. Not at all, but to the housing feature of the bill. There is no question of dispute here so far as loans made by the Reconstruction Finance Corporation is concerned. My question is whether those loans will not be made under title I to the National Housing Administration and insured by them, permitting banks and financial institutions of this country still to continue to charge the sufferers in these districts 10 percent instead of 5 percent if this bill passes?

Mr. GOLDSBOROUGH. I will answer the gentleman, but I would rather do it in my own way. We are coming now to loans made under title I of the Housing Act. These, I emphasize, will be loans that under no circumstances could be secured from any other body in the world because of the power to insure given by the Housing Act amended as proposed.

[Here the gavel fell.]

Mr. GOLDSBOROUGH. Mr. Speaker, I yield myself 5 additional minutes.

Mr. TREADWAY. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield to the gentleman from Massachusetts.

Mr. TREADWAY. May I ask the gentleman if in general the changes that have been made by the conferees add to the opportunity of those in need of aid to secure loans from the Reconstruction Finance Corporation?

Mr. GOLDSBOROUGH. Very greatly.

Mr. TREADWAY. The gentleman knows that was the general purpose of the bill as it was originally drawn?

Mr. GOLDSBOROUGH. It will add very greatly to the liberality of the law.

Mr. TREADWAY. And the gentleman assumes, does he not, that the R. F. C. officials will realize that the purpose of the bill is to liberalize the securing of aid?

Mr. GOLDSBOROUGH. That is what they say and I am certain they are sincere.

Mr. TREADWAY. I thank the gentleman.

Mr. MAY. Will the gentleman yield?

Mr. GOLDSBOROUGH. I should like to complete my explanation, but I yield to the gentleman.

Mr. MAY. If the R. F. C. provision has been liberalized and they can make loans promptly why have the Housing Administration connected with it at all?

Mr. GOLDSBOROUGH. Because the R. F. C. could not make many of the loans and they would not be justified in doing so under their organization. I refer to the loans that may be made under title I of the Housing Act, and I will tell the gentleman why in a minute.

Banks in 22 States and the District of Columbia have built up a reserve of insurance amounting to $39,166,670. Under this bill the reserves which they have built up are available to protect them on new loans which they may make. In addition they have a 10-percent protection under this conference report which they may use to build up new reserves which will make it possible for the banks to lend without any security at all in many instances.

Some may say that is unsound because the Government in many cases will have to stand this loss. That is true. They may also say it is unsound because there is no reason why the banks should be subsidized. That is true. But the answer is that without the provisions of the housing bill in this conference report millions of these people who have lost their all by flood and tornado will not be able to get a single solitary dollar at any rate of interest. I make two statements. First, that on the class of loans contemplated by title I of the Housing Act no organization in the world or no finance company in the world would make these loans. Second, I say that if there should be a case where a finance corporation would make the loan the rate of interest would not be 9.7 percent but at least twice that amount.

[Here the gavel fell.]

Mr. GOLDSBOROUGH. Mr. Speaker, I yield myself 5 additional minutes.

Mr. WILLIAMS. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield to the gentleman from Missouri.

Mr. WILLIAMS. Take an individual who has had his home or his business swept away by flood or tornado, what chance is there for him to get relief when he pays, as the gentleman says, not 10 percent but twice that rate? Why try to bring him relief? If we are going to make a relief institution out of this why not give it to him directly instead of through the banks?

Mr. GOLDSBOROUGH. The gentleman misunderstood me. I said while he would have to pay to the Housing Commission 9.7 percent, if in any case he could get the money from any other finance organization he would have to pay at least twice that much.

Mr. WILLIAMS. How would he ever get out with that burden? Where would there be any relief to him after all?

Mr. GOLDSBOROUGH. Of course, that is begging the question. He does not have to borrow the money. It may be that when an individual goes to a finance corporation and borrows money he is simply borrowing grief, but I say if we are going to pass a measure which has any democracy at all left in it, unless we resort to a measure which is socialistic pure and simple and has none of our form of government in it at all; in other words, unless we are going to take the position that whenever a man's house burns down or whenever a high wind injures his property, or whenever a drought destroys his crop, the Government shall make a direct grant to him, then I say this act is as liberal, in my judgment, as we possibly can make it.

Mr. Speaker, in conference I personally experienced a great deal of difficulty. The Assistant Administrator of the Housing Administration produced figures showing the extent of the flood and tornado devastation. It was appalling. For instance, in Lee County, Miss., persons killed 150, injured 600, homes destroyed 700, homes damaged 300. In Hall County, Ga., persons killed 176, persons injured 500, homes destroyed 630, homes damaged 83.

When I saw the devastation and destruction shown in this exhibit I reached the conclusion that the star of hope should not be withdrawn from the people in flood and tornado areas and that we should pass the bill which we agreed to in conference.

Mr. SPENCE. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield to the gentleman from Kentucky.

Mr. SPENCE. If this is not the bill that our committee reported, I think every member of the committee would have a right to render such criticism as he deems just. What I cannot understand is, if the accumulated reserve is going to absorb the losses, why should the lending institution charge the borrower 9.7 percent. Will the gentleman explain that?

Mr. GOLDSBOROUGH. I raised that question myself in conference. Among other conferees on the Senate side was Senator COUZENS. Senator COUZENS, as is well known, has had a very wide and broad experience.

[Here the gavel fell.]

Mr. GOLDSBOROUGH. Mr. Speaker, I yield myself 5 additional minutes.

Senator COUZENS assured us that these banks, even though they were protected by insurance, were not going to act in an irresponsible manner. The loans, he stated, were so small, on the average, that they required the charging of that rate of interest in order to allow them to get out whole and make a reasonable profit. My own judgment was governed very largely by what Senator COUZENS said. So far as I know, his business experience has been as wide as that of any man in either House.

Mr. RICH. I should now like to ask the gentleman this question. When a bank lends an individual money, naturally the banker is thinking of the depositors' money and he is responsible to the depositors and is unable to make grants that the R. F. C. could make under the power of Government regulation, provided we permit regulations that are going to help these individuals who have been so unfortunate as to have their property damaged or destroyed.

I appreciate that the banker today will coax people to take money at 2½ percent if they are men who have a good and sound financial statement, but they will charge other people 5 percent. I had not any thought or idea when we tried to draft this bill that we were going to make it a money-making organization so far as the Government is concerned. I thought it was to be a matter of relief with the idea that anyone who borrowed this money would do so at liberal rates of interest in order that he might establish himself and conduct his own business or could buy something for his home in order to get along in spite of the damage done by the floods. I was hopeful we were going to do something like this, because the gentleman knows, and I know, that we have contributed much money here in the past 2 years that has not been spent, perhaps, as the gentleman or I would spend it. Regardless of that, let us now give some actual relief to these flood sufferers. The Lord knows they need it, and they are never going to get help unless we help them.

Mr. GOLDSBOROUGH. May I say to the gentleman that so far as I am personally concerned, my close associates on the committee know that my idea of legislation is very different from this, but the point I am making is that the poor devil at the other end, who is the man I want to help, does get some distinct benefit out of this legislation, in spite of everything else that can be said, and so far as I am concerned he is the only one I am interested in at all.

Mr. Speaker, I will, at the end of my remarks, place in the RECORD a letter and some tables sent me by Mr. Walsh, Assistant Administrator of the Housing Administration, relative to the flood and tornado situation.

FEDERAL HOUSING ADMINISTRATION,
Washington, April 10, 1936.

Hon. T. ALAN GOLDSBOROUGH,
House Office Building, Washington, D. C.

MY DEAR CONGRESSMAN GOLDSBOROUGH: In accordance with your request of this afternoon, attached is a list of the States affected by the recent floods or tornadoes. This list also shows the number of lending agencies in each of these States which have already made loans under title I of the National Housing Act; also the insurance reserves already built up by such lending institutions as a result of such loans.

I regret that time has not permitted me to break this information down by counties, but such statistics would not be particularly significant, because these lending institutions frequently lend outside of the counties in which their headquarters are located.

Furthermore there are a number of large finance companies which operate on a national basis and which have also built up large insurance reserves under title I. The privilege of tapping these old reserves when loans are made to flood or tornado victims should tempt such lending institutions to make loans on a liberal basis.

I also attach for your information a list of the counties that were affected by floods or tornadoes and the Red Cross estimate of the number of families that were affected.

If there is any further information you desire, let me know and I shall get it if at all possible.

Sincerely yours,

ARTHUR WALSH,
Assistant Administrator.

P. S.—I have sent a similar letter, with enclosures, to Senator FLETCHER.

State	Counties affected by flood	Counties affected by tornadoes	Number of F. H. A. lending institutions	Insurance reserve built up
Massachusetts	5		186	$2,414,472
Connecticut	4		97	880,461
Pennsylvania	34		419	3,483,234
Maryland	5		55	729,240
Ohio	9		238	2,089,222
West Virginia	16		59	291,622
New Hampshire	6		53	237,314
Maine	7		53	188,345
Georgia		13	109	847,244
Mississippi		7	82	$271,582
North Carolina		4	79	453,302
Tennessee		5	61	1,151,090
New York	2		626	13,359,626
Kentucky	17		86	553,697
South Carolina		3	29	241,039
Alabama		2	68	423,832
Vermont	3		39	106,942
Indiana	6		261	1,379,907
Illinois	2		93	3,013,432
Virginia	2		111	819,215
Missouri [1]				
New Jersey	1		316	3,548,495
District of Columbia			20	601,284
Total			3,404	39,166,670

[1] Number of affected counties not yet known.

Location of flood-relief operations in the eastern area, showing the number of families affected Apr. 10, 1936

Region	State	Counties affected	Families affected
A. New England	Maine	7	1,584
	New Hampshire	6	7,152
	Vermont	3	500
	Massachusetts	5	9,300
	Connecticut	4	4,179
Total, region A		25	22,715
B. New York	New York	2	1,800
C. Eastern Pennsylvania	Pennsylvania	12	21,200
D. Central Pennsylvania	do	13	17,490
E. Western Pennsylvania	do	10	23,189
F. Upper Ohio River	West Virginia	12	18,092
	Ohio	9	8,768
Total, region F		21	26,860
G. Potomac River	Maryland	5	1,645
	West Virginia	4	601
	Pennsylvania	1	25
	District of Columbia		60
Total, region G		10	2,331
H. Kentucky-Indiana	Kentucky	20	2,402
	Indiana	6	148
Total, region H		26	2,550
	Virginia	2	(1)
	New Jersey	1	(1)
	Illinois	2	(1)
	Missouri	(1)	(1)
Total		5	
Grand total (except where unknown).		124	118,135

[1] Unknown.

Location of flood-relief operations in the eastern area, showing the number of families affected Apr. 10, 1936

	County	Families affected	State total
Region A (New England):			
Maine	Androscoggin	500	
	Cumberland	35	
	Kennebec	264	
	Oxford	400	
	Penobscot	16	
	Somerset	10	
	York	359	
			1,584
New Hampshire	Carroll	12	
	Cheshire	292	
	Coca	160	
	Grafton	106	
	Hillsboro	4,979	
	Merrimack	1,603	
			7,152
Vermont	Caledonia	3	
	Windham	100	
	Windsor	100	
	Scattered	297	
			500
Massachusetts	Essex	1,800	
	Hampden	7,000	
	Hampshire	100	
	Middlesex	300	
	Worcester	100	
			9,300

Location of flood-relief operations in the eastern area, showing the number of families affected Apr. 10, 1936—Continued

	County	Families affected	State total
Region A (New England)—Con.			
Connecticut	Hartford	3,800	
	Litchfield	79	
	Middlesex	100	
	Windham	200	
			4,179
Total, region A			22,715
Region B (New York)	Broome	1,500	
	Tioga	300	
			1,800
Region C (eastern Pennsylvania)	Bradford	50	
	Cameron	16	
	Clinton	4,500	
	Columbia	34	
	Luzerne	6,500	
	Lycoming	5,000	
	Montour	150	
	Northumberland	4,500	
	Potter	(1)	
	Snyder	200	
	Union	100	
	Wayne	150	
			21,200
Region D (central Pennsylvania)	Bedford	100	
	Blair	750	
	Cambria	11,000	
	Center	150	
	Clearfield	250	
	Dauphin	3,000	
	Elk	(1)	
	Huntingdon	650	
	Juniata	250	
	Lancaster	213	
	Mifflin	842	
	Somerset	75	
	York	210	
			17,490
Region E (western Pennsylvania)	Allegheny	17,000	
	Armstrong	500	
	Beaver	3,000	
	Clarion	100	
	Fayette	23	
	Indiana	750	
	Jefferson	200	
	Washington	100	
	Westmoreland	1,486	
	Wyoming	30	
			23,189
Region F (Ohio River):			
West Virginia	Brooke	8,000	
	Cabell	750	
	Grant	35	
	Hancock	300	
	Hardy	27	
	Marshall	560	
	Mason	750	
	Ohio	6,400	
	Pleasant	50	
	Tyler	20	
	Wetzel	700	
	Wood	500	
			18,092
Ohio	Belmont	1,668	
	Columbiana	1,400	
	Gallia	400	
	Hamilton	700	
	Jefferson	1,400	
	Lawrence	100	
	Meigs	800	
	Monroe	300	
	Washington	2,000	
			8,768
Total, region F			26,860
Region G (Potomac River):			
Maryland	Allegany	1,000	
	Cecil	20	
	Frederick	150	
	Montgomery	100	
	Washington	375	
			1,645
West Virginia	Hampshire	160	
	Jefferson	61	
	Mineral	230	
	Morgan	150	
			601
Pennsylvania	Bucks	25	25
District of Columbia		60	60
Total region G			2,331
Region H (Kentucky and Indiana):			
Kentucky	Ballard	25	
	Bracken	75	
	Breckenridge	12	
	Campbell	1,400	
	Carlisle	20	
	Carroll	63	
	Fulton	100	
	Greenup	4	
	Hardin	25	

[1] Not yet known.

