5160. Also, petition of the Hooker Electrical Co., New York City, favoring the amendment to House bill 7312, the Antidumping Act, and Senate Resolution 160, the Borah resolution; to the Committee on Interstate and Foreign Commerce.

5161. Also, petition of the Catholic Central Verein of America, Meriden, Conn., opposing the American participation in foreign affairs; to the Committee on Foreign Affairs.

5162. Also, petition of the National Grange, Washington, D. C., protesting against the enactment of Senate bill 2759 and House bill 7120; to the Committee on Appropriations.

5163. By the SPEAKER: Petition of the German-American League for Culture, Inc., Chicago, Ill., petitioning consideration of their resolution with reference to un-American propaganda; to the Committee on Rules.

SENATE

MONDAY, JULY 31, 1939

(Legislative day of Tuesday, July 25, 1939)

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

The Reverend Duncan Fraser, assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

O God, the foundation of wisdom, whose statutes are good and gracious and whose law is truth. We beseech Thee so to guide and bless this Senate, that it may ordain for our governance only such things as please Thee, to the glory of Thy name and the welfare of Thy people. Through Jesus Christ, Thy Son, our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day, Saturday, July 29, 1939, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

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

Adams	Davis	King	Russell
Andrews	Downey	La Follette	Schwartz
Austin	Ellender	Lee	Schwellenbach
Bailey	Frazier	Lodge	Sheppard
Bankhead	George	Lucas	Shipstead
Barkley	Gerry	Lundeen	Slattery
Bilbo	Gibson	McCarran	Smathers
Bone	Gillette	McKellar	Smith
Borah	Guffey	Maloney	Stewart
Bridges	Gurney	Mead	Taft
Brown	Hale	Miller	Thomas, Okla.
Bulow	Harrison	Minton	Thomas, Utah
Burke	Hatch	Murray	Townsend
Byrd	Hayden	Neely	Truman
Byrnes	Herring	Norris	Tydings
Capper	Hill	Nye	Vandenberg
Chavez	Holman	O'Mahoney	Van Nuys
Clark, Idaho	Holt	Pepper	Wagner
Clark, Mo.	Hughes	Pittman	Walsh
Connally	Johnson, Calif.	Radcliffe	Wheeler
Danaher	Johnson, Colo.	Reed	White

Mr. MINTON. I announce that the Senator from North Carolina [Mr. REYNOLDS] is absent from the Senate because of a death in his family.

The Senator from Arkansas [Mrs. CARAWAY] and the Senator from Rhode Island [Mr. GREEN] are absent on important public business.

The Senator from Ohio [Mr. DONAHEY], the Senator from Virginia [Mr. GLASS], the Senator from Kentucky [Mr. LOGAN], and the Senator from Louisiana [Mr. OVERTON] are unavoidably detained.

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

PETITION AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution of the annual convention of the Arizona Wool Growers' Association at Flagstaff, Ariz., protesting against the present policy of reciprocal trade agreements, with particular reference to the granting of concessions to countries having low labor standards, and requesting that no concessions in the wool schedule be made in any new trade agreement, which was referred to the Committee on Finance.

He also laid before the Senate a resolution of the annual convention of the Arizona Wool Growers' Association at Flagstaff, Ariz., protesting against the transfer of the Forest Service, or any of its activities, from the Department of Agriculture and its consolidation with any other department of the Government, which was referred to the Select Committee on Government Organization.

Mr. HOLT presented a resolution of the Marshall County (W. Va.) McGuffey Society, favoring inclusion in the commemorative series of stamps issued by the Post Office Department of an appropriate design dedicated to honor William Holmes McGuffey, famous American educator, which was referred to the Committee on Post Offices and Post Roads.

Mr. NYE presented memorials, numerously signed, of sundry citizens of the State of North Dakota, remonstrating against the enactment of the so-called Wheeler-Truman bill, being the bill (S. 2009) to amend the Interstate Commerce Act, as amended, by extending its application to additional types of carriers and transportation and modifying certain provisions thereof, and for other purposes, which were ordered to lie on the table.

REPORTS OF COMMITTEES

Mr. SCHWELLENBACH, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 1710) to provide for the cancelation of certain notes acquired by the Farm Credit Administration as a result of the activities of the Federal Farm Board, reported it with amendments and submitted a report (No. 1039) thereon.

Mr. LUCAS, from the Committee on Agriculture and Forestry, to which was referred the bill (H. R. 5764) to provide for the establishment of a cemetery within the Crab Orchard Creek Dam project, Williamson County, Ill., reported it without amendment and submitted a report (No. 1040) thereon.

Mr. FRAZIER, from the Committee on Agriculture and Forestry, to which was referred the joint resolution (S. J. Res. 66) making provisions for the refund of the processing tax on hogs marketed for slaughter by the raisers and producers who in fact bore all or part of the burden of such tax, reported it with amendments and submitted a report (No. 1041) thereon.

Mr. BARKLEY, from the Committee on the Library, to which were referred the following bill and joint resolutions, reported them severally without amendment:

H. R. 6585. A bill to provide for the disposition of certain records of the United States Government;

S. J. Res. 178. Joint resolution authorizing the selection of a site and the erection thereon of the Columbian Fountain in Washington, D. C.; and

H. J. Res. 208. Joint resolution authorizing the Joint Committee on the Library to procure an oil portrait of former President Herbert Hoover.

LABOR POLICIES OF EMPLOYERS' ASSOCIATIONS—REPORT OF COMMITTEE ON EDUCATION AND LABOR (REPT. NO. 6, PT. 5)

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent to submit a report from the subcommittee of the Senate Committee on Education and Labor, pursuant to Senate Resolution 266, of the Seventy-fourth Congress, entitled "Labor Policies of Employers' Associations, Part II, the Associated Industries of Cleveland."

The VICE PRESIDENT. Without objection, the report will be received and printed.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

INVESTIGATION CONCERNING COURT MARTIAL OF CAPT. OBERLIN M. CARTER

Mr. MINTON, from the Committee on Military Affairs, reported a resolution (S. Res. 176), which, under the rule, was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Whereas on May 1, 1935, Senate Resolution 60, Seventy-fourth Congress, was passed by the Senate to authorize the investigation of the facts leading up to the court martial and the court-martial proceedings and all the findings relating to the court martial of Capt. Oberlin M. Carter, formerly of the United States Army Engineers Corps; and

Whereas the papers and records pertaining to this matter are voluminous and the facts are involved and relate to a case remote in time; and

Whereas the Committee on Military Affairs, after some hearings in the matter, believe the cause worthy of the most searching inquiry, and the same is a matter beyond the time available to the members of the committee, the committee is further of the opinion that an expert investigator should be employed by the committee in this matter and funds be made available therefor: Therefore, be it

Resolved, That the Military Affairs Committee be, and the same is hereby, authorized to employ and pay an expert investigator to aid the committee in carrying out the purpose of Senate Resolution 60 of the Seventy-fourth Congress and to otherwise defray the necessary expenses of said committee, and there is hereby authorized to be paid from the contingent fund of the Senate the sum of $5,000 to employ said investigator and to defray the expenses of said investigation, said appropriation to be disbursed upon vouchers approved by the chairman of the committee or the chairman of the subcommittee that may be in charge of said investigation.

BILLS INTRODUCED

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

By Mr. CHAVEZ:

S. 2922. A bill for the relief of Mr. and Mrs. Juan Ramirez; to the Committee on Claims.

By Mr. NYE:

S. 2923. A bill for the relief of Joseph Darabout; and

S. 2924. A bill for the relief of Joseph Darabout; to the Committee on Finance.

(Mr. NORRIS introduced Senate bill 2925, which was referred to the Committee on Agriculture and Forestry, and appears under a separate heading.)

By Mr. THOMAS of Oklahoma:

S. 2926 (by request). A bill for the relief of the Osage Tribe of Indians in Oklahoma; to the Committee on Claims.

By Mr. WALSH (for himself, Mr. BYRNES, Mr. BROWN, and Mr. LA FOLLETTE):

S. 2927. A bill to authorize the Secretary of Agriculture to enter into cooperative agreements or leases with the owners of forest lands in order to provide for their management in accordance with proper forestry practices, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. LA FOLLETTE:

S. 2928. A bill providing for payment to the State of Wisconsin for certain State-owned lands which the United States by treaties granted to certain Indian tribes; to the Committee on Indian Affairs.

TAXATION OF TENNESSEE VALLEY AUTHORITY PROPERTIES

Mr. NORRIS. Mr. President, when the Congress recently passed the act amending the Tennessee Valley Authority Act, having for its object carrying out the tentative program of purchase by the Authority, there was considerable agitation in regard to the money, if any, that should be paid by the Tennessee Valley Authority in lieu of taxation.

I promised at that time, both in the Senate and outside, that I would introduce a bill covering that subject as soon as possible; that the subject was under discussion by experts of the T. V. A., Federal authorities, and State authorities; and that it would require some time to complete those studies. Mr. President, those studies have not as yet been completed, but I desire to fulfill the promise I made; and today Representative SPARKMAN, of Alabama, of the House of Representatives, and I are each introducing identical bills in the House and Senate for the purpose of eliciting criticism, study, and advice on this very complicated subject. It is not our intention that hearings even be had at this session of Congress, but the desire is to obtain sufficient publicity and to elicit recommendations and suggestions concerning the problem from any party interested, either on the side of the Federal Government or of the States.

I ask consent to introduce that bill in the United States Senate, and also ask that it be printed in the RECORD, and that, in connection with it, in the RECORD there be printed a letter to me from Dr. Morgan, Chairman of the Tennessee Valley Authority Board, together with some statistics showing the study that has thus far been made on the subject and some conclusions that have been reached; and also publish with it in the RECORD a joint statement from Representative SPARKMAN, of Alabama, and myself as to the objects to be accomplished or attempted to be accomplished by the bill and the purpose of introducing the bill at this time.

The VICE PRESIDENT. Without objection, the bill will be received and properly referred, and together with the matters referred to by the Senator from Nebraska will be printed in the RECORD.

The bill (S. 2925) to amend the Tennessee Valley Authority Act of 1933, was read twice by its title and referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 13 of the Tennessee Valley Authority Act of 1933 be, and the same is hereby, amended to read as follows:

"SEC. 13. In order to render financial assistance to those States and local governments in which the power operations of the Corporation are carried on and in which the Corporation has acquired properties previously subject to State and local taxation, the board is authorized and directed to pay to said States, for each fiscal year, beginning July 1, 1940, the following percentages of the gross proceeds derived from the sale of power by the Corporation for the preceding fiscal year as hereinafter provided, together with such additional amounts as may be payable pursuant to the provisions hereinafter set forth, said payments to be in lieu of taxes and to constitute a charge against the power operations of the Corporation for the fiscal year then beginning and to be made upon condition that no State, county, or local taxes shall be assessed or levied against the property, operations, or business of the Corporation; for the fiscal year (beginning July 1) 1940, 10 percent; 1941, 9 percent; 1942, 8 percent; 1943, 7½ percent; 1944, 7 percent; 1945, 6½ percent; 1946, 6 percent; 1947, 5½ percent; 1948 and each fiscal year thereafter, 5 percent. Gross proceeds, as used in this section, is defined as the total gross proceeds derived by the Corporation from the sale of power for the preceding fiscal year, excluding power used by the Corporation or sold or delivered to any other department or agency of the Government of the United States.

The payment for each fiscal year shall be apportioned among said States in the following manner: One-half of said payment shall be apportioned by paying to each State the percentage thereof which the gross proceeds of the power sales by the Corporation within said State during the preceding fiscal year bears to the total gross proceeds from all power sales by the Corporation during the preceding fiscal year; the remaining one-half of said payment shall be apportioned by paying to each State the percentage thereof which the book value of the power property held by the Corporation within said State at the end of the preceding fiscal year bears to the total book value of all such property held by the Corporation on the same date. The book value of power property shall include that portion of the investment allocated or estimated to be allocable to power. *Provided*, That the minimum annual payment to each State shall not be less than the 2-year average of the State and local ad valorem property taxes levied against power property purchased and operated by the Corporation in said State plus that portion of reservoir lands related to dams constructed by or on behalf of the United States Government and allocated or estimated to be allocable to power. The said 2-year average shall be calculated for the last 2 tax years during which said property was privately owned and operated. *Provided, further*, That the minimum annual payment to each State in which the Corporation owns and operates power property shall not be less than $10,000 in any case. The determination of the board of the amounts due hereunder to the respective States shall be final.

The payments above provided shall in each case be made to the State not later than July 31 of each year, and it is the intention of the Congress that each State shall redistribute said payments or a portion thereof to counties and other local taxing districts affected by the program of the Corporation.

It is likewise intended that each of the said States shall in like manner redistribute all payments made in lieu of taxation paid to municipalities by municipal authorities as provided in contracts made for the purchase of power from the Corporation.

The Corporation shall, not later than January 1, 1945, submit to the Congress a report on the operation of the provisions of this section, including a statement of the distribution to the various

States hereunder and the redistribution by the States of the amounts paid to them; the effect of the operation of the provisions of this section on State and local finances; an appraisal of the benefits of the program of the Corporation to the States receiving payments hereunder and to the local subdivisions thereof, and the effect of such benefits in increasing taxable values within such States and local subdivisions; and such other data, information, and recommendations as may be pertinent to future legislation.

The letter, statistics, and statement presented by Mr. NORRIS are as follows:

TENNESSEE VALLEY AUTHORITY,
KNOXVILLE, TENN., *July 28, 1939.*

The Honorable GEORGE W. NORRIS,
United States Senate, Washington, D. C.

DEAR SENATOR NORRIS: Some weeks ago during the course of public hearings before the Committee on Military Affairs on the bill to amend the bond-issuing powers of the Tennessee Valley Authority, you stated that you would introduce in this session of the Congress a bill revising section 13 of the T. V. A. Act which deals with payment in lieu of taxes by T. V. A. to the States. You urged that this subject should not be dealt with in the bond legislation because, among other things, it was advisable that conferences be held between the T. V. A. and the States concerned and that further study be given to the matter. The conferences were proposed for the purpose of seeking agreement on the amount of tax losses that would arise from the transfer of private property to tax-exempt public ownership and the fiscal effects to be anticipated from such transfers. It was proposed in addition that there be an exchange of views between the T. V. A. and the various States on the complicated problem of T. V. A. contributions to the cost of State and local government.

These conferences have proceeded with due diligence. In Tennessee, Governor Cooper appointed a State committee consisting of Mr. George Fort Milton, publisher of the Chattanooga News; Mr. Lon McFarland, general counsel for the Tennessee Railroad and Public Utilities Commission, and Mr. Will Gerber, city attorney of the city of Memphis. A number of conferences were held between representatives of the T. V. A. and this State committee. In Alabama, such conferences were had with Governor Dixon, Mr. John W. Lapsley, counsel for the State department of revenue, the commissioner and representative of the department of revenue, and also with an interim committee of the State legislature appointed for the purpose of considering this subject. In Georgia, conferences were had with Governor Rivers and other State officials. In Kentucky, the conferences included Governor Chandler and Acting Commissioner of Revenue Reeves. In Mississippi the meeting was with Governor White and Attorney General Rice, and in North Carolina with Governor Hoey.

After consideration of the findings growing out of studies made within the T. V. A. and the points of view of the States, and after extended discussion, the board has agreed to send the enclosed material to you and to Representative SPARKMAN, who also indicated that he would offer a bill on the subject. Included are a draft of a recommended bill to replace section 13 of the T. V. A. statute and preliminary estimates of the payments under the proposed bill and their distribution among the several States during the fiscal years (beginning July 1) 1940–44. Although a reading of this draft will indicate clearly its content, some additional comments may be useful.

1. The in-lieu-payment problem involves fundamental policy considerations as well as public-finance issues that are more technical in character. There was considerable difference of opinion on the issues involved within the T. V. A. staff itself and among the able tax consultants who considered the problem. Differing and conflicting interests were found among the States and between the Authority and the various States.

2. The draft of the recommended bill provides that the payment by the T. V. A. to the States as a contribution to the cost of State and local government be 10 percent of gross proceeds from the sale of power for the first year and that it be graduated downward over a period of years to 5 percent. Due to the expanding gross revenues of the T. V. A. from the same service area and without any expansion of its market area the declining percentages are estimated to yield substantially a constant amount until 1949. After that date the amount payable to the States under the constant 5 percent would increase in proportion to revenue expansions.

3. The enclosed statistical tables show that the total estimated annual payments to the States will be approximately $1,200,000. The percentages of gross proceeds from power sales provide about $1,100,000 of this annual payment. The remaining $100,000 is added because of a proviso that the minimum annual payment shall be equal to the former State and local ad valorem property taxes levied on property acquired from utility companies and on that share of the purchased reservoir lands properly allocated to power.

4. An important feature of this recommended bill is a formula for the allocation among the several States of the total payment set aside by T. V. A. for tax equivalents. This formula gives equal weight to (a) T. V. A. power-property investment in the State and (b) T. V. A. power revenues derived in the State. Estimates of the percentage distribution by States of power sales and power property are given in the accompanying tables for the fiscal years (beginning July 1) 1940–44.

5. The minimum payment of $10,000 a year to each State means that prior to an allocation of properties in process of construction in North Carolina (Hiwassee) and Kentucky (Gilbertsville, now known as the Kentucky Dam) these States will receive some revenue in recognition of the tax problem which certain of their counties in the reservoirs will experience.

6. The payments to the States under the proposed bill are less than the total of State and local taxes formerly collected on the purchased property and operations of privately owned utilities and private landowners. We consider the 10-percent payment for the first year to be a fair State and local tax equivalent. Since the power program of the Authority is conferring valuable benefits in the area and is producing and marketing a volume of power greatly in excess of the operations that could have been expected under private ownership, it appears equitable that a portion of this tax equivalent be retained by the Authority for the Federal Treasury. The report required on January 1, 1945, should indicate whether or not the allowance for such benefits conforms to sound and desirable fiscal policy.

The only subject dealt with in this recommended draft of bill is the Federal Government's contribution on property which it owns; the contribution to the State and local subdivisions by municipalities and other public agencies owning their own electric facilities is, of course, not included in these computations nor covered by this proposed bill. We have reason to believe that the States—certainly the State of Tennessee, which is most extensively affected—will enact State legislation providing for such payments by municipalities to the State and other local agencies.

As you know, the T. V. A. Board has committed itself to indicate to the States and other interested parties the results of its investigation of the facts and its recommendations respecting tax adjustment. Such a report, directed to the agencies with whom we have been conferring, will be made sometime next week.

Drafts of this letter and the proposed amendment to section 13 have been submitted to the Bureau of the Budget, which has advised that there would be no objection to their transmission with the understanding that no commitment would thereby be made with respect to the relationship of the proposed legislation to the program of the President.

Sincerely yours,

TENNESSEE VALLEY AUTHORITY,
HARCOURT A. MORGAN,
Chairman of the Board.

Preliminary estimates of payments to the States under the recommended draft of the proposed amendment to replace sec. 13, fiscal years (beginning July 1) 1940–44

State	Amount of percentage payment allocated by formula [1]	Amount added by proviso [2]	Total payment
	1940, rate 10 percent		
Alabama	$238,710		$238,710
Georgia	19,480	$41,874	61,354
Kentucky	103	9,897	10,000
Mississippi	40,610	29,472	70,082
North Carolina	309	9,691	10,000
Tennessee	731,488	115,614	847,102
Total	1,030,700	206,548	1,237,248
	1941, rate 9 percent		
Alabama	$239,025		$239,025
Georgia	19,118	$42,236	61,354
Kentucky	226	9,774	10,000
Mississippi	43,235	26,757	70,082
North Carolina	25,678		25,678
Tennessee	803,838	43,264	847,102
Total	1,131,210	122,031	1,253,241
	1942, rate 8 percent		
Alabama	$243,023		$243,023
Georgia	15,837	$45,517	61,354
Kentucky	765	9,235	10,000
Mississippi	40,741	29,341	70,082
North Carolina	29,709		29,709
Tennessee	762,165	84,937	847,102
Total	1,092,240	169,030	1,261,270

[1] Allocation: ½ according to location of power property including the portion of multipurpose investment allocated or estimated to be allocable to power; ½ according to power sales.

[2] The minimum payment is the ad valorem property taxes on power property purchased from utility companies plus ad valorem property taxes on the portion of reservoir lands of multipurpose projects allocated or estimated to be allocable to power or $10,000, whichever is higher.

Preliminary estimates of payments to the States under the recommended draft of the proposed amendment to replace sec. 13, fiscal years (beginning July 1) 1940–44—Continued

State	Amount of percentage payment allocated by formula	Amount added by proviso	Total payment
	1943, rate 7½ percent		
Alabama	$234,383		$234,383
Georgia	14,848	$46,506	61,354
Kentucky	770	9,230	10,000
Mississippi	41,575	28,507	70,082
North Carolina	29,367		29,367
Tennessee	778,932	68,170	847,102
Total	1,099,875	152,413	1,252,288
	1944, rate 7 percent		
Alabama	$220,485		$220,485
Georgia	13,842	$47,512	61,354
Kentucky	1,428	8,572	10,000
Mississippi	41,856	28,226	70,082
North Carolina	27,684		27,684
Tennessee	793,285	53,817	847,102
Total	1,098,580	138,127	1,236,707

Distribution of estimated payment in lieu of taxes on the basis of 10 percent of gross in 1940, 9 percent in 1941, 8 percent in 1942, 7½ percent in 1943, and 7 percent in 1944, apportioned according to formula giving equal weight to power property and power sales

State	1940	1941	1942	1943	1944
	Amount				
Alabama	$238,710	$239,025	$243,023	$234,383	$220,485
Georgia	19,480	19,118	15,837	14,848	13,842
Kentucky	103	226	765	770	1,428
Mississippi	40,610	43,325	40,741	41,575	41,856
North Carolina	309	25,678	29,709	29,367	27,684
Tennessee	731,488	803,838	762,165	778,932	793,285
Total	1,030,700	1,131,210	1,092,240	1,099,875	1,098,580
	Percentage				
Alabama	23.16	21.13	22.25	21.31	20.07
Georgia	1.89	1.69	1.45	1.35	1.26
Kentucky	.01	.02	.07	.07	.13
Mississippi	3.94	3.83	3.73	3.78	3.81

Distribution of estimated payment in lieu of taxes on the basis of 10 percent of gross in 1940, 9 percent in 1941, 8 percent in 1942, 7½ percent in 1943, and 7 percent in 1944, apportioned according to formula giving equal weight to power property and power sales—Continued

State	1940	1941	1942	1943	1944
	Percentage				
North Carolina	0.03	2.27	2.72	2.67	2.52
Tennessee	70.97	71.06	69.78	70.82	72.21
Total	100.00	100.00	100.00	100.00	100.00

Preliminary estimate[1] *of State and local property tax losses resulting from completed and proposed Tennessee Valley Authority purchase of electric-utility properties and reservoir lands, July 13, 1939*

State	Former ad valorum tax levies on property purchased or proposed for purchase by Tennessee Valley Authority			
	Utility-company properties	Reservoir land: All	Reservoir land: 40 percent (tentative allocation for power purposes)	Total utility company plus 40 percent reservoir land
Alabama	[2] $53,261	[3] $65,841	$25,936	$79,197
Georgia	61,354			61,354
Kentucky		[4] 10,000	4,000	4,000
Mississippi	69,029	2,632	1,053	70,082
North Carolina		6,320	2,528	2,528
Tennessee	803,382	[5] 109,300	43,720	847,102
Total	987,026	193,093	77,237	1,064,263

[1] In general, estimates are calculated on basis of tax levy for year preceding date of Tennessee Valley Authority acquisition of properties. Data are not available for computing tax losses on basis of a 3-year average.

[2] Minimum payment to States guaranteed under proposed amendment to sec. 13. Drafted July 13, 1939.

[3] Includes $1,725 State and local property taxes estimated to have been lost through War Department land purchases for Wilson Dam, Reservoir, and a small amount of reservation located north of the Tennessee River.

[4] Estimate based upon probable Tennessee Valley Authority land acquisition through fiscal year 1940. Preliminary data indicate that the ultimate tax-revenue loss as a result of Tennessee Valley Authority purchase of reservoir lands in Kentucky may approximate $15,000.

[5] Includes total computed tax losses resulting from Pickwick, Guntersville, Chickamauga, and Norris Reservoirs, plus estimate of $10,000 for Gilbertsville and $5,000 for Watts bar reservoirs. Preliminary data indicate that the ultimate tax-revenue loss as a result of Tennessee Valley Authority purchase of reservoir lands for the Gilbertsville project in Tennessee may approximate $50,000, and for the Watts bar project, $30,000.

Preliminary estimated gross receipts[1] *from Tennessee Valley Authority power sales, by States, for the fiscal years 1940–44*[2]

[Gross sales in thousands of dollars]

State	1940[3]		1941		1942		1943		1944	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Alabama	930,000	9.02	1,340,000	10.66	1,775,000	13.00	1,880,000	12.82	2,000,000	12.74
Georgia	50,000	.49	60,000	.48	66,000	.49	73,000	.50	80,000	.51
Kentucky	2,000	.02	4,000	.03	6,000	.04	6,000	.04	7,000	.05
Mississippi	390,000	3.78	460,000	3.66	500,000	3.66	550,000	3.75	600,000	3.82
North Carolina	5,000	.05	5,000	.04	6,000	.04	6,000	.04	7,000	.05
Tennessee	8,930,000	86.64	10,700,000	85.13	11,300,000	82.77	12,150,000	82.85	13,000,000	82.83
Total	10,307,000	100.00	12,569,000	100.00	13,653,000	100.00	14,665,000	100.00	15,694,000	100.00

[1] Excluding power used by the Authority or sold or delivered to any other department or agency of the Government of the United States.

[2] The sales estimates for each year have been reduced by about $775,000 to allow for contingencies such as the curtailment in delivery of interruptible and secondary power to industry.

[3] Revenue estimates assumes transfer of Tennessee Electric Power, Alabama and Mississippi properties by Aug. 15, 1939.

Preliminary estimates of the percentage distribution of the book value of power property,[1] *by States, for the years 1940–44*

State	1940	1941	1942	1943	1944
Alabama	37.3	31.6	31.5	29.8	27.4
Georgia	3.3	2.9	2.4	2.2	2.0
Kentucky	0	0	.1	.1	.2
Mississippi	4.1	4.0	3.8	3.8	3.8
North Carolina	0	4.5	5.4	5.3	5.0
Tennessee	55.3	57.0	56.8	58.8	61.6
Total	100.0	100.0	100.0	100.0	100.0

[1] Property devoted exclusively to electric purposes plus common property allocated to electric purposes.

JOINT STATEMENT OF REPRESENTATIVE SPARKMAN, OF ALABAMA, AND SENATOR NORRIS, OF NEBRASKA, RELATING TO BILL INTRODUCED TO AMEND SECTION 13 OF THE TENNESSEE VALLEY AUTHORITY ACT OF 1933, WITH REFERENCE TO CONTRIBUTIONS OF THE TENNESSEE VALLEY AUTHORITY, IN LIEU OF TAXATION

JULY 31, 1939.