Location of flood-relief operations in the eastern area, showing the number of families affected Apr. 10, 1936—Continued

	County	Families affected	State total
Region H (Kentucky and Indiana)—Continued.			
Kentucky	Hancock	3	
	Henderson	50	
	Hickman	40	
	Jefferson	100	
	Kenton	75	
	Livingston	(1)	
	McCracken	(1)	
	McLean	(1)	
	Mason	200	
	Trimble		
	Union	210	
			2,402
Indiana	Clark	4	
	Dearborn	12	
	Jefferson	10	
	Perry	27	
	Spencer	15	
	Vanderburg	80	
			148
Total, region H			2,550
Virginia	Arlington	(1)	
	Shenandoah	(1)	
New Jersey	Passaic	(1)	
Missouri[1]			
Illinois	Alexander	(1)	
	Pulaski	(1)	
Grand total			118,135

[1] Not yet known.

American National Red Cross, spring tornadoes of 1936, Apr. 2–6, 1936

State	Number of counties affected	Number of persons		Number of homes	
		Killed	Injured	Destroyed	Damaged
Alabama	2	5	8	12	208
Georgia	13	204	769	1,067	761
Mississippi	7	168	700	748	383
North Carolina	4	13	305	76	335
South Carolina	3		22	67	118
Tennessee	5	12	49	73	30
Total	34	402	1,853	2,043	1,835

Source: Department of Accounts, Apr. 9, 1936.

American National Red Cross, spring tornadoes of 1936, Apr. 2–6, 1936

State	County	Persons		Homes	
		Killed	Injured	Destroyed	Damaged
Alabama	Madison	4	5	5	200
Do	Pickens	1	3	7	8
Total		5	8	12	208
Georgia	Cherokee			1	
Do	Clark			8	
Do	Cobb		2	4	5
Do	Crisp	22	150	284	150
Do	Hall	176	500	630	83
Do	Lee	1	2	6	
Do	Lincoln		27	43	262
Do	Putnam		6	10	2
Do	Tattnall				
Do	Terrell	1	10	50	
Do	Toombs		10	5	40
Do	Wilcox				176
Do	Wilkes	4	62	26	43
Total		204	769	1,067	761
Mississippi	Chickasaw	9	32		18
Do	Itawamba				
Do	Leake	2	40	25	25
Do	Lee	150	600	700	300
Do	Poutotoc				
Do	Prentis	3	15	15	40
Do	Yalobusha	4	13	8	
Total		168	700	748	383
North Carolina	Alamance	1	7	2	2
Do	Cabarrus		3	5	35
Do	Guilford	11	288	67	296
Do	Orange	1	7	2	2
Total		13	305	76	335

American National Red Cross spring tornadoes of 1936, Apr. 2–6, 1936—Continued

State	County	Persons		Homes	
		Killed	Injured	Destroyed	Damaged
South Carolina	Anderson		20	65	100
Do	Hampton		2	2	13
Do	McCormick				5
Total			22	67	118
Tennessee	Lewis		3	4	10
Do	Lincoln	1			
Do	Maury	7	15	33	
Do	McMinn	0	0	14	
Do	Wayne	4	31	22	20
Total		12	49	73	30
Grand total		402	1,853	2,043	1,835

Mr. Speaker, I reserve the balance of my time and yield 10 minutes to the gentleman from Ohio [Mr. HOLLISTER].

Mr. HOLLISTER. Mr. Speaker, it is with considerable reluctance that I rise today in opposition to this conference report, because no one is more mindful than I am of the necessities of the situation and of the suffering that certain communities in our country have gone through in the last few weeks. I believe it is only proper, however, before we risk a number of millions of the money of the people of the United States, as expended by the Government in a project of this kind, that the Members of the House understand exactly what they are doing.

Lawyers have a saying that hard cases make bad law. It is equally true that hard cases make bad legislation.

We have before us in this conference report a double-barreled relief effort, an attempt to help the stricken areas by giving the Reconstruction Finance Corporation the right to make relief loans, and also an attempt to help the stricken areas by putting the Housing Administration into the relief business.

This bill as it passed the House contained only the first of these two efforts. The Senate added the second effort, and it is this second part, with reference to the Housing Administration, to which I object, and which I should like to explain to the Members of the House.

You will recall that when the Housing Act was originally adopted it was a four-barreled effort to pump out private money into the building trades, which everyone knew were greatly depressed, and which it was felt, if stimulated, would add the greatest possible impetus to the heavy-goods industries. This was done by title I, providing for the insurance of certain loans; title II, providing for general mortgage insurance; title III, providing for national mortgage associations; and title IV, providing Federal insurance of deposits in building and loan associations.

Title I is what we are dealing with today. In this connection we should remember that we had before the House only 2 or 3 weeks ago a change in title I of the Housing Act, which had been given careful consideration by the House Banking and Currency Committee, careful consideration in the Senate Banking Committee, and careful consideration on the floors of both bodies. It was finally adopted after a great deal of discussion and a great deal of energy and time had been put into it.

The changes we then made involved the tapering down of the activities of the Housing Administration at the request of the Administrator himself, and after due consideration had been given by the Administration to the whole plan of housing. By this we cut down insurance to 10 percent. We cut out the insurance of new buildings. We cut out the insurance of equipment and made certain other changes in the Housing Act as it existed before that time.

When the floods struck 2 or 3 weeks ago there was an immediate effort to change the Housing Act by putting back into effect the very things we had stricken out a few days before and liberalizing it even beyond that.

That bill was submitted to the other body and to the House. The House Banking and Currency Committee voted almost unanimously to table it. Various members had different ideas on the subject and were actuated by different motives, but all agreed that it was not a bill which should be submitted to the House.

The committee in the other body, with little consideration, reported it out, and it was attached to our bill for Reconstruction Finance Corporation loans when it reached the other body.

Our bill as it passed here provided for an additional $25,000,000 for Reconstruction Finance Corporation loans for stricken districts, but that was changed in the Senate to $50,000,000, which the Reconstruction Finance Corporation intimated was too large, as they were not geared to loan that amount in the time stated in the bill.

Let us give thought to what we are trying to do with these different agencies. The fact is we have got the purposes of the different agencies inextricably mixed up. Notwithstanding the appointment of various coordinators, we have not got proper coordination.

The Reconstruction Finance Corporation is a superbank to supply lending facilities when ordinary banking facilities have broken down. The Housing Administration is a method of pumping out a little more private money by the aid of Government insurance.

I say we are doing the wrong thing when we use the Housing Administration as a relief agency. If we want to take a certain amount of money and give it directly for relief when our local facilities have failed, we should pass it over to a regular relief agency and not to an agency set up for a totally different purpose.

When we passed the bill providing for the Reconstruction Finance Corporation we provided it with certain functions to make loans where the banks could not or would not lend. But here we are putting a Government agency into work which it is not fitted for and for which it was never conceived.

We should keep these differentiations distinctly in mind and, when needs come before the House, we should supply the need from the proper agency of Government and not take the wrong one to do the work, as we are doing in this case. It is for that reason that, as one of the conferees, I did not sign this conference report and oppose it now.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. HOLLISTER. Yes.

Mr. RANKIN. The reason given by the members of the Senate committee for inserting this provision was that, in the first place, it gives two methods of handling these loans, and, in the second place, that it would enable them to reach cases that could not secure loans through the R. F. C. In other words, there are border-line cases that could not qualify to obtain a loan through the R. F. C.

Mr. HOLLISTER. The gentleman faces the problem realistically, as I do. The gentleman admits, as I do, that it is putting the Housing Administration into the relief game. I say it should not be there, that relief should come through one of the relief agencies.

Mr. RANKIN. It is not a relief game. These are people who are trying to rebuild their homes. It is not putting them into the bread line. It is merely to liberalize these loans and enable people to secure them, who would otherwise be shut out.

Mr. HOLLISTER. We considered that on the floor of the House 2 or 3 weeks ago. The President signed the bill only on the 10th of April. It was then decided at the request of the Housing Administration that it was wrong to permit Government insurance of new construction on an absolutely unimproved lot, that there was not sufficient security. It was also decided that there should not be insurance granted a man who had the property under lease for only 1 year, that the lease should run for at least 6 months beyond the term of the obligation which covered the loan. As we have this before us today, if you have a piece of property which has been leased for a year only, there may be an obligation incurred to improve it, which runs for 4 or 5 years, and yet the Government must insure that obligation 3 or 4 years beyond the time the lease has expired.

The Senate has inserted a provision that you may build on land entirely swept clear of improvements and have the loan insured. You do not even have to build on the same land, as long as it is in the neighborhood. Further, under the bill as it has been agreed on by the conferees, the insuring institution may take advantage of whatever insurance reserve has been built up under its previous operations under the Housing Act. This means that there will be little care taken in the making of these relief loans and, therefore, a substantial loss ultimately to the Government because of its insurance.

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

Mr. GOLDSBOROUGH. Mr. Speaker, I yield 5 minutes to the gentleman from North Carolina [Mr. HANCOCK].

Mr. HANCOCK of North Carolina. Mr. Speaker, ladies and gentlemen of the House, in the space of 5 minutes it is utterly impossible to do more than mention, much less discuss intelligently, the important features of this report. Let me say at the outset that to have and to hold a kindly interest in and sympathetic attitude toward people in trouble and distress is the highest and most ennobling of human traits. I therefore deem it unnecessary to play upon your emotions or invoke your sympathies in connection with this extremely important measure. I know that the membership of the House is keenly anxious to do everything within its power to afford relief and assistance to those eligible under the bill in question. It is but human that our sympathies are more deeply touched when we see our own neighbors and the people of our own States afflicted. Within the past 2 weeks a terrific and devastating calamity in the form of a tornado struck the central portion of my State, leaving death, injury, and property wreckage in its path. For more than a month members of our committee have been working assiduously to get through legislation to help those who have been victimized as a result of these catastrophes. I am certain that every Member of the House today wants to go the limit with us in providing relief and financial assistance to these unfortunate classes of our citizens.

As one of the conferees of the House I could not, however, conscientiously agree to this report, and I therefore refused to sign it. All of the conferees agreed to every Senate amendment, with the exception of section 3, which is designed to make title I of the Federal Housing Act an effective means of relief to those who have suffered losses and property damages as a result of floods, storms, tornadoes, and other similar catastrophes. This section was carefully and fully considered by our committee last Monday a week ago, and with the exception of one vote was placed on the table. The committee, very sanely and properly, in my opinion, took the position that under title I the relief intended for those in distress would go largely to the lending institutions. They also reached the conclusion that those who needed assistance should not be forced to pay a rate of interest amounting to 10 percent and be subjected to the practices and "pressureism" which has been carried on in connection with the loans made under title I. From the discussion and debate, as reported, it is also quite clear that the members of the committee felt that it would be unsound public policy to permit the Federal Housing to insure second, third, and fourth mortgages on restored or replaced properties up to $50,000, which is permissible under section 3 of the bill as added by the Senate. No man whose property has been damaged or swept away by a freak of nature should be subjected to the method of lending or the terms and maturities provided under title I. Many of us took the position that assistance to these unfortunate people should be provided either by direct relief or through a sound but liberal lending plan, or both.

I cannot refrain from calling to the attention of the House the fact that under the language of section III the Government not only insures those lending institutions up to 10 percent of the total loans made in the flood- or tornado-stricken areas, but permits the institutions operating in these areas which have been or may be hereafter approved by the F. H. A. to use their present insurance reserves to cover any loss. This in effect could amount to a 30-percent insurance and make the United States Treasury liable up to 100 percent if the amount of such mortgages was less than the total insurance reserve. I am therefore convinced in my own mind that this is a bad and unsound provision and that its operations will in the long run amount to a disservice to the people who are to be assisted and helped. For that reason, and that reason alone, I think this report should be voted down and the bill sent back to conference with instructions that the House conferees refuse to agree to this amendment. Nothing could be more serious or cruel than to raise a false hope in the minds of suffering and destitute people. No person or institution should profit excessively by their plight and calamity. Under the F. H. A. provision this will certainly happen as the day follows the night.