We have today introduced in the House and the Senate identical bills, the purpose of which is to amend section 13 of the Tennessee Valley Authority Act to provide for payments to the States by the Tennessee Valley Authority, in lieu of taxation.

The bill provides that a fund shall be created for this purpose by a levy upon the gross receipts from power sales in the fiscal year 1940 of 10 percent of such sales. This percentage shall gradually be reduced during succeeding fiscal years until the fiscal year 1948 and thereafter, when such percentage shall

be 5 percent. It is estimated that on account of increased sales practically the same amount of money will be raised during each of these years.

This fund so created shall be divided among the States where the properties of the T. V. A. are located, as follows: One-half of said fund shall be apportioned by paying to each State the percentage thereof of which the gross proceeds of the power sales by the corporation within such State during the preceding fiscal year bears to the total gross proceeds from all sales of power. The other one-half of said fund shall be apportioned by paying to each State the percentage thereof which the book value of the power property held by the corporation within said State bears to the total book value of all property held by the T. V. A. on the same date. The book value of the power property includes that portion of the investment allocated to power. It is provided that the minimum annual payment to each State under this division shall not be less than the 2-year average of State and local ad valorem property taxes levied against said property purchased and operated by the T. V. A. in said State, plus that portion of reservoir lands related to dams constructed by the Government of the United States and allocated to power. The 2-year average is calculated for the last 2 years during which said property was privately owned and operated.

The bill we have introduced is tentative in its nature. We do not intend to attempt to secure the passage of the bill at this session. We introduce it now for the purpose of inviting criticism from all interested parties. We expect further studies to be made of the subject matter by the T. V. A., the tax representatives of the various States affected, and other experts representing the Government of the United States between now and the beginning of the next session of Congress, at which time it is also our expectation that such studies will be completed and that hearings shall be held upon the bill, with a view of changing or correcting anything that appears to be wrong as a result of such studies, that Congress may be informed of all the facts relating to the subject, so that legislation can be had at the beginning of the next session of Congress.

We desire, also, to call attention to the fact that the money to be raised by the provisions of this bill is not the only contribution made in lieu of taxes. When the T. V. A. contracts with a municipality to sell power, it is provided in said contract there shall be paid out of revenues received from the sale of power a sum equal to what the distribution system would pay in taxes, if such system were privately owned. The various sums thus raised should be added to the fund created by the bill in order to get a true picture as to what the entire T. V. A. system would pay in lieu of taxes, if this is enacted into law.

We have also had printed in the CONGRESSIONAL RECORD a letter from the chairman of the Board of the Tennessee Valley Authority, with accompanying tables and statistics, showing the study which has thus far been made by the T. V. A. and the various State representatives of this very perplexing question.

FOREST RESTORATION

Mr. WALSH. Mr. President, in behalf of myself, Senator BYRNES, of South Carolina, Senator BROWN, of Michigan, and Senator LA FOLLETTE, of Wisconsin, I ask consent to introduce, for appropriate reference, a bill embodying a forest-restoration plan. The purpose of the bill is to restore idle forest land to production and help to rehabilitate men and bring communities new forest areas without additional appropriations—the money to pay for the work being transferred from relief or public works funds to the Secretary of Agriculture who would use the funds as a form of credit to improve those lands. The bulk of the work would be done in distressed forest regions where the struggle for existence is most strenuous. These regions are located in the sections of the country where the forests have been denuded, namely: New England States, Midwestern Lake States, and Southern States. It is believed the proper development of these areas will afford both an opportunity for worth-while employment of relief labor on the basis of recovery in part of the labor cost and will also result in community betterment and an economic gain of substantial proportions.

It is estimated the program of forest work, if carried out on a Nation-wide scale, would give temporary part-time employment to as many as 1,000,000 relief workers in localities adjoining rural areas.

The plan is to be administered by the Secretary of Agriculture in association with State forestry agencies, voluntary State committees, and county advisory committees.

The essence of the plan is the leasing by the Government of private-owned depleted forest lands by voluntary contractual agreement. No owner of denuded forest lands is under any compulsion to lease his land. The rental under the lease, payable annually by the Government to the owners, is an amount not exceeding the annual average of the taxes for the preceding 5 years. This rental would permit the owner to pay his local real-estate tax. The term of the lease by the Government from the owner would run until the Government has obtained reimbursement for its expenditures to the extent of 50 percent, without interest in all cases, except where the lease embraces more than 500 acres from an owner. In such cases the reimbursement to the Government is to be 100 percent.

The owner may, at any time, terminate his lease with the Government if he refunds the advances made by the Government on his land.

The work by the Government is to include planting, harvesting, and marketing of forest products, all costs paid by the Government.

It is believed this plan will encourage villages, towns, and school districts to start a community forest since the plan will aid and assist them in properly managing the property.

Preference in employment under this program of work is to be given to the owner or occupant of the lands in the forest restoration units and to qualified local persons in need of employment in the vicinity of these areas.

The plan has been under consideration for some time by a number of public-spirited citizens residing in the areas and after consultation and cooperation with the Federal Forest Service, and is now submitted to the Congress for study and investigation.

The VICE PRESIDENT. Without objection, the bill will be received and appropriately referred.

(See Senate bill 2927, introduced today by Mr. WALSH (for himself, Mr. BYRNES, Mr. BROWN, and Mr. LA FOLLETTE), which was referred to the Committee on Agriculture and Forestry, and appears under the appropriate heading.)

EXTENSION OF CREDITS AND LOANS TO FOREIGN NATIONS AND NATIONALS

Mr. GILLETTE submitted the following resolution (S. Res. 173), which was referred to the Committee on Banking and Currency:

Resolved, That a special committee of five Senators, to be appointed by the President of the Senate, is authorized and directed to make a full and complete study and investigation with respect to (1) the extension of credits, and the lending and advancing of funds, by agencies or instrumentalities of the United States to foreign governments or to foreign governmental agencies or instrumentalities or to foreign nationals, (2) the effects and desirability of such extensions of credits and loans and advances of funds, and (3) the use which has been or may be made of such credits and funds. The committee shall report to the Senate, as soon as practicable, the results of its study and investigations, together with its recommendations.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-sixth and succeeding Congresses, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per 100 words. The expenses of the committee, which shall not exceed $15,000, shall be paid from the contingent fund of the Senate, upon vouchers approved by the chairman.

TOBACCO INQUIRY

Mr. GEORGE. I submit a resolution for reference to the Committee on Agriculture and Forestry. With the permission of the Senate I will read the resolution, because it is in my own handwriting, and the clerk might have some difficulty in deciphering it.

The resolution (S. Res. 175) is as follows:

Resolved, That a committee of five Senators be appointed by the Vice President to inquire into:

(1) The stocks of flue-cured tobacco now on hand, whether in the hands of growers, warehousemen or manufacturers;

(2) The consumption of tobacco during the last 12 months;

(3) The cause of the present decline in prices of unmanufactured tobacco (raw tobacco) prevailing in the 1939 market;

(4) What if any steps have been taken by the Department of Agriculture to stabilize the price to the American producers of the 1939 crop now coming on the market;—

and report to the Senate at the earliest practicable time.

That $1,000 be appropriated for such inquiry and investigation, and that the committee shall have the usual powers of investigating committees.

Mr. GEORGE. Mr. President, I ask that the resolution be referred to the committee on Agriculture and Forestry.

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

INVESTIGATION OF NEGOTIATIONS BY AMERICAN CITIZENS RELATIVE TO CERTAIN OIL SALES IN MEXICO

Mr. BRIDGES submitted the following resolution (S. Res. 177), which was referred to the Committee on Foreign Relations:

Whereas various editorials and news articles have been published in the daily press from time to time concerning the activities of certain American citizens with the Mexican Government in connection with the sale, barter, or exchange of Mexican oil; and

Whereas, due to the expropriation of certain American-owned oil properties by the Mexican Government, such activities of the American citizens are vitally important to the Government of the United States; and

Whereas it is alleged that a certain official or officials of the United States Government have appeared in Mexico and made public statements to the effect that the expropriation of the said property of certain American citizens was in accord with the social objectives of the New Deal; and

Whereas it is alleged that the expropriated property of the said American citizens has been sold, traded, or bartered to certain foreign powers with the aid, assistance, and connivance of American citizens to the detriment of American trade and industry; and

Whereas it is alleged that certain American citizens, members of the Congress of Industrial Organization and the Non-Partisan Labor League, were active in promoting the expropriation of the said properties of American citizens; and

Whereas the said expropriation of American-owned properties in Mexico is not compatible with the so-called good-neighbor policy maintained by the United States and Central and South American governments; and

Whereas it is alleged that certain of the above-mentioned American citizens who are concerned with the activities in connection with the expropriation of the said American properties in Mexico have been large contributors to political campaigns in the United States; and

Whereas the United States Government aids and assists the Mexican Government, which has expropriated the above-mentioned properties of American citizens, by its purchase of Mexican silver at a premium: Now, therefore, be it

Resolved, That a committee of three Senators be appointed by the President of the Senate and directed to make a full and complete investigation of any and all negotiations carried on by officials of the United States Government or other citizens of the United States with the Mexican Government, or any official thereof, or citizens thereof, in connection with the sale, barter, exchange, or trade of oil produced on American-owned property expropriated by the Mexican Government, with the view of determining whether such editorials, news articles, or other statements made in connection with such negotiations are true or whether any criminal statute of United States has been violated. The committee shall report to the Senate as soon as practicable after the commencement of the next session of the Seventy-sixth Congress the results of the investigation, together with its recommendation, if any, for necessary legislation. For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the recesses and adjourned periods of the Senate in the Seventy-sixth Congress, to employ such clerical, investigators, and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of such hearings, which shall not exceed $25,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

SURPLUS PURCHASES OF DAIRY PRODUCTS—ADDRESS BY SENATOR LA FOLLETTE

[Mr. LA FOLLETTE asked and obtained leave to have printed in the RECORD a radio address by himself, broadcast by transcription over station WHA, Madison, Wis., on June 29, 1939, on the subject, Surplus Purchases of Dairy Products, which appears in the Appendix.]

DIAMOND JUBILEE OF CIGAR MAKERS INTERNATIONAL UNION—ADDRESS BY SENATOR MEAD

[Mr. MEAD asked and obtained leave to have printed in the RECORD a radio address delivered by him at the Raleigh Hotel, Washington, D. C., on June 28, in connection with the seventy-fifth anniversary of the Cigar Makers International Union of America, which appears in the Appendix.]

SERMON AT FUNERAL SERVICES OF THE LATE REPRESENTATIVE LORD

[Mr. MEAD asked and obtained leave to have printed in the RECORD the sermon delivered by Rev. Fred J. Nichols, pastor, First Baptist Church, Afton, N. Y., at the funeral services of Hon. Bert Lord, late a Member of Congress, which appears in the Appendix.]

THE UNITED STATES AND THE WORLD WAR—ARTICLE BY HON. GEORGE WHARTON PEPPER

[Mr. BORAH asked and obtained leave to have printed in the RECORD an article entitled "Never Again," written by Hon. GEORGE WHARTON PEPPER, and published in the American Legion for August 1939, which appears in the Appendix.]

CONSCRIPTION IN CASE OF WAR

[Mr. WHEELER asked and obtained leave to have printed in the RECORD an article under the heading "M-Day and after," by Cabell Phillips and J. D. Radcliffe, condensed from the American Legion magazine, which appears in the Appendix.]

HON. JAMES A. FARLEY

[Mr. GILLETTE asked and obtained leave to have printed in the RECORD several editorials concerning Hon. James A. Farley, which appear in the Appendix.]

THE UNITED STATES AND WORLD PEACE—ADDRESS BY HON. PAUL V. M'NUTT

[Mr. MINTON asked and obtained leave to have printed in the RECORD an address by Hon. Paul V. McNutt, delivered on International Peace Day, World's Poultry Congress, Cleveland, Ohio, July 30, 1939, on the subject of the United States and World Peace, which appears in the Appendix.]

ADDITIONAL FEDERAL JUDGESHIPS

[Mr. REED asked to have printed in the RECORD an editorial dealing with creation of additional Federal judgeships, entitled "No Fifth Judgeship," published in the Newark Evening News of Thursday, July 27, 1939, which appears in the Appendix.]

AMERICAN SECRETARIES OF STATE

[Mr. MCKELLAR asked and obtained leave to have printed in the RECORD an editorial dealing with the American Secretaries of State, entitled "Our Cabinet Premiers," published in the Nashville Banner of July 29, 1939, which appears in the Appendix.]

AMERICA'S RESPONSIBILITY

[Mr. SHIPSTEAD asked and obtained leave to have printed in the RECORD two editorials published in the Montreal Daily Star, one on June 22, 1939, entitled "Should Britain Fight Japan Alone?" and the other, on June 27, 1939, entitled "Why Not Redeem Woodrow Wilson's Pledges?" which appear in the Appendix.]

AMERICA AND WORLD PEACE

[Mr. BONE asked and obtained leave to have printed in the RECORD an article on the subject of America and world peace, entitled "Civilization in Our Keeping?" by Stuart Chase, published in Common Sense of August 19, 1939, which appears in the Appendix.]

VICE PRESIDENT GARNER

[Mr. CLARK of Missouri asked and obtained leave to have printed in the RECORD an editorial on Vice President Garner, of Texas, entitled "For the Enemies He Has Made," published in the Nashville Tennesseean, Friday, July 28, 1939, which appears in the Appendix.]

RESIGNATION OF JESSE H. JONES AS CHAIRMAN OF THE BOARD OF THE RECONSTRUCTION FINANCE CORPORATION

Mr. CONNALLY. Mr. President, I ask unanimous consent to have printed in the RECORD the letter from Jesse H. Jones, tendering his resignation as Chairman of the Board of the Reconstruction Finance Corporation, together with resolutions passed by the Board extending their felicitations to Mr. Jones on the new avenues of useful activity opened to him in his position as Federal Loan Administrator.

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

RECONSTRUCTION FINANCE CORPORATION,
Washington, July 15, 1939.

To the BOARD OF DIRECTORS:

I hereby tender you my resignation as Chairman of our Board. Tomorrow I shall resign as a director of the Corporation to accept appointment by the President as Federal Loan Administrator.

I need not tell you that I resign as your Chairman and leave the Board with a heavy heart. Not because I feel that someone else cannot take my place, and do as well both as a director and as Chairman, but because of the more than 7 years' association with you and the others who have served on the Board and in the Corporation since it was organized February 2, 1932.

It is my belief that no body of men in public or private business has ever gotten along more harmoniously than our Board and those who have served the Corporation with us.

Bipartisan by act of Congress, I am glad to be able to say that politics and partisanship have never influenced our decisions.

The R. F. C. has rendered a great service to the American people, far greater than can be generally known. It has averted ruin and disaster for millions of our citizens.

It has saved millions of depositors and shareholders in banks and building and loan associations; it has strengthened the banking system of the country, making loans to and putting capital in more than 10,000 banks; it has aided millions of farmers and stockmen through loans and advances on their products and livestock, and through refinancing drainage, levee, and irrigation districts has enabled a great many farmers and landowners to reduce by two-thirds the water and debt charges on their lands; it has helped thousands of home owners save their homes, and made possible the construction of many new homes; it has created work for millions of people through loans to business enterprises and for useful public works; it has extended aid to thousands of victims of disasters; and in many other ways has contributed to the economic stability of our country.

All this has been accomplished without any net loss or cost to the Government, and yet every deserving borrower who has asked for credit has been given credit where he could comply with the letter and the spirit of the law under which we operate.

If I were leaving the R. F. C. entirely, I would be unhappy beyond expression. I love the organization, and have a deep affection for every member of it. I appreciate the service and loyalty they have given it, and like to believe that everyone connected with the Corporation has the same pride in its achievements that I have. I love the very name "R. F. C." It represents 7½ years of my life, and is a part of me.

With every good wish for its continued success,

Sincerely yours,

JESSE H. JONES, *Chairman.*

Whereas Jesse H. Jones became a member of the Board of Directors of the Reconstruction Finance Corporation on February 2, 1932, the date the Corporation was organized, and was elected Chairman of the Board on May 5, 1933; and

Whereas Mr. Jones has been appointed by the President of the United States Federal Loan Administrator, in charge of the Federal Loan Agency, of which this Corporation is a part; and in consequence thereof has resigned as Chairman and a member of this Board: Now, therefore, be it

Resolved, That the members of the Board of Directors of this Corporation express to Mr. Jones their sincere congratulations and best wishes in his new undertaking and their genuine happiness that they will continue to be closely associated with him as Federal Loan Administrator; that

It is the sense of the Board that the great emergency service which the R. F. C. has rendered in a national crisis has been due in greatest measure to the statesmanship and rare business ability of Mr. Jones, whose outstanding qualities of leadership have commanded public confidence; that

His attributes of high character, understanding of human problems, and devotion to the public interest have been an inspiration to his associates and have endeared him to the people of all political faiths, so much so that the R. F. C. and Jesse Jones have become synonymous in the public mind; that

It is the unanimous view of the members of this Board, concurred in by the entire staff, that there be recorded in the minutes of this Corporation an expression of their genuine love and friendship for Mr. Jones; and that it has been a privilege to serve with him on the Board of Directors of the R. F. C., and it will be an honor to serve under him as Federal Loan Administrator; be it further

Resolved, That these resolutions be spread upon the minutes of this Corporation this the 17th day of July 1939, and an engrossed copy thereof, signed by the members of the Board, be transmitted by the secretary, under the seal of the Corporation, to Mr. Jones with the high esteem and affectionate regard of the members of the Board and the entire staff of the Corporation; be it further

Resolved, That a copy of these resolutions be transmitted by the Secretary to the President of the United States, the President of the Senate, and the Speaker of the House of Representatives.

Attest:

EMIL SCHRAM, *Chairman.*
CARROLL B. MERRIAM, *Director.*
CHARLES B. HENDERSON, *Director.*
H. J. KLOSSNER, *Director.*
GEORGE R. COOKSEY, *Secretary.*

UNEMPLOYMENT AND CORRELATED PROBLEMS OF SECURITY—ADDRESS BY W. ARTHUR SIMPSON

Mr. AUSTIN. Mr. President, I ask unanimous consent to have printed in the RECORD an address entitled "Unemployment and Correlated Problems of Security," delivered by Hon. W. Arthur Simpson, director of old-age assistance, State of Vermont, at the Social Work Institute, University of New Hampshire, Durham, N. H., on July 31, 1939.

In this connection, I wish to call attention to certain phrases which are contained in the address. I quote only a part of it:

The dangerous trend in social legislation today is toward a federally paid pension for the aged without regard to need and the abandonment of the social concept of insurance to each on the basis of earned contributions.

Again:

Any attempts to fix minimum amounts of public assistance by legislative enactment destroys the means test as a requisite for aid. Good social practice requires that public assistance be given on the basis of need as determined by sound budgetary standards. Any other policy will lead to endless political manipulation and abuse, and would be economically disastrous.

We have embarked on a great social experiment. The program represents the most comprehensive insurance undertaken in the world. Its provisions are as liberal as can be expected from any Government. It remains to be seen whether the country will be financially able to carry out these new and stupendous social undertakings.

The best friend of social security is the friend who keeps it solvent.

Mr. Simpson has had a distinguished record as administrator of social security in the State of Vermont, and I regard his address as important for public consideration.

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

ADDRESS BY W. ARTHUR SIMPSON, DIRECTOR OF OLD-AGE ASSISTANCE, STATE OF VERMONT, AT THE SOCIAL WORK INSTITUTE, UNIVERSITY OF NEW HAMPSHIRE, DURHAM, N. H., JULY 31, 1939

For many years in this country we went on the theory that any man who wanted a job could get it; and if he worked hard, he could support himself without the help of Government. Private initiative and enterprise and our policy of encouraging industry and thrift had resulted in the American system under which a reasonable economic prosperity was more nearly universal than in any other country in the world. Our living was more expensive and more enjoyable than any developed elsewhere at any time in human history. It required 300 years of sacrifice, hard work, careful planning, and prudent saving to build this Nation into the high position it occupies among the nations of the world.

The depression which began in 1929 brought home to everyone that even America was no Utopia, that many people could not secure work, that many hard workers were unable to provide for their old age, and that savings had been wiped out or exhausted and earnings from investments had been greatly reduced. The uncertainties of jobs, wages, and of returns from efforts put into farming and other producing occupations have been and are ever-increasing factors in the great social problem of the Nation.

America was largely a self-sustaining country for over 200 years. A majority of its citizens lived off the land or in relatively small self-sustaining communities supplying their own needs. The Nation had tremendous room for expansion. Life was not easy, sacrifice and hard work were essential to existence, but opportunity was virtually unlimited. Less than 100 years ago our great industrial developments were in their infancy. The shoe business and then textiles were the first great New England industries which built up our urban centers and drained away the young blood from the farms of Vermont, New Hampshire, and Maine. With approximately every 20 years new and specialized great industries came into operation in the Nation. The employment of persons in industry was progressively increased in an expanding ratio for nearly two generations.

In our most prosperous year, 1929, there were gainfully employed 36,000,000 workers. A decade later, this year, we have gainfully employed only 33,000,000 workers, in spite of the fact that about 10,000,000 new workers have grown up and become available in the Nation. A simple mathematical calculation gives the reason for many of our prevailing social and economic problems.

Agriculture has passed from the self-sustaining stage to a highly specialized industry hedged about by many man-made restrictions. It is at the mercy not of the elements alone but of highly organized distributors. Specialized agriculture is in competition not only with other parts of the Nation but with many and similar products from abroad negotiated for through trade pacts with the entire world. Consequently, nearly all the rural sections of our northern New England States are progressively declining in productive land use, in population, and particularly in taxing ability. We must not forget that all the civilizations of history came into being and were supported by the self-sustaining way of life.

This country was built up by the constant establishment of new business and the expansion of old businesses. In every city and every village throughout the country men were constantly starting out on their own initiative to improve on the enterprises of others or develop a new product. They put a few men to work. If successful, they expanded to employ ten or a hundred or thousands. If unsuccessful, they passed from the picture without need of Government subsidy. New methods of production were found and small industries expanded into large industries. Men were willing to spend their time and their money in order that they might provide more completely for themselves and their family in their old age, in order that they might rise above the average standard of living and enjoy a little more luxury or a little more power. In the last 6 years this process has come to an end.

The first and most important problem is that of unemployment. The question is how we can encourage again in the United States the tremendous volume of private enterprise which existed in the twenties. Our national income is still far below that of 1928, although there are 10,000,000 more people today among whom it must be divided. If we could get back to the business activity of those days, we should have a $90,000,000,000 income, 40 percent larger than we have today. Any such increase would take up the greater part of the present unemployment. Unless it can be cured we may have to admit that the whole American system of democratic government is a failure.

Further reference to the background of the problems of insecurity are unnecessary, nor is it my purpose to review the social security legislation which has been enacted for the very laudable purpose of erecting barriers against some of the hazards and vicissitudes of life. Some of us are concerned with one particular group, but we are all enlisted in the broad field of public service.

We have adopted the principle that unfortunate people must be assisted by Government and, since the resources of local governments are limited, we have recognized that the State and Federal Governments must supply a portion of the financial help. Programs of this nature are humanitarian in character and have met with the approval of a great majority of our people and are endorsed without political bias. There can be no question that these programs must be continued. If wisely and soundly administered they offer a dignified method of self-help, either in whole, or in part. Dependency may be complete in some instances, but in a vast majority of cases, public assistance must be made objective and rehabilitating; otherwise, it will destroy itself through unbearable burden upon the taxpayer. The only people who can support men and women who cannot work, are those who are working. Obviously, even humanitarian measures must be administered conservatively and economically.

No government can long endure if any large group of its people are solely dependent upon government bounty. Otherwise, you reduce by taxation and extravagance those still engaged in productive enterprise and of necessity supporting those on relief, to the same common denominator. We cannot maintain humanitarian measures through a policy of taxation and borrowing which will completely bog down our industrial machine. Continued borrowing and a continued deficit can only lead to bankruptcy, inflation, confiscation, and repudiation.

We have been teaching all classes of our population to come to the Government for subsidies and handouts. Everybody is doing it. Every group numerous enough to form a lobby has been successful in dipping into the Treasury. The clamor to be on Government pay rolls is an indication of the trend. We may face a time when there will not be enough producers and wage earners to support privileged classes—public employees, delinquents, defectives, young children, the handicapped, and the aged.

We may be actuated by the most humanitarian motives and still insist that the menacing danger to sound programs and to the very existence of government itself lies in extreme liberalizing movements for class advantage or group control.

In many States militant minority groups constitute a voting majority under our two-party political system, and it is possible that the only method to resist these pressure groups and to avoid national confiscation, repudiation, and bankruptcy will be a coalition form of government.

It is required in this hour that the representatives of the people have vision, courage, and judgment. Politicians are continually tempted by the idea of promising from the Public Treasury greater benefits to certain groups. Thomas Jefferson dreaded a time to come when government could not be stopped from "wasting the substance of the people under pretense of taking care of them."

I realize that those who mention taxes and debt are not speaking on popular subjects. We are literally "voices crying in the wilderness." People do not want to listen to disagreeable subjects. They prefer to talk about the great unlimited resources of the Nation without being reminded of the mortgage on it. We administer relief and public assistance without thought of the future, still under the cloak of an emergency, still on a day-to-day basis and still imagining that there is some magic formula for solving the ills of the human race. There is grave need for genuine efforts toward rehabilitation and the situation constitutes a challenge to America greater than any challenge which America has faced.

We should honestly ask ourselves if the generation in control of this country today has the right to barter away the credit of the coming generation and their vested heritage. I contend that we have no right to pass on to posterity a crushing burden of debt which will put a mortgage upon the ambitions, the initiative, the ability, and the thrift of those who must take over the operation of the Nation.

The dangerous trend in social legislation today is toward a federally paid pension for the aged without regard to need and the abandonment of the social concept of insurance to each on the basis of earned contributions.

I am particularly concerned that the program for the aged be practical and sound. It must be financed in accordance with the ability of the Nation to support it, and it must not be enhanced to the detriment of other worthy and needy groups. The senior citizens of America whose work and sacrifice made it great among nations should have a sound conception of our system of government and, unless encouraged by political promises that run wild, would be the last to ask for any special consideration without reasonable effort to provide the ways and means to justify new benefits which some are promising to pay.

Any attempts to fix minimum amounts of public assistance by legislative enactment destroy the means test as a requisite for aid. Good social practice requires that public assistance be given on the basis of need as determined by sound budgetary standards. Any other policy will lead to endless political manipulation and abuse, and would be economically disastrous.

We have embarked on a great social experiment. The program represents the most comprehensive insurance undertaking in the world. Its provisions are as liberal as can be expected from any government. It remains to be seen whether the country will be financially able to carry out these new and stupendous social undertakings.

The best friend of social security is the friend who keeps it solvent.