With this exception, I should heartily favor this legislation, because I am confident that the R. F. C., through its Board of Directors and administrative officers, will go the limit in taking care of the situation. I am also satisfied that loans from the R. F. C. will be based on the most liberal interest terms, perhaps not to exceed 4½ percent, and will be made to run over a period of not less than 10 years. Of course, these loans will have to be so secured as reasonably to insure repayment. If the assistance is to take the form of a loan, it should be made on a liberal but sound basis. I am also convinced that the R. F. C. is organized and equipped to meet this situation promptly and effectively. Notwithstanding the unjust criticism which has been directed toward the Chairman and Board of Directors, I know that this money will be put out quickly where it will serve a useful and necessary purpose. I want to see the Government brush aside all red tape and technicalities in administering the $50,000,000 provided for assistance through the R. F. C. in restoring, rehabilitating, and replacing the properties affected in these areas, and I think it is adequate to meet the legitimate credit demands. If not, we can provide more later on.

May I hurriedly, in conclusion, call the attention of the House to the fact that section IV of the bill has nothing whatever to do with its real purpose. It appears to me to be nothing but a "cover up" section to protect the F. H. A. against its own mistakes. If I read it correctly, it is designed to permit the Administrator to take care of the losses incurred by some of the lending institutions even though such lending institutions have violated the rules and regulations governing loans made under title I. It is another example of what I have tried to point out on previous occasions to this House regarding the administration of title I. Everything under title I seems to be aimed toward the assistance of the lending institutions rather than the borrowers. I am at times amazed when I think about how little is done for those whom we think we are passing legislation to help and assist. There is no doubt in my mind but that the House will adopt this report, but I make bold to predict that under the Federal Housing provision the bulk of the relief proposed will ultimately find its way into the coffers of the newly created and fly-by-night lending institutions, to the great, serious, and prolonged distress and suffering of the would-be real beneficiaries and at their expense.

The SPEAKER. The time of the gentleman from North Carolina has expired. [Applause.]

Mr. GOLDSBOROUGH. Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Speaker, when this bill passed the House a few days ago, providing for $25,000,000 for loans to people in the flood-stricken areas, I supported it. I did not dream then that within a short time the people I represent would be in even a more distressed condition. With the rack and ruin that has been wrought, not only by floods but by tornadoes that have visited certain Southern States, those people are in such condition they cannot wait. Therefore we have tried to get this legislation to the floor of the House as quickly as possible, in order that loans might be made with

which to rebuild and repair their homes and their public buildings. I dare say that no money ever advanced by this Government will be more fully returned than the money provided in this bill. No money that we have ever spent will do more good for the morale of the people than this will for the ones who are now in distress. Like bread cast upon the waters, it will return after many days.

This bill should have been passed weeks ago, even before the tornado struck my section. The people all up and down these navigable streams, people whose homes were washed away and whose property was destroyed, have been pleading for money with which to rebuild.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. RICH. Do I understand they are going to charge people down in the gentleman's district 9.7 percent if they want to make a loan?

Mr. RANKIN. I will say to the gentleman from Pennsylvania that the Reconstruction Finance Corporation will make these loans at not to exceed 5 percent. As I explained to the gentleman a while ago, I talked to the Director, the head of the Reconstruction Finance Corporation, and he said he would consult his Board and, if possible, would bring that rate of interest down. I should like to see it reduced to 3 percent.

Now, with reference to the Federal housing provision of this bill, I went before the Senate committee and suggested that it probably would be unwise to attach it to this measure. I was told that it merely furnished an additional method of getting money to people who could not be taken care of otherwise, because there were many of those people who had very little equity in their homes, or whose property was only slightly damaged and who could not qualify under the Reconstruction Finance Corporation for a loan, but who could do so with the F. H. A. It does not affect the rest of the bill.

TUPELO

On Sunday night, April 5, a terrific cyclone swooped down upon the city of Tupelo, Miss., my home town, leaving death and destruction in its wake.

Just why fate should wreak such a visitation upon the helpless men, women, and children of that fair city we cannot understand. It must remain one of the unsolved mysteries of all time.

It left our people stunned and bewildered, amidst their dead and injured, and surrounded by a devastation that human language cannot describe.

Tupelo had always been among the first to contribute to the relief of disaster victims elsewhere, but had never asked for anything for herself or for her own people.

But in the face of this awful disaster she was compelled to ask for help, especially in the way of the loans provided for in this bill, with which to rebuild and rehabilitate.

I want to take this opportunity to express to the Congress, to the President, and to the public generally our heartfelt gratitude for the expressions of sympathy and the offers of assistance that came from every hand.

The responses of the people of Mississippi, from the Governor down, as well as those of the peoples of the surrounding States, can never be forgotten. The State militia, the Red Cross, the American Legion, and every other civic, religious, or patriotic organization responded with the same unselfish devotion and the same generosity the people of Tupelo have always manifested toward others similarly situated.

Governmental agencies came to our assistance, and it seemed to me that every Member of the House and Senate manifested a desire to help.

President Roosevelt, the man who came to rejoice with us in the days of our triumph, did not forget us in the dark hour of our distress.

From every section of the country, and even from foreign lands, came expressions of sympathy through the press and over the radio, all of which has helped to strengthen us with renewed courage for the gigantic task that now lies before us—the task of rebuilding and making Tupelo a better and brighter place in which to live.

We cannot bring back our dead; nor can we ever forget them. Their memories will linger in our hearts until for us all time shall cease.

But we can, and we will, carry on the work of rebuilding just as they would want us to do if they were here, and just as they would do if our positions were reversed.

Give us this opportunity to secure funds with which to rebuild and watch Tupelo vie with other cities in the flood- and storm-stricken areas.

With the same courage and devotion which has actuated our citizens in the past we will build a new Tupelo that will again challenge national admiration, and of which the State of Mississippi will be justly proud. [Applause.]

Mr. GOLDSBOROUGH. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. WOLCOTT].

Mr. WOLCOTT. Mr. Speaker, the gentleman from Maryland [Mr. GOLDSBOROUGH] in his statement said that the star of hope should not be taken from the people of the devastated areas by refusing to adopt this conference report. The gentleman from Maryland and I are in accord in a great many instances, and we are in accord in this particular. I am afraid that about all the flood sufferers and those unfortunate people in the devastated cyclone areas are going to get from this bill is the opportunity which it affords to follow the star of hope to their destinies. It is regrettable that this might be true.

I have a great deal of confidence in the Reconstruction Finance Corporation to administer this bill if it is enacted into law. I likewise have a great deal of confidence in the Administrator and all others in authority in the Federal Housing Administration. Perhaps that confidence is based upon the fact that they have been almost too conservative in their policy in months and years gone by; but because of that, I have every confidence that this bill is going to be administered in the spirit in which we pass it. In fact, the Reconstruction Finance Corporation is a relief agency. The Federal Housing Administration is a relief agency. I cannot see, as an individual Member of this House, and not attempting to speak for my party, what difference it makes whether we give the relief sought under the act in flood- or cyclone-devastated areas or in other communities. After all, the purpose of the F. H. A. is to give employment in the building trades, and it matters little whether this is done by insuring loans for rehabilitating these flood- and cyclone-devastated areas or the restoration of property which has deteriorated slowly over a long period of time. There are those people in these areas who need this relief just as much as or more than the man who, in the course of years, has allowed his property to disintegrate in value. It does not make any difference whether that relief is given in flooded or cyclone-devastated areas or in all of our other communities, because I have always considered the Federal Housing Administration as a relief measure, in that it gives relief to the building trades and therefore puts men to work. I have lamented their very conservative policy in that regard. I think we can continue to have perhaps too much confidence in their policy due to their conservative approach to this subject.

I cannot see any particular reason why this conference report should not be adopted. I say that, being the member of the Committee on Banking and Currency who made the motion in committee to table a bill similar to the Senate amendment. I made that motion sincerely at that time, because the Federal Housing Administration did not seem to be very keen for it. Nobody was asking for it. Nobody was urging it. I think we as a committee asked them to draft the bill and submit it to us for consideration.

But when we got into a full consideration of the question in the conference and found out how much it might mean in building up the hopes of the afflicted people in these areas I decided that it might be a very good bill if for no other reason than its psychological effect upon these sufferers.

[Here the gavel fell.]

Mr. GOLDSBOROUGH. Mr. Speaker, I yield 2 additional minutes to the gentleman from Michigan.

Mr. WOLCOTT. People whose homes were destroyed must at the present time have a rather black outlook on life. If we can give the banks in those localities any encouragement

to make loans by insuring them against 10 percent of their loss, then I think we should do it, because so long as the person whose home has been swept away or damaged by flood or cyclone has the hope of getting some relief from his local bank his outlook is not so dark; and the local bank, so long as its loan in such a case is to be insured to 10 percent, will adopt an easier policy. I have full confidence in the Reconstruction Finance Corporation and in the Federal Housing Administration to carry on the same conservative policy they have adopted, and it is my belief the Government will suffer only an infinitesimal loss upon the liquidation of these two agencies.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. RICH. Does the gentleman think the flood sufferers are really going to get much relief under this bill?

Mr. WOLCOTT. My fear is they will not get the relief I would like to give them, not even under this bill.

Mr. GOLDSBOROUGH. Mr. Speaker, I yield the balance of my time to the gentleman from Connecticut [Mr. KOPPLEMANN].

Mr. KOPPLEMANN. I appreciate the kindness of the gentleman in yielding me this time. The questions I have asked and the answers given, however, quite cover any statement I might make. I express the hope that the bill, as reported by the conference committee, will be passed.

Mr. Speaker, I yield back the balance of my time.

Mr. GOLDSBOROUGH. Mr. Speaker, I ask unanimous consent that all Members, whether they have spoken on this bill or not, may have 5 legislative days within which to extend their remarks on the bill.

The SPEAKER pro tempore (Mr. FULLER). Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. GOLDSBOROUGH. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and on a division (demanded by Mr. HOLLISTER) there were—ayes 85, noes 11.

So the conference report was adopted.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS—FLOOD INSURANCE

Mr. QUINN. Mr. Speaker, it is encouraging to have the assurance of the Reconstruction Finance Corporation that loans to flood sufferers will be made quickly. This is no time for needless red tape. If the work of rehabilitation is to accomplish anything worth while, the people in the flooded areas must be enabled to rehabilitate at once. Every hour of delay means an increase in the aggregate loss to each individual and each community.

In urging prompt action on these loans I want to remind my colleagues, Mr. Speaker, that a total of $50,000,000 is a very small amount with which to meet the present emergency. In the Pittsburgh district alone we figure our flood losses at more than $100,000,000, and when this bill first was considered I pointed out that great manufacturing plants in my home section, among them the Westinghouse Electric & Manufacturing Co., estimated their damage in the millions of dollars. The total damage to merchants and home owners in a comparatively small area soon runs into the hundreds of thousands of dollars. In the Borough of Tarentum, with a population of about 10,000, the loss exceeds $2,000,000.

With the gentleman from Massachusetts [Mr. CONNERY], I believed the bill should be amended to provide $100,000,000, but the House would not accept it. While we were talking about the flood losses in Pennsylvania, the Ohio Valley, and New England, we received news of the devastating hurricanes in the South. This second calamity emphasized the need for a more liberal allotment of R. F. C. funds.

The people in the stricken regions have shown wonderful fortitude. Instead of bewailing their adversity they have started to rebuild. They are doing everything possible in helping themselves. That is why the Government should assist promptly.

The gentleman from Maryland [Mr. GOLDSBOROUGH] tells us that the Reconstruction Finance Corporation has agents in the field to make investigations, and that in consequence no time will be lost in authorizing rehabilitation loans. I take him at his word, feeling sure that he has every confidence in his statement, but I reserve the right to do everything in my power to urge action on applications from my district. If I think there is any delay I will be camping right there on the R. F. C. doorstep, and I will probably not be lonesome, judging by the attitude of some of my colleagues from Pennsylvania, New England, and down South. We are conscious of a righteous cause.

While larger concerns generally are able to finance themselves and are already on the way to repair their damage, the smaller losers, merchants and householders, together with municipalities and school boards, require the R. F. C. money for immediate work. They should not be hampered by red tape.

So much for relief loans. If the National Government had heeded warnings given many years ago we from the Pittsburgh and upper Ohio Valley district would not be here today asking for aid. If proper flood-prevention methods had been taken our loss would have been trifling in comparison with what it is today.

The rivers at Pittsburgh have risen above flood stage three times within the last month, and we have had 90 floods in the past 80 years. The aggregate toll in the loss of human life, damage to property, and effect on the health of the community of these 90 floods cannot be conceived. In recent years, owing to contributing forces such as encroachments on the channels of the streams, the destruction of forests and soil erosion, inundations have been more frequent and infinitely most costly.

In 1907 the waters rose to a stage exceeding 35 feet. At that time it was regarded as a record, but predictions were made that some day a 40-foot flood would sweep the city. On March 18 last the stage was 46 feet, and the entire downtown business district of Pittsburgh was submerged. In some of the large stores and office buildings pumps are still at work in the basements.

Although floods had been a tradition in Pittsburgh since the days when British troops garrisoned Fort Pitt, no organized movement toward their prevention was made until after the disaster of 1907. On February 20, 1908, the flood commission of Pittsburgh was organized. For more than a quarter of a century it has carried on an aggressive campaign for practical flood prevention. Elaborate flood studies made in recent years have been based largely on the pioneering undertaken by the Pittsburgh commission.

In Pittsburgh we are proud of the names of the eminent men who served on the engineering committee of the commission. They were E. K. Morse, Emil Swensson, W. G. Wilkins, George S. Davison, Paul Didier, Julian Kennedy, Morris Knowles, and G. M. Lehman. They worked for years and prepared a comprehensive report on the subject, which was published in 1912. It is probably the first report of its kind treating of the source control of floods on a large scale, and it is not surprising that it received wide attention and approval by engineers. Their work and far-sighted recommendations aroused the country to urgency of scientific measures to impound flood waters and to construct adequate flood walls.

I regret that time does not permit me to relate something of the history of the flood commission of Pittsburgh and its long struggle over almost insurmountable obstacles. If I could tell you its story, I would make you Mississippi levee builders sit up and take notice.

Under Mr. Davison as its president, the commission carried on its work year after year. The cooperation of the Federal Government was obtained. In addition to the exhaustive and costly engineering studies and plans made by the commission's staff of engineers, several surveys and studies have been made by the Corps of Engineers, U. S. A., under authority of Congress, with Federal and State funds.

With the establishment of the Public Works Administration and the wide use of Federal funds for various projects, the suggestion was advanced for the allocation of some of this money for flood control. Here was an opportunity to carry out in a thorough and substantial way the entire plan of the flood commission.

To meet the requirements of the Public Works Administration, the flood commission, in conjunction with the city of Pittsburgh and more than 100 municipalities along the rivers in Pennsylvania, Ohio, and West Virginia, formed the tri-State authority, and in the name of this organization applied for P. W. A. funds to construct its system of reservoirs.

The tri-State authority is a worthy successor of the pioneer commission. Its president is William B. Rodgers, a Pennsylvania State senator and a member of the third generation of practical Pittsburgh rivermen. Mayor J. G. Payne, of Oil City, Pa., is vice president, and W. A. Wyman, of Pittsburgh, secretary and treasurer. On its executive committee are Mayor Payne; Mayor George H. Lysle, of McKeesport; Mayor William N. McNair, of Pittsburgh; Mayor Charles F. Schultze, of Wheeling; Mayor Earl Applegate, of Steubenville; Mayor Daniel Boone Dawson, of Charleston; Mayor J. Fred Thomas, of Sharon; Mayor Fred T. Wilson, of Fairmont; Mayor James G. Bollander, of Franklin; Mayor Daniel J. Shields, of Franklin; Mayor J. Morton Harper, of Marietta; Burgess Jacob Maximer, of Kittanning; Hon. John J. Kane, chairman of Allegheny County commissioners; and Cornelius D. Scully, president of Pittsburgh Council. William P. Witherow is chairman of the Pittsburgh Citizens' Flood Committee.

The tri-State authority is urging a system of 13 flood-storage and navigation reservoirs in the headwaters of the Allegheny, Monongahela, and upper Ohio Rivers. These have been recommended also by the Mississippi Valley Committee of the Public Works Administration and the Water Planning Commission of the Natural Resources Board. If constructed, these reservoirs would bestow priceless social benefits upon millions of inhabitants of the several States who dwell within the watersheds of the uncontrolled streams. The estimated cost of the 13 reservoirs is in round numbers about $70,000,000. This is a large sum, but it is a low-priced premium on a policy of flood insurance which has more than 100 years to run.

COMMERCIAL AIRPORT, DISTRICT OF COLUMBIA

Mr. PALMISANO. Mr. Speaker, I call up the conference report on the bill (H. R. 3806) to establish a commercial airport for the District of Columbia and ask unanimous consent that the statement may be read in lieu of the report.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

[To accompany H. R. 3806]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3806) to establish a commercial airport for the District of Columbia, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the amendment of the Senate insert the following:

"That there is hereby created a commission to be known as the 'District of Columbia Airport Commission' (hereinafter referred to as the 'Commission'), to be composed of three Members of the United States Senate, to be appointed by the President of the Senate, three Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives, and three persons to be appointed by the President of the United States, who because of their official positions are interested in the development of a commercial airport in the District of Columbia. No person shall serve on the Commission who has any financial interest direct or indirect in any site or sites for said airport which may be the subject of consideration. The Commission shall proceed immediately after its appointment and organization to examine all available data concerning potential sites for commercial airports and to inspect such potential sites, and shall select a site for such purpose with due regard to the cost of its acquisition and development, its safety, and its adaptability to the requirements of commercial aviation and national defense.

"SEC. 2. The Commission shall preserve its decision and selection in confidence and shall make a confidential report thereon to the President of the Senate and the Speaker of the House of Representatives, or the Secretary of the Senate and the Clerk of the House of Representatives if Congress is not in session: *Provided, however*, That said report shall be made as soon as practicable.

"SEC. 3. The members of the Commission shall receive no salary as such, but shall be reimbursed for actual expenses incurred in the discharge of official duties as such commissioners. There is hereby authorized to be appropriated the sum of $10,000, to be charged one-half to the moneys in the Treasury to the credit of the District of Columbia and one-half to the moneys in the Treasury not otherwise appropriated, which shall be used for carrying out the purposes of this Act, including the employment of such experts and other assistants as the Commission may deem necessary."

And the Senate agree to the same.

VINCENT L. PALMISANO,
JACK NICHOLS,
EVERETT M. DIRKSEN,
Managers on the part of the House.

WILLIAM H. KING,
MILLARD E. TYDINGS,
WARREN R. AUSTIN,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (S. 3806) to establish a commercial airport for the District of Columbia, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report.

The Senate amendment strikes out all after the enacting clause, substituting other provisions in lieu thereof.

Section 1 of the Senate amendment authorizes the President to appoint a District of Columbia Airport Commission of seven members, specifying their qualifications and duties. The substitute agreed to in conference provides for a commission of nine members, three to be appointed by the President of the Senate, three by the Speaker of the House of Representatives, and three by the President.

Section 2 of the Senate amendment provides that a confidential report shall be made to the President of the Senate and Speaker of the House of Representatives during the second session of the Seventy-fourth Congress. The substitute agreed to in conference further provides that this report may be made to the Secretary of the Senate or the Clerk of the House of Representatives if Congress is not in session, also that the report must be made as soon as practicable.

Section 3 of the Senate amendment provides that members of the Commission shall receive no salary as such, but shall be reimbursed for actual expenses incurred in the discharge of their duties; also appropriates $1,000 to be charged one-half to District of Columbia funds in the Treasury of the United States and one-half to United States funds not otherwise appropriated, for the purposes of the act. The substitute agreed to in conference authorizes the appropriation of $10,000, to be charged one-half against moneys in the Treasury of the United States to the credit of the District of Columbia and one-half against the moneys in the Treasury not otherwise appropriated, to be used for carrying out the purposes of the bill, including the employment of experts and other assistants.

VINCENT L. PALMISANO,
JACK NICHOLS,
EVERETT M. DIRKSEN,
Managers on the part of the House.

Mr. SNELL. Mr. Speaker, I think we should be informed what changes have been made in this report over the last one. There was considerable argument when the last conference report on this bill was brought up for consideration.

Mr. PALMISANO. Mr. Speaker, the previous conference report requires the appropriation of $100,000, of which $10,000 was to be used for the making of a survey and $90,000 to purchase options. Considerable controversy arose over the options. This feature has been eliminated. All we ask today is $10,000 in order that the committee may make an appropriate survey. Of this sum $5,000 is to be taken from District of Columbia funds and $5,000 is to be contributed by the Federal Government.

Mr. SNELL. That is all the authority that is given to spend money, $10,000 for the purpose of making this investigation?

Mr. PALMISANO. That is all.

Mr. SNELL. And they cannot sign any options to buy any property?

Mr. PALMISANO. They have no power whatever except that.

Mr. SNELL. And to make a recommendation to Congress?

Mr. PALMISANO. Yes.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. PALMISANO. I yield.

Mr. COCHRAN. I was the one who objected to $90,000 being used for the purchase of options. Is there anything in the report, should it be adopted, that is binding upon the Congress to accept the recommendations of the Commission?

Mr. PALMISANO. There is absolutely no obligation on the House to accept anything the Commission recommends.

The SPEAKER pro tempore. The question is on the adoption of the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

LEGISLATIVE APPROPRIATION BILL, 1937

Mr. SNYDER of Pennsylvania. Mr. Speaker, I call up the conference report on the bill (H. R. 11691) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1937, and for other purposes.

The Clerk read the conference report.

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 Senate to the bill (H. R. 11691) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1937, 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 amendment numbered 29.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, and 30, and agree to the same.

J. BUELL SNYDER,
LOUIS LUDLOW,
JOHN F. DOCKWEILER,
EDWARD C. MORAN, Jr.,
D. LANE POWERS,
Managers on the part of the House.

MILLARD E. TYDINGS,
JAMES F. BYRNES,
JOHN G. TOWNSEND, Jr.,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11691) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1937, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended as to each of such amendments in the accompanying conference report, namely:

SENATE

On amendments nos. 1 to 11, inclusive, relating to the office of the Secretary: Provides for the establishment of 10 new positions and the elimination of 7 positions, and allows increases in the salaries of 2 positions, all as authorized by a Senate resolution, and a net increase of $7,140, as proposed by the Senate.

On amendments nos. 12 to 15, inclusive, relating to the document room: Eliminates one position at $1,860; provides for the promotion of three assistants from $1,860 to $2,040 each; and for the reduction of one first assistant from $3,360 to $2,640; and one second assistant from $2,400 to $2,040, all as authorized by a Senate resolution; and appropriates a total of $16,140, as proposed by the Senate, instead of $18,540, as proposed by the House.

On amendments nos. 16 to 24, inclusive, relating to the office of the Sergeant at Arms and Doorkeeper: Provides for increases amounting to $3,320 in the salaries of five employees and for one additional telephone operator at $1,560, all as authorized by a Senate resolution, and appropriates $259,664, all as proposed by the Senate, in lieu of an appropriation of $254,784, as proposed by the House.

On amendment no. 25: Appropriates $18,000 for folding speeches and pamphlets, as proposed by the Senate, instead of $10,000, as proposed by the House.

CAPITOL POLICE

On amendments nos. 26 and 27: Appropriates $100,680, as proposed by the Senate, instead of $100,440, as proposed by the House, and provides an increase of $240 in the salary of the captain of the Capitol Police, as authorized by a Senate resolution.

ARCHITECT OF THE CAPITOL

On amendment no. 28: Makes immediately available $25,000 of the appropriation for care and improvement of the Capitol Grounds, as proposed by the Senate.

LIBRARY OF CONGRESS

On amendment no. 29: Appropriates $92,990, as proposed by the House, instead of $77,990, as proposed by the Senate, the additional $15,000 being provided for continuation of publication of the Digest of Public General Bills by the Legislative Reference Service.

On amendment no. 30: Appropriates $7,000, as proposed by the Senate, instead of $5,000, as proposed by the House, for the purchase of books and periodicals for the Supreme Court library.

J. BUELL SNYDER,
LOUIS LUDLOW,
JOHN F. DOCKWEILER,
EDWARD C. MORAN, Jr.,
D. LANE POWERS,
Managers on the part of the House.

The SPEAKER. The gentleman from Pennsylvania [Mr. SNYDER] is recognized for 1 hour.

Mr. RICH. Will the gentleman yield?

Mr. SNYDER of Pennsylvania. I yield to the gentleman from Pennsylvania.

Mr. RICH. Does this conference report increase the legislative appropriation in any way?

Mr. SNYDER of Pennsylvania. The conference report increases the appropriation by $15,000.

Mr. RICH. And the bill is still $600,000 under the bill of last year?

Mr. SNYDER of Pennsylvania. Absolutely. I may say to the gentleman that in our bill we included an amount of $15,000 for the legislative digest. The Senate cut this out, but in the meantime there were demands which came in from Senators and Members of the House that it be continued for 1 more year, and this amount was accordingly put back.

Mr. RICH. But it is still $600,000 less than last year?

Mr. SNYDER of Pennsylvania. Yes.

Mr. RICH. I want to congratulate the committee on keeping it down. I shall serve notice now that we are going to fight all of these appropriation bills which have been increased.

Mr. SNELL. Will the gentleman yield?

Mr. SNYDER of Pennsylvania. I yield to the gentleman from New York.

Mr. SNELL. May I ask the majority leader what the program is going to be for the balance of the afternoon?

Mr. BANKHEAD. If the gentleman will permit a Member to speak for 2 or 3 minutes and give me a chance to talk to some of the others, I shall be able to inform him.