Mr. PEPPER subsequently said:

Mr. President, the Senator from Vermont [Mr. AUSTIN] this morning put into the RECORD certain excerpts which he emphasized relative to social security. They are just three. He quoted from a speech delivered by W. Arthur Simpson as follows:

> The dangerous trend in social legislation today is toward a federally paid pension for the aged without regard to need and the abandonment of the social concept of insurance to each on the basis of earned contributions.

Again:

> Any attempts to fix minimum amounts of public assistance by legislative enactment destroys the means test as a requisite for aid. Good social practice requires that public assistance be given on the basis of need as determined by sound budgetary standards. Any other policy will lead to endless political manipulation and abuse, and would be economically disastrous.

The last quotation was:

> We have embarked on a great social experiment. The program represents the most comprehensive insurance undertaken in the world. Its provisions are as liberal as can be expected from any government. It remains to be seen whether the country will be financially able to carry out these new and stupendous social undertakings.

I want to ask the Senator whether or not by approving the quotations he put into the RECORD he intended to intimate or disclose that he was opposed to the Townsend plan.

Mr. AUSTIN. Mr. President, I do not feel obliged to pass on that question tonight.

PROGRAM FOR FINANCING RECOVERABLE EXPENDITURES

The Senate resumed the consideration of the bill, S. 2864, to provide for the financing of a program of recoverable expenditures, and for other purposes.

Mr. TAFT. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 17, line 24, after the word "loans", it is proposed to insert "approved in the case of loans made under subdivision (2) of section 4 hereof by the Federal Loan Administrator."

Mr. BARKLEY. I have no objection to that amendment.

The VICE PRESIDENT. Without objection, the amendment is agreed to.

Mr. TAFT. I offer a further amendment, which I ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 18, line 15, it is proposed to strike out "$200,000,000" and insert "$125,000,000."

Mr. TAFT. The Export-Import Bank was established as a District of Columbia corporation by Executive Order 6581, under authority of the National Industrial Recovery Act. The life of the bank was extended to June 30, 1939, by the act of January 31, 1935, and further extended to June 30, 1941, by an act which we passed on March 4 of this year. That act limited the amount of loans outstanding at any one time to

$100,000,000. The spending-lending bill proposes to increase this limit to $200,000,000, and my amendment proposes that instead it shall be increased to $125,000,000.

The function of the Export-Import Bank is to promote our export trade by providing credit for American exporters. It was designed to assist these exporters, large and small, by providing credit for which the existing commercial machinery is somewhat inadequate. It was not intended to make long-term loans, and the $100,000,000 was to be revolving fund, constantly replacing itself as the short-term credits were paid off.

The Banking and Currency Committee and the Senate in February considered that $100,000,000 was ample for the proper purposes of the bank; but I have made this amendment $125,000,000 because that was the amount asked for by Mr. Jones in February, and I am willing to give full respect to his opinion at that time. In testifying before the House committee at that time he said:

> I don't think we would ever need more than $125,000,000. I would like to have you put that in the act. (House hearings on H. R. 2011 and H. R. 4012, p. 95.)

In testifying before the Senate committee at that time, he said:

> We suggested a limitation. Probably $100,000,000 is not quite enough, but Chairman Steagall asked me about that, and I told him we could get along with it.

The Senator from Delaware [Mr. TOWNSEND] asked:

> Does that include the authorization of $25,000,000 to China?

And Mr. Jones said:

> Yes, sir.

Mr. President, if $125,000,000 was sufficient in March, what is the reason for asking an increase at this time?

The answer is to be found in the President's letter to Senator BYRNES, which appears in the RECORD. In that letter he requests Congress to authorize him to lend $500,000,000 to foreign governments on short-term and long-term loans for the purpose of promoting our foreign trade. That created such a furor at the time that when the bill actually came in the only proposal was that the amount be increased by $100,000,000 and that it be given to the Export-Import Bank.

The Export-Import Bank has now outstanding, after many years' operation, loans in the sum of $53,000,000. Even of this $53,000,000, $10,000,000 is to the Reconstruction Finance Corporation itself for purposes which could be handled by the Reconstruction Finance Corporation, and $10,000,000 is a loan recently made to the International Telephone & Telegraph Co., which has only an indirect relation to exports, and, according to Mr. Jones' testimony, could be handled by the Reconstruction Finance Corporation itself. In other words, it is not required that the money be used to finance exports. The company referred to is an exporting company, but it conducts its operations in foreign lands and probably the money would be used for that purpose. If these loans were paid off, the bank would have only $33,000,000 outstanding, and this amendment would give it $92,000,000 more. This would be ample for all legitimate purposes of the Export-Import Bank.

I think the fact that this money is sought for the purpose of making loans to foreign governments is perfectly clear from the record which has been made. Since February the bank has loaned $19,200,000 to the Bank of Brazil, for the purpose of freeing Brazilian exchange. In other words, Brazil was unable to pay its debts to American exporters, so we loaned them the money with which to pay those debts. It is in effect a loan to Brazil, which may be paid if the export balance of Brazil improves, and certainly will not be paid if the export balance of Brazil becomes worse. No one can tell what the condition of Brazil may be.

In addition to that, the bank has undertaken a half-million-dollar commitment to Nicaragua, with an additional commitment of $2,000,000 for freeing exchange. It has entered into a commitment to Paraguay for half a million dollars, and apparently has made a further commitment of $2,000,000 for sales of additional American materials. It has entered into a commitment for 5 years with the wholly Government-owned Bank of Uruguay for $4,000,000. It is understood that Paraguay and Nicaragua are also to get $2,000,000 more apiece with which to buy American goods.

In Haiti the bank has undertaken to finance, and has financed in part, $6,000,000 worth of internal improvements, and it is said that at least 20 percent of this amount is to be spent within Haiti, while the other 80 percent is spent for importing American road machinery and the like. Mr. Jones' discussion of this matter, on page 205, is very interesting. Mr. Jones said:

> I think it is entirely fair to say to this committee that these loans you are discussing—to Haiti and to Nicaragua and to Paraguay—are loans made somewhat as a big brother to a little one. There is no argument about that. We would not go out and seek to make a loan in Haiti, to make money. If we can help our whole situation by making a small loan to Haiti, we think that we have served our country and we do not think that we shall lose any money on it.
>
> Senator TAFT. Would you extend this power of having the Government loan money to other governments all over the world?
>
> Mr. JONES. No; I certainly would not.

However, he now testifies that there is a commitment to the Portuguese railways, which is in effect the Portuguese Government, for $5,000,000, and a commitment to China to a total of $25,000,000, of which some $9,000,000 has been used.

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

Mr. TAFT. I would prefer if the Senator would wait until I conclude, on account of the limitation of time.

Mr. Jones also testifies that he is contemplating more loans to Brazil for heavy equipment. When asked what other future loans were contemplated, requiring an increase at this time, he referred to loans on cotton to be sold in Spain on 27 months' credit. As far as cotton is concerned, I see no reason why the Commodity Credit Corporation should not use some of its vast resources to sell cotton on credit, if that seems to be a desirable purpose, without calling on the Export-Import Bank.

An interesting discussion of the real point of view of the Government is contained in an article by Leon M. Pearson, brother of Drew Pearson, in the Washington Times-Herald of last Thursday, which I quote:

> It was a party given by Hal Horan, of Time, and the speaker was the chairman of one of the most important New Deal agencies.
>
> We ought to take a leaf from the German notebook, and offer terms to the Latin Americans that they can't refuse. And loans—they need more money, and we have this glut of gold. It takes only a little to give them a healthy shot in the arm.
>
> Good neighbors? We're piddling! Kissing the fingertips! What we need is a good abrazo!
>
> To understand what lies ahead in the field of United States-Latin American relations, you have to sit in with a man like that, out of office hours. He is one of the New Deal thinkers, one of the planners. What he says is important, and he is not alone in saying it. There are two Cabinet officers who, in similar private corners, say the same thing.

Another thing in the article is interesting:

> Paraguayan General Estigarribia, hero of the Chaco War, is passing good news around Asuncion these days. Just returned home from the Washington post, he is saying, in effect: "You read in the papers that we are to have half a million from the United States. The real fact is we are to have three million."
>
> The official statement of the United States-Paraguayan agreement, dated June 13, carried only one dollar figure in the text—$500,000. And the press stories that followed made mention of this loan. No attention was paid to the statement, which carried no dollar figure, that the Export-Import Bank would cooperate with United States exporters and with Paraguay "in arranging for the financing of equipment" for highway construction.
>
> Discreet inquiry disclosed that this financing would reach the figure of $3,000,000, possibly three and a half.

The question whether this Government shall loan money to foreign governments is certainly a fundamental question, which question Congress should determine. We have had a most unfortunate experience with such loans in the past, and foreign governments today owe this country more than $10,000,000,000, which there seems to be no possibility of collecting. Short-term credits contemplated by the Export-Import Bank really are likely to be paid off. People who make the loans feel the moral obligation to see that they are paid. But once a new government comes in, its attitude

is likely to be one of complete lack of responsibility for obligations entered into years before. Unlike the other loans provided in this bill, there is no possible way in which loans to foreign governments can be collected short of war, and this country will not stand for threats of war to collect debts.

It is proposed that these loans be made to South American countries. Nearly all of these countries are in default on their obligations held in the United States.

There is inserted in the record of the hearings a list of the bonds of Latin-American countries held in this country. Out of $1,728,000,000, $1,277,000,000 of bonds are now in default. Of those the state of Brazil, for instance, is in default $366,000,000. Yet we have just loaned them another $19,000,000, and are contemplating further loans as part of the good-neighbor policy. Of those loans $168,000,000 represents obligations of the Brazilian Government itself held in this country, and something like $195,000,000 loans of Brazilian States and municipalities held in this country.

Some of the loans are to Mexico, which is in default $349,000,000; and the testimony before the committee was that Mexico had a perfect record. They have never at any time paid a long-term debt held in the United States.

Those are the people to whom it is proposed that we set out on a new policy of Government loans. Whether we are justified in increasing our exports by selling the exports for silver, in effect, is a question which we debated a few days ago. But whether we are justified in selling exports for poor paper, for obligations which we cannot enforce, and which history seems to show are likely never to be paid, is certainly open to question. That is no legitimate way in which to increase the exports of the United States.

Our total export trade today is approximately two and a half billion dollars, and the most the Import-Export Bank has ever financed is about $50,000,000 a year, or 2 percent. The increase proposed, if entirely used, would increase the total export trade of the United States only 4 percent. That certainly is not a vitally important question in our entire economy. But I think that $125,000,000 will finance every feature of legitimate commercial enterprise, and assist American exporters as they should be assisted.

Incidentally, I notice that among the loans to foreign governments which are in default is $289,000 due from the Government of Nicaragua, to whom it is now proposed we extend loans of additional money. I think it may be somewhat doubtful whether under the Johnson Act they would be extended, because those appear to be part of the war debts.

The total foreign debt now in default is $11,436,000,000.

The whole purpose of this policy as I see it is to give the Government more chips in the game of international politics, if you please, supposed to be part of the good-neighbor policy. That is the purpose for which it is advanced. I question very much whether it is a legitimate part of the good-neighbor policy. I never saw a man who loaned money to all his neighbors around about who was regarded as a good neighbor for more than about 3 months after he made the loan. The Government does not make good credit for itself, it does not prove itself a good neighbor, by lending money to everybody in sight, because the day comes when it is necessary to ask the debtors for money. Uncle Sam is regarded as a Shylock today in every country in Europe simply because he is insisting on the payment of perfectly good, legitimate debts. If this policy is followed long, we will be regarded as a Shylock in every country in Latin and South America. That will be the inevitable result. It is not a policy of good neighborliness. If we cannot get the good will of South America except by sending them our goods for nothing, or for promises to pay money which, in the backs of their minds, they know they do not have to pay if they do not want to, then we might as well give up the policy.

I think all our export trade should be sound export trade. No one has criticized more than the present administration the fact that the people of this country loaned $5,000,000,000 during the twenties for the export of foreign goods, $5,000,000,000 which is still largely unpaid, in addition to the Government debts. It was an unsound policy; it was properly criticized; it was criticized because it built up on an unsound foundation large export trade in many industries which cannot possibly continue.

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

Mr. TAFT. Will not the Senator wait until I conclude?

The PRESIDENT pro tempore. The Senator's time on the amendment has expired.

Mr. TAFT. I will use my time on the bill.

Mr. TYDINGS. Many loans were made by private citizens to foreign countries during the twenties, amounting to over $13,000,000,000.

Mr. TAFT. I thank the Senator for his correction.

Mr. President, I am as anxious as anyone to build up export trade, but not to build up export trade on unsound foundations, on loans that we cannot continue making. Americans thought in the 1920's that trade could be built up on foreign loans. But they found suddenly that such loans were unsound; that those to whom the loans were made would not pay the debt, and no one would finance further loans, and all those who were to be put to work in industry on the assumption that employment would be created by this export trade were suddenly put out of work and the condition was worse than it otherwise would have been.

Mr. President, that very policy has been criticized by the Government, by the present administration; it has been criticized by no one more strenuously than by the present administration itself, and for it to come forward now and say, "We want to adopt this policy of lending money to foreign governments in order to stimulate our export trade" is an absolute reversal of the position the administration has adopted for the last 7 years.

The other day the majority leader made a general attack on the theory of "dollar diplomacy." I say if anything can be called properly by the name of "dollar diplomacy" the proposed policy can. It may be contended that the only way to get the good will of these countries is by lending them money; that the only way to get the good will of these countries is by paying out gold, by shipping our surplus all over the world, through this dollar diplomacy, this diplomacy based solely on money, on financial advantage, but I say we will get exactly what we pay for, and that is an obligation on paper, but we will not get any good will and we will not get any substantial or permanent political advantage.

Mr. President, I, therefore, say that it seems to me the time has come to end the policy of lending to foreign governments. One hundred and twenty-five million dollars will take care of every legitimate purpose of trade. The adoption of this amendment will result only in the limitation to such an amount that the Government cannot effectively continue its policy of continuing to loan money to foreign governments. I feel confident it is a matter which the Senate and the other House should decide.

The provision of the bill is another general grant of power. It says that the Government may, in effect, make treaties with Brazil or with Paraguay or other countries without the consent of the Senate. The Senate should pass on the question, and if we do pass on the question by adopting this amendment I think we can be certain that the Government, except in the most extreme and absolutely essential cases, will no longer continue the policy of extending and developing loans to foreign governments.

Mr. BARKLEY. Mr. President, when this matter came up earlier in the year, under different circumstances not connected with any intensive efforts particularly such as we are trying to make now to expand our foreign trade, Mr. Jones, the chairman of the Reconstruction Finance Corporation, and Mr. Pierson, the president of the Export-Import Bank, asked Congress to increase the capital stock of the Export-Import Bank to $125,000,000. Congress increased it to $100,000,000. Now the success of the Export-Import Bank, through its operations in making loans to facilitate the exportation of American products, has been not only satisfactory but I think it has been outstanding. It has now to its credit by reason of these operations a profit of $1,700,000.

The argument made by the Senator from Ohio would almost convince one that he looked with a great deal of disfavor upon the Government of the United States doing anything to foster foreign trade or the export of American products. The argument has been made over and over again here that about 10 percent of our industrial production depends on foreign markets.

I realize that 10 percent is not so important as 90 percent, but if we are to adopt the policy of curtailing the sale of that 10 percent, or interfering with it altogether, we certainly shall be obliged to absorb that extra 10 percent in our domestic consumption, or stop that much production, and therefore throw more men and women out of employment.

It is nothing new for governments of the world to foster exports. We have sent commercial attachés and commercial representatives all over the world to work along with our consuls and our diplomats to try to find markets for American products.

The Japanese Nation is at this time concentrating on its efforts to find markets in South and Central America, and whenever they find those markets, to that extent they deprive manufacturers and laboring men in the United States of the opportunity to work and sell our products to the people to the south of us.

Loans made by the Export-Import Bank directly increase our exports of manufactured and agricultural commodities, and thereby increase employment. It is particularly true in reference to cotton and cotton products.

Most of our creditors now are promoting their trade and their exports by the extension of Government credits. In order to enable the United States to maintain its export markets abroad it is necessary that we take at least partial steps to be on a competitive basis with our chief competitors, particularly in Latin America. Several foreign countries are employing the devices of clearing agreements, subsidies, special currency units, and other instruments to obtain an increasing share of the world trade, particularly in the field of South and Central America. One of the steps this country can take to help protect its share of this commerce is to help our businessmen to sell goods abroad by giving them credit at low rates of interest.

The record of the Export-Import Bank is one of sound investment, which yields a substantial return to the Government.

Mr. President, I should like to call attention to some of these loans. The Senator from Ohio talks about ten billion or twelve billion or fourteen billion dollars now due the Government of the United States from foreign countries. The loans about which he speaks are loans which were made in connection with the war, either during it or following the World War, and they have no connection whatever with our effort here to create a corporation and to expand its operations to loan money to American institutions in order that they may finance exportations.

Mr. VANDENBERG. Mr. President——

Mr. BARKLEY. I have only 15 minutes, and I do not wish to take any time on the bill at this moment; and if the Senator will permit, I will ask him to wait until I have concluded my general observations.

So far as the defaulted debts in the United States, to which the Senator from Ohio refers, neither have they any connection with the operations of the Export-Import Bank. All these debts represented by bonds bought by American citizens were brought about through high-pressure methods of American bond and stock dealers. Our hearings back in 1932 before the Banking and Currency Committee show that many of these obligations were sold by American bankers and American bond and stock agents with the encouragement and almost with the connivance of the Government of the United States, in some cases, under another administration.

Now we are asked, because of those conditions, to deny to American industries an opportunity to sell their products and employ American labor. There is no connection whatever between the two situations.

What sort of loans have we been making? I have here a table furnished by the Export-Import Bank, giving the names of those who have acquired and who have received these loans. Here is one to Alexander Sprunt & Son, of Houston, Tex., for the purpose of exporting cotton to Czechoslovakia. That was a loan made to an American corporation to enable it to export American cotton.

Here is one to George H. McFadden & Bro., of New York.

Loans were made to other companies, as follows: Williamson Cotton Co., of Dallas, Tex.; Bartz & Co., of Dallas, Tex.; American Cotton Cooperative Association, of New Orleans.

These loans amounted to $1,600,000, every dollar of which has been repaid.

A loan to Crespi & Co., of Dallas, Tex.

A loan to Cook & Co., of Memphis, Tenn.

A loan to Hannay-O'Donnell, of Dallas, Tex.

Another loan to George H. McFadden & Bro., of New York.

A loan to S. B. Smith & Co., of Mayfield, Ky., in order to export tobacco to Spain. That was a loan of $672,000, all of which has been repaid except $46,000; and the unpaid balance is secured by the deposit of foreign currencies in the United States. Without that loan not an ounce or a pound of that tobacco could have been sold. Spain was formerly a very large customer for American tobacco. Time came when there was no purchase at all by Spain of American tobacco. Through this loan the exportation and sale of tobacco was facilitated without loss to the American Government.

I have here a list of loans to other companies:

Byington Co., of New York.

Fisk Tire Export Co., Chicopee Falls, Mass.

J. & H. Goodwin, Ltd., New York.

H. S. Henry & Son, New York.

A. G. Khouri & Co., Inc., New York.

G. Lindner & Co., of New York.

National Paper & Type Co., New York.

Parker Pen Co., of Janesville, Wis.

R. K. O. Export Corporation, New York.

Raleigh Smokeless Fuel Co., Beckley, W. Va.

H. W. St. John & Co., of New York.

United American Bosch Corporation, of Springfield, Mass.

Well Machinery & Supply Co., Inc., of Fort Worth, Tex.

Duplex Printing Press Co., Battle Creek, Mich.

Cameron Can Machinery Co., Chicago, Ill.

American Car & Foundry Co., in order to facilitate exports of freight cars.

American Locomotive Sales Corporation, in order to facilitate the exportation of American locomotives.

The Brazilian Oiticica, Inc., of New York. While it has a Brazilian name, it is a New York corporation.

Centennial Cotton Gin Corporation, of Columbus, Ga.

Baldwin Locomotive Works, Philadelphia.

American Locomotive Sales Corporation, New York.

Whitin Machine Works, of Whitinsville, Mass.

Bessa-Jones, Inc., of New York.

So, I might call attention to a long list of American corporations to which the Export-Import Bank has made loans. The list is too long for me to give it all in 15 minutes. So, there is today, Mr. President, according to the testimony of Mr. Pierson and according to the testimony of Mr. Jesse Jones, a demand for the increase in the capital stock of the Export-Import Bank. Mr. Jones testified that many of these loans were sound, but they were of a sort that a private banker would not be justified in taking the risk and making the loans, and if they had not been made these exports would not have been facilitated.

It may be said that the Government should not take a risk which a private banker is unwilling to take. However, if we should adopt that policy we should curtail and terminate the activities of the Government in making loans to farmers, to home owners, to industry, and to many other activities. If it had not been for the unwillingness or inability of private lending agencies to make these loans the Reconstruction Finance Corporation would not have been necessary at the outset. Neither would the Farm Credit Administration, the Home Owners' Loan Corporation, the Federal Housing Ad-

ministration, the United States Housing Authority, or the Export-Import Bank itself. If it had not been for the fact that private credit was unable to perform the duties necessary in carrying out exports of American products, these other agencies would not have been necessary. If we do not want to sell anything to any foreign country we ought to abolish the Export-Import Bank altogether.

A small loan was made to Haiti, in which little country we have had some relationships in the past; and an American corporation was created to make a loan for the benefit of China, most of which has not even been used.

Mr. WAGNER. All that has been used has been repaid.

Mr. BARKLEY. The Senator from New York reminds me that all that has been used has been repaid. The Export-Import Bank during its existence has made loans to American corporations. It has made loans to the Amtorg Corporation of New York in order to enable it to sell goods to Russia. Whatever may be said about Russia from a political standpoint, she has not defaulted in 20 years on a single obligation to anybody in the United States, and is now current with all her obligations. If it had not been for the loan we could not have exported cotton, farm machinery, and railway equipment to the people of Russia.

Mr. Jones says he needs this additional capital. In a conversation with me yesterday he reiterated the need for additional capital for the Export-Import Bank; Mr. Pierson, the president of the Export-Import Bank, has said the same thing.

These loans have turned out to be sound. The Export-Import Bank has made a profit of nearly $2,000,000 for the benefit of the United States. I think we can rely upon those in charge of the Export-Import Bank not to abuse the additional capital. The addition of only $25,000,000 to the $100,000,000 is an insignificant amount. The fact that $125,000,000 may have been all Mr. Jones asked for last March is no evidence that that is all he needs in August or September, or for the rest of the year.

I hope the Senator's amendment will be defeated. I do not wish to take any additional time. I think we all understand the operations of the Export-Import Bank. We know its history. We know the kind of loans it has been making. We know the kind it will continue to make; and we know that the more we can sell to the nations of the world of our products which are unsalable at home, the more men can be employed and the more profits can be made for American industry. Certainly the Senate of the United States does not desire to strike down the opportunity for expanding our markets in foreign countries.

Mr. TYDINGS. Mr. President, the Senator from Kentucky is, of course, correct when he says, that in effect these loans are made by the Export-Import Bank to American businessmen, because American businessmen hold the trade acceptances of foreign concerns. They cannot discount them in any of the other banks, so they take them to the Export-Import Bank, through which the Federal Government lends the money. However, in effect, the security upon which the loan is made is the obligation of the foreign concern, and not of an American concern.

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

Mr. TYDINGS. I yield.

Mr. BARKLEY. I am sure the Senator will agree not only that that statement is true with respect to the Export-Import Bank, but that the same practice is indulged in all over the world with respect to loans made by private lending agencies. They take the acceptances and securities of foreign corporations.

Mr. TYDINGS. The Senator is correct. However, the loan is made, of course, upon the securities of foreign corporations.

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

Mr. TYDINGS. I have only 15 minutes. If the Senator will wait until I finish, I shall be glad to yield to him. I do not wish to be discourteous, but I cannot very well yield and have much time left.

Mr. President, some years ago I had a very industrious man working in my office who happened to be a former secretary for Samuel Gompers, president of the American Federation of Labor. We became interested in the question of foreign loans, and at my request Mr. Oyster wrote to every financial, bonding, and stock house in America, and ascertained from them the foreign obligations which had been floated in this country—obligations of governments or subdivisions of governments, or of corporations. He compiled a very interesting record, which took him about 6 months to put together, and which at that time I put into the CONGRESSIONAL RECORD. I think it is apropos here, although several years have passed since the record was made. The figures are still very interesting.

At that time, about 1930, the total indebtedness in post-war loans owed to the United States or to the people of America who held Government bonds was $26,371,848,233. Of this amount $8,212,398,000 had been publicly offered by foreign governments, or subdivisions thereof, and sold in the United States. Three billion ninety-one million nine hundred and ninety-five thousand dollars had been publicly offered by foreign corporations and sold in the United States. These figures are exclusive of the war debts. Foreign governments and foreign corporations together borrowed from our people—not from our Government, but from our people—$11,304,393,000.

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

Mr. TYDINGS. I yield.

Mr. PEPPER. During what period?

Mr. TYDINGS. This was from 1914 to the end of 1927, inclusive. It has nothing to do with the war debts. These were loans floated in the United States by foreign governments or subdivisions of foreign governments, and by foreign corporations, and not bought by our Government but by our people.

Mr. PEPPER. Does the Senator have the figures from the close of the war on down to 1927?

Mr. TYDINGS. I shall put the whole table in the RECORD.

I ask unanimous consent that immediately following my remarks there may be printed in the RECORD a table showing the country, the amount of loans to foreign governments, the amount of loans to foreign corporations, the war debts, and the total indebtedness per capita of the foreign governments to the people of the United States.

The PRESIDENT pro tempore. Without objection, the table may be printed in the RECORD.

(See exhibit A.)

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

Mr. TYDINGS. In a moment.

I wish also to have printed in the RECORD immediately following my remarks a table showing the loans made in the United States in a single year—1927.

The PRESIDENT pro tempore. Without objection, the table may be printed in the RECORD.

(See exhibit B.)

Mr. TYDINGS. Mr. President, in the year 1927 foreign governments or subdivisions thereof or foreign corporations borrowed from our people $1,939,982,000, nearly $2,000,000,000 in a single year. Strange to say, that very year the same countries spent $3,973,484,000 on their national defenses. In other words, we let them have more than 50 percent of what their total war budgets cost that year.

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

Mr. TYDINGS. I yield.

Mr. AUSTIN. Does the Senator's tabulation include loans made in 1916 and 1917?

Mr. TYDINGS. The table to which I have just referred is for the year 1927 alone. The first table included all loans from 1914 to 1927. However, the war loans appear in a separate column. They were not the loans which I was discussing at the time, which were private in their nature.

Mr. AUSTIN. Will the Senator yield for another question?

Mr. TYDINGS. I yield.

Mr. AUSTIN. My question referred to the table first introduced—that is, the nonwar loans—and I should like to ask the Senator another question if he will permit.

Mr. TYDINGS. Certainly.