Mr. SNELL. That will be satisfactory.

The SPEAKER. The question is on the adoption of the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

Mr. GOLDSBOROUGH. Mr. Speaker, I ask unanimous consent that the gentleman from Georgia [Mr. WHELCHEL] may address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. WHELCHEL. Mr. Speaker, on behalf of my people in my home city, Gainesville, Ga., I wish to express my sincere appreciation for the wonderful kindness and assistance rendered to alleviate the distress caused by the terrible tornado which recently visited our little city, the "queen city of the mountains", as we lovingly call it, laying waste homes, destroying noble edifices, and taking from our midst those who were near and dear to us. This unanimous expression of sympathy and the aid extended have caused the dark cloud to begin to lift and our people to see the light of day.

To the various relief organizations, including the Red Cross, the C. C. C. boys, the militia, and the F. E. R. A., we owe a debt of gratitude; they functioned splendidly under efficient leadership. To the Congress of the United States, including the Banking and Currency Committee, which gave sympathetic hearing in our hour of distress, making available Federal funds for the rehabilitation of our people and for relief of dire distress; and to our President of the United States, whose personal visit, expressing words of sympathy and bidding us Godspeed, we extend our heartfelt thanks.

This terrible catastrophe at my home city, affecting as it did my friends, my constituents, and my loved ones, has come very close to me, and I cannot express in words my apprecia-

tion and admiration for the splendid work done by the agencies mentioned and by the entire Nation in alleviating such distress as is seldom seen and giving evidence of the true nobility of soul inherent in mankind. Again I thank you. [Applause.]

OMNIBUS CLAIMS BILLS

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. COCHRAN. Mr. Speaker, in the consideration of omnibus claims bills tomorrow, Wednesday, April 22, the parliamentary situation will be that the Clerk will continue to read omnibus House bill 8524. At the time of adjournment, March 17, we had read up to title VI.

Titles I and III had been stricken from the bill. I offered an amendment to strike titles II, IV, and V from the bill, but my amendments were rejected. I feel this was due to the fact that a Member had moved to strike out the enacting clause and many Members came to the floor who had not been following the proceedings during the afternoon.

I do not feel it is fair to move to strike out the enacting clause in an omnibus bill, even if one is opposed to the entire bill. It seems to me the House should be allowed to debate each bill for the 10 minutes allowed under the rule, and then let the Members decide the issue. I am opposed to the entire bill that is pending. This omnibus bill comes from the Committee on War Claims and I have given it very careful consideration.

When this bill is disposed of, and that should take but a few minutes, several bills from the Committee on Claims will be considered, as well as a bill from the Foreign Affairs Committee, and two from the Committee on the Public Lands. As I have stated before, I feel that over 55 percent of the bills included in the omnibus bills should pass, but there are many that should not pass, in my opinion.

I do not think when an individual, company, or corporation has had its day in court and failed to recover, that we should send the case back to the Court of Claims, nor under any circumstances should we appropriate money direct from the Treasury to pay the claim.

The great majority of the Members of the House are lawyers. Where is the lawyer who, having won his case in court, would agree to giving the opposition a second opportunity to recover damages from his client; or where is the individual who has successfully defended a suit for damages against him would say to the court, "Give the plaintiff another chance"?

We must remember that when we appropriate money to pay these claims we are asking our constituents, taxpayers, to foot the bill.

My view is that we should pass the meritorious bills and defeat those that have been pending for years, some of them as many as 30 years, as well as others that have no merit. In the first bill continued March 17 there were bills growing out of the Civil War. There are other Civil War bills on the calendar today.

The first bill to be considered is title VI of H. R. 8524.

TITLE VI—H. R. 4408—SOUTHERN OVERALL CO.

This bill would confer jurisdiction upon the Court of Claims to adjudicate a claim upon the basis of the fair and reasonable value of articles delivered to the War Department under a contract of November 23, 1917. This claim is for $6,000.

Does Congress wish to waive the statute of limitations, when this claimant negligently failed to file suit seasonably in the Court of Claims, after the claim had been rejected by both the War Department and the Comptroller General? What extenuating circumstances would justify such an exception? The claimant has already been paid the fair and reasonable value of the articles delivered exactly as provided in its contract. Are the terms of the contract to be wholly ignored? As Mr. Justice Bradley said:

> If the contract did not express the true intention of the parties, it was the claimant's folly to have signed it (*Brawley* v. *United States*, 96 U. S. 168).

TITLE VIII—S. 281—FRED G. CLARK CO.

This bill proposes to pay losses sustained due to claimant's compliance with an order of the War Industries Board issued in 1918 directing that stock of wool grease on hand be withheld from sale or delivery pending further instructions. The amount is $13,000.

Why should this claimant be granted such preferential treatment when other similar dealers are not likewise given relief? Did the Government take any property of claimant? Is there any evidence of a contract, express or implied, obligating the Government to pay for these supplies? Does Congress wish to pay a claim which both the War Department and the Court of Claims (71 Ct. Cls. 662) have denied as being without merit?

TITLE IX—H. R. 3075—MACK COPPER CO.

This bill proposes to confer jurisdiction upon the Court of Claims to reopen and readjudicate a claim arising out of the use and occupancy by the Government during the World War of a tract of land situated in California.

A similar bill, S. 1878, was vetoed by the President on September 7, 1935.

This land was purchased by the claimant for a little over $300,000. The claimant has already been paid, pursuant to judgment of the Court of Claims—rendered on June 6, 1927, no. D-134—the sum of $229,500, with interest on $150,000, for the taking, use, and damages to this property. Does the Congress wish to again have this claim examined and settled, with the possibility of ultimately paying an amount in excess of the cost of the property without acquiring the title to it? Is it not fundamental that damages for use and occupancy shall not exceed the value of the land? Is there to be no end to the number of times a claim is settled and adjusted?

TITLE X—H. R. 2213—CHARLES P. SHIPLEY SADDLERY & MERCANTILE CO.

This bill to pay direct from the Treasury is for the cancelation of a lease held by Charles P. Shipley Saddlery & Mercantile Co., at Camp Funston. The original claim was for $17,000 and the bill authorizes payment of $11,902. The report shows the War Department considered this claim allowed and paid $3,579. The War Department strongly opposes payment of the claim.

The next omnibus bill is from the Committee on Foreign Affairs.

H. R. 8664 (OMNIBUS)

S. 267—MATTHEW E. HANNA (DECEASED), WILLARD L. BEAULAC, MARION P. HOOVER

This bill as reported carries separate items for the relief of three Foreign Service officers and employees for losses of personal property suffered by reason of an earthquake at Managua, Nicaragua, and fire immediately following the earthquake.

Earthquakes and fires resulting therefrom are not uncommon in Nicaragua, and no showing has been made that these officers and employees could not have insured their personal property against such hazards. Does the Congress wish to place the United States in the position of an insurer of the personal property of its employees? Or should they be held to provide such insurance themselves; and if they do not, should not the loss be theirs? Why should Foreign Service personnel be afforded relief of this nature and the same protection be denied other officers and employees of the Government? There are no legal or equitable obligations on the United States to pay these claims, except the item of $153.08 in the claim of Mr. Hanna, representing the amount of public money and vouchers lost during the fire resulting from the earthquake, which would appear to be meritorious and proper for relief. Are the United States Treasury and taxpayers to be held responsible for an act of God?

Mr. Hanna died recently, since this bill was reported. Congress will soon be called on to pass a bill paying his widow a year's salary, a policy we have always followed when one in the Foreign Service dies.

The next bill is from the Committee on Claims and contains many bills of merit. I have enumerated some to which I propose to try and have stricken from the bill.

H. R. 8750 (OMNIBUS)

TITLE I—H. R. 796—A. E. CLARK

This bill proposes to pay a per-diem allowance to an employee of the Census Bureau which was disallowed under the provisions of the standardized Government travel regulations promulgated by the President pursuant to law. Under these regulations, there was no authority to pay Mr. Clark travel per diem while at his official station at Longview and no authority in any Government officer to bind the Government to an agreement to do so.

Does Congress wish to give one employee benefits denied thousands of others? When a person enters the Government service, does he or she not agree to be bound by a contract of employment which, if travel is to be performed, includes the provisions of the standardized Government travel regulations? Does Congress wish to cause dissatisfaction and discontent among other employees by ignoring these regulations in a particular case of no more merit than thousands of others? This is a small claim, $566, but it would be setting a dangerous precedent to pass it.

TITLE IV—H. R. 2087—DELAWARE BAY SHIPBUILDING CO.

The bill to permit the Delaware Bay Shipbuilding Co. to enter suit against the Government is strongly opposed by the Treasury Department, which holds it was the duty of this company to properly protect its property. The damage was the result of a collision with a Coast Guard vessel. The Government department holds there is no reasonable ground for holding the Government responsible but, on the contrary, holds the corporation is responsible to the Government for the damage to the Government vessel.

TITLE VIII—H. R. 2674—G. ELIAS & BRO., INC.

This bill proposes to pay the claimant $24,139.28 for alleged losses in connection with changes in plans and specifications for airplane parts furnished under contracts with the War Department in 1926 and 1927.

The contracts provided for such changes in plans and specifications and required the contractor to "submit evidence to the contracting officer of the amount involved by such change or changes", and that for any change increasing the cost of performance "an equitable adjustment will be made at the time such change or changes are made." Instead of the contractor submitting evidence of increased cost at the time the changes were made, the contractor accepted the changes with the statements thereon that "Contract price and terms of delivery not affected."

Does Congress wish to allow extra compensation for losses alleged to have been sustained over 9 years ago, when no claim therefor was requested or made at the time the changes were agreed upon? Is it not a condition precedent to the payment of increased costs under a contract that claim therefor, supported by proper evidence, be filed at the time changes are made? (*Plumley* v. *United States*, 43 Ct. Cls. 266, 226 U. S. 545.) Are the terms of the contracts and the principles of contract law to be disregarded entirely?

TITLE X—H. R. 3218—FRED HERRICK

A similar bill, S. 491, became Private Act No. 335, Seventy-fourth Congress, approved August 27, 1935, after this title was included in the omnibus bill, H. R. 8750.

TITLE XIX—H. R. 6661—MAJ. JOSEPH H. HICKEY

A similar bill, S. 2741, became Private Act No. 388, Seventy-fourth Congress, approved February 11, 1936, after this title was included in the omnibus bill, H. R. 8750.

TITLE XX—S. 753—WALES ISLAND PACKING CO.

The claim of the Wales Island Packing Co. for $100,000 results from a favorable decision of the Court of Claims. However, it originated before any Member of this House was ever elected to Congress.

TITLE XXIII—S. 921—C. J. MAST

This bill proposes to pay for damages to claimant's crops from 1924 to 1928 by reason of breaks in a Government irrigation dike caused by muskrats burrowing in the bank of the dike.

Does Congress wish to obligate the Government to pay for damages resulting from ravages of muskrats when the Government was exercising due care in trying to eliminate such predatory pests and was not otherwise negligent in operating the irrigation project? Are not such damages one of the risks assumed by farmers using water from irrigation projects? Is it not just as logical to say that the Government would be obligated to pay a farmer the value of chickens killed by a fox straying from a national forest? Only $255 is involved, but if you pass this bill, how many more will follow?

TITLE XXIV—S. 998—GEORGE LAWLEY & SON CORPORATION

This bill, if enacted, would pay a contractor $92,781 in excess of the contract price of two torpedo boats constructed for the Navy under contracts entered into in 1898. Delivery of the boats was delayed several years due to contractor's inability to secure certain materials promptly and to strikes in contractor's plant. The amount claimed represents increases in wages and cost of materials during the period of delay. It also appears claimant had had no prior experience in constructing torpedo boats. Congress has heretofore referred the matter to the Court of Claims, which has held that the claim is for a gratuity and therefore without legal or equitable merit. Case no. 15005, congressional, decided January 8, 1934.

Does Congress wish to adopt the policy of referring claims to the Court of Claims for hearing and adjudication and then refuse to accept the findings of said court? Are the terms of contracts and established principles of contract law to be disregarded in settling claims against the United States? Will this not encourage other concerns without experience in particular work to secure Government contracts in the belief that the Government will pay any losses sustained by them in the performance thereof?

Include conclusion of law, page 2280.

TITLE XXV—S. 1036—DR. GEORGE W. RITCHEY

This identical bill became Private Act No. 153, Seventy-fourth Congress, approved July 22, 1935. Hence the pending bill, if enacted, would authorize payment of a claim already satisfied in full.

TAX REFUNDS

There are in this bill numerous cases where it is provided to pay certain claimants or to refer their cases to the Court of Claims growing out of payment of taxes, and so forth, which cannot now be paid, due to the statute of limitations, and so forth.

It has long been the established policy of Congress by its action on similar bills to refuse to act favorably on such legislation, no matter how meritorious the claim might be. I have had several such claims where the Treasury admitted an overpayment, but the relief bills were never passed.

The Treasury repeatedly has held—

> The position which this Department has taken and which Congress has sanctioned is that it is a sound policy to have statutes of limitation and that the policy upon which statutes are based must be adhered to, notwithstanding hardship in particular cases.

Then, again, I quote from a Treasury report:

> The Treasury Department has consistently opposed the enactment of special legislation designed to remove the bar of limitations on refunds as unfair to other taxpayers with equally meritorious claims.

One dislikes to deny a taxpayer money illegally paid or money due as an overpayment of income and other taxes, but to open the door would mean claims involving hundreds of milions of dollars. Then, again, some attention must be paid to the position the Government finds itself in. In making audits the Government has found where money is due, but it cannot collect because of the statute of limitations. This likewise involves hundreds of millions of dollars. It is only in fraud cases where the Government can go beyond the statute of limitations.

President Roosevelt has vetoed claims of this character.

H. R. 9045 (OMNIBUS)

This bill also is from the Committee on Claims. There are several measures included in this bill to which I call the attention of Members of the House.

TITLE II—H. R. 3559—JOHN L. ALCOCK

Under this bill the Court of Claims would be given jurisdiction to adjudicate a claim for anticipated profits under executory contracts between claimant and foreign buyers covering spruce lumber, which the United States commandeered for war purposes. Claimant has heretofore recovered damages for the loss on lumber in his possession at the time the Government took over all spruce timber.

Does Congress wish to obligate the Government to pay anticipated and speculative profits? Is it proper to pay a profit on goods which the claimant never owned or had in his possession? Did the claimant suffer any actual loss by having to pay damages to its customers for breach of contract resulting from an act of the United States in its sovereign capacity and as a war measure? Why should this claimant receive preferential treatment over other persons and concerns who were similarly situated?

The report shows the contention of the War Department is assailed by the committee. The War Department says in part:

If the relief be granted, it is believed such action would constitute a precedent too dangerous to even contemplate, as it would open up untold tens of thousands of claims of a like nature, for the reason that during the war the Government not only requisitioned ships which were under contract and charter at the time of their requisition but undertook the control of wheat, sugar, coal, and other commodities of almost every nature, thereby rendering impossible the execution of previous contracts, respecting these commodities, and took over steel mills, railroads, shipyards, telephone and telegraph lines, the capacity output of factories and other producing activities. If this bill should be enacted into law, it is the opinion of this Department that it will inevitably result in a stampede and gold rush in the nature of claims upon the Government in comparison with which the Klondike gold rush would appear as a solo affair. If this should be passed, it is difficult to understand why, in principle, every soldier who was drafted into the military service would not have an equally meritorious claim against the Government for a special act of Congress for relief to compensate him for the difference between his meager Army pay and the pay, salary, or earnings he was receiving in civil life.

It seems to me, in view of such a statement from the present Secretary of War, Congress should give more than ordinary consideration to this proposed legislation and defeat the bill.

TITLE IV—H. R. 3729—HENRY W. BIBUS AND OTHERS

The claim of Henry W. Bibus and others grows out of the purchase of land for use by the Government during the war, for which the claimants were paid $472,250.30. There are 11 claimants, and all but 2 received the option price. In one instance the compromise was $5,000 less, and in the other the same amount. In four cases the Government paid more than the option price. The report shows the Government spent millions for improvements. It converted the land into highly desirable industrial property by reason of the expenditure in excess of $6,000,000. Now the former owners want the Congress to pass a bill that might result in their securing the amount between the purchase price and the sale price—over a million dollars. The War Department is opposed to the bill, and the Congress should defeat it.

In direct contrast to this recommendation is the bill for the relief of the Western Electric Co., Inc., which originates with the War Department. This in itself is evidence that the Department is fair, because it admits the Government is obligated, prepares the bill, submits it to the Congress, and asks for its passage.

TITLE VI—H. R. 4841—RELIEF OF CERTAIN ARMY DISBURSING OFFICERS AND OTHERS

A similar bill, S. 556, became Private Act No. 214, Seventy-fourth Congress, approved August 14, 1935, after this title was included in the omnibus bill, H. R. 9054.

TITLE IX—S. 1360—TERESA DE PREVOST

The bill has been pending for many years and grows out of the so-called Alsop award of July 4, 1911, made by the King of Great Britain as arbitrator.

Mrs. de Prevost maintains this money should be paid to her by the Government because of alleged irregularities in the distribution through the State Department to claimants under the Alsop award. The United States Government held the Government of Chile was liable to the United States, acting for certain named persons and their heirs. The King of Great Britain was named as arbitrator, and he decided in favor of the United States. The contentions of the claimant indicate a former Assistant Solicitor of the State Department resigned after the award had been made and within a few years entered the case as an attorney. If the allegations of Mrs. de Prevost are true, then the Assistant Solicitor of the State Department was guilty of unethical conduct, to say the least. This lady has spent many years around the Capitol in an effort to secure the passage of an act to reimburse her.

Mrs. de Prevost died several weeks ago, and, so far as I can ascertain, she did not leave any relatives in this country.

The Committee on War Claims reported the next bill and of course has to do with claims growing out of the war. Some even go back to the War of the Rebellion.

H. R. 9112 (OMNIBUS)

TITLE I—H. R. 237—ROWESVILLE OIL CO.

The bill is to remove the statute of limitations so far as it applies to the linters claim of the Rowesville Oil Co. arising out of a contract it had with the Government in 1919. The Judge Advocate General of the War Department indicates that at this time, with incomplete records, the Government would be at a great disadvantage in defending this suit if the bill was passed. Further, while the plaintiff made a plea at the time of cancelation of contract that it feared bankruptcy, the Judge Advocate General says:

As a matter of fact, the plaintiff did not fail. Like all industries connected with the manufacture of munitions, the plaintiff made great profits as a result of the war.

The company did not protest the cancelation clause at the time the contract was made. When the war ended there was no further use for buying linters used in the manufacture of explosives, and the cancelation clause was in all such contracts so the Government would be protected when it no longer needed the explosives. The amount involved is not indicated by the report or bill. It might be pertinent to say, however, there are now before the Court of Claims cotton linters claims amounting to over $6,000,000.

TITLE II—H. R. 254—FARMERS STORAGE & FERTILIZER CO.

The second bill is for the Farmers Storage & Fertilizer Co., and is similar to the Rowesville Oil Co. bill.

TITLE III—H. R. 3790—WALTER W. JOHNSTON

This bill proposes to pay a balance alleged to be due claimant for services rendered in behalf of the United States Shipping Board Emergency Fleet Corporation during the years 1918 and 1919 in launching ships built for the Government at various shipbuilding yards.

In decision of April 30, 1930, no. E-455, the Court of Claims found the value of the claimant's services in launching the ships to be $20,000, and that $5,495 of that amount had been paid by the shipbuilding corporations, the amount of the judgment being $14,505. Does the Congress wish to authorize this payment notwithstanding the claimant has already been paid in full, in the view of the Court of Claims?

The net judgment was paid by the Government. It amounted to $14,505 and was paid September 6, 1930. This certainly should dispose of the claim. The bill seeking further reimbursement should be defeated.

TITLE V—H. R. 4059—ELLA B. KIMBALL

The bill to pay Ella B. Kimball, daughter and heir of Jeremiah Simonson, is a Civil War claim. It provides for payment of $16,441.81 for furnishing supplies and labor in the construction of the U. S. S. *Chenango*. The findings of the court were submitted in 1907, but all efforts to collect the money by an act of Congress have failed, as have hundreds if not thousands of other Civil War claims.

TITLE VI—H. R. 6356—JOSEPH G. GRISSOM

The claim of Joseph G. Grissom of $1,153.43 is another Civil War claim. This was to cover a period between the time he was commissioned by a Governor and actual date of muster in. One hundred and sixty-three such claims passed the House but were rejected by the Senate. This is the first time since 1914 this claim has been reported by a House committee.

TITLE VII—H. R. 7727—GEORGE B. MARX

The claim of George B. Marx grows out of an informal contract to make 200 wire carts for the Signal Corps in 1918. The War Department canceled the order on November 9, 1918, later considered the claim, and paid Marx $139,876.86. Marx claims $76,574.12. The committee, despite the objections of the War Department in the Seventy-first Congress, recommended Marx be paid $58,259.02. The bill was defeated. Now it is proposed to refer the case to the Court of Claims. The Government should not be required to defend such a suit.

TITLE VIII—S. 2520—T. D. RANDALL & CO.

This bill proposes to authorize the Court of Claims to readjudicate a claim for losses and damages arising out of contracts for furnishing hay to the War Department in the year 1918. The claim was referred to said court by Private Act No. 507, Seventieth Congress, approved March 2, 1929, and denied by the court for the reason there was no agreement or understanding whereby the Government was to provide cars for shipping the hay, and, there being no breach of contract by the United States, no liability resulted for the alleged losses and damages (71 Ct. Cls. 152).

Does the Congress wish in effect to amend the contracts at this late date by changing the rights and obligations of the parties thereunder so as to make the Government liable for risks which the contractor voluntarily assumed in its undertakings? Are not such risks usually assumed by those engaged in similar enterprises? Should not such risks be anticipated and guarded against by appropriate covenants in the contracts or by insurance?

This company wants $20 and $25 a ton for 3,600 tons of hay it contracted to furnish the Government for $14 per ton. The Government paid the contract price.

The next two omnibus bills are from the Committee on Claims, H. R. 11214 and 11215.

H. R. 11214 (OMNIBUS)

TITLE II.—H. R. 2479—CHARLES G. JOHNSON

The bill is for the relief of Charles G. Johnson, State treasurer of the State of California.

I have no objections to this bill, as the coupons have not been presented to the Treasury Department, but I do object to the wording of the bill, as it should read, a bill for the relief of the Maryland Casualty Co., as that company has actually paid the loss, and in the end, Mr. Johnson will reimburse the surety company.

TITLE XI—S. 925—TO CARRY INTO EFFECT THE FINDINGS OF THE COURT OF CLAIMS IN THE CASE OF WILLIAM W. DANENHOWER

This is an ancient claim, over 15 years old.

Section 9 of the act of February 12, 1901, according to the Court of Claims shows, provided among other things for the payment, 50 percent by the United States and 50 percent by the District of Columbia for all damages to property owners resulting from, incidental to, or connected with all relocations and changes of alinements and grades of the tracks of said railroad or the streets of the city.

The act of June 29, 1906 (34 Stat. 624, 625), repealed section 9 of the act of February 12, 1901, and provided for the ascertainment of the actual damages resulting to property owners from changes made in streets and railroad tracks under the act of 1901, taking into consideration all benefits received through said changes by a commission appointed by the Supreme Court of the District, or by the verdict of a jury selected by said court if the parties should be dissatisfied with the award of the commission. The filing of the petition with the commission was limited to 12 months after the date fixed for the meeting of said commission.

No suit was ever brought under section 9 of the act of February 12, 1901, or claim filed as provided by the act of June 23, 1906, by the claimant.

The actual damages caused by the depreciation in value of claimant's property in the fall of 1903 due to changes in the grades of New Jersey and Virginia Avenues and the relocation of the tracks of said railroad company under the act of 1901 was $42,260.

It seems to me if the Congress is to reimburse this owner, the District of Columbia should be required to pay 50 percent of the damages, but this bill calls for the payment of the entire amount from the Treasury of the United States.

It further appears that this owner slept on his rights and did not take advantage of the acts referred to.

TITLE XII—S. 952—ZELMA HALVERSON

The decedent in this case lost his life while fighting a forest fire in Montana during August 1933, as an employee of the Sieben Livestock Co., of Helena, Mont. It seems to be admitted by everyone, except a representative of the company, that at the time of his death as a result of the fire, Harry Halverson continued to be employed with the company. He was not employed in the Forest Service of the United States at any time up to and including the time of his death, August 21, 1933, and if there was any intention to so employ him, such employment was never actually consummated but merely in the embryo stages. The only positive statement to the contrary is from one Fred Sheriff, an official of the company who hired Halverson and his interest in shifting any pecuniary liability from the company to the Government at once manifests itself. In other words, if employed by the company and not by the Government, there is neither moral, equitable, nor legal obligation upon the Government, such obligation resting squarely upon the company. There appears to be no sound reason why the United States should assume the liability if in fact that liability is rightfully upon another.

TITLE XIV—S. 1328—SNARE & TRIEST CO., NOW FREDERICK SNARE CORPORATION

The contractors in this case are asking the Congress to grant them the sum of $83,978.05 in full settlement of all claims against the Government for damages incident to delays (alleged to have been caused by the Government) in connection with work performed by them under a contract for furnishing labor and materials necessary in the improvement of the water front at the submarine base, Key West, Fla. The contractors have had their day in court on two different occasions. Claimants entered into this contract for the development of the submarine base under the appropriation act of July 1, 1918 (40 Stat. 725), which expressly and specifically appropriated the sum of $1,000,000 only, and while the Secretary of the Navy was authorized to enter into additional obligations, the performance of any work by the contractor in excess of the amount so specifically appropriated was necessarily done at their peril. From the committee reports and the testimony of naval engineer experts it appears much of the work was of a useless nature or at best susceptible of destruction by hurricane, but, notwithstanding this testimony, the Congress appropriated an additional $800,000 for further development of the project to the benefit of the contractors. The contractors knew that obligations entered into under such a provision of law were limited in payment to the extent of the appropriation—the courts have so held. When they proceed in the face of a limited appropriation they gamble with the generosity of a sympathetic Congress and in their efforts to secure the profits which they estimate upon bidding on such work they actually, if not intentionally, exert a moral duress or coercion.