Mr. AUSTIN. Does the Senator know whether or not the table includes a loan negotiated for the Republic of China for the building of national railways, made in 1916 and 1917 by a bank in the United States, and not by the Government of the United States?

Mr. TYDINGS. There is shown in the table a loan of $10,752,000 to the Government of China. I do not have the year.

Mr. AUSTIN. Does the Senator know whether or not his list includes other loans negotiated during 1916 and 1917 to the Chinese Republic for the dredging of the Grand Canal through Shantung Province?

Mr. TYDINGS. No; I do not have that figure before me. It may be accurate. I have not the figure.

Mr. AUSTIN. I ask the Senator whether or not it is possible that other loans of similar character negotiated by American banks to foreign nations are not contained in his table.

Mr. TYDINGS. There is no doubt that there may be loans not incorporated in this table, for the simple reason that at that time no Government agency kept account of foreign loans. But what the Senator from Maryland attempted to do in 5 months of research and study and assembling figures was to get all the loans that he could discover and put them all into one category. This table is the result of facts and figures furnished me by the different bond houses of the United States that were engaged in selling foreign securities. From those figures this table was prepared. I do not mean to contend that there may not be and probably were not other loans, but these are the principal private loans and they amount to eleven-billion-three-hundred-and-four-million-and-some-odd-thousand dollars.

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

Mr. TYDINGS. Yes. But I can only yield once more.

Mr. AUSTIN. I will not take long. Are those loans which were perfected by the sale of the bonds or were they loans which were merely contracted for?

Mr. TYDINGS. These are loans actually made for the sale of foreign securities, bonds, or obligations to the people of the United States.

Mr. AUSTIN. My question related to contracts negotiated and completed for loans.

Mr. TYDINGS. The figures that I have show how many foreign obligations were publicly sold to private citizens of the United States by foreign governments, subdivisions thereof, and foreign corporations.

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

Mr. TYDINGS. I yield.

Mr. PEPPER. What was the last year given by the Senator in connection with those loans?

Mr. TYDINGS. The figures go up to 1927.

Mr. PEPPER. What I wanted to ask the Senator was, first, how much of that money was spent in the United States during that period of time?

Mr. TYDINGS. No doubt, some of it was.

Mr. PEPPER. The Senator, no doubt, would say that a large proportion of it was?

Mr. TYDINGS. No; I would not say that.

Mr. PEPPER. What could have been the incentive for the United States to be lending money unless some advantage was to be derived from it?

Mr. TYDINGS. Interest and investment purposes.

Mr. PEPPER. Those loans were made by Republican administrations, were they not?

Mr. TYDINGS. Most of them were; yes. There is no doubt that a large majority of these foreign loans were made under the administrations that were in power from 1920 up to 1929, which was a period when foreign securities were being floated in this country almost every day. Several of us here questioned whether or not they could be repaid under existing international economy.

Mr. PEPPER. And a great many of them were impliedly, if not expressly, almost recommended by the United States Government, were they not?

Mr. TYDINGS. I would not want to say that, but certainly there was very little discouragement of the loans at the time.

We are about to walk slowly into another one of these lending programs. I do not doubt that we can lend money to Brazil, England, or to other countries and get some benefit from the loans, but the record shows that in 1929 and onward most of these foreign bonds held by the people of this country were in default as to interest, and there are bond committees all over the country today that are trying to work out some plan of settlement with foreign governments.

I shall support the amendment of the Senator from Ohio because it reduces the amount, and I shall support it because I believe it is a very dangerous policy for this Government to go further down the road of international loans. If private banks want to make them, that is something else, but for the Government to go into the business of making loans to foreign interests—for that is what it amounts to—in view of our past history is, indeed, very short-sighted.

I am not denying that there will be some benefit; in fact, the prosperity from 1920 to 1929 was largely secured through the medium of lending to our foreign customers the money with which they were buying our goods, for in those years our export trade was nearly $5,000,000,000 a year—the greatest we have ever had—and we were lending our foreign customers the money to pay for it, as the balance of trade was continually in our favor. But I think we will be very wise, even in this emergency, to go slowly in further committing this Government to a policy of international loans. If private industry wants to engage in that business, if private banking wants to engage in it, that is one thing, but to take the money out of the Treasury of the United States for such purposes, in view of our past relationships as a government and our present situation as a nation is to me unthinkable and most inadvisable. The loan authorization ought to be reduced in accordance with the amendment offered by the Senator from Ohio.

EXHIBIT A

Country	Foreign securities publicly offered in the United States, 1914 to 1927, inclusive			War debt, Nov. 15, 1927	Total indebtedness	Indebtedness per capita
	Government	Corporate	Total			
Argentina	$520,386,000	$112,723,000	$633,109,000		$633,109,000	$63.00
Armenia				$16,627,154	16,627,154	18.00
Austria	71,611,000	16,676,000	88,287,000	34,159,107	122,446,107	1.70
Belgium	295,770,000	54,243,000	350,013,000	413,580,000	763,593,000	97.00
Bolivia	48,780,000	5,700,000	54,480,000		54,480,000	25.00
Brazil	301,634,000	23,500,000	325,134,000		325,134,000	10.00
Bavaria	20,000,000		20,000,000		20,000,000	2.70
Bulgaria	4,500,000		4,500,000		4,500,000	.90
Chile	180,563,000	172,500,000	353,063,000		353,063,000	90.00
China	10,752,000		10,752,000		10,752,000	.02½
Colombia	100,020,000	43,345,000	143,365,000		143,365,000	21.60
Costa Rica	10,820,000		10,820,000		10,820,000	21.00
Cuba	79,000,000	465,632,000	544,632,000		544,632,000	130.00
Czechoslovakia	53,750,000	5,500,000	59,250,000	179,071,023	238,321,023	17.50
Denmark	152,002,000	9,134,000	161,136,000		161,136,000	47.10

EXHIBIT A—Continued

Country	Foreign securities publicly offered in the United States, 1914 to 1927, inclusive			War debt, Nov. 15, 1927	Total indebtedness	Indebtedness per capita
	Government	Corporate	Total			
Dominican Republic	$25,000,000		$25,000,000		$25,000,000	$28.00
Estonia				$15,478,642	15,478,642	14.00
Finland	41,000,000		41,000,000	8,814,000	49,814,000	14.00
France	1,050,873,000	$112,300,000	1,163,173,000	4,025,000,000	5,188,173,000	126.75
Germany	382,050,000	502,616,000	884,666,000		884,666,000	14.20
Australia	97,758,000	3,750,000	101,508,000		101,508,000	16.60
Canada	1,768,249,000	945,964,000	2,714,213,000		2,714,213,000	285.50
Great Britain	1,456,287,000	65,416,000	1,521,703,000	4,505,000,000	6,026,703,000	133.25
Irish Free State	15,000,000		15,000,000		15,000,000	5.00
South Africa		6,160,000	6,160,000		6,160,000	.82½
British Empire	3,337,294,000	1,021,290,000	4,358,584,000	4,505,000,000	8,863,584,000	22.63
Greece	16,000,000	600,000	16,600,000	19,500,000	36,100,000	6.00
Guatemala		11,175,000	11,175,000		11,175,000	5.27
Honduras	500,000	11,443,000	11,943,000		11,943,000	16.25
Haiti	16,000,000	9,000,000	25,000,000		25,000,000	12.25
Hungary	36,750,000	24,372,000	61,122,000	1,952,635	63,074,635	8.00
Italy	262,487,000	140,053,000	402,540,000	2,032,000,000	2,434,540,000	61.80
Japan	198,857,000	109,790,000	308,647,000		308,647,000	3.55
Latvia				6,900,564	6,900,564	3.75
Lithuania				6,162,590	6,162,590	3.05
Luxemburg		7,500,000	7,500,000		7,500,000	29.99
Mexico	1,100,000	32,365,000	33,465,000		33,465,000	2.35
Netherlands	101,125,000	38,936,000	140,061,000		140,061,000	19.00
Dutch East Indies	153,290,000	3,175,000	156,465,000		156,465,000	3.18
Nicaragua				299,128	299,128	.47
Norway	172,727,000	24,716,000	197,443,000		197,443,000	70.70
Palestine	350,000		350,000		350,000	.46
Panama	15,250,000		15,250,000		15,250,000	34.50
Paraguay		2,272,000	2,272,000		2,272,000	2.66
Peru	93,250,000	8,000,000	101,250,000		101,250,000	18.40
Poland	122,076,000	20,250,000	142,326,000	198,595,528	340,921,528	11.65
Portugal						
Rumania	3,750,000		3,750,000	66,060,000	69,810,560	4.00
Russia	3,500,000		3,500,000	280,197,302	283,697,302	1.93
Saar	6,500,000	1,000,000	7,500,000		7,500,000	10.00
Salvador	10,520,000	1,900,000	12,420,000		12,420,000	7.70
Spain						
Sweden	74,105,000	45,750,000	119,855,000		119,855,000	19.90
Switzerland	132,000,000	3,000,000	135,000,000		135,000,000	34.45
Turkey						
Uruguay	45,171,000		45,171,000		45,171,000	27.10
Venezuela		51,539,000	51,539,000		51,539,000	17.18
Yugoslavia	61,285,000		61,285,000	62,450,000	123,735,000	1.03
Total	8,212,398,000	3,091,995,000	11,304,393,000	11,871,848,233	[1] 23,176,241,233 3,195,607,000	
Official figures, not including foreign issues privately taken					[2] 26,371,848,233	
Unofficial figures, including foreign issues privately taken			14,500,000,000			
Total			3,195,607,000			

[1] Official sources.

[2] Unofficial sources.

EXHIBIT B

Nation	Defense expenditures, 1927	Foreign securities publicly offered in the United States, 1927	
		Amount	Percent of defense expenditures
Argentina	$44,771,000	$99,561,000	222
Austria	11,220,000	33,887,000	302
Belgium	22,729,000	14,130,000	62
Bolivia	3,411,000	12,585,000	369
Brazil	53,386,000	56,780,000	106
Ecuador	1,933,000		
Bulgaria	8,404,000		
Chile	13,706,000	22,883,000	167
China	297,703,000	10,752,000	3
Colombia	7,125,000	68,670,000	964
Costa Rica	655,000	1,800,000	280
Cuba	11,515,000	61,750,000	537
Czechoslovakia	56,973,000	1,500,000	3
Denmark	15,738,000	28,046,000	178
Dominican Republic	1,473,000	5,000,000	341
Estonia	4,994,000		
Finland	14,467,000		
France	269,463,000	50,000,000	18
Germany	127,581,000	222,692,000	175
British Empire:			
(a) Australia	177,752,000	101,508,000	57
(b) Canada	13,086,000	319,765,000	2,444
(c) Great Britain	567,427,000	5,747,000	1
(d) India	215,999,000		
(e) Irish Free State	11,669,000		
(f) New Zealand	4,656,000		
(g) South Africa	4,490,000		
	995,079,000		
Greece	25,646,000	2,000,000	7
Guatemala	1,358,000	3,150,000	232
Honduras	928,000		
Haiti	1,299,000		

EXHIBIT B—Continued

Nation	Defense expenditures, 1927	Foreign securities publicly offered in the United States, 1927	
		Amount	Percent of defense expenditures
Hungary	$19,835,000	$26,122,000	132
Italy	218,816,000	120,400,000	55
Japan	208,245,000	308,647,000	150
Latvia	8,927,000		
Lithuania	3,989,000		
Luxemburg	195,000		
Mexico	38,476,000		
Netherlands	23,651,000	20,716,000	87
Dutch East Indies	44,595,000	156,465,000	351
Nicaragua	219,000		
Norway	11,129,000	29,466,000	265
Palestine	1,625,000		
Panama		1,500,000	
Paraguay	1,068,000		
Peru	7,222,000	60,000,000	831
Poland	74,857,000	47,000,000	63
Portugal	25,916,000		
Rumania	44,199,000		
Russia	347,580,000		
Saar			
Salvador	1,656,000	3,150,000	190
Spain	85,194,000		
Sweden	37,017,000		
Switzerland	16,374,000		
Turkey	29,910,000		
Uruguay	7,134,000		
Venezuela	3,043,000	10,275,000	337
Yugoslavia	41,346,000	34,035,000	85
United States	679,709,000		
Total	3,973,484,000	1,939,982,000	
United States		679,709,000	
Grand total		2,619,691,000	

Mr. VANDENBERG. Mr. President, I should like to ask the able Senator from Kentucky a question in my time. He presented an estimate indicating that the Export-Import Bank had made a profit of some $2,000,000. Will he indicate to me the period covered by that operation?

Mr. BARKLEY. I will have to consult the hearings; I cannot give the date from memory. I will do so later and will inform the Senator.

Mr. VANDENBERG. I think the question is rather important, because I strongly suspect that the profit to which the Senator refers was made during the time when the Export-Import Bank was confining itself almost exclusively to loans to exporters and importers and not loans to governments.

Mr. BARKLEY. I will state to the Senator in that connection that there has been no loss up to this time on any loan of the Export-Import Bank to any foreign government, but the number of such loans is so infinitesimal that it can hardly be considered in this whole picture. There was a loan made to Haiti, all of which was to be spent in this country; there was a loan to an American corporation for the benefit of China, which has been repaid; there was a loan to a concern with respect to some exportations into Brazil to enable Brazil to help carry on some internal improvements involving American trade; but the comparative amount and number of loans of that character is so insignificant that it is unfair to pick them out and try to make a "sore thumb" out of them.

Mr. VANDENBERG. The Senator is simply emphasizing the precise point I want to submit. The loans to governments heretofore have been infinitesimal. Therefore the losses have been infinitesimal. That is the precise point I am making, but from now on the purpose is different.

Mr. BARKLEY. Mr. President, will the Senator yield there?

Mr. VANDENBERG. Yes.

Mr. BARKLEY. There is nothing in the hearings, nothing in the program that indicates that it will be carried on in any different way from that which has characterized it heretofore. The mere fact that the President in his letter to Senator BYRNES suggested direct loans to foreign governmnts has no relationship whatever to this proposal.

Mr. VANDENBERG. That is what I want to talk about, Mr. President, because I think it definitely and specifically has a relationship. If there is anybody in Washington who has a right to know definitely how much money the Export-Import Bank can use safely and expeditiously in connection with the promotion of foreign trade it is Jesse Jones.

Mr. Jones not only testified earlier in the year that a $125,000,000 maximum was all that he could possibly use but he was content to accept the $100,000,000 at that time for the purpose of making the kind of loans which were then contemplated by the Export-Import Bank.

The Senator from Kentucky has referred to his personal conversations with Mr. Jones. I do not know whether or not I am at liberty to refer to my personal conversations with him, but I had considerable to do in the initial conversation with Mr. Jones in fixing the limit at $100,000,000, and I know that at that time it was believed to be the completely adequate maximum for the direct promotion of American exports. Now the situation seems to have suddenly changed.

Mr. BARKLEY. Will the Senator yield for a moment further?

Mr. VANDENBERG. Yes.

Mr. BARKLEY. The net profit for the fiscal year 1939 of the Export-Import Bank was $1,744,630.

Mr. VANDENBERG. I thank the Senator. That was while we were still dealing substantially with loans to exporters and importers, that is when the Senator from Kentucky says loans to foreign governments were an infinitesimal part of the operation, and because they were an infinitesimal part of the operation, the Export-Import Bank operated at a profit; but when such loans cease to be an infinitesimal part then the Export-Import Bank is not only not going to operate at a profit but at a distinct and specific loss, as we know from all American experience on all external loans of this nature. The Senator from Kentucky said that at the time Mr. Jones made his estimate of $100,000,000 last February or March there was no special effort being made to promote American export trade.

Mr. President, ever since it started, this administration has been making a special effort to encourage export trade. Of course, there was a special emphasis at that time, as much as there is now, and there is just one thing that has happened to change the prospectus of the Export-Import Bank, and that one thing was disclosed by the President's letter to the Senator from South Carolina [Mr. BYRNES] when he said he wanted $500,000,000. For what purpose? For the extension of short-and-long-term loans to foreign governments.

Since the letter was written, and without waiting for any increased authorization from the Congress, the Export-Import Bank has gradually begun to make foreign loans to instrumentalities of foreign governments, precisely in line with the theory and purpose of the President's letter. Therefore, I submit that we are driven to the inevitable conclusion that the purpose of the increase is to deal with the instrumentalities of foreign governments, and that is the reason the money is required, rather than for the direct promotion of foreign trade. On that basis we are not entitled to proceed with one single, additional dollar of United States commitments. We know what the experience has been. The Senator from Ohio has presented it in unanswerable form.

If we are to continue to encourage export trade, which is a totally different thing, it can be done with the $125,000,000 provided by the amendment offered by the Senator from Ohio. The encouragement of export trade can be accomplished with maximum advantage and maximum utility upon the basis of the testimony of Mr. Jesse Jones himself. For that reason I submit that the amendment of the Senator from Ohio should be adopted.

Mr. DANAHER. Mr. President, in connection with the observations of the Senator from Michigan, I should like to read into the RECORD a few questions and anwers involving this very point. Senator TOWNSEND asked Mr. Jones:

How much money have you now in the R. F. C. that you could loan?
Mr. JONES. For all purposes?
Senator TOWNSEND. Yes.
Mr. JONES. About $1,400,000,000.

Mr. WAGNER. Will the Senator state the page from which he is reading?

Mr. DANAHER. Page 219. Mr. President, at the top of page 220 the Senator from Delaware [Mr. TOWNSEND] asked this question:

In your judgment, you have sufficient money to take care of any applications that you have?
Mr. JONES. Correct.

Now, skipping a few questions, I find this:

Senator TAFT. Secretary Morgenthau said he expected they would spend $770,000,000 in the next few months, and you have $1,250,000,000 available.
Senator BARKLEY. How close have you ever come to having your loans absorb your entire capital?
Mr. JONES. Not very close.
Senator BARKLEY. Is the present condition an average condition, or above or below?
Mr. JONES. I do not think we have ever been without at least a billion dollars of available credit.
Senator BYRNES. Why haven't you?
Mr. JONES. Because you have given us a pretty liberal allowance.
Senator BYRNES. Is it necessary or not?
Senator TOWNSEND. You took care of all the applications that you thought were good, didn't you?
Mr. JONES. Oh, yes.

Now, Mr. President, referring again to a statement by Mr. Jones, which is found at the top of page 221:

Mr. JONES. I think we could carry a substantial amount of the requirements under this bill, under the present borrowing authority of the R. F. C.

* * * * * * *

Mr. JONES. I expect we could carry $770,000,000 in the next 12 months—certainly until you come back.

* * * * * * *

Mr. JONES. Yes; and you propose to give us $2,570,000,000 more in this bill. We can do some of this work under our present

borrowing power, if the Congress should decide that they would authorize the projects but not authorize this much of increased borrowing power.

Mr. President, every question and every answer developed clearly that this program could fit within the already existing powers of the Reconstruction Finance Corporation. With reference to the Commodity Credit Corporation, at this minute it has the power to handle all the cotton loans to which the Senator has referred.

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

Mr. DANAHER. I yield.

Mr. BARKLEY. I understand there is no increase in the borrowing power or authority of the Reconstruction Finance Corporation by reason of the increase in the stock of the Export-Import Bank from $100,000,000 to $200,000,000. That is simply absorbed out of the authority they already have; so that there is no increase whatever in this bill of the borrowing authority of the Reconstruction Finance Corporation due to the Export-Import Bank. There was a reduction by that amount, $100,000,000, in the borrowing power, for general purposes, of the R. F. C.

Mr. DANAHER. However, Mr. President, there are at present over 46 millions of dollars of Export-Import Bank funds uncommitted, and if the amendment offered by the Senator from Ohio shall be adopted and we add $25,000,000 to that amount, we will have nearly doubled the available resources of the Export-Import Bank.

Mr. BARKLEY. Will the Senator yield there?

Mr. DANAHER. I yield.

Mr. BARKLEY. We increased the capital to $100,000,000 only last March, and since that time they have been able to make commitments of practically $95,000,000, about $50,000,000 of which has been repaid; so that within the very short period of 3 or 4 months the Reconstruction Finance Corporation or the Export-Import Bank absorbed practically the entire capital stock by making commitments.

Mr. VANDENBERG. Mr. President, will the Senator yield at that point?

Mr. DANAHER. I yield to the Senator from Michigan.

Mr. VANDENBERG. It made the increase chiefly by making commitments to foreign governments and instrumentalities of foreign governments.

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

Mr. DANAHER. I yield.

Mr. WAGNER. I wish to refer to the testimony of Mr. Jones, at page 260 of the hearings, in answer to the statement made by the Senator that some $46,000,000 are now available and have not been committed.

The Senator from Alabama [Mr. BANKHEAD] asked:

Then you have only forty-six millions of available resources? This is committed.

Mr. JONES. We have nothing that is not committed.

So, Mr. President, all of the money now available for lending purposes, under the control of the Export-Import Bank, is committed. Therefore, unless additional funds are provided, the Export-Import Bank will have absolutely no money with which to continue loaning, until some of the loans which have been made are repaid.

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

Mr. DANAHER. I yield.

Mr. TAFT. As I explained, of the total outstanding loans of $53,000,000, twenty millions are not of foreign loans at all. The R. F. C. can take them over tomorrow. That makes $33,000,000 of foreign loans really outstanding. The commitments are commitments to foreign governments in nearly every case.

Mr. WAGNER. The Senator does not mean to say that the commitments are foreign commitments in nearly every case?

Mr. TAFT. The large amounts are for foreign governments. Nineteen million dollars has been loaned to Brazil, in cash, since March. The commitments to Nicaragua and commitments to Brazil and, in fact, practically all of the large items, except the International Telephone & Telegraph loan, are commitments or loans to foreign governments.

Mr. WAGNER. Mr. President, will the Senator yield at that point, so that the statement may be accurate in the RECORD?

Mr. DANAHER. I yield.

Mr. WAGNER. Strictly speaking, the loan to Brazil was not made to the Brazilian Government. It was made to a bank, 50 percent of which is owned by the Brazilian Government and 50 percent of which is privately owned, and the entire loan was made to pay for products purchased in this country.

Mr. DANAHER. Mr. President, has the Senator concluded?

Mr. WAGNER. Yes.

Mr. DANAHER. Of course, drawing that neat distinction between loans to foreign governments and loans to agencies either partially or wholly owned by foreign governments is the basis upon which it is said there is no loan to a foreign government, as in the case of Mexico. In that instance Mr. Jones testified that the loan was for the purpose of purchase of locomotives for the Mexican National Railways. Of course, that was not a loan to Mexico in the sense used by the Senator from New York; it was a loan made to an organization in Mexico.

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

Mr. DANAHER. Certainly.

Mr. WAGNER. The loan was for commodities purchased from American citizens, and every dollar of that loan has been paid.

Mr. DANAHER. I question the accuracy of that last statement. I think the Senator means it is not in default.

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

Mr. DANAHER. I yield.

Mr. BARKLEY. Referring to the $25,000,000 credit given by the Export-Import Bank to cover products exported to China, that money was loaned to the Universal Trading Corporation, of New York.

Mr. DANAHER. Yes.

Mr. BARKLEY. It was not all taken. My recollection may be faulty, but I think about $17,000,000 was taken. The loaning of that money to the Universal Trading Corporation for the exportation of goods to China benefited a total of 30 or 40 corporations, the names of which are set out in the report of the Export-Import Bank. Without that loan, those corporations could not have been able to make the exports. Among this list of 30 or 40 corporations we find the names of the Chrysler Corporation, General Motors Corporation, United States Rubber Export Co., Goodyear Tire & Rubber Export Co., Paul E. Sammann & Co., International General Electric Co., Dodge & Seymour, Ltd., General Motors Overseas Operations, Iron City Tool Works. Two pages are filled with the names of the corporations which were enabled to do business and to sell materials to China because the Universal Trading Corporation was able to borrow money, all of which has now been repaid. It is not fair to hold that out as an example of bad business.

Mr. DANAHER. Mr. President, I must observe to the Senator from Kentucky that I made no reference whatever to the loan to the Universal Trading Corporation, nor did I make any reference to China. My point was simply to bring out, as Mr. Jones himself did, the available capital and the basis upon which that capital could be used.

I now yield to the Senator from Ohio.

Mr. TAFT. With regard to the statement that the loan has been paid back, the total shows there is now outstanding $8,680,000, and that there is committed but not yet advanced $15,840,000. So, far from being paid back, it has not even been loaned.

Mr. BARKLEY. The payments are current, and are being kept up as they fall due.

Mr. TAFT. Of course, I have no doubt; and to the extent that they finance export credits, I see no objection. That is part of the purposes of the Export-Import Bank. However, the general term was a 5-year loan, and that makes it a foreign-government loan.

Mr. WAGNER. I wish to make a correction with reference to the statement regarding the loan to the railway company, which I understand is controlled by the Mexican Government. With reference to the repayment of that loan, I understand that there were two loans made. One was for the sale of locomotives by the American Locomotive Sales Corporation, amounting to $602,000. That has been completely repaid. The other loan, made to the Mexican Railway Co., was for the purchase of equipment from the American Car & Foundry Co. Of that loan, which was in the amount of $225,000, $69,000 has been repaid and $156,000 is due, but the payments are current. In other words, it is repaid so far as the loan is due.

Mr. DANAHER. Mr. President, that coincides with what I stated in that particular. I thank the Senator from New York.

I may say, in conclusion, that the entire program just goes to illustrate the absurdity of the whole set-up, when we now are faced with the proposal to pay an export bounty of a cent and a half a pound on cotton. Curiously enough, we are going to finance the exportation of that cotton by loans from the Export-Import Bank, and we are going to pay somebody to take cotton to Japan, which is the chief user of American cotton at this time, for use in a war over there. What an anomaly!

Mr. BANKHEAD. Mr. President, I did not hear all of the remarks of the Senator from Connecticut, but I judge from what I did hear him say that he contends that the Export-Import Bank has been making liberal use of its credit for exporting cotton. The fact is that since the organization of the Export-Import Bank they have aided in the export of cotton only to the extent of 106,000 bales.

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

Mr. BANKHEAD. I yield.

Mr. DANAHER. Is the Senator quite certain of that?

Mr. BANKHEAD. We had before the Committee on Banking and Currency at least a detailed statement of the disbursements of the Export-Import Bank, and I had the figures compiled. I did not do it myself. The figures presented to me show that the amount used for aiding in the export of cotton was only 7 percent of the total amount disbursed by the Export-Import Bank.

Mr. DANAHER. I certainly thank the Senator from Alabama, and I hope that the Senator from Kentucky has heard every word he said.

Mr. BORAH. Mr. President, as to the business wisdom of lending money for the carrying on of export-import trade, I do not propose to speak. It may be wise and it may not be. Later perhaps we will come to a conclusion on it when we have had more experience. I have always had grave doubts about the ultimate success of the plan.

I wish to say a word about loans to governments. It will be recalled that when the message came in from the President it was proposed that a $500,000,000 authorization be made for the purpose of lending money to foreign governments. At that time some debate took place in regard to the matter on the floor of the Senate, and objection was raised to the proposal. I specifically and earnestly objected to loans to governments.