In the Seventy-third Congress, S. 1760 authorized the Court of Claims again to hear and adjudicate the case without regard to the statute of limitations.

This bill, however, does not return the case to the Court of Claims, where it has been on two previous occasions, but directs the Secretary of the Treasury to pay the money direct, by providing that the Secretary of the Treasury shall pay the $83,978.05.

If any action is to be taken by the Congress on this bill it certainly should be to return the claim to the Court of Claims and not pay the claim from the Treasury as the bill provides.

TITLE XV—S. 1431—COLLIER MANUFACTURING CO. OF BARNESVILLE, GA.

The contracts under which the claim of the Collier Manufacturing Co. was predicated were entered into by the firm of Clift & Goodrich, and the Court of Claims has found that settlements with the latter company were made by the Government. The Government dealt with Clift & Goodrich, not with the Collier Co.; there consequently was no privity of contract between the Collier Co. and the Government, and it

is not perceived why it should be necessary to pay this company the sum of $48,719.70 in full settlement of all claims when they have in fact no claim against the Government. The case has been decided adversely to the Collier Co. by the War Department Board of Contract Adjustment and by the Court of Claims (certiorari denied by the Supreme Court of the United States).

Whether the Collier Co. profited by this or other contracts for furnishing supplies to the Government during the war is not known, but it is reasonable to suppose that they, like many others, found business with the Government during the stress of war conditions very profitable. It is reasonable to assume, also, that Clift & Goodrich, who apparently acted as brokers, were no exception in this respect, and if there was any unwarranted interference with the output and acceptance from the Collier Co., they, it would seem, should look to the party with whom they were dealing and not to the Government.

H. R. 11215 (OMNIBUS)

TITLE I—H. R. 653—GEORGE R. BROWN

This is a bill to authorize payment of pay and allowances to George R. Brown, a former second lieutenant in the National Guard, to cover a period during which it is claimed he was illegally placed in a discharge status from the service of the United States. A fact that was apparently overlooked when the War Department acted to restore claimant to an active status was that when his National Guard organization was transferred into the Federal service on August 4, 1917, he was not an officer of the National Guard, having been discharged therefrom by the Governor July 28, 1917, which order was received August 1, 1917, and therefore he was not an officer in the service of the United States when the alleged illegal discharge order was issued or at any time during the period for which pay and allowances are claimed.

It is a further fact that Lieutenant Brown rendered no services during the period in question, never reported to a military post or station, and was not ordered to do so. The accounting officers of the Government in 1918 and the Court of Claims in 1924 found no merit in the claim and the War Department in agreement therewith has reported adversely. Amount claimed, $689.90.

TITLE IV—H. R. 2115—FIRST LT. R. G. CUNO

This bill would reimburse First Lt. R. G. Cuno for damages to his personal property which were sustained by reason of a storm which flooded a warehouse at Langley Field, Va., August 23, 1933, where the Government had stored the property during the officer's absence as a patient at Walter Reed General Hospital. The property was stored free of charge and, at most, the Government was merely a gratuitous bailee, requiring the exercise of only ordinary care and certainly not liable for damages resulting from unforeseeable causes. The damages to the property may be considered as the result of an act of God, any consequent losses necessarily resting on the owner of the property.

Since as early as 1885 (23 Stat. 350) the Government has accepted only a limited liability for loss, destruction, or damage of the property of personnel of the military services (see act of Mar. 4, 1921, 41 Stat. 1436), but it has never gone so far as to insure personal property of an Army officer against loss, damage, and destruction when the custody by the Government was for convenience of the owner of the property. The amount involved is $851.61.

TITLE VIII—H. R. 3179—JESSE ASHBY

The claim of Jesse Ashby arose out of work required to be performed under contract dated April 28, 1931, for painting plaster walls in the new Department of Commerce Building, Washington, D. C., and the provisions of this title VIII have for their purpose a reference of his claim to the United States Court of Claims with jurisdiction to hear the same notwithstanding the failure of any Government officer to give proper written orders for additional work with instructions to adjudicate the same upon the basis set forth in the bill. Article 3 of the contract requires that any claim resulting in an increase in the contract price must be asserted within 10 days after the change is ordered and supervisory officers of the Government have stated that the claim of the contractor is more in the nature of an afterthought subsequent to completion of the work, based upon his personal opinion that the profits should have amounted to more than were actually realized on the job. This merely shows the value which flows to the Government under section 3709, Revised Statutes, in requiring competition from contractors. Common experience teaches that oftentimes profits are small, and in some instances losses are incurred as a result of competitive bidding on close estimates. This is a chance that all contractors take in entering into competitive bidding, and in this particular case claimant stands on no different footing than other contractors similarly situated. In any event, if the claimant thinks he has a legal claim against the Government under the contract he is not precluded from pursuing whatever remedy he believes himself entitled in the Court of Claims, the statute of limitations not having run at this time. If the Government is going to guarantee a realization of the profit estimated by a contractor, then the protection accorded the Government by the provisions of section 3709, Revised Statutes, will be practically nullified. No amount is estimated.

TITLE XIII—H. R. 6105—FOR THE RELIEF OF THE NEW AMSTERDAM CASUALTY CO.

This bill is for the relief of the New Amsterdam Casualty Co. This company furnished the bond for one Zangwell Engelsher, who had been indicted on six counts for counterfeiting. You have hundreds of similar cases where forfeited bail bonds will be demanded when bills of this character pass. Then, again, it would be interesting to know who guaranteed this bond when it was written by the company. In many cases I have heard of surety companies demanding security before they will furnish such bonds. Was the company reimbursed, and if so, will it return this money to those who furnished the guaranty?

TITLE XVII—S. 895—TO CARRY OUT THE FINDINGS OF THE COURT OF CLAIMS IN THE CASE OF THE ATLANTIC WORKS, OF BOSTON, MASS.

The claim of the Atlantic Works, of Boston, Mass., is a more or less ancient one, the basis thereof being predicated upon construction of the revenue cutter *Daniel Manning*, under the terms of a contract with the United States dated June 27, 1895. The vessel was completed October 7, 1897, was delivered to and accepted by the United States, and the full contract price, plus the cost of extra work, was paid and received by the contractor as payment in full.

It appears clear from an examination of the findings of fact by the Court of Claims, to whom was referred the case under the Tucker Act of March 3, 1887, that the error in estimates for the job was due in large part to the inexperience and lack of facilities for handling the same. Finding V of the court was worded as follows:

> The claimant's shipyard was principally for repairs; it was a small but good repair yard in which no vessels had been constructed in recent years. It was totally inadequate at the time of claimant's bid for construction of a ship of the type and dimensions of the *Manning*. The mold for laying down the hulls of vessels was not nearly large enough to lay down a vessel of the dimensions of the *Manning*. The hull of the vessel was to be constructed of wood and steel, and there were no facilities in the claimant's plant for curving the steel plates, which were shaped by the Government at the Boston Navy Yard. None of the responsible employees of the company had had any experience in the construction of wood and steel vessels or in the construction of any large vessels for some years, as the plant for some time had been devoted almost entirely to repair work. * * *

And the nature of the claim was summarized in the Court's conclusion of law as follows:

> If the Court have jurisdiction under any of the provisions of the Tucker Act to render judgment, its conclusion is that there is no liability upon the United States under the terms of the contract to pay said claim, and that the claim is neither a legal nor an equitable one. The claimant insists that the claim is one for "a grant, gift, or bounty" by the Government and the payment of such a claim rests in the judgment and discretion of Congress.

This claim thus appears to be merely another case where the Government is asked to donate or give to a contractor moneys of the taxpayer to partly reimburse such contractor for losses due to errors in estimating its costs and profits on Government work. The amount involved is $22,170.30.

TITLE XVIII—S. 2119—FOR THE RELIEF OF AMOS D. CARVER, S. E. TURNER, CLIFFORD N. CARVER, SCOTT BLANCHARD, P. B. BLANCHARD, JAMES B. PARSE, A. N. BLANCHARD AND W. A. BLANCHARD AND/OR THE WIDOWS OF SUCH OF THEM AS MAY BE DECEASED

The claim of Amos D. Carver et al., in the sum of $35,916.68 is stated to represent losses incurred by the owners of the schooner *Betsy Ross* by reason of interference with, delays to, and forced cancelation of a private charter of and the appropriation of the use of said vessel by the United States Shipping Board on or about April 5, 1918. The basis for the claim appears to be that the loss was incurred in handling a shipment of wheat for the United States Food Administration from Australia to New York instead of a shipment of chrome ore to the west coast of the United States under a private charter. The United States Shipping Board has denied appropriation of the use of the vessel and the Supreme Court of the United States has confirmed the contention of the Government on the merits to the effect that no liability attached to the United States, this action being on writ of certiorari after judgment by the Court of Claims against the United States.

It is noted that the figures of $35,916.68, prepared by the claimants, were arrived at by crediting the Government with amounts paid to the owners of the vessel for shipment of lumber from Puget Sound to Australia and shipment of grain from Australia to New York and debiting against such receipts each and every expense incurred in connection with both shipments. As before stated the Supreme Court of the United States has found that no legal liability existed, and if the Congress sees fit to pass the bill in behalf of the claimants as a grant or gift there would appear to be for ascertainment what, if any, expenses were incurred by the owners incident to the shipment of wheat from Australia to New York over and above the expenses which would have been incurred in the shipment of chrome ore, taking into consideration the respective freight charges which would have accrued to the owners on each shipment. From all that appears the shipment of chrome ore under the original charter may have resulted in a greater loss than the shipment of wheat, incident to which it apparently is contended the loss was incurred.

There are other omnibus bills on the calendar, but I am sure they will not be reached on this call.

PERMISSION TO ADDRESS THE HOUSE

Mr. LUDLOW. Mr. Speaker, I renew my request for permission to address the House for 5 minutes.

The SPEAKER. The gentleman from Indiana asks unanimous consent to address the House for 5 minutes. Is there objection?

There was no objection.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein a very brief letter received from Commander James E. Van Zandt, national commander of the Veterans of Foreign Wars.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. LUDLOW. Mr. Speaker, we have had a great deal of belligerency and fighting conversation in evidence here today, and I intend, therefore, to speak for a few minutes on the subject of peace.

Before starting this week to Japan, James E. Van Zandt, the national commander of the Veterans of Foreign Wars of the United States, authorized his approval of House Joint Resolution No. 167, the war-referendum and anti-war-profits resolution which I have introduced as a means of keeping America out of foreign wars.

I welcome the support of this great soldier and the members of his organization who have fought the wars of our country in foreign lands. Certainly no one has a better right to an opinion on my war referendum and anti-war-profits proposal than those who have freely offered to die for America on foreign soil. They have given the full measure of devotion. They have furnished for the inspiration of future generations in the long lane of centuries a glorious example of unselfish service which cannot be dimmed or tarnished by things past or present or things to come.

They have a special right, which they have earned in the crucible of sacrifice, to evaluate any and all proposals that are designed to protect the young men of the future from being drawn into the shambles of foreign wars. They have evaluated the resolution I have introduced, and I am immensely pleased to say they have placed on it the seal of their approval. The Veterans of Foreign Wars would spill every ounce of their blood to defend America from attack or invasion, but they would erect every safeguard to prevent our fine young manhood from being drawn into slaughter pens in foreign countries. That is what my proposed constitutional amendment seeks to do, and that is why Commander in Chief Van Zandt and his patriotic followers are for it.

In a note sent to me on the day he started on his long journey, Commander Van Zandt said:

> If I were not leaving Washington at noon today for Japan, it would be a pleasure for me to call upon you and discuss this matter with you personally. I addressed the Indiana Legislature recently and attempted in a humble way to convey to them the splendid work you are doing as a Member of the Indiana congressional delegation, and especially your efforts in regard to our country being kept free from becoming involved in any foreign entanglements. The legislation that you have introduced coincides in many ways with our thoughts to keep this country out of war, and as commander in chief of the Veterans of Foreign Wars of the United States it is a pleasure to not only thank you for your interest in this matter but to congratulate you on the initiative you have taken in bringing his matter to the attention of the Congress of the United States.

The declaration of Commander Van Zandt in favor of House Joint Resolution No. 167, my war-referendum and anti-war-profits resolution, follows a similar endorsement from the American War Mothers of America, whose sons crossed the seas to fight in the World War. Meeting in national convention in Washington, the American War Mothers unanimously approved my resolution, declaring that the women of the future must never go through the ordeal of grief and suffering that had been their fate. The 21 railroad brotherhoods, representing the largest group of organized labor in the world, have put their united force back of my resolution, knowing that the men who compose the rank and file of labor are the most certain to be victims of unjustifiable wars.

My proposed constitutional amendment has two sections. One guarantees a popular vote on a declaration of war, except in the case of attack or invasion. The other section takes the profit out of war. Take the profit out of war and there will be few wars. The referendum section of the amendment is based on the philosophy that those who have to suffer, and if need be, to die and to bear the awful burdens and costs of war, should have something to say as to whether war shall be declared. What could be more elementally just than that?

I know that Commander Van Zandt would be pleased if his friends who are Members of the House of Representatives would sign discharge petition no. 28 which I have filed at the Speaker's desk to bring House Joint Resolution No. 167 out of the committee, where it has been reposing since February 14, 1935, exactly 14 months, so that it may receive consideration and action in the House. Surely it is a measure of such importance and has such widespread national support that it is worthy of being brought out into the light, debated, possibly amended, and either approved or disapproved in a record vote. Fifty-two Members of the House, not quite one-fourth of the number required to make the petition effective, have so far attached their signatures. During the hearing on this resolution before the Judiciary subcommittee, Dr. Arthur Call, secretary of the American Peace Society and the Interparliamentary Union, in arguing for a favorable report on the resolution said:

> I believe that if this discussion were carried onto the floor of the House it would be equally educational to all the Members of the House and to the people of America generally.

I wish to echo that sentiment and that belief, and I plead with Members of the House to sign discharge petition no. 28 so that in this historic forum we may have a free and open discussion on the subject of how to keep America out of foreign entanglements, based on a resolution, which, with-

out pride of authorship, I may say is conceived in a spirit of service and which I sincerely believe is the best proposal so far advanced to keep America out of wars which we should not enter. [Applause.]

CALENDAR WEDNESDAY

Mr. BANKHEAD. Mr. Speaker, I ask unanimous consent that business in order on tomorrow, Calendar Wednesday, be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. BOILEAU. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

Mr. SNELL. Mr. Speaker, reserving the right to object, let us have an understanding what is going to happen here for the balance of the afternoon. I thought we had an understanding that no business would be transacted except the presentation of a rule.

Mr. BANKHEAD. I may say to the gentleman that my purpose is to move to adjourn immediately.

Mr. SNELL. I thought the gentleman would object to the other Member addressing the House for 5 minutes.

Mr. BOILEAU. The other request was granted.

Mr. BANKHEAD. I am not going to object to the request made by the gentleman from Wisconsin.

Mr. PARSONS. Mr. Speaker, I make the point of order that a quorum is not present.

Mr. BANKHEAD. Will the gentleman withhold that for a moment?

Mr. PARSONS. I withhold the point of order.

Mr. BANKHEAD. I expected to make the motion to adjourn now, but inasmuch as the gentleman from Wisconsin [Mr. BOILEAU] has asked unanimous consent to proceed for 5 minutes, out of courtesy to him I shall not object. I give notice, however, that I shall object to any further remarks.

Mr. COCHRAN. Will the gentleman yield?

Mr. BANKHEAD. I yield to the gentleman from Missouri?

Mr. COCHRAN. The gentleman has asked and received permission that business on tomorrow, Calendar Wednesday, be dispensed with. Under a special order of the House memorial services are set for next Tuesday. Under the rule, next Tuesday would have been taken up for the consideration of omnibus claims bills. While I am opposed to some of the individual bills, I am in favor of the passage of practically 75 or 80 percent of them. May I suggest to the majority leader that he ask unanimous consent to take up these omnibus bills next Wednesday?

Mr. BANKHEAD. I am perfectly willing to do that unless in the meantime the tax bill is ready for consideration.

Mr. FULLER. Mr. Speaker, I demand the regular order.

The SPEAKER. The regular order is called for.

The gentleman from Wisconsin [Mr. BOILEAU] asks unanimous consent to address the House for 5 minutes. Is there objection?

Mr. FULLER. I object, Mr. Speaker.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. WILCOX, for 4 days, on account of important official business.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2524. An act to amend section 51 of the Judicial Code of the United States (U. S. C., title 28, sec. 112).

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. 11053. An act authorizing the President to present the Distinguished Service Medal to Commander Percy Todd, British Navy, and the Navy Cross to Lt. Comdr. Charles A. deW. Kitcat, British Navy.

Mr. BOILEAU. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BOILEAU. I would like to ask the Speaker a parliamentary inquiry with reference to the discharge petition, discharging the Committee on Rules from the consideration of the Frazier-Lemke bill.

I would like to ask the Speaker as to the number of signatures required in order to complete the petition. As I understand, the rule provides it must be signed by a majority of the total membership of the House of Representatives. There have been previous rulings at previous times to the effect that when Members sign the petition their names remain thereon and are effective to the petition even after their deaths or resignation or when for any other reason they are no longer Members of the House.

At the present time, as I understand, there are 214 names on the petition, including the names of some Members who have resigned or who are now deceased.

In view of the specific wording of the rule, which provides that the petition is completed when the names of a majority of the total membership of the House are attached to the petition, I would like to ask for the information of the House—because I think it is a matter that all the Members are interested in—how many signatures are actually required; and in this connection I may state that there are very few precedents in the RECORD. One of the precedents occurred at the time the Patman bonus bill was brought up for consideration. At that time the petition was removed automatically from the Clerk's desk when 216 names were attached to it. It was removed from the Clerk's desk and appeared in the CONGRESSIONAL RECORD, in conformity with the rule, on the following day, with 216 names on the petition, and that was all. So at that time it was not considered necessary, at least by the Clerk, although I do not believe there was any definite or formal ruling by the Chair, to have 218 signatures.

I understand the gentleman from Texas [Mr. PATMAN] later on, either the same day or perhaps the following day, asked that two more names be put on the petition, and in the permanent RECORD 218 names appear, but the precedent on the part of the Clerk, at least, was that 216 names, or a majority of the then Members of the House, were sufficient. I do not know whether that was in conformity with the view of the Speaker at that time or not.

I would like to have the Speaker give the House the benefit of his ruling on this point.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. I will be pleased to yield to the gentleman.

Mr. O'CONNOR. The gentleman has raised a serious question to which much thought has been given.

Mr. BOILEAU. I appreciate that.

Mr. O'CONNOR. Did the gentleman advise the Speaker in advance that he was going to make this parliamentary inquiry?

Mr. BOILEAU. I did not.

Mr. O'CONNOR. As I say, it is a very important matter, and to adequately discuss it would require going back to the debate on the adoption of the rule itself. I submit to the gentleman whether it would not be fair to the Speaker, as well as to the rest of us——

Mr. PARSONS. Mr. Speaker, I renew my point of order that a quorum is not present.

Mr. BOILEAU. Mr. Speaker, I do not yield for that purpose. I do not know whether the point of order is well taken or not, but I do not yield for that purpose.

The SPEAKER. The point of order of no quorum having been made, no further business is in order until a quorum is established.

Mr. PARSONS. Mr. Speaker, I insist on my point of order.

The SPEAKER. The Chair will count, but pending the count the Chair may state that he is prepared to answer the parliamentary inquiry of the gentleman from Wisconsin.

Evidently there is not a quorum present.

ADJOURNMENT

Mr. BANKHEAD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 2 minutes p. m.) the House adjourned until tomorrow, Wednesday, April 15, 1936, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

776. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 6, 1936, submitting a report, together with accompanying papers and illustration, on a preliminary examination and survey and reexamination of Ashley River, S. C., municipal yacht basin and connecting channels and channels to the grounds of the South Carolina Military Academy (The Citadel), authorized by the River and Harbor Act, approved August 30, 1935, and requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted February 13, 1935 (H. Doc. No. 449); to the Committee on Rivers and Harbors and ordered to be printed, with illustration.

777. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 8, 1936, submitting a report, together with accompanying papers and illustration, on a preliminary examination of Point Remove Creek, Ark., a tributary of the Arkansas River, with a view to the control of floods, authorized by act of Congress approved July 1, 1935 (H. Doc. No. 450); to the Committee on Flood Control and ordered to be printed, with illustration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. BLAND: Committee on Merchant Marine and Fisheries. H. R. 11915. A bill to amend the Coastwise Load Line Act of 1935; with amendment (Rept. No. 2404). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

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

By Mr. PITTENGER: A bill (H. R. 12282) to provide for the establishment of Coast Guard stations at or near Beaver Bay, Two Island, and Hovland, Minn.; to the Committee on Merchant Marine and Fisheries.

By Mr. SIROVICH: A bill (H. R. 12283) providing for a surgeon and ship hospital on vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. SUTPHIN: A bill (H. R. 12284) to lease an unused portion, useless for military purposes, of the Fort Hancock Military Reservation to the State of New Jersey for a public aquatic park and pleasure ground for the benefit and enjoyment of the people of the United States; to the Committee on Military Affairs.

By Mr. ELLENBOGEN: A bill (H. R. 12285) to rehabilitate and stabilize labor conditions in the textile industry of the United States; to prevent unemployment, and to provide minimum wages, maximum hours, and other conditions of employment in said industry; to safeguard and promote the general welfare; and for other purposes; to the Committee on Labor.

By Mr. BUCHANAN: Joint resolution (H. J. Res. 567) to provide an additional appropriation for expenses of special and select committees of the House of Representatives for the fiscal year 1936; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. ANDRESEN: A bill (H. R. 12286) granting an increase in retired pay to Frank E. Monville; to the Committee on Military Affairs.

By Mr. BACON: A bill (H. R. 12287) for the relief of Silver Line, Ltd., as owner of the British motor vessel *Silverfir*, and Osaka Shosen Kaisha, as owner of the Japanese motor vessel *Buenos Aires Maru;* to the Committee on Claims.

By Mr. CHRISTIANSON: A bill (H. R. 12288) granting an increase in retired pay to Frank E. Monville; to the Committee on Military Affairs.

By Mr. FLETCHER: A bill (H. R. 12289) granting a pension to John Herschler; to the Committee on Pensions.

By Mr. KLOEB: A bill (H. R. 12290) granting a pension to Lenace Marlin; to the Committee on Invalid Pensions.

By Mr. TOLAN: A bill (H. R. 12291) for the relief of H. A. Montgomery; to the Committee on Claims.

By Mr. WILCOX: A bill (H. R. 12292) for the relief of James B. McDonald; to the Committee on Claims.

Also, a bill (H. R. 12293) for the relief of James B. McDonald; 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:

10719. By Mr. COLDEN: Resolution adopted by the board of directors of the Mining Association of the Southwest, Los Angeles, Calif., on March 30, 1936, asking that the existing and proposed income-tax laws be so amended, revised, or enacted as to exempt gold producers of the United States from the payment of an income tax on gold newly produced in the United States or its possessions; to the Committee on Mines and Mining.

10720. Also, certified copy of resolution of the board of governors of the Truck Owners Association of California, expressing approval of the work of the Federal Coordinator of Transportation, and recommending that that office be made a permanent part of the Interstate Commerce Commission and the retention of the incumbent Coordinator of Transportation; to the Committee on Interstate and Foreign Commerce.

10721. By Mr. CONNERY: Petition of the mayors and selectmen representing the cities and towns of Massachusetts within the flood area, urging that legislation should be enacted providing for an expenditure by the Federal Government in the sum of $130,000,000 to cover cost of flood control, and end of soil erosion, sanitation, riverside beautification, and an end of pollution of the three great New England streams, namely, the Connecticut, the Merrimack, and Blackstone Rivers; to the Committee on Interstate and Foreign Commerce.

10722. Also, petition of the Peabody Chamber of Commerce, opposing the enactment of Senate bills 3958 and 3959; to the Committee on Military Affairs.

10723. By Mr. JOHNSON of Texas: Petition of Rev. Edward D. Hamner, Oakwood, Tex., favoring House Joint Resolution No. 167; to the Committee on the Judiciary.

10724. Also, petition of Frank Johnson, chairman of Brotherhood of Locomotive Firemen and Enginemen, Teague, Tex., favoring House bill 11609, by Mr. CROSSER of Ohio; to the Committee on Interstate and Foreign Commerce.

10725. Also, petition of E. A. Havekost, secretary, Limestone County R. L. C. A., Groesbeck, Tex., favoring an amendment to House bill 11148, so as to reduce the age of beneficiaries to those under 35 years; to the Committee on the Civil Service.

10726. Also, petition of C. W. Barber, of Aquilla, Tex., favoring House bill 11609, the Wheeler-Crosser bill; to the Committee on Interstate and Foreign Commerce.

10727. By Mr. LEHLBACH: Petition of the Daughters of America, Star of A. J. Smith Council, No. 90, Newark, N. J., to take House bill 5921 out of committee; to the Committee on Rules.

10728. By the SPEAKER: Petition of the second district board, Wisconsin Federation of Women's Clubs, urging the repeal of section 213 of the Economy Act of 1932; to the Committee on Appropriations.