I do not think it is at all improper for me to make the statement I am about to make. While it refers to a private discussion, in a sense, it was a discussion by an officer having charge of this matter, not in any sense regarded as private so far as the conversation was concerned. He was giving me information with regard to the business which he was conducting and upon which I was seeking information to enable me to vote intelligently. I do not think Mr. Jones regarded it as private.

Mr. Jesse Jones came to the office and stated his position with reference to lending money to foreign governments, and in the conversation he made it clear to me that he was as much opposed to lending money to foreign governments as I was, and that if the matter were under his control he would confine it entirely to the lending of money as they had been lending it, for export and import business.

Upon that basis we discussed the question of reducing the $500,000,000 proposed to $100,000,000, and as to whether or not that would be satisfactory to those of us who had raised a serious question as to the $500,000,000 and as Government loans. The question was raised as to whether under $100,000,000 additional appropriation it would be practical to make loans to foreign governments, if the amount would be sufficient to enable this Government to make such loans. He was of the opinion that the appropriation could only be successfully utilized along the lines on which the loans had been made heretofore. He made it definitely clear that in his opinion no money should be loaned to governments or for governmental purposes, but for trade purposes only.

Mr. President, I am very much opposed to lending money to foreign governments, but I am quite clear that if it is left under the control of Mr. Jones to direct, the loans will not be made to foreign governments. If I thought that were not true, I certainly would feel that there had been a misunderstanding upon my part in regard to the matter.

When we come to lending money to governments, other questions enter about which Congress ought at all times to take particular notice at the time a loan is made. If a loan is to be made to a foreign government, there are many things which enter into the question which ought to be considered, aside from the mere question of putting out so much money. There may be involvements. If I am not very badly misled, within a very short time some facts will be presented to us which will show how unwise it is to lend money to foreign governments without a full knowledge on the part of the Congress and without full authority and an understanding of the terms upon which the loan is to be made.

I therefore rise to say that the policy of lending money to foreign governments, except through specific action, and that action made known to the Congress and the Congress permitted to act upon it, in my judgment is a dangerous policy. In fact, stating a general principle, we ought not to loan to governments at all.

It is claimed by some—and they may be better informed than I—that this money will be loaned to foreign governments, or that some of it will be so loaned. I myself do not find in the record evidence of that fact. But if there is such evidence, I should like to have it pointed out, because it will control my vote.

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

Mr. BORAH. I yield.

Mr. TAFT. The last loans that have been made, on June 9, 1939, were to the Banko de la Republica, Oriental de Uraguay. That is a bank the entire stock of which is owned by the Uraguayan Government. That, of course, is not technically a loan to a foreign government, but in effect it is, because the bank is merely an agency of the foreign government. The loan before that was on January 12, 1939, of $5,000,000 to the Portugese railways. I understand that the Portugese railways are 100 percent owned by the Portugese Government. Since Mr. Jones was here in February $19,200,000 have been loaned to the Bank of Brazil, which is 50 percent owned by the Brazilian Government. Therefore, unless Mr. Jones is making a distinction between agencies of foreign governments and foreign governments, I cannot understand what he is saying, because half of the outstanding loans of the Export-Import Bank today are loans of the character to which I have referred.

Mr. BORAH. Mr. President, I did not have before me the details of the loans to which the Senator refers, nor did Mr. Jones refer to the details of the loans.

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

Mr. BORAH. In a moment. I am permitted to say that my understanding was that loans to a government, as a government, for the purpose of performing governmental duties, in the discharge of governmental obligations, are distinctly contrary to Mr. Jones' theory of lending this money.

Mr. TAFT. It is entirely true that these loans are all made for the purchase of American materials, so far as I know, with a single exception, that exception being 25 percent of

the loan to Haiti. I think the loan is made to a corporation, which takes the notes of the Haitian Government, and the Export-Import Bank have acquired those notes without recourse. So in that case about 25 percent is being spent—not for the purchase of American goods. In general, it is correct that all this money is being spent for exports from this country.

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

Mr. BORAH. I yield.

Mr. BARKLEY. I was going to say that even the loan with reference to the Portuguese Railways was for the purpose of enabling them to purchase certain railway equipment in the United States.

Let us take our dealings with Russia. Of course, it may be that there are some Americans who think we should not sell anything to Russia or have any dealings with Russia, but still we do have such dealings. They have a corporation, the Amtorg Co., which is a trading corporation in this country, through which we have been able to sell. That corporation is controlled by the Russian Government, I think. Its policy certainly is. We have sold vast amounts of machinery, we have sold cotton, we have sold many things, and through that corporation we have been able to export them. There has not been a single instance in 20 years when they have defaulted on any payment.

Mr. BORAH. The Russian Government is about the only European Government which seems to be paying its debts.

Mr. BARKLEY. There are one or two little exceptions, like Finland.

Mr. BORAH. Yes; Finland.

Mr. BARKLEY. It is the outstanding European Government that has kept up its record of paying its debts. Such a loan might be said to be an indirect loan to the Russian Government. It is not. It is the type of loan which over 20 years has turned out to be sound. If we are to be denied the opportunity of making that kind of loan, of course we are going to cripple our trade.

Mr. CONNALLY. Mr. President, will the Senator from Idaho yield?

Mr. BORAH. I yield.

Mr. CONNALLY. I had a question in mind which has been already somewhat developed. Is it not true that the primary purpose of the whole organization of the Export-Import Bank is to facilitate exports and imports? The fact that, incidental to that, a foreign government might have an interest in some institution, is beside the point, because we are not making a governmental loan at all in the strict sense of that term. We are making a loan to aid exports or to facilitate imports, and the fact that the Government, in the case of these corporations mentioned by the Senator from Ohio [Mr. TAFT], had an incidental financial interest, does not bring the loans within the category of the loans to which the Senator from Idaho is objecting.

Mr. BORAH. Mr. President, I have no doubt that Mr. Jones had in mind that kind of a loan. I do not think Mr. Jones would have stated to me that he was loaning for governmental purposes, on behalf of the Government, if he had not so understood it. Whether it is to be confined to that course of conduct is a very important question. But I was specific and asked him the question whether $100,000,000 would permit the carrying on of the course of conduct which had been carried on, or would it also permit the loaning to governments, because I was desirous only of limiting the loans to loans to governments. That was as far as I cared to go at that time, whatever might be my judgment in the future as to loaning for business purposes.

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

Mr. BORAH. I yield.

Mr. TAFT. One thing that shows the character of these Government loans was that the Finance Minister of Brazil came here and made a Brazilian Government loan. It was the dictator of Nicaragua who came here and made a Nicaraguan Government loan. It was the head of the Paraguayan Government who came here and made a loan for the Paraguayan Government. Now, the theory that these are not Government loans is contrary to the real facts of the case. The truth of the situation is that these governments have come in here and asked for money; and every dictator in South America is planning to come here to the United States to pick up the millions that are lying around loose in Washington.

Mr. BORAH. There is no doubt about that. They are all waiting for loans, if we are to lend money to governments and for governmental purposes. The Senator is entirely correct about that. It is an unsound policy, an unwise policy, and we ought not to pursue it. But when they struck out the $400,000,000 it was my opinion that they had limited it to such figures as to necessitate the bank to confine itself to loans which were not Government loans. That, together with the language of the bill and the views of the administrator, seems to me to protect the thing I have in mind.

Mr. WAGNER. Mr. President, I do not want unduly to delay a vote on this question. There are just one or two matters which were developed before the committee to which I should like to refer. The Export-Import Bank was not created to make loans to foreign governments for governmental purpose. The purpose of the Export-Import Bank was to help our citizens and our manufacturers and our domestic producers to export their commodities, to facilitate the sale of their commodities in other countries, and to aid them in financing those transactions. So far as the transactions of the Export-Import Bank are concerned up to date that purpose has been carefully adhered to, because except the 25 percent referred to by the Senator from Ohio in regard to the Haitian loan, every loan represents a sale of our products to nationals of a foreign country. I think, in this connection, it should be pointed out that we are only doing in an extremely modest way what other countries are doing on a very much larger scale.

Mr. President, I ask for the special attention of the senior Senator from Oklahoma [Mr. THOMAS]. The other day he proposed to offer an amendment, and in connection therewith he introduced an article appearing in the New York Times in which it was stated that England had proposed to aid its producers and manufacturers to the extent, I think, of——

Mr. THOMAS of Oklahoma. Six hundred and nine million dollars.

Mr. WAGNER. Six hundred and nine million dollars—to aid English producers and manufacturers in financing their exports to other countries.

I read the other day that England had given a loan to Poland which Poland was going to use to stimulate its exports, that is, to help finance its exporters' sales in other countries. Of course, the loans of the Export-Import Bank are made for sales primarily to the South American countries, and there is quite a contest going on to win the markets of South America. England, Germany, and other European nations have adopted the barter policy.

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

Mr. WAGNER. I yield.

Mr. CONNALLY. In connection with the Senator's statement that it is intended primarily for South America, I may suggest that the cotton-producing States are interested in the Export-Import Bank increase of capital inasmuch as exporters of cotton expect to do considerable exporting business, and they need these credits to carry on the export business. For instance, the foreign cotton buyer can secure temporary credit and not be obliged to pay cash for the cotton, but so soon as he sells it he meets his bill. So the cotton trade is greatly interested in the proposed increase in the capital of the Export-Import Bank. The sales to which I have referred relate more particularly to Europe than to South America.

Mr. WAGNER. Yes; that is true. I did not intend to imply that loans are made only for exports to South America, but many of the loans have been made with respect to sales to countries to the south of us.

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

Mr. WAGNER. I yield.

Mr. BARKLEY. To corroborate what the Senator from Texas has stated——

Mr. CONNALLY. I thank the Senator from Kentucky.

Mr. BARKLEY. I am always glad to corroborate what the Senator says and I am even more glad to have him corroborate what I say. My attention has been called to the fact that negotiations have been undertaken looking to the possibility of the sale of 1,000,000 bales of cotton in Europe that would have to be financed through the Export-Import Bank. Certainly to take off the market of the United States a million bales of cotton would be a great boon to the cotton producers of the United States.

Mr. TAFT. I mentioned that in my main talk. The United States Government has a considerable amount invested in cotton, and the Commodity Credit Corporation has entire authority to sell that cotton abroad and take the goods of foreigners in payment for the cotton. I do not think the Government needs the Export-Import Bank for that purpose in any respect whatever.

Mr. CONNALLY. While I am sure the Senator from Ohio is an outstanding authority on cotton, the cotton exporters do not agree with him.

Mr. BARKLEY and Mr. TAFT rose.

The PRESIDING OFFICER. Does the Senator yield, and, if so, to whom?

Mr. WAGNER. While Senators have not been willing to yield to me, I shall yield; first to the Senator from Kentucky.

Mr. BARKLEY. In that connection, let me say that the Commodity Credit Corporation can sell cotton that it is now holding, on which the Government has a lien, only with the consent of the owner, and it cannot sell it for less than the loan, with the interest and storage upon it, whereas there might be a great deal of free cotton in this country which may be sold through the Export-Import Bank.

Mr. CONNALLY. Of course. The new cotton crop is moving in my State. The exporters have personally taken the matter up with me and urged the increase in the capital of the Export-Import Bank in order to facilitate their exports of cotton, of the new free crop. It is to the interest of those who raise cotton to keep the new cotton out of the loan and sell it if they can.

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

Mr. WAGNER. I yield.

Mr. BORAH. I should like to ask the Senator from New York and the Senator from Kentucky a question in connection with this matter. Was it not understood at the time the $500,000,000 was changed to $100,000,000 that there were to be no loans to governments for governmental purposes?

Mr. WAGNER. Exactly, and I am one of those who was opposed to the $500,000,000 extension of authorization to the Export-Import Bank. There have not been any loans made to foreign governments for governmental purposes. The discussion has proceeded on a theory which I think has confused the issue. One would think that the Export-Import Bank was created simply as a bank to finance foreign governments in their governmental transactions. Nothing of the kind was contemplated. It is a very modest contribution toward aiding our manufacturers and producers to sell their commodities abroad, and that is all.

Mr. BORAH. I think we got over the line in China pretty badly. But the question is whether or not under this new bill it was to be understood that there were to be no loans to governments henceforth for governmental purposes, to be used by governments for governmental purposes.

Mr. WAGNER. That is certainly the purpose of those who are advocating this proposed legislation, if I may say so.

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

Mr. WAGNER. I yield.

Mr. LUCAS. Is it not a fact that Jesse Jones in testifying before the Committee on Banking and Currency upon that very question stated that, in the event a loan to a foreign government was contemplated, he thought it would be necessary to bring the question before the Congress and obtain the consent of Congress before the loan was consummated?

Mr. WAGNER. Yes; certainly. He asserted, as I recall, that he had no authority to make any such loan, and, of course, he would not do so in any event without a previous authorization from the Congress of the United States. The Senator is absolutely correct about that.

I asked Mr. Jones when he was before our committee whether any of the sales which were financed in part by the Export-Import Bank could have been made in other countries without such aid and he said emphatically "No." Because of the chaotic condition in other countries the banks themselves are not prepared to take the risk alone, although they do share in some of these risks.

Mr. BARKLEY. I wanted to suggest to the Senator from New York, in his time, as I have no time of my own, and to the Senator from Idaho, that in order to clear up this matter so there may be no misunderstanding with respect to the object of these loans, I am prepared to offer an amendment of this nature.

Provided, That no loan shall be made hereunder for any purpose other than increasing exports from the United States.

Mr. CONNALLY. The Senator should not leave out imports.

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

Mr. WAGNER. I yield.

Mr. TAFT. It does not seem to me that the amendment would change the situation.

Mr. WAGNER. Will the Senator discuss that amendment a little later on?

Mr. BARKLEY. Mr. President, it would be impossible to write anything that would satisfy the Senator from Ohio.

Mr. WAGNER. There has been much discussion about loans to foreign governments. Strictly speaking, loans have not been made to foreign governments, for the Export-Import Bank and the applicant, the exporter, conduct the transactions through the existing bank in the foreign country. If sales are to be made, the financial transactions must be handled through the foreign bank. In both the instances of Poland and Brazil, only 50 percent of the stock of the bank in either of those countries is controlled by the government. The other 50 percent is controlled by private investors.

So, strictly speaking, even in those instances about which so much has been said today, the loans are not made to the foreign government. The government may have a 50-percent interest in the bank, and may pledge its credit to that extent for the repayment of the loan, but it enters the picture only because the bank offers the only financial institution available for carrying out the financial transactions connected with the sales. I wish to emphasize that in the case of every loan made payments are absolutely current. The Senator from Kentucky read from the RECORD that up to date a profit has been made. No loan has been made with respect to which the Export-Import Bank directors have any doubt as to repayment. Every loan made has either been repaid or is current.

A few minutes ago when I asked the Senator from Maryland [Mr. TYDINGS] to yield to me he declined to yield, but later weakened. The Senator said that in every instance the Export-Import Bank pledged its credit for the entire loan. As a matter of fact, there are any number of cases in which, when the firm is strong enough financially to do so, it participates in the loan. In other words, if the sale is for $1,000,000 worth of products to a particular customer, the concern itself will carry 50 percent of the credit and the bank will carry the other 50 percent. In about 50 percent of the loans made by the Export-Import Bank the loans are made with recourse to the exporter. So the bank has recourse both to the purchaser in the foreign country and to the applicant or the exporter in this country.

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

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Does the Senator from New York yield to the Senator from Maryland?

Mr. WAGNER. I yield.

Mr. TYDINGS. I was dealing with only that part of the loan which the Export-Import Bank handled, whether it was 10 percent, 50 percent, or 100 percent. To that extent, if the endorsers do not make the paper good, the bank's assets are liable for the repayment of the loan.

Mr. WAGNER. In many instances the loans are held with recourse to the applicant for the loan.

Mr. TYDINGS. I say, if the endorser does not make the loan good, if he does not repay the bank for the money advanced, and the bank cannot collect it, the bank stands a loss.

Mr. WAGNER. The Senator means if there is also a default by the purchaser in the foreign country.

Mr. TYDINGS. Yes.

Mr. WAGNER. Of course; but there is recourse to both. Experience has shown that there has been no loss, and that all payments are current.

The PRESIDING OFFICER. The time of the Senator from New York on the amendment has expired.

The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. TAFT].

Mr. JOHNSON of California. Mr. President, when I was a young man I occasionally visited certain individuals in the country of whom I was very fond. At certain times of the day the cook would come out from the cook house and beat a great gong, the sound of which would carry far, and yell at the top of his voice, "Come and get it!"

We have done just that thing in the matter of South American loans in the present instance. We have said to South America "Come and get it"; and every broken-down dictator in that territory is on the way to Washington in the hope that he may fill his coffers with good American dollars. Oh, it may be pretended that we do not lend the money to him. However, in one way or another he gets it; and when he gets it he keeps it; and we have seen the last of that sum of money. We have instances before us of loans which have been made to various countries to the south of us, and they are all of that kind. I will not except a single one of them. Brazil hopes to have more battleships built in our yards. It will be said that thereby employment would be given to many persons; but we would pay the bill. Ultimately all the people would be taxed for all these loans, because none of them would be repaid, and nobody expects that they would be repaid.

I have before me a report of the Commission which exists today for the purpose of dealing with South American loans. That report shows loans of approximately one and three-quarter billion dollars due to our people. Our people paid the sums that were necessary in the days when those loans were made. They paid them out of their hard-earned cash. Today we are initiating the same thing in a round-about fashion.

Mr. President, I am not indicting Jesse Jones in the slightest degree, and I yield to no man in my regard for him. I recognize that if it were possible he would so administer the law as to comply with the technical letter as well as with the spirit of the law, and he would not make loans to foreign governments. However, the fact is that the loans which have thus far been made are loans to governments; a loan was made to a bank in Brazil, half of which is owned by the Government itself; all of that which was loaned in Nicaragua was loaned to the Government of Nicaragua, because that Government consists of one man alone. All that was loaned to Paraguay or Uruguay—I have forgotten which—was given to the one who is in charge of everything there.

I believe a loan is contemplated to Bolivia, where a distinguished gentleman named German Busch is at present administering every law upon the statute books of that country. He, in accordance with the time-honored custom of the governments of that particular region, declared in one fell swoop that no parliament should exist in the future. Then, not to be outdone, he decreed that there should be no political parties in the state. Then, to be on an equality, as he thought, with those who govern abroad, he said that he would permit no question of human rights to be determined otherwise than by himself.

Doubtless that government will be on its knees asking us for some particular loan, and perhaps will be accorded it. But whether accorded it or not, this method of lending the money of the people of the United States helter-skelter and pell-mell is one against which I protest, and protest as strongly as a man can protest.

Just think of it. Today we have so little thought of the Government of this country that $100,000,000 or $125,000,000 does not appeal to us. We think it is a matter upon which we should not waste a moment's time, and that the question should be determined forthwith, without regard to its merits. Dealing with a subject such as that, we let it go by; but some time in the future there comes a day of reckoning, when those who work for a living or those who have a little must pay every dollar that we fritter away in this mad fashion. We ought not to do it; and it ought not to be done at all by a free body like this, at this or at any other time.

I have no doubt Mr. Jones will do what is right in regard to these loans. But Mr. Jones is not the controlling spirit of our Government. Mr. Jones is not the one who determines our foreign policies. We have heard enough misrepresentation about our foreign policies in the past month. Mr. Jones is not the one who decides what ultimately shall be done; and when the decision is made Mr. Jones will stand aside and do as the particular controlling voice in the Government shall determine.

It is up to the Senate. I do not care a rap. I shall vote against the bill, so I do not care whether the Senate gives $25,000,000 or $100,000,000 to Mr. Jones to play with as he sees fit. I do not care, except so far as the morals of the situation are concerned, and so far as justice to the American people is concerned. The Senate may do as it wishes with this amount. It may do as it desires in putting further taxes upon the American people. It is true the sum involved is small; but when taken in the aggregate with all the sums presented, it is $1,900,000,000. It is up to the Senate. I shall be forced to acquiesce in what the Senate does, but I shall vote against the bill.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Ohio [Mr. TAFT].

Mr. BARKLEY. Mr. President, I move as a substitute for the amendment offered by the Senator from Ohio, to strike out "$125,000,000" and to insert in lieu thereof "$175,000,000", with a proviso at the end of the section.

The PRESIDING OFFICER. The amendment offered by the Senator from Kentucky [Mr. BARKLEY] in the nature of a substitute for the amendment offered by the Senator from Ohio [Mr. TAFT] will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 18, line 15, it is proposed to strike out "$125,000,000" and insert "$175,000,000: *Provided,* That no loan shall be made under this section for any purpose other than facilitating trade by way of increasing exports from the United States to foreign markets: *And provided further,* That all funds made available under this section shall be expended in the United States."

Mr. GEORGE rose.

The PRESIDING OFFICER. The question is on the amendment in the nature of a substitute offered by the Senator from Kentucky [Mr. BARKLEY] to the amendment of the Senator from Ohio [Mr. TAFT].

The Senator from Georgia is recognized.

Mr. GEORGE. Mr. President, I do not wish to be heard since the Senator from Kentucky has offered this amendment, but I had risen to say that it ought to be entirely clear that our cloth is being cut to fit a foreign pattern; that we are not making our foreign policies; that we are in this bill, without this amendment certainly, permitting corporations that have been created by the Congress to shape our foreign policy to meet the necessities or the wishes of other countries.

I realize, Mr. President, that I am making a very grave statement, but the truthfulness of the statement I am making will be borne out and verified by time. We have witnessed a complete change of policy by this Government on the question of tariffs. There were those of us who stood for a liberal

trade policy with all the world, not with imaginary friends or imaginary foes. We stood for a policy that would break down quotas, embargoes, restrictions, and prohibitive tariffs. But all that has changed. The department of the Government that in December 1938 was vigorously opposed to subsidies upon exports of our raw materials is now vocal and pleading for subsidies upon such materials.

Why? Everybody knows that $100,000,000 is adequate as a capital for the Export-Import Bank to encourage any legitimate efforts to expand legitimate foreign trade. We have changed the whole program; we have changed the whole policy. Are we changing it for America? If so, all good and well; but let us stand up here and say so. Are we changing it to suit the necessities of somebody else, of some other nation? If so, let us say so. I have the profoundest respect for any man who says that he wants to change our policies, that he wants to go back on everything for which we have stood for the sake of aiding a particular nation, A or B, because he is against C and D; but let him stand up and say so.

What is the necessity for more than $100,000,000 or $125,000,000 for the Export-Import Bank? Is there any necessity for an increase so far as we are concerned? Would it promote foreign trade and commerce? Can there be any promotion of foreign trade and commerce in the vacillating, changing, day-by-day program? Can there be any promotion of foreign commerce if the State Department today is against subsidies and is against barters and is for free and liberal programs of international commerce and trade, and tomorrow is in favor of barters and of subsidies and an illiberal program?

Mr. President, I have no sympathy whatever with any totalitarian state on the face of the earth, but I have an attachment and love for my country, and I raise the question now, Are we trying to shape our foreign policies to fit the needs and necessities and security of the American people or are we trying to serve the ends of others as we fancy them as being our ends and our interests? No nation ever made a greater mistake; no nation could make a more fatal blunder. Our duty and our responsibility are to our own people. We can never serve it unless we have an eye single to our own interests. I want foreign trade, I want foreign commerce, but I want it on a basis that will last. I do not want it on a basis of favoritism; I do not want it on a basis of subsidy.

Time after time Mr. Jones himself has commited himself to the proposition that $125,000,000 was adequate; but now we must make additional loans; we must have additional authority. This amendment is relatively insignificant, but what is profoundly significant is whether we are making our foreign policy or whether we are cutting the cloth to suit the pattern of some other nation.

I raise this question, and I raise it deliberately. Mark my words, Mr. President, in a comparatively short time it will appear that we are not making our foreign policy according to the demands, the necessities, and wishes and the interest of America, but we are looking elsewhere. I never made a more serious declaration in the Senate, and perhaps I never shall, but to me it is all too clear that what I am now saying is the truth. If we want to promote exports, all right; but why abandon our whole tariff policy? Why abandon our whole program under the reciprocal-tariff agreements if they were right? Why destroy the very objective of the whole program? Whom do we want to favor? Whom do we imagine are our friends or whom do we fancy are our foes? It seems to me that President Washington was right when he said that a nation could be enslaved by an undue attachment to a foreign power as well as by undue animosity toward a foreign power.

Mr. President, gratitude is all too rare among men who daily pass each other upon terms of equality on the streets of the village or the city. In international matters it were better to make our own policy. This is not by any means a disconnected event. We changed our policies in the face of declarations that we were opposed to barters, but we have become a bartering nation. In face of a solemn declaration that we were opposed to subsidies we have become a subsidizing nation. In the face of our own statutes providing that we were against dumping we have become a dumping nation. That will not preserve our foreign trade, Mr. President. I want our actions to be on a basis that will enable us to hold foreign trade and foreign commerce on the merits of our products and on the policies that we adopt for the protection of our own people.

Mr. President, regardless of what may be said to the contrary, I know that there is no possible reason for more than $125,000,000 for the Export-Import Bank if it is the intention to use it merely to promote commerce between this country and foreign nations. If we want to make foreign loans, let us say so, and let each loan stand on its own merits.

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

Mr. GEORGE. I yield.

Mr. WAGNER. Mr. Jones testified before the committee that if he is to continue aiding our exporters to sell their products abroad, he would have to secure an increase because all of the money now authorized has been committed. He suggested $100,000,000. The moneys which he is authorized to use for loans have been committed. So if it is desired to continue the activity of helping to secure foreign markets, which the Senator favors, Mr. Jones would have to have an additional sum of money.

Mr. REED. Mr. President, may I inquire whether this is a private conversation or is it intended for the ears of Senators? I should be very happy if the distinguished Senator from New York would utter his words loud enough so that some of us who are intensely interested in the subject may hear them.

Mr. WAGNER. I beg the Senator's pardon; I thought I had spoken loud enough.

Mr. GEORGE. May I answer?

Mr. WAGNER. Yes.

Mr. GEORGE. Mr. President, I do not understand that all of the funds appropriated for the capital of the Export-Import Bank have been used. Some $53,000,000 have been used. The fund is a revolving fund.

I am as strongly in favor of increasing our exports as is anyone else. I am willing to increase them by any legitimate means. I want to increase them, Mr. President; but I have a right to ask, and I will ask, why there is to be a change in our entire domestic program, if we are looking to our own country.

I have seen the program changed. I cannot understand it. I have only a limited knowledge and a limited capacity to understand, but I have seen our entire tariff program changed. I have seen the entire program changed so far as our exports and imports are concerned. I have seen the whole philosophy of it changed.

The PRESIDING OFFICER. The time of the Senator from Georgia on the substitute amendment has expired.

Mr. GEORGE. Mr. President, I leave the question now. I had intended to raise it and have done so.

The PRESIDING OFFICER. The question is on the amendment in the nature of a substitute offered by the Senator from Kentucky [Mr. BARKLEY] to the amendment of the Senator from Ohio [Mr. TAFT].

Mr. VANDENBERG. Mr. President, I wish to speak briefly on the substitute amendment submitted by the able majority leader. He is obviously making a good-faith effort to try to assure the expenditure of these funds upon American-made commodities. But that does not at all meet the issue that has been raised. Suppose every penny of the loan of May 17, 1939, to the Banco Nationale de Nicaragua—which is entirely and exclusively a governmental instrumentality—is spent for American products; what of it as respects the fundamental issue that is raised here? We must look to the maker of the note for our money.

The maker of the note is a foreign government or its instrumentality; and so long as the maker of the note is a

foreign government or its instrumentality, it makes no difference whatever how we protect the expenditure to make sure that every nickle of it is spent in the United States. We have not avoided the fundamental challenge that we must not go into the business of making loans to foreign governments and foreign instrumentalities, because that way lies the root of trouble and difficulty; that way lies the root of default and repudiation; that way lies the experience we have had with loans to foreign governments and to their instrumentalities. Five billion dollars was loaned abroad in the 1920's—for what purpose? For the purpose of buying American commodities. Every penny of it might have been committed by the amendment submitted by the able Senator from Kentucky; every penny of it might have been committed by law to expenditure in the United States. What of it? That does not alter the fact that all the $5,000,000,000 is in substantial default. That does not alter the fact that our experience with loans to foreign governments and foreign instrumentalities is utterly bad.

Mr. President, I submit that the amendment in the nature of a substitute offered by the Senator from Kentucky, despite his earnest effort to meet a portion of the criticism that is leveled at this Export-Import Bank increase, does not remotely touch the point. The point is, as Mr. Jones said—and he should know better than any other man in Washington—that within the last 4 months $125,000,000, which is the sum provided by the amendment submitted by the Senator from Ohio, was all that he could use wisely and to advantage in the direct encouragement of export trade. The only thing that has happened in between to change the policy and purpose of our external loans is the letter of the President of the United States in which he said that he wanted to make loans to foreign governments. It is loans to foreign governments and to the instrumentalities of foreign governments that have chiefly been made since that letter was written.

Mr. President, I submit that the case stands precisely as it did before the Senator from Kentucky offered his proposed substitute. The substitute should be rejected, and the amendment of the Senator from Ohio should be adopted.

Mr. BARKLEY. I dislike very much to have to keep occupying the floor, but I cannot let the statements of the Senator from Michigan go without reply. I thank him for his concession that I am making an obvious effort.

Mr. VANDENBERG. That is an obvious concession.

Mr. BARKLEY. But no matter how earnest or honest my effort, obviously I cannot satisfy the Senator from Michigan.

Mr. VANDENBERG. Not when it comes to making foreign loans.

Mr. BARKLEY. Let us concede that in writing the letter to the Senator from South Carolina the President had in his mind the making of foreign loans for the purpose of facilitating American trade. There is nothing in the bill that is based upon the President's letter, insofar as that part of it was concerned. There is nothing in the proposal which changes a particle the law now in existence with respect to the Export-Import Bank. In order to satisfy those who are suspicious or fearful that some loan might be made for some other purpose except to facilitate American trade, I have offered this proviso, that no loan shall be made under this section except for the purpose of facilitating American trade by way of increasing American exports, and that every dime of the money shall be expended in the United States. Under that proviso even the little 20 percent the Republic of Haiti would use in order to employ her own labor and not have to import it from the United States would be covered. That was a concession brought about by the peculiar relationships which have existed between the United States and Haiti, with which we are all familiar.

Under the substitute not a dime of this money can be advanced for any other purpose except to promote American trade. There is not a nickel of it that can be advanced which foreign governments could employ in their own countries to expand factories or do anything else with except buy American products. That is all, and that is all we are interested in.

I do not know whether the $175,000,000 which I have provided, which represents a $25,000,000 reduction, will be sufficient or not; but if it is not, I suppose we can get along until Congress meets again. But from the 1st of last April to the 1st day of August they have used up the $100,000,000 we gave them in March; that is, the amount has been committed; it has not all been used. There is now outstanding about $55,000,000 in loans, and the rest of it has been committed. If the rest of it has been committed, the Export-Import Bank can make no further loans and can provide for the facilitation of no further American exports until it is determined whether those commitments will actually be used or the entire amount, or a considerable portion of it, or enough of it, is repaid to enable the Export-Import Bank to engage in further export or import transactions. I think this is a fair effort to meet the situation, to allay any fears on the part of anyone, and I hope the substitute will be agreed to.

Reference has been made to the Johnson Act. Of course, that act applies to all foreign governments and the agencies of such governments which are in default to the United States Government. It does not apply to countries which are in default simply to private citizens of the United States. It applies to those governments which are in default to the Government of the United States as such, to which the United States has made loans; and if there is any such South American or Central American country, it would apply just as effectively as if it were a European country. I urge the adoption of the substitute.

Mr. NORRIS. Mr. President, I want to understand the parliamentary situation. The Senator from Ohio, as I understand, has offered an amendment to cut the amount of $200,000,000 down to $125,000,000. That is all his amendment does. It seems we are talking about a substitute. I desire to know whether the amendment offered by the Senator from Kentucky can be in any way a substitute for the amendment of the Senator from Ohio?

The PRESIDING OFFICER. The Chair holds that the amendment is in the nature of a substitute, since it changes the amount of the appropriation, and adds a proviso.

Mr. NORRIS. I should like to have the substitute read.

The PRESIDING OFFICER. The amendment in the nature of a substitute will be reported again for the information of the Senate.

The LEGISLATIVE CLERK. Mr. BARKLEY proposes an amendment in the nature of a substitute for the amendment offered by Mr. TAFT, on page 1, line 2, of the amendment offered by Mr. TAFT to strike out the numerals "$125,000,000" and insert "$175,000,000: *Provided*, That no loans shall be made under this section for any purpose other than facilitating trade by way of increasing exports from the United States to foreign markets: *Provided further*, That all funds made available under this section shall be expended in the United States."

Mr. TAFT. Mr. President, I am glad to note from the substitute amendment of the Senator from Kentucky that the figure $200,000,000 at least is not a sacrosanct figure. He is willing to concede from that figure.

The significance of the $125,000,000 is that that is the figure Mr. Jones said was all that he would ever need in order to carry on the kind of activities the Export-Import Bank had been carrying on prior to that time.

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

Mr. TAFT. For a moment.

Mr. BARKLEY. The Senator knows that Mr. Jones said that in March, and only a week or 10 days ago before our committee he urged the increase in the capital to the amount carried in the bill. So that Mr. Jones, who has had the experience of administering the law, in view of his success up to now, believes that the additional amount is necessary.

Mr. TAFT. Because since that time the Export-Import Bank has engaged in a policy of making loans to foreign governments. The only reason why he has used up this money is that he has done that. He has loaned $19,200,000 to the Bank of Brazil. It was done by agreement with the Bank of Brazil, a very considerable agreement, by the way, which was not presented to the Senate to ratify, but involved other matters beside the $19,000,000. He has since that time

made a commitment of two and a half million to Nicaragua, two and a half million to Paraguay, five million to the Portuguese railways, four million to Uraguay. As long as he confined himself to the regular business, $125,000,000 was plenty, and he said so, but now they have branched out into loans which, it cannot be questioned, are foreign government loans.

Mr. BARKLEY. The loans so far as the Portuguese railways are concerned were made to the following American companies: American Locomotive Sales, International General Electric, E. G. Budd Manufacturing Co., Baldwin Locomotive Works.

Mr. TAFT. Those are the applicants.

Mr. BARKLEY. They are the people who got the money.

Mr. TAFT. What the Government gets finally is a note of the Portuguese railways, which runs for 5 years, and is payable in semiannual installments.

Mr. BARKLEY. It gets the obligation of these American companies, which is backed up by those notes, but the loan is made to the American companies, with their obligation.

Mr. TAFT. I did not ask in every case whether the notes were taken without recourse or not. In many cases I know they were taken without recourse. Frankly, I do not know about that in the particular case to which the Senator has referred.

If we adopt the amendment after this debate, it amounts to saying, "We approve of the policy of lending money to foreign governments and foreign instrumentalities, providing they use the money to buy goods in the United States." That is the condition we put on the war loans, that is the condition, practically, we included in many cases, at least, on the loans made after the war. That is not the debate, that is not a concession in argument made in the debate before the Senate. I think it is perfectly proper to lend the money to encourage sales to foreign governments; I am quite willing to think that even without any provision of this kind Mr. Jones would never make another loan like the loan to Haiti, which was conditioned on the money coming 100 percent back to the United States. The very point of the argument is that we want to finance loans for the export of products, but not to finance any that are on an unsound basis, a basis which will not contribute to friendship, which will rather hurt our future international standing than help it, which will build up an export-import business which will collapse as soon as it becomes apparent, as it has always become apparent in the past, that the foreign governments do not pay their loans because they do not have to, and we do not make them. At that time we will find a collapse in these industries, which will have an adverse effect again on employment in this country.

So that it seems to me no concession is really made by the substitute, and I would request that the substitute be voted down, and the amendment itself be adopted.

Mr. KING. Mr. President, in my own time I should like to ask the Senator a question.

Mr. TAFT. Certainly.

Mr. KING. Does not the Senator believe that if we embark upon a program of lending to governments, we will of necessity have repercussions which will be unfavorable? If we lend to government A, government B will immediately assert that we are favoring government A, and it will perhaps arouse antagonism against America and American producers. Does not the Senator believe that if we are to embark upon the policy of lending to governments, Congress itself should be called upon to speak with respect to the government or governments which shall become obligated to us, and we become their beneficiaries?

Mr. TAFT. Yes. I think any loan to a government should be made by treaty, unless there is some great emergency, or we are in the midst of a great war.

Mr. KING. Of course, if we were in the midst of war, and one of our associates in the war, as in the time of the World War, wanted a loan, we would be perfectly justified, if it contributed to the ultimate success of the venture, in making very large loans, as we did during the World War, to aid in the cause. But I am opposed to the lending of money to any country except under such circumstances as those indicated, as in the case of war, where our associates might appeal for credit, and I might be in favor of extending credit. But I would be very much opposed to authorizing Mr. Jones—an able man, of course—to lend to any government he pleases.

Mr. ADAMS. Mr. President, I really desire to ask the Senator from Kentucky, in my time, to give me a bit of information, though probably I should know the answer. The first matter is, I am interested in the mechanics of the financial operations of the Export-Import Bank. I find in the list of credit extensions that the applicant carries 33⅓ or 50 percent of the loan. Take the American Locomotive Co., or the Fairbanks-Morse Co. Does the Export-Import Bank make a direct loan to these corporations of a certain amount of money, to be expended by them in their export business and in the preparation of materials for manufacture or for export?

Mr. BARKLEY. I probably can answer that by reading from the circular giving the general policy of the Export-Import Bank, which was issued in June of last year:

> The bank is interested primarily in assisting nationals of this country in the development of sound foreign trade, and not in propositions involving the outright purchase of foreign securities or blocking balances having no relation to actual current commercial transactions.
>
> (1) In cases where American exporters desire to bid on foreign business the bank will study such proposals with a view to making commitments in advance of the submission of such bid.

It says further on:

> Any exporter or importer may make application for credit by writing directly to Export-Import Bank of Washington, Washington, D. C., or through a commercial bank.

The loans to which the Senator refers are made directly to the domestic corporation.

Mr. ADAMS. Is it a loan upon which the domestic corporation has a liability to the Export-Import Bank? For instance, I see the Fairbanks-Morse Co. listed. Does the Export-Import Bank lend them a certain sum which that company owes to the Export-Import Bank regardless of the outcome of the foreign venture?

Mr. BARKLEY. The Export-Import Bank really does a general banking business, as a matter of fact. Sometimes the local domestic corporation assumes 25, sometimes 50, sometimes 100 percent of the entire loan. In some cases I think the Export-Import Bank has permitted the domestic corporation to assume a portion of the loan, and to rely upon the security they take for the repayment of the loan.

Mr. ADAMS. But, assuming that the foreign purchaser does not pay an obligation, can the Export-Import Bank collect from the American exporter?

Mr. BARKLEY. Not in every case, because in some cases, where it extends credit, say, up to 50 or 75 percent to the American corporation, it may rely upon the assets or the security taken by the domestic corporation from the foreign corporation, which may be put up as a part of the security, and to that extent the domestic corporation may be released beyond the actual percentage of its direct obligation.

Mr. ADAMS. Then do I understand that the Export-Import Bank guarantees to the exporter one-third or one-half of all the collections?

Mr. BARKLEY. I suppose one might put that interpretation on it to the extent that it does not obligate the domestic corporation to pay the entire amount out of whatever assets it has.

Mr. ADAMS. I notice in the list great corporations, such as General Motors, Firestone Tire & Rubber Co., the Ford Co.—corporations which are amply able to finance themselves. I am merely trying to understand clearly the mechanics of the thing.

Mr. BARKLEY. As in the case of any bank which discounts paper, some of it is without recourse; and, of course, in such a case the Senator is familiar with what that amounts to in the way of a guaranty, or a transfer, or assignment, or endorsement. In some cases it may operate to release the American company of part of its obligation or the entire amount.

Mr. ADAMS. As I recollect, Mr. Jones said that the R. F. C. has an available lending capacity at this time of roughly $1,400,000,000.

Mr. BARKLEY. No; not at all. The Senator is confusing the general authority of the R. F. C. to make loans with the Export-Import Bank.

Mr. ADAMS. No; I am not confusing it. The R. F. C. has an aggregate unused lending capacity of $1,350,000,000.

Mr. BARKLEY. Yes; for all purposes.

Mr. ADAMS. For all purposes. Now my question is, If this authority of the Reconstruction Finance Corporation is not a power, for instance, to make a loan to Fairbanks, Morse & Co. to enable them to conduct export business?

Mr. BARKLEY. I presume, so far as agricultural commodities are concerned, the R. F. C. might make loans under a previous statute, but it did not have the authority to do it in the way in which it was desirable to do it. Otherwise, the Export-Import Bank would not have been necessary. It was found that it would be more businesslike to create this bank to do business as an ordinary bank in carrying out the purposes of facilitating foreign trade.

Mr. ADAMS. Let us say, for instance, that the capital or loaning capacity of the Export-Import Bank was fixed at $175,000,000 or $125,000,000, or $100,000,000, and an emergency arose, and that amount was not quite adequate for the immediate problem, the purpose of my inquiry was to find out whether or not the R. F. C. was in a position to step in and meet the emergency.

Mr. BARKLEY. It might in isolated cases, but it could not in a general way to the same degree as is authorized under the Export-Import Bank.

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

Mr. ADAMS. Certainly.

Mr. VANDENBERG. I should like to go back to the Senator's original question, because I think it is important. I do not see how there can be any doubt about the mechanics. The Senator referred to the Portuguese loan of $5,000,000. Let us see what happens on the face of the record. The applicant is the American Locomotive Sales Corporation, of New York, the International General Electric Co., of New York, the E. G. Budd Manufacturing Co., of Philadelphia, and the Baldwin Locomotive Works, of Philadelphia. Without any doubt, these four American corporations are going to get the benefit of this loan, and that is the point covered by the pending substitute. But this equipment is to be furnished to the Portuguese Railways, which is exclusively an instrumentality to the Government of Portugal, and the applicants, being these four American corporations, carry 25 percent of the loan. Who possibly could carry the other 75 percent in final responsibility except the Portuguese Railways, which in turn is the Portuguese Government? So it is not a final 75-percent reliance upon the Portuguese Government, on the face of the record?

Mr. ADAMS. May I in a measure answer that by asking a question of the Senator from Kentucky? The Federal agency, the Export-Import Bank, in a sense guarantees the American Locomotive Co. on its sales of locomotives to some foreign corporations of some kind. As I understand, it means, if the locomotives are not paid for, and there is a 50-percent participation, that the Export-Import Bank stands 50 percent of the loss.

Mr. BARKLEY. It is a possibility; but that method is adopted by all banking institutions in the matter of foreign trade.

Mr. ADAMS. Oh, no.

Mr. BARKLEY. They do it in part by acceptances, by discounts, and by endorsements——

Mr. ADAMS. No, no. There is no bank in the world that ever, for ordinary interest rate, accepted the responsibility of taking half of the loss and none of the profit. That is not done. What we are trying to do is to stimulate foreign trade by the acceptance and the assumption, as I understand, of part of a loss that may come. My question is this: If we are protecting the American Locomotive Co., or the General Motors Co., as to one-third, or one-half, or some other fraction of their losses, is the United States as a whole furthering its commercial enterprises by imposing the loss upon the Federal Government rather than by allowing the individual corporation to carry it? That is, the net result, so far as national assets are concerned, is the same unless business is stimulated in such a way as to do the country some good.

Mr. BARKLEY. Of course, none of the money leaves the country. It is used for the general purpose of carrying out the contract, and it remains here until the obligation is discharged. Of course, it is possible, I suppose, to imagine some exceptional case where the Export-Import Bank would take a risk by limiting the obligation of the operating corporation in the United States to 50 or 75 percent. It may take a theoretical risk in depending upon the security of a foreign corporation to repay. But that is the sort of transaction which frequently occurs in international trade in all sorts of banks. Up to date there have been no losses due to such risk. On the contrary, as I have already stated, the Export-Import Bank has made a profit. It did make a profit in the fiscal year ending on the 1st of this last June of $1,700,000. So there may be a theoretical risk, but no actual risk.

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

Mr. ADAMS. Certainly.

Mr. BORAH. The difference between these two amendments, so far as dollars is concerned, is $50,000,000. What is the difference between them so far as using that money for governmental purposes is concerned?

Mr. ADAMS. As I understood the Senator from Kentucky, it was in putting into words limitations which we all understood were actually in the incorporation of the organization. That is, none of us contemplated in the creation of the Export-Import Bank that it would make foreign loans. Now the Senator from Kentucky is putting into the measure a definite provision that the Export-Import Bank shall comply with our understanding when the bank was created. I was hopeful the Senator from Ohio would accept a proviso——

Mr. TAFT. There is nothing in the substitute whatever that even mentions foreign governments or in any way prohibits the sale to foreign governments. The Senator understands that. Of course, if the Senator would add an additional proviso that there should be no such loans to foreign governments, then it would be entirely acceptable to me. Incidentally, I would be quite willing, so far as my amendment is concerned, to add the Senator's proviso to the $125,000,000 proposed by my amendment.

Mr. ADAMS. I think the proviso offered by the Senator from Kentucky would constitute an improvement, if it were added to the amendment of the Senator from Ohio as it stands, and I have no doubt the Senator from Kentucky would be glad to have that done in order to make the provision clear.

Mr. TAFT. I would like to perfect my amendment by adding to it the proviso offered by the Senator from Kentucky. I do not think it means very much, but so far as it goes, it goes very much in the right direction.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). The Senator has the right to modify his amendment until the time it is voted on.

Mr. BARKLEY. The question involved in the definition is one that undoubtedly causes difficulty. It might be provided that no loan shall be made for governmental purposes, but what is a governmental purpose depends entirely on the laws of the government of the country where the exports are to go. Of course all of this is always under the control of the Export-Import Bank. It can turn down all applications if it so wishes.

The PRESIDING OFFICER. The time of the Senator from Colorado [Mr. ADAMS] on the amendment has expired.

The question is on the amendment in the nature of a substitute offered by the Senator from Kentucky [Mr. BARKLEY] for the amendment of the Senator from Ohio [Mr. TAFT] as modified.

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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

Adams	Davis	King	Russell
Andrews	Downey	La Follette	Schwartz
Austin	Ellender	Lee	Schwellenbach
Bailey	Frazier	Lodge	Sheppard
Bankhead	George	Lucas	Shipstead
Barkley	Gerry	Lundeen	Slattery
Bilbo	Gibson	McCarran	Smathers
Bone	Gillette	McKellar	Smith
Borah	Guffey	Maloney	Stewart
Bridges	Gurney	Mead	Taft
Brown	Hale	Miller	Thomas, Okla.
Bulow	Harrison	Minton	Thomas, Utah
Burke	Hatch	Murray	Townsend
Byrd	Hayden	Neely	Truman
Byrnes	Herring	Norris	Tydings
Capper	Hill	Nye	Vandenberg
Chavez	Holman	O'Mahoney	Van Nuys
Clark, Idaho	Holt	Pepper	Wagner
Clark, Mo.	Hughes	Pittman	Walsh
Connally	Johnson, Calif.	Radcliffe	Wheeler
Danaher	Johnson, Colo.	Reed	White

The PRESIDING OFFICER. Eighty-four Senators have answered to their names. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. BARKLEY] in the nature of a substitute for the amendment offered by the Senator from Ohio [Mr. TAFT], as modified.

Mr. BARKLEY and Mr. TAFT asked for the yeas and nays.

The yeas and nays were ordered.

Mr. TAFT. Mr. President, may the amendment of the Senator from Kentucky be read, as well as my amendment, as modified?

The PRESIDING OFFICER. The amendments will be read for the third time for the information of the Senate.

The LEGISLATIVE CLERK. The amendment of the Senator from Ohio proposes, on page 18, line 15, to strike out $200,000,000" and insert: "$125,000,000: *Provided,* That no loan shall be made under this section for any purpose other than facilitating trade by way of increasing exports from the United States to foreign markets: *Provided further,* That all funds made available under this section shall be expended in the United States."

The amendment offered by the Senator from Kentucky in the nature of a substitute for the amendment offered by the Senator from Ohio, as modified, proposes, on page 18, line 15, to strike out "$125,000,000" and insert: "$175,000,000: *Provided,* That no loan shall be made under this section for any purpose other than facilitating trade by way of increasing exports from the United States to foreign markets: *Provided further,* That all funds made available under this section shall be expended in the United States."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. BARKLEY] in the nature of a substitute for the amendment offered by the Senator from Ohio [Mr. TAFT], as modified.

Mr. CLARK of Missouri. Mr. President, I should like to ask the Senator from Kentucky whether or not in his contemplation the substitute amendment proposed by him would permit the use of Government credit—for it is essentially Government credit—for the exportation of arms, munitions, and implements of war?

Mr. BARKLEY. Subject to the law regulating the exportation of arms, munitions, and implements of war, and subject to the law governing the Export-Import Bank, if any such commodities could be squeezed in between those two provisions of law, it might be possible.

Mr. CLARK of Missouri. Mr. President, I do not desire to detain the Senate. The yeas and nays have already been ordered. I merely desire to say that I do not intend to vote for any sort of appropriation or the extension of any sort of Government credit for the purpose of using the credit of the United States to finance and facilitate armament programs in foreign nations.

Mr. BARKLEY and Mr. NORRIS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Missouri yield; and if so, to whom?

Mr. CLARK of Missouri. I yield to the Senator from Kentucky. I shall be glad to yield to the Senator from Nebraska in just a moment.

Mr. BARKLEY. I should like to answer the suggestion of the Senator from Missouri by saying that no such loan has been made by the Export-Import Bank, and no such loan is contemplated, even if it were possible.

Mr. CLARK of Missouri. Would the Senator be willing to include a provision to prohibit such loans?

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

Mr. CLARK of Missouri. I yield.

Mr. PITTMAN. Why not make the provision broader and say we shall not ship out of the United States arms, munitions, or implements of war to any country, any time, anywhere?

Mr. CLARK of Missouri. That would be agreeable to me.

Mr. PITTMAN. That question is now before us.

Mr. CLARK of Missouri. The Senator does not intimidate me at all with that proposal.

Mr. BARKLEY. Mr. President, I do not think there is any necessity to provide for any such contingency in this bill. We have had before us the question of the exportation of arms and munitions. We have passed laws on the subject. The proposal involves the whole question of neutrality; and I do not think that question ought to be injected into this legislation.

Mr. CLARK of Missouri. I simply injected it, Mr. President, because it will determine how I shall individually cast my vote. I had hoped to be able to vote for the Senator's substitute.

Mr. BARKLEY. As between the amendment offered by the Senator from Ohio and my substitute there is no difference on that subject.

Mr. CLARK of Missouri. I understand.

Mr. BARKLEY. There would be no advantage one way or the other.

Mr. CLARK of Missouri. There would be an advantage of $50,000,000.

Mr. BARKLEY. If that would be an advantage.

Mr. NORRIS. Mr. President——

Mr. CLARK of Missouri. I agreed to yield to the Senator from Nebraska.

Mr. NORRIS. I think the suggestion I wanted to make to the Senator from Missouri has already been covered by the Senator from Kentucky. Referring to the question the Senator from Missouri raised, there is absolutely no difference between the amendment of the Senator from Kentucky and the amendment offered by the Senator from Ohio.

Mr. CLARK of Missouri. There is $50,000,000 difference.

Mr. NORRIS. As I see it—and I do not believe there can be any dispute about it—there is only one difference between the two propositions now, and that is one provides for $175,000,000, the other provides for $125,000,000.

Mr. CLARK of Missouri. I will say to the Senator from Nebraska that, if the question is presented, assuming that this money were to be used for armament purposes for other nations, the difference between whether we spent $125,000,000 to arm foreign nations or $175,000,000 would be a very material consideration.

Mr. BARKLEY. Mr. President, nobody in this entire discussion or in the hearings or in the activities of the Export-Import Bank, to which this portion of the bill is limited, and to which the amendment is limited, has ever thought of the exportation of arms and munitions. Nothing of that kind has ever been done, and I am satisfied that it will not be done. If the Senator were to insist that, under no circumstance, should the United States provide or assist in any way in the exportation of arms to any country, it might even involve the question of what assistance we would render to South and Central American nations under the Monroe Doctrine in the event it should become necessary for them to obtain such articles for their own protection and defense.

Mr. TYDINGS. Mr. President——

Mr. CLARK of Missouri. I yield.

Mr. TYDINGS. I think the Senator from Nebraska has just stated what is the fundamental difference between the two amendments, and I agree with what he said; and I should like to ask, in the time of the Senator from Missouri——

Mr. CLARK of Missouri. I yield the floor.

Mr. TYDINGS. I do not want the floor, as my time has expired. So I should like to ask the Senator from Missouri a question in his own time.

Mr. CLARK of Missouri. Very well.

Mr. TYDINGS. I ask whether or not the Senator from Kentucky would consent to voting upon his proposal as two different matters, one relating to the money appropriated, and the other the wording, because I am afraid we will become confused about having the wording of the proposal of the Senator from Kentucky without the money.

Mr. NORRIS. The wording is just the same in both amendments.

Mr. BARKLEY. I will say to the Senator that the substitute amendment which I had offered is the substitute which was read and the Senator from Ohio accepted the latter part of my substitute as the language of his amendment.

Mr. TYDINGS. I have accomplished my purpose, in suggesting that I wanted to prove, that the only real difference was the amount of money, so that Senators would not feel that they would lose the wording of the amendment of the Senator from Ohio.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Kentucky [Mr. BARKLEY] in the nature of a substitute for the amendment proposed by the Senator from Ohio [Mr. TAFT], as modified. On that question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. LOGAN]. I do not know how he would vote; but I transfer that pair to the junior Senator from New Jersey [Mr. BARBOUR], and will vote. I vote "nay."

Mr. MINTON. I announce that the Senator from North Carolina [Mr. REYNOLDS] is detained from the Senate because of a death in his family.

The Senator from Arkansas [Mrs. CARAWAY] and the Senator from Rhode Island [Mr. GREEN] are absent on important public business.

The Senator from North Carolina [Mr. BAILEY], the Senator from Ohio [Mr. DONAHEY], the Senator from Virginia [Mr. GLASS], the Senator from Kentucky [Mr. LOGAN], and the Senator from Louisiana [Mr. OVERTON] are unavoidably detained.

The Senator from Mississippi [Mr. BILBO], the Senator from Washington [Mr. BONE], and the Senator from Nevada [Mr. MCCARRAN] are detained in Government departments.

Mr. GUFFEY (when his name was called). I have a pair with the Senator from New Hampshire [Mr. TOBEY]. I transfer that pair to the Senator from Louisiana [Mr. OVERTON] and will vote. I vote "yea." I am not advised how either Senator would vote if present and voting.

The roll call was concluded.

Mr. HARRISON. I have a general pair with the senior Senator from Oregon [Mr. MCNARY] and therefore withhold my vote.

Mr. MINTON. I announce that the Senator from Mississippi [Mr. BILBO] is paired with the Senator from Virginia [Mr. GLASS]. If the Senator from Mississippi were present, and voting, he would vote "nay."

Mr. HAYDEN. I announce that my colleague [Mr. ASHURST] is detained from the Senate because of illness in his family.

Mr. AUSTIN. I announce the general pair of the Senator from Wisconsin [Mr. WILEY] with the Senator from Rhode Island [Mr. GREEN].

The Senator from New Hampshire [Mr. TOBEY] would vote "nay" if present.

The result was announced—yeas 44, nays 35, as follows:

YEAS—44

Andrews	Gillette	Maloney	Schwartz
Bankhead	Guffey	Mead	Schwellenbach
Barkley	Hatch	Miller	Sheppard
Borah	Hayden	Minton	Slattery
Brown	Herring	Murray	Smathers
Byrnes	Hill	Neely	Stewart
Chavez	Hughes	O'Mahoney	Thomas, Okla.
Clark, Idaho	La Follette	Pepper	Thomas, Utah
Connally	Lee	Pittman	Truman
Downey	Lucas	Radcliffe	Wagner
Ellender	McKellar	Russell	Wheeler

NAYS—35

Adams	Davis	Johnson, Calif.	Smith
Austin	Frazier	Johnson, Colo.	Taft
Bridges	George	King	Townsend
Bulow	Gerry	Lodge	Tydings
Burke	Gibson	Lundeen	Vandenberg
Byrd	Gurney	Norris	Van Nuys
Capper	Hale	Nye	Walsh
Clark, Mo.	Holman	Reed	White
Danaher	Holt	Shipstead	

NOT VOTING—17

Ashurst	Caraway	Logan	Tobey
Bailey	Donahey	McCarran	Wiley
Barbour	Glass	McNary	
Bilbo	Green	Overton	
Bone	Harrison	Reynolds	

So Mr. BARKLEY's amendment in the nature of a substitute for the amendment of Mr. TAFT, as modified, was agreed to.

OBTAINING OF STRATEGIC ISLANDS FOR DEFENSE OF PANAMA CANAL

Mr. LUNDEEN. Mr. President, for some time I have advocated the taking over of strategic and important bases for the protection of the Panama Canal, both on the Atlantic and the Pacific coasts. I have no desire to make any extensive remarks at this time, due to the limitation of debate on the bill, but I ask unanimous consent to have printed in the RECORD certain resolutions and letters bearing upon these proposed bases both on the Atlantic and Pacific coasts.

I further ask to have an article dealing with the subject printed in the RECORD. It is entitled "Canal Authorities Apprehensive of Pacific Attack," written by Alice Rogers Hager, and published in the Washington (D. C.) Evening Star of July 31. The article is dated Panama City, C. Z., July 31, and indicates that the Canal authorities favor my resolutions.

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

The matters referred to are as follows:

[S. J. Res. 119, 76th Cong., 1st sess.]

Joint resolution providing for negotiations by the President with a view to the acquisition, by purchase, of Greenland

Whereas the United States would be able to make more adequate provision for its national defense if it were in possession of Greenland; and

Whereas possession of Greenland by a power hostile to the United States would constitute a distinct threat to the United States, and particularly to the populous area along the northeast seaboard of the United States; and

Whereas valuable trade could be developed between the United States and Greenland if it were a possession of the United States: Therefore be it

Resolved, etc., That the President of the United States is authorized and requested to enter into negotiations, in such manner as he may deem appropriate, with the Government of His Majesty, the King of Denmark and Iceland, for the acquisition by the United States of Greenland. Such negotiations shall be conducted with a view to the making of a treaty between the Government of the United States and the Government of His Majesty, the King of Denmark and Iceland, providing for the purchase by the United States of Greenland.

[S. J. Res. 120, 76th Cong., 1st sess.]

Joint resolution providing for negotiations by the President with a view to the acquisition by purchase of the colony of Curaçao and Netherlands Guiana

Whereas adequate provision for the protection of the Panama Canal is an indispensable feature of our national-defense policy; and

Whereas possession of the colony of Curaçao and Netherlands Guiana by the United States would enable it to provide more adequately for such protection; and

Whereas the colony of Curaçao and Netherlands Guiana export products in which the United States is deficient and import products of which a surplus is produced in the United States: Therefore be it

Resolved, etc., That the President is authorized and requested to enter into negotiations, in such manner as he may deem appropri-

ate, with the Government of Her Majesty, the Queen of the Netherlands, for the acquisition by the United States of the colony of Curaçao and Netherlands Guiana. Such negotiations shall be conducted with a view to the making of a treaty between the Government of the United States and the Government of Her Majesty, the Queen of the Netherlands, providing for the purchase by the United States of the colony of Curaçao and Netherlands Guiana.

[S. J. Res. 170, 76th Cong., 1st Sess.]

Joint resolution to provide for negotiations by the President with a view to acquiring certain islands owned by the Republic of Mexico

Whereas Guadalupe Island, Cerros (Cedros) Island, Isabel Island, Las Tres Marias Islands, and the Revilla Gigedo Islands are of strategic importance and vital for the defense of the Panama Canal; and

Whereas such islands are owned by the Republic of Mexico: Therefore be it

Resolved, etc., That the President is authorized and requested to enter into negotiations, in such manner as he may deem appropriate, with the Republic of Mexico with a view to acquiring by purchase or otherwise Guadalupe Island, Cerros (Cedros) Island, Isabel Island, Las Tres Marias Islands, and the Revilla Gigedo Islands from the Republic of Mexico.

[S. J. Res. 171, 76th Cong., 1st sess.]

Joint resolution to provide for negotiations by the President with a view to acquiring certain islands owned by the Republic of Ecuador

Whereas Amortajada or Santa Clara Island, La Plata Island, Puna, Salango, and the Galapagos Islands are of strategic importance and vital for the defense of the Panama Canal; and

Wheres such islands are owned by the Republic of Ecuador: Therefore be it

Resolved, etc., That the President is authorized and requested to enter into negotiations, in such manner as he may deem appropriate, with the Republic of Ecuador with a view to acquiring by purchase Amortajada or Santa Clara Island, La Plata Island, Puna, Salango, and the Galapagos Islands from the Republic of Ecuador.

[S. J. Res. 172, 76th Cong., 1st sess.]

Joint resolution to provide for negotiations by the President with a view to acquiring Malpelo Island and Gorgona from the Republic of Colombia

Whereas Malpelo Island and Gorgona are of strategic importance and vital for the defense of the Panama Canal; and

Whereas such islands are owned by the Republic of Colombia: Therefore be it

Resolved, etc., That the President is authorized and requested to enter into negotiations, in such manner as he may deem appropriate, with the Republic of Columbia with a view to acquiring by purchase Malpelo Island and Gorgona from the Republic of Colombia.

[S. J. Res. 173, 76th Cong., 1st sess.]

Joint resolution to provide for negotiations by the President with a view to acquiring certain islands owned by the Republic of Panama

Whereas Isla Coiba, Jicaron, and the Perlas Islands are of strategic importance and vital for the defense of the Panama Canal; and

Whereas such islands are owned by the Republic of Panama: Therefore be it

Resolved, etc., That the President is authorized and requested to enter into negotiations, in such manner as he may deem appropriate, with the Republic of Panama with a view to acquiring by purchase Isla Coiba, Jicaron, and the Perlas Islands from the Republic of Panama.

[S. J. Res. 174, 76th Cong., 1st sess.]

Joint resolution to provide for negotiations by the President with a view to acquiring Cocos Island, Cano Island, and Isla San Lucas (Golfo de Nicoya) from the Republic of Costa Rica

Whereas Cocos Island, Cano Island, and Isla San Lucas (Golfo de Nicoya) are of strategic importance and vital for the defense of the Panama Canal; and

Whereas such islands are owned by the Republic of Costa Rica: Therefore be it

Resolved, etc., That the President is authorized and requested to enter into negotiations, in such manner as he may deem appropriate, with the Republic of Costa Rica with a view to acquiring by purchase Cocos Island, Cano Island, and Isla San Lucas (Golfo de Nicoya) from the Republic of Costa Rica.

VETERANS OF FOREIGN WARS OF THE UNITED STATES,
Washington, D. C., July 31, 1939.

Hon. ERNEST LUNDEEN,
Senate Office Building, Washington, D. C.

DEAR SENATOR LUNDEEN: I note that you have proposed, in five joint resolutions introduced in the Senate, legislation authorizing the President to negotiate for the purchase of a number of islands and other territory which you feel should be under our defense control as a matter of national safety. I feel that this is one of the best and most constructive ideas yet advanced for our national defense scheme, and I sincerely believe that the Veterans of Foreign Wars will want to support you in this legislation.

Mr. Millard W. Rice, our national legislative representative, and I have discussed the question and plan to present resolutions supporting your proposals at the Fortieth Annual Encampment of the Veterans of Foreign Wars which will take place at Boston during the latter part of August. I shall appreciate it if you will send me copies of your resolutions for use in presenting the matter to our encampment. We now have no mandate on this particular angle of national defense.

Thank you very much for your courtesy.

Very sincerely yours,

VICTOR E. DEVEREAUX, *Director.*

NATIONAL ASSOCIATION FOR THE CALLING OF A UNITED STATES CONSTITUTIONAL CONGRESS,
New York, July 20, 1939.

Hon. ERNEST LUNDEEN,
United States Senator,
United States Senate, Washington, D. C.

MY DEAR SENATOR LUNDEEN: Please accept sincere compliments and respects, and permit request for two copies of the bill which the United Press recently indicated as having been introduced in the Senate by your worthy and esteemed self, apropos of the desirability of the transfer to the United States by foreign countries of their territories and other lands in the Western Hemisphere.

Your kindness will be cordially appreciated.

Assurances of kind regards and good wishes are herewith transmitted.

Very respectfully,

R. MOULTON PETTEY.

JULY 24, 1939.

DEAR SENATOR LUNDEEN: I have read with great enthusiasm an article in the Journal-American stating that you are proposing a resolution that the United States obtain all the islands in the Caribbean Sea either by direct purchase or obtain them in lieu of our war debts.

I am definitely in favor of such a proposal, and I know that many of my friends are also. We have talked about this same thing many times. It seems that quite a few people cannot realize the predicament we would be put to if the Panama Canal was sabotaged. I am in favor of two strong fleets, one for the Atlantic and one for the Pacific. I am also in favor of buying the Galapagos and the Dutch property and to negotiate for the exchange of British and French property for the war debts.

I suppose many a Senator or Representative will fall for the usual wily British actions such as that talked about recently where they want a substantial reduction and then to amortize the balance. Later they will repudiate that balance and ask for another reduction. Only God knows how long that will continue. Recent events concerning British recognitions of various concessions including the recognition of Japanese belligerent rights in China show that Britain would double-cross us if the going would be too tough for them, and they would readily leave us holding the bag. The visit of the King and Queen was the highest of British propaganda, and I am sure that you and other Senators didn't fall for it.

I will gladly do anything to help these proposals go through and if you need any petitions I will gladly canvass my friends to get them. I am thinking as every American should, and I am neither a Communist, Fascist, or any other "ist" just because I believe we should have that land for safety sake. I believe we should also try to get the Bermudas even though they do not fall in the Caribbean.

I am not much of a letter writer, but I do believe in putting my sentiments on paper for such a worthy cause, and while you are in the Senate I pray that you will not give up the fight to get these proposals to a head. I'll be rooting for you, and as stated above please do not hesitate to write if you need any petitions. And don't forget to vote two ships for the other's one.

E. LISY,
308 Harding Avenue, Clifton, N. J.

LOS ANGELES, CALIF., *June 18, 1939.*

Hon. ERNEST LUNDEEN,
Senator, United States Senate, Washington, D. C.

HONORABLE SIR: I was pleased indeed to read the Associated Press report of your interest in the purchase of Bermuda by the United States.

Several years ago I had a conversation with an officer of a foreign country, and his statements at that time led me to believe that sometime his country would seize Jamaica, Bermuda, and Nassau.

I trust that you will introduce a bill in Congress at an early date for the purpose of creating a committee that start at once the negotiations for the purchase of the above islands. The island of Jamaica would make the best naval base as weil as base for military planes that is possible to find. I took that matter or point up with Rear Admiral Hepburn. He agreed with me as to the military value of this island. He doubted that England would apply the debt or consider the debt in the purchase.

England is seeking the help of the United States, and there is no better time than now to get action. Every one of the above islands

could be made to pay commercially, and for military purpose there is no question as to value.

Until the United States owns the above islands there will always be danger of them falling into the hands of some enemy of this country. To be brief, I trust that you get a bill before this Congress for their purchase. Every real American will stand up and cheer for you.

I will be pleased to give you any information that I can as to these islands as I have been on all of them. Will be glad to hear from you.

Very truly,

A. LINCOLN CHASE.

BROOKLYN, N. Y., *July 24, 1939.*

Senator LUNDEEN,
United States Senate, Washington, D. C.

DEAR MR. LUNDEEN: I read in this evening's New York Journal American your proposal for the acquisition of all foreign-owned islands and other lands in the Atlantic and Pacific in South and Central America. I agree with you and I am sure that a hundred million other Americans do. I agree, too, that the acquisition should be speeded up so as to make way to add all this land to our chain of national defense of the United States as well as being closer to guard over the South and Central America governments and the defense of the Panama.

With the present method of aggression which does not declare but just breaks in by carefully carried out secret plans as can be seen all over the world. Therefore we need plenty of outposts in our Western Hemisphere to prepare. It will be the places that are unguarded that will be attacked and least expected of attack. Not to say the commercial value of these islands for air service and tourists.

I say, act now.

Sincerely yours,

JOHN J. MCKEOGH.

P. S.—We will probably never be paid. These lands would be part payment. Let the French and English pay the Dutch for Dutch Guiana. It shouldn't cost us anything except our debt.

[From the Washington Evening Star of July 31, 1939]

CANAL AUTHORITIES APPREHENSIVE OF PACIFIC ATTACK—GALAPAGOS, COCOS ISLANDS BELIEVED ESSENTIAL FOR DEFENSE

(By Alice Rogers Hager)

PANAMA CITY, C. Z., July 31.—Grave concern as to the safety of the Panama Canal, from the Pacific side, in the event of any general war in which the United States would be involved is being expressed here as a result of lack of support in Washington for the Lundeen bill to lease the Galapagos and Cocos Islands, off the Panamanian coast.

The consensus here in the Canal Zone paints a graphic and startling picture of the sudden damage to the locks and canal power-control points that could be achieved in the event of a surprise attack from the west, with the consequent severing of this American lifeline.

"The dawn attack" has become an obsession down here. On the east Nature has provided the long chain of islands of the West Indian group and preparations are now being made to fortify enough bases there to make it virtually impossible for an enemy fleet or its planes to attack the Canal. But nothing stands between Asia and the Pacific end of the Canal and the entire west coast of North and South America except Hawaii, and Hawaii could be isolated or simply neglected by an enemy fleet steaming along the Equator.

COULD STRIKE SUDDENLY

In an ocean the size of the Pacific such a fleet could move secretly toward Panama, bring its aircraft carriers and supporting ships within the short distance of 500 miles under cover of darkness, and, at the proper moment, launch its planes with their deadly burdens so that they would be in striking position over the Canal at dawn before the American forces had any warning of their approach.

To offset this danger, bills have been introduced in Congress that would authorize the leasing of bases on the only land in the entire Pacific adjacent to the Canal, and also at appropriate points within a 1,000-mile range to the north and south in Central and South America. This would give a protecting range of 1,000 miles in all three directions, with intersecting patrol areas that would automatically prevent any surprise attacks. The ideal locations for such land bases would be along the coasts of the countries to the north and south of the Canal at the correct distances, and for seaplane bases and radio stations in the Galapagos and Cocos groups.

With the present feeling of cordial cooperation between the Central and South American nations and the United States, observers here say that the institution of such bases would be welcomed by the governments in question as an additional protection to themselves. It is felt by those in authority in the Canal Zone that outlying bases in the Pacific, similar to those in the Atlantic, are absolutely necessary to the Canal's safety.

Lack of support for the plan is thought here to be due to a misconception. In following out its good-neighbor policy, the administration is believed to feel that any move to attempt to fortify territory adjacent to the Canal, even on a purely lease basis, would be offensive to members of the Lima conference. The policy itself and the general moves to make it effective are applauded locally, but, in this instance, it is generally disagreed with.

As against this Washington view, there is cited here the recent close fraternization between the heads of countries close to the Canal and the United States Army officers stationed here. Gen. David Stone, commanding general of the Canal Department, in particular, is credited with having done an extraordinarily fine job in promoting better understanding. He has been repeatedly invited to come to Central American capitals as an honored guest by their presidents, and has in return entertained their high officers in Panama.

NO FEAR OF LAND ATTACKS

The announcement by Colombia a few days ago that she would prevent by force of arms, if necessary, any attack on the Canal through her territory, and the subsequent practical application of action in requiring Scadta, the German-owned airline, to reorganize, with Colombians at its head, are attributed to an interchange of visits between the two armies.

In comparison to the real worry that it was generally known the Army felt concerning the proximity of German flying so near the Canal, General Stone told this writer that now there is nothing to be feared from land attacks. "The neighboring countries," he said, "are as one in their friendliness and concern for the safety of what they realize to be their own lifeline as well as ours. They know how great their own danger would be if the Canal were to be seized by any enemy from either the east or the west. And they also realize that the aim of the United States is not war, but the protection of a peaceful artery of world trade.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Calloway, one of its reading clerks, announced that the House had passed a bill (H. R. 5138) to make unlawful attempts to interfere with the discipline of the Army, the Navy, and the Coast Guard; to require the deportation of certain classes of aliens; to require the fingerprinting of aliens seeking to enter the United States; and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 188. An act to provide for the administration of the United States courts, and for other purposes; and

S. 1558. An act to provide for the acceptance of an easement with respect to certain lands in New Mexico, and for other purposes.

HOUSE BILL REFERRED

The bill (H. R. 5138) to make unlawful attempts to interfere with the discipline of the Army, the Navy, and the Coast Guard; to require the deportation of certain classes of aliens; to require the fingerprinting of aliens seeking to enter the United States; and for other purposes, was read twice by its title and referred to the Committee on the Judiciary.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT—CONFERENCE REPORT

Mr. NEELY submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House of Representatives to the bill (S. 281) to amend further the Civil Service Retirement Act approved May 29, 1930, as amended, 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 disagreement to the amendment of the House of Representatives and agree to an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert: "That section 3 of the Act of May 29, 1930, as amended, is amended by striking out all of that portion thereof beginning with paragraph (g) and continuing to the end of the section and inserting in lieu thereof the following:

"'(g) This Act shall not apply to such employees of the Lighthouse Service as come within the provisions of section 6 of the Act of June 20, 1918, entitled "An Act to authorize aids to navigation and for other works in the Lighthouse Service, and for other purposes", nor to members of the police and fire departments of the municipal government of the District of Columbia, nor to such employees or groups of employees as may have been before the effective date of this Act excluded by Executive orders from the benefits of the Act of May 22, 1920, and amendments thereof.

"'(h) The provisions of this Act may be extended by Executive order, upon recommendation of the Civil Service Commission, to apply to any employee or group of employees in the civil service of the United States not included at the time of its passage. The President shall have power, in his discretion, to exclude from the operation of this Act any employee or group of employees in the civil service whose tenure of office or employment is intermittent or of uncertain duration.

"'(i) Any officer or employee to whom the Act of July 13, 1937 (Public, Numbered 206, Seventy-fifth Congress, first session), applies who has failed to exercise the option provided thereby to come within the terms of the Retirement Act of May 29, 1930, as amended, may exercise such option within six months from the effective date of this Act.'

"SEC. 2. Strike out all of section 4 of the Act of May 29, 1930, as amended, and insert in lieu thereof the following, so that this section shall read:

"'(a) The annuity of an employee retired under the provisions of the preceding sections of this Act shall be a life annuity, terminable upon the death of the annuitant and shall be composed of (1) a sum equal to $30 for each year of service not exceeding thirty: *Provided*, That such portion of the annuity shall not exceed three-fourths of the average annual basic salary, pay, or compensation received by the employee during any five consecutive years of allowable service at the option of the employee; nor shall such portion be less than an amount equal to the employee's purchasable annuity as provided in (2) hereof; and (2) the amount of annuity purchasable with the sum to the credit of the employee's individual account as provided in section 12 (a) hereof, together with interest at 4 per centum per annum compounded on June 30 of each year, according to the experience of the civil-service retirement and disability fund as may from time to time be set forth in tables of annuity values by the Board of Actuaries.

"'(b) The total annuity paid shall in no case be less than an amount equal to the average annual basic salary, pay, or compensation, not to exceed $1,600 per annum, received by the employee during any five consecutive years of allowable service at the option of the employee, multiplied by the number of years of service, not exceeding thirty years, and divided by forty.

"'(c) Any employee at the time of his retirement may elect to receive, in lieu of the life annuity herein described, an increased annuity of equivalent value which shall carry with it a proviso that no unexpended part of the principal upon the annuitant's death shall be returned.

"'(d) Any employee retiring under the provisions of section 1 of this Act may at the time of his retirement elect to receive in lieu of the life annuity described herein a reduced annuity payable to him during his life, and an annuity after his death payable to his beneficiary, duly designated in writing and filed with the Civil Service Commission at the time of his retirement, during the life of such beneficiary (a) equal to or (b) 50 per centum of such reduced annuity and upon the death of such surviving beneficiary all payments shall cease and no further annuity shall be due or payable. The amounts of the two annuities shall be such that their combined actuarial value on the date of retirement as determined by the Civil Service Commission shall be the same as the actuarial value of the single life increased annuity with forfeiture provided by this section: *Provided*, That no election in lieu of the life annuity provided herein shall become effective in case an employee dies within thirty days after the effective date of retirement, and in the event of such death within this period, such death shall be considered as a death in active service.

"'(e) For the purpose of this Act all periods of service shall be computed in accordance with section 5 hereof, and the annuity shall be fixed at the nearest multiple of twelve.

"'(f) The term "basic salary, pay, or compensation," wherever used in this Act, shall be so construed as to exclude from the operation of the Act all bonuses, allowances, overtime pay, or salary, pay, or compensation given in addition to the base pay of the position as fixed by law or regulation.'

"SEC. 3. Section 6 of the Act of May 29, 1930, as amended, is hereby amended as follows:

"'(a) At the end of the first paragraph add the following: "The time limitation for execution of claims for retirement under the terms of this section may be waived by the Civil Service Commission in cases of employees who at the date of separation from service or within six months thereafter, are adjudged mentally incompetent, but the application in such cases must be filed with the Civil Service Commission within one year from the date of restoration of any such person to competency or the appointment of a fiduciary whichever is the earlier. In the case of any such person heretofore separated from service application may be filed within one year after the effective date of this Act."

"'(b) The second paragraph of section 6 of such Act of May 29, 1930, as amended, is amended by striking out the words "ninety days from the date of the medical examination showing such recovery" and inserting in lieu thereof the following: "one year from the date of the medical examination showing such recovery".'

"SEC. 4. The following paragraph shall be inserted after the first paragraph of section 10 of the Act of May 29, 1930, as amended:

"'Any employee may at his option and under such regulations as may be prescribed by the Civil Service Commission deposit additional sums in multiples of $25 but not to exceed 10 per centum per annum of his annual basic salary, pay, or compensation, for service rendered since August 1, 1920, which amount together with interest thereon at 3 per centum per annum compounded as of June 30 of each year, shall, at the date of his retirement, be available to purchase, as he shall elect and in accordance with such rules and regulations as may be prescribed by the Civil Service Commission with the approval of the Board of Actuaries, in addition to the annuity provided by this Act, an annuity according to the experience of the civil-service retirement and disability fund as may from time to time be set forth in tables of annuity values by the Board of Actuaries based on an interest rate of 4 per centum. In the event of death or separation from the service of such employee before becoming eligible for retirement on annuity, the total amount so deposited with interest at 3 per centum per annum compounded on June 30 of each year shall be refunded in accordance with the provisions of section 12 of this Act.'

"SEC. 5. This Act shall take effect January 1, 1940."

And the House agree to the same.

M. M. NEELY,
W. J. BULOW,
LYNN J. FRAZIER,
Managers on the part of the Senate.
ROBERT RAMSPECK,
JENNINGS RANDOLPH,
EDITH NOURSE ROGERS,
Managers on the part of the House.

The report was agreed to.

PROGRAM FOR FINANCING RECOVERABLE EXPENDITURES

The Senate resumed the consideration of the bill (S. 2864) to provide for the financing of a program of recoverable expenditures, and for other purposes.

Mr. BROWN. Mr. President, I have an amendment on the desk which I should like to have stated.

The PRESIDING OFFICER. The amendment will be stated by the clerk for the information of the Senate.

The CHIEF CLERK. On page 17, line 25, before the period, it is proposed to insert a colon and the following:

Provided, That such loan shall be made on an amortization basis by means of fixed annual or semiannual installments, or, if such basis be deemed unsuited to the loan, on some other basis, which shall require payment of a substantial portion of the principal and the entire accrued interest each year during the life of the loan; except that the agency may, if it deems it advisable, waive the requirement for principal payment during the construction period of the project.

Mr. BARKLEY. Mr. President, I will say to the Senator from Michigan that I have no objection to that amendment. It carries out the real purpose by making provision for annual payments in an amount sufficient to amortize the loan during the period. I have no objection.

Mr. BROWN. Mr. President, if there is no objection to the amendment, I do not desire to be heard on it; but if there is any objection, I will be very glad to explain it.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. BROWN].

The amendment was agreed to.

Mr. PEPPER. Mr. President, I have an amendment at the desk which I should like to have read.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 4, line 17, after the word "Act", it is proposed to insert a comma and the following: "and except that loans from such sum shall be made available to corporations and other organizations, organized and operated exclusively for charitable, scientific, educational, or hospital purposes, no part of the net earnings of which inures to the benefit of any private shareholder or individual, to the same extent and upon the same terms and conditions that such loans are made available to municipalities and other public bodies."

Mr. PEPPER. Mr. President, I will state that the purpose of this amendment is to make it possible for educational institutions which are nonprofit corporations, which are dedicated entirely to educational purposes, and which provide no profit to any shareholder or interested individual or corporation, to make loans from the P. W. A. fund that is provided by this bill.

I have in mind a specific case that makes me interested in it personally, that of the University of Miami, in Miami,

Fla. That institution is supported to the extent of 15 percent of its revenue from public taxation, and the remainder of its revenue is derived from donations by interested persons and from the revenues that come into the school from its student body.

Heretofore that institution, however worthy its need or however sound its credit may have been, has not been eligible to get the benefit of P. W. A. loans, and for the obvious reason that 45 percent of the money was being given to the institution and naturally the Federal Government did not want to establish the precedent of making a donation to any applicant which was not a public borrower.

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

Mr. PEPPER. May I finish the sentence, and then I shall be glad to yield.

Mr. President, under this bill there is no money being given away. This is entirely money that is loaned. I see no reason, therefore, why such an institution might not be eligible for a loan; yet, under the language of this P. W. A. amendment, it is provided that only those can make loans under this section who could have made loans under the P. W. A. Since there is a difference in the character of the old P. W. A. loans and these loans, I thought that the Congress would be willing to make a difference in eligibility.

Mr. BARKLEY. Mr. President——

Mr. PEPPER. I am glad to yield.

Mr. BARKLEY. The bill, as written, provides for the Public Works Administration "$350,000,000 for loans for projects of the character heretofore authorized to be financed by loan or grant, or both, by the Federal Emergency Adminstration of Public Works under title II of the National Industrial Recovery Act."

Under title II of that act, provision is made for any projects of the character heretofore constructed or carried on either by public authority or public aid, to serve the interests of the general public. In subsection (a) of section 201 of the Emergency Relief Appropriation Act, as amended, in paragraph 3 it is provided that such subsection shall, for such purpose, be held to include loans for the construction or completion of hospitals, the construction of which is partly financed from public funds.

So it seems to me that the Senator's proposition is already covered in the pending act, by reference to the provisions in the National Industrial Recovery Act of 1933. If the Senator's amendment covers any other such projects, I doubt very seriously whether the pending act ought to be expanded to that extent.

Mr. PEPPER. Mr. President, I know that heretofore the institution to which I have referred has been forbidden to make any loans, on the ground that only a small part of its revenue was derived from public taxation.

Mr. BARKLEY. They were denied grants, but they were permitted to make loans. They probably did not accept the loan because they were denied, under the law, the right to obtain grants.

Mr. PEPPER. If that is the interpretation the majority leader places upon this, very well.

Mr. BARKLEY. The amendment would just be repeating what is already in the law.

Mr. PEPPER. Mr. President, if you will allow me, I shall discuss two or three other subjects.

The PRESIDENT pro tempore. Does the Senator withdraw the motion?

Mr. PEPPER. Yes; I withdraw it. Mr. President, may I send to the desk another amendment.

The PRESIDENT pro tempore. Very well.

The CHIEF CLERK. It is proposed to add at the proper place the following:

SEC. —. Section 5d of the Reconstruction Finance Corporation Act, as amended, is amended by inserting after the first sentence thereof the following new sentence: "The Corporation is further authorized and empowered, under such terms, conditions, and restrictions as the Corporation may determine, to make loans to port districts to aid in refunding or refinancing indebtedness heretofore or hereafter incurred in connection with the improvement or maintenance of a port or harbor."

Mr. PEPPER. Mr. President, that amendment is for the purpose of making it possible for loans to be made by the Reconstruction Finance Corporation to port districts. I am satisfied that under existing law such authority does not now exist. I am sure Senators know there are in this country a good many port districts which have been established by local interests and that later, perhaps, the port development has been taken over by the Federal Government and has been maintained by the Federal Government; but, despite the fact that the Federal Government took over the port district and maintained it, a large obligation was left upon the local interests. In Fort Pierce, Fla., we have a very glaring example of such a situation. The people were anxious to establish a harbor to serve not only the East Coast but the whole central section of Florida. The port authority, consisting of only about 1,100 people, undertook the task of creating a port district, and spent two or three million dollars in the construction of a deep-water development. Subsequent to that time, the Federal Government took over the port, and the Federal Government has been maintaining it. The port authority has been in very serious need of some refinancing ability.

All this amendment would do would be to make it possible for the port district to apply to the Reconstruction Finance Corporation and to submit its case, and, if it showed a good case, to make a loan or to be eligible to receive a loan.

I see no objection that anyone can have to including this applicant in the list of those eligible for Reconstruction Finance Corporation loans.

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

Mr. PEPPER. I yield.

Mr. BYRD. I think the Reconstruction Finance Corporation already has that authority.

Mr. BARKLEY. Mr. President, the Reconstruction Finance Corporation has the authority, and even the P. W. A. has the authority, to make loans to port districts for construction of any improvements they may wish to make, but they have no authority to make loans to refinance old debts that have not been paid.

With all due respect to my friend the Senator from Florida, I do not think that either the Reconstruction Finance Corporation or the P. W. A. should be given authority in this bill, which is designed to bring about the employment of unemployed in this country, to go down into the Treasury of the United States to refund existing local debts. We have never authorized any agency to do that, with respect to any city, county, or State. The whole theory of this legislation, P. W. A. or W. P. A., and of all these activities, has been to give employment to idle men during this emergency.

Mr. President, we do not give employment to idle men by paying off an old city debt or an old port debt or any old debt that has been incurred by a local subdivision or by a State. It seems to me that if we start along such lines we shall be going beyond the purposes of this bill and beyond sound finance.

Mr. PEPPER. Mr. President, I wish to say to the Senator from Kentucky that I propose to offer as an additional amendment the one involving the question whether or not the Reconstruction Finance Corporation shall have authority to refinance the outstanding indebtedness of political subdivisions. In a moment I shall discuss that subject in its larger view.

I was not altogether clear in my statement, or the Senator from Virginia [Mr. BYRD] would have understood that I referred to the refinancing of the outstanding indebtedness of port districts, and not new construction.

Mr. President, I should like to ask if the Senator from Virginia thinks the Reconstruction Finance Corporation would have that authority?

Mr. BYRD. Mr. President, the Reconstruction Finance Corporation has authority to buy the obligations of any State, county, or city, on a self-liquidating basis; but that is under the authority of section 5 (b)—what is known as the Glass amendment; and that applies only to the construction of a project.

I read from a letter I received from the R. F. C.:

Answering your question No. 4:
The Reconstruction Finance Corporation's unusued authority to issue additional obligations can provide funds, when the conditions of the Reconstruction Finance Corporation Act are complied with, for non-Federal public works of a self-liquidating nature.

Mr. PEPPER. But, Mr. President, I call the attention of the Senator from Kentucky to the following facts.

Mr. BYRD. It says they do not have to be new projects; it may be any obligations.

Mr. PEPPER. For the benefit of the Senator from Kentucky, I call attention to the language to which the Senator from Virginia has referred. The Senator construes a letter which was written to him by the R. F. C., and which appears on page 10040 of the RECORD, in the following language:

Answering your question No. 4:
The Reconstruction Finance Corporation's unused authority to issue additional obligations can provide funds, when the conditions of the Reconstruction Finance Corporation Act are complied with, for non-Federal public works of a self-liquidating nature.

Of course, as I think the Senator will agree, this is not a self-liquidating project, because it has already been constructed, and the Army has taken it over and is operating it. But the district still has the burden of the outstanding obligation, so it would be the obligation of the district that the taker of the securities would be getting.

Mr. BARKLEY. I am sure the paragraph referred to relates to section 5 (d) of the Reconstruction Finance Corporation Act, which provides:

SEC. 5d. For the purpose of maintaining and promoting the economic stability of the country or encouraging the employment of labor the Corporation is authorized and empowered, under such terms, conditions, and restrictions as the Corporation may determine, to make loans to, or contracts with, States, municipalities, and political subdivisions of States, with public agencies and instrumentalities of one or more States, municipalities, and political subdivisions of States, and with public corporations, boards, and commissions, to aid in financing projects authorized under Federal, State, or municipal law.

So that it is limited to loans to aid in the financing of projects; and I do not believe that the repayment of outstanding existing debts, either of a State, city, county, or other political subdivision, or of any other public body, was contemplated by Congress when it enacted the statute, because that would not be a project.

Mr. PEPPER. I arrived at the same decision at which the leader arrives, and I rather wish that he and I were wrong and the Senator from Virginia were correct; but I was not clear, and for that reason I wanted the Senate to give consideration to the amendment.

In answer to the statement made by the Senator from Kentucky, I call attention now to a political subdivision which has an outstanding indebtedness that is more than it can pay. There is just one of two things that district can do: It can either go into bankruptcy, which is possible, I think, under the existing Municipal Bankruptcy Act, or its taxpayers can continue to struggle under a burden of tax which they are not able to bear without impeding the development of the community.

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

Mr. PEPPER. I yield.

Mr. BONE. I assume this would be a refunding operation.

Mr. PEPPER. That is all.

Mr. BONE. In other words, the district would issue new bonds and, from the proceeds, take up the old?

Mr. PEPPER. Exactly. This is the way it works out in practice. Under the existing municipal bankruptcy law it is possible, in the case of a political subdivision—and I hope that when we pass an amendment now on the Senate Calendar it will be possible in the case of some additional political subdivisions, for example, a county—if it does have a burden of debt which it cannot reasonably pay, for 51 percent of its outstanding creditors to come into court and file a plan of composition. Then the Federal court will have jurisdiction of the application. The Federal court may then entertain a proposed plan of composition, which, of course, always contemplates a reduction of the outstanding indebtedness of the political subdivision. After full examination of that plan of composition, if 66⅔ percent of the affected bondholders or creditors approve of the plan of composition, and the Federal court finds it is a fair plan of composition, the Federal court has authority to put the plan of composition into effect.

In that way it is possible for political subdivisions to discharge outstanding indebtedness that is more than they can reasonably and practically pay. Yet the whole matter is handled in a court of competent jurisdiction, and 51 percent of the creditors are required to make application before the court will have jurisdiction, and 66⅔ percent are required to give their approval before the court can act.

The PRESIDENT pro tempore. The time of the Senator on the amendment has expired.

Mr. PEPPER. Mr. President, I hope it will be agreeable to allow these people to at least apply to the R. F. C.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Florida [Mr. PEPPER].

The amendment was rejected.

Mr. PEPPER. Mr. President, I have another amendment to offer, which I send to the desk.

The PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. It is proposed to add at the end of the bill the following new section:

SEC. —. The first sentence of section 5d of the Reconstruction Finance Corporation Act, as amended, is further amended by inserting after the words "to aid in financing projects authorized under Federal, State, or municipal law", a comma and the following: "or to aid in refunding or refinancing indebtedness heretofore or hereafter incurred."

Mr. PEPPER. Mr. President, this amendment, if agreed to, would make possible the refinancing of the outstanding indebtedness of political subdivisions. The amendment is broad enough to include any kind of special tax, school or road district, also to include a county obligation or a municipal obligation.

A few minutes ago the Senator from Kentucky pointed out that the authority to make these loans under the R. F. C. would not aid in the construction of projects. I differ with the Senator from Kentucky, because I know from personal experience in my State that there are a great many municipalities in this country which have reached the limit of their capacity to put up their part of the payment for a W. P. A. project. I know that there are cities in my State which are already pledging their delinquent-tax certificates in order to get the money to put up their share of W. P. A. projects in that State. In one of the cities that is in that situation financially there are over 5,000 unemployed people within its limits trying to get jobs. I went with the mayor of that city to the R. F. C., and the mayor of the city begged, almost on bended knees, for the privilege of borrowing enough money on their delinquent-tax certificates to get some money with which to meet the cost of the W. P. A. projects.

If we can reduce the amount of the outstanding indebtedness of a municipality or of a county, if they get themselves in better condition financially than they otherwise would have been, they then would be in position to contribute to the construction of W. P. A. projects, and in that very direct way to aid in the construction of projects which would give jobs to unemployed in this country.

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

Mr. PEPPER. I yield.

Mr. KING. Does the amendment which the Senator offers bail out a number of persons who are not claiming the benefit of the bankruptcy measure which we have had before the committee and which is now on the calendar? Is not the Senator trying to take advantage of cities——

Mr. PEPPER. Not necessarily, Mr. President.

Mr. KING. And have the funds provided for in this bill utilized to pay the indebtedness of some of the bankrupt cities in the Senator's State?

Mr. PEPPER. No. Let me tell how this would work out. In my State the Everglades Drainage District embraces

about 12 or 14 different counties. It has an outstanding indebtedness of something like twelve or fourteen million dollars. It cannot possibly pay that debt. No private lender is going to lend money to that district, no bank can afford to lend money to it. But the R. F. C. has said to the district, since they are eligible by specific provision of law to apply to the R. F. C., "We will lend you as much as 40 cents on the dollar of your outstanding indebtedness." That does not contemplate municipal bankruptcy, or anything else of the kind.

If the creditors of that district will be agreeable to take 40 cents on the dollar, then the creditors get their money, the district gets out from under a debt which it could not possibly pay otherwise, the taxpayers get out from under a burden that is more than they can bear, and the district progresses, making new improvements, spending money, giving jobs. That is an instance of the beneficent exercise of the power of the R. F. C., and I see no reason why a political subdivision cannot at least apply to the R. F. C. and have its case judged and the facts and circumstances all considered, just as drainage districts can apply. I know that the R. F. C. has saved my State from bankruptcy by making it possible for drainage districts to apply to the R. F. C. and get help from it.

Mr. KING. I am sure it has not saved it from bankruptcy, because representations were made before the Committee on the Judiciary a short time ago. There were very large sums of which the taxpayers were seeking to escape the payment, and we were considering a bill to enable them to take advantage of the Bankruptcy Act.

Mr. PEPPER. The plan of composition authorized under the Bankruptcy Act contemplates that the creditors will be paid off. If the court says that a plan of composition is fair, if 66⅔ percent of the creditors of the political subdivision agree to it, in the presence of the court, and the district wants to apply to the R. F. C. to get the cash to pay off its outstanding obligations and put money into the hands of the creditors and get the district in a better financial condition, who is hurt?

Mr. KING. The Senator, then, desires to extend the power which the R. F. C. now has?

Mr. PEPPER. Yes.

Mr. KING. As I understood the Senator, application had been made to the R. F. C., and the R. F. C. was willing to extend credit to the extent of 40 percent.

Mr. PEPPER. I was using that as an analogy. Under the existing law drainage districts can apply to the R. F. C., and I was using it as an illustration of the beneficence of the law we passed 2 or 3 years ago. I am asking now that other political subdivisions may have the same privilege drainage districts have to file applications with the R. F. C.

Mr. KING. Mr. President, without desiring to take the Senator's time, I will say that I think the views expressed by our leader with respect to not extending the authority of these organizations should be adhered to, and I shall vote against the present suggestion or any other suggestion to expand and increase this authority. I shall follow our leader.

Mr. PEPPER. I do not see how the amendment will do any harm. It seems to me it is one of the most beneficent things we can do, because, after all, we are trying to help the people of the country. If we can do something which will help the taxpayers of a given city or county, without the Government losing anything, why should any objection be made? So I hope the amendment will be adopted.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Florida [Mr. PEPPER].

The amendment was rejected.

Mr. PEPPER. I offer another amendment which I ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to insert the following new section:

SEC. —. Section 5d of the Reconstruction Finance Corporation Act, as amended, is amended by inserting after the first sentence thereof the following new sentence: "The Corporation is further authorized and empowered, under such terms, conditions, and restrictions as the Corporation may determine, to make loans to public-school districts or other public bodies authorized to incur indebtedness for public-school purposes, to aid in refunding or refinancing indebtedness heretofore or hereafter incurred for public-school purposes."

Mr. PEPPER. Mr. President, Senator Robinson and I, before his lamentable death, were the joint authors of an amendment which proposed exactly what is proposed by this amendment, that is to say, to vest in the R. F. C. the power and authority to receive applications from public-school political subdivisions for the purpose of refinancing their outstanding indebtednesses or obligations. If Senators are not willing to extend these powers to all political subdivisions, it seems to me they would be willing to extend them to political subdivisions which are responsible for the public-school systems of this country. I know there is not a Senator in this Chamber in whose State there is not some public-school district which is laboring under a burden of outstanding indebtedness issued for some worthy purpose in connection with education, which it cannot properly pay, and every one of those districts is looking for some method of relief so that it can reduce the obligation of the taxpayer, the burden of the taxpayer's debt, and at the same time put itself in such a fiscal condition as to render better school service to the people of the community and section.

So I cannot see why anyone should object to giving to school districts the same privileges that already have been given to drainage districts. Are school districts and public education less deserving of consideration than drainage districts or drainage objectives? These privileges were extended to drainage districts, 3 or 4 years ago, and all over the country drainage districts have obtained the benefit of the R. F. C. help and assistance. Now I propose that public-school political subdivisions shall have authority to come before the R. F. C. and explain their situation, and offer it good security in order that they may be able to borrow enough money so as to make it possible for them to refund or refinance their outstanding public obligations. So while the Senator may oppose extension of the R. F. C. authority in the other cases I have enumerated, I hope he will not oppose it in the case of the school districts, which, as we know, all over the country are laboring under burdens of debt which in many cases are more than they can properly bear.

I wish the Senator from Kentucky would give his attention to that matter.

Mr. BARKLEY. Mr. President, the Senator is now seeking to have the Federal Government bail out school districts which have gone into debt heretofore.

Mr. PEPPER. That is the purpose of the Senator from Florida, but is it not a worthy purpose?

Mr. BARKLEY. It may be a worthy purpose, but the theory of the pending legislation is to provide jobs and we do not give anyone a job by simply paying an old school debt which was entered into before the P. W. A., or the W. P. A., or C. C. C., or "I. P. Q." [laughter] were ever formed.

Mr. PEPPER. Mr. President, if it would reduce the outstanding indebtedness of school districts and reduce the burdens of the taxpayers, I ask whether that would not provide substantial help?

Mr. BARKLEY. Oh, it would help the taxpayer, but it would not give a human being a job, which is the objective of the proposed legislation.

Mr. PEPPER. If my proposal makes for better financial conditions, would it not help the people in the school district?

Mr. BARKLEY. Yes; but the help is so indirect. The help would be by way of payment of old debts which have been made 10 or 15 years ago. The purpose would not be to start a project or to relieve unemployment. The possibility that the payment of an old debt like that may indirectly give some men jobs is very remote.

Mr. PEPPER. Is the Senator aware of the fact that the R. F. C. has made loans to drainage districts to refinance their outstanding obligations?

Mr. BARKLEY. Yes. That was for the purpose of making them able to reclaim lands which they are not able to sell, so that farmers can continue to own and use the property in the interest of agriculture and the development of land. In those cases debts are owed by individual farmers to drainage districts. The Senator's proposal is entirely different. I would not vote for any amendment which would authorize the R. F. C. to loan money to a State, or county, or city, or political subdivision to pay old debts which were created prior to the establishment of the R. F. C.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Florida [Mr. PEPPER].

Mr. PEPPER. I ask for a yea-and-nay vote on the amendment.

The yeas and nays were not ordered.

The amendment was rejected.

INVESTIGATION OF NEGOTIATIONS BY AMERICAN CITIZENS WITH MEXICAN GOVERNMENT CONCERNING OIL SALES

Mr. NEELY. Mr. President, I present a resolution and request that it be read for the information of the Senate.

The PRESIDENT pro tempore. The resolution will be read.

The Chief Clerk read the resolution (S. Res. 174), as follows:

Wheeras various editorials and news articles have been published in the daily press from time to time concerning the activities of certain American citizens with the Mexican Government in connection with the sale, barter, or exchange of Mexican oil; and

Whereas, due to the expropriation of certain American-owned oil properties by the Mexican Government, such activities of American citizens are of vital importance to the American public and to the Government of the United States; and

Whereas it has been intimated that such activities might be construed to be a violation of the Criminal Code: Therefore be it

Resolved, That a special committee of three Senators, to be appointed by the President of the Senate, is authorized and directed to make a full and complete investigation of any and all negotiations carried on by citizens of the United States with the Mexican Government, or any official thereof, in connection with the sale, barter, or exchange of oil produced on American-owned property expropriated by the Mexican Government, with a view to determining whether such editorials, news articles, or other statements made in connection with such negotiations are true and whether any criminal statute has been violated. The committee shall report to the Senate as soon as practicable after the commencement of the next regular session of the Seventy-sixth Congress the results of its investigation, together with its recommendations, if any, for necessary legislation.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-sixth Congress, to employ clerical and other assistance, to require by subpena, or otherwise, the attendance of such witnesses and the production of such correspondence, books, papers, and documents; to make such investigations, to administer such oaths, to take such testimony, and to incur such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $25,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

Mr. NEELY. Mr. President, in behalf of prompt action I request that the resolution be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. BRIDGES. Mr. President, I did not understand to which committee the Senator requested the resolution to be sent.

Mr. NEELY. To the Committee to Audit and Control the Contingent Expenses of the Senate.

The PRESIDENT pro tempore. Let the Chair state the parliamentary situation. The resolution deals with a substantive matter, and should be first referred to a committee having charge of substantive matters of that nature. It should be referred to such a committee.

Mr. NEELY. Mr. President, in response to the observation of the Chair, I request that the resolution be appropriately referred.

The PRESIDENT pro tempore. It would ordinarily go to the Foreign Relations Committee first, and then to the Committee to Audit and Control the Contingent Expenses of the Senate, and, without objection, it is so referred.

Mr. GUFFEY. Mr. President, I sincerely hope when the resolution submitted by the Senator from West Virginia comes to a vote it will be adopted. I assure my colleagues in the Senate that I have nothing to conceal, and I want the fullest and most complete investigation it is possible to make in connection with this matter.

THE SITUATION IN THE FAR EAST

Mr. SCHWELLENBACH. Mr. President, I ask the majority leader whether or not it is expected that the Senate will be in session on Wednesday?

Mr. BARKLEY. Yes; so far as I now know the Senate will be in session on Wednesday. A considerable amount of business has piled up on us during the consideration of the pending bill; and at this time I cannot foresee a recess over Wednesday.

Mr. SCHWELLENBACH. In view of the statement of the Senator from Kentucky, I wish to give notice at this time that when the Senate convenes on Wednesday, or as soon thereafter as I may be able to obtain the floor, I shall discuss the far-eastern situation, and will appreciate the opportunity of obtaining the floor at that time.

PROGRAM FOR FINANCING RECOVERABLE EXPENDITURES

The Senate resumed the consideration of the bill (S. 2864) to provide for the financing of a program of recoverable expenditures; and for other purposes.

Mr. BARKLEY. Mr. President, I send to the desk an amendment which I ask to have stated.

The PRESIDENT pro tempore. The amendment offered by the Senator from Kentucky will be stated.

The CHIEF CLERK. At the end of the bill it is proposed to add the following new section:

SEC. 21. The third proviso of the third sentence of the third paragraph of section 5 of the Reconstruction Finance Corporation Act, as amended, is hereby further amended by striking out "$350,000,000" and inserting in lieu thereof "$500,000,000."

Mr. BARKLEY. Mr. President, I wish to explain the amendment. It has no relation to the pending bill. It amends the Reconstruction Finance Corporation Act, which provides a limitation of $350,000,000 for making loans to railroads for all purposes.

The Reconstruction Finance Corporation has left only $80,000,000 of the $350,000,000. The amendment is offered after conferring with Mr. Jones and others connected with the Reconstruction Finance Corporation, the lending agency of which he was the head until recently. I am advised that this extra authorization is needed. It does not increase the total authorization of loans made by the Reconstruction Finance Corporation. It does not increase the borrowing power of the Reconstruction Finance Corporation in any respect. It merely authorizes it to use another $150,000,000 in addition to the $350,000,000 which it now has the authority to loan to railroads for general purposes.

I have consulted the Senator from Montana [Mr. WHEELER], who offered the motion the other day to strike out the provision for railway loans on equipment; and he has no objection to the increase of this amount. I have also conferred with the chairman of the committee, with the Senator from Ohio [Mr. TAFT], and also with the Senator from Vermont [Mr. AUSTIN], and others who I thought might be interested.

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

Mr. BARKLEY. I yield.

Mr. BYRD. What is the present limit on the authority of the Reconstruction Finance Corporation in making loans to railroads?

Mr. BARKLEY. Three hundred and fifty million dollars.

Mr. BYRD. I have before me a list which has just been received from the Reconstruction Finance Corporation showing that loans to the extent of $763,000,000 have been made to the railroads; and out of the $763,000,000, $215,000,000 has been repaid.

Mr. BARKLEY. I will say to the Senator that some of those loans were made before Congress inserted the limitation of $350,000,000 now carried in the law.

Mr. BYRD. What is the total? This report from the Reconstruction Finance Corporation is dated July 15, 1939.

Mr. BARKLEY. I have not seen the report. I will say that out of the $350,000,000 limitation which Congress inserted in the law after loans had been made to the railroads under the general authority the Reconstruction Finance Corporation has loaned all except $80,000,000. It has a backlog of only $80,000,000 left for loans under this limitation.

Mr. BYRD. Am I to understand from the Senator that the amendment has no effect upon the action of the Senate in connection with the amendment offered by the Senator from Montana [Mr. WHEELER]?

Mr. BARKLEY. None whatever. The amendment only amends the original Reconstruction Finance Corporation Act by lifting the ceiling for railroad loans within its general authority and within its borrowing and lending power.

Mr. TRUMAN. Mr. President, the Senator from Kentucky is correct.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). The question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. BARKLEY].

Mr. TAFT. Mr. President, the proviso nows reads that the total amount of loans and commitments to railroads, receivers, and trustees, and for purchases and guaranties of obligations of railroads under this paragraph, as amended, shall not exceed at any one time $350,000,000, in addition to the loans and commitments made prior to the date of the enactment of the act. That is the provision which is to be raised to $500,000,000.

Mr. BARKLEY. That is correct.

Mr. TAFT. Under that provision the Reconstruction Finance Corporation may loan not only on equipment trust certificates but on the general bonds of railroads.

Mr. BARKLEY. It may make the same type of loans it is now making, and has made.

Mr. TAFT. Mr. President, it seems to me that apart from the question of method, not only does the amendment propose to increase the amount of loans which may be made to railroads on equipment trust certificates, the other method of approaching which was voted down, but also the Reconstruction Finance Corporation may make loans to railroads which are not even as good as equipment trust loans, in greater amount.

Mr. BARKLEY. The mere fact that the section authorizing new loans and leasing arrangements under the machinery proposed to be set up was stricken out had no effect whatever upon the authority of the Reconstruction Finance Corporation to make the kind of loans it has been making. The argument was made in behalf of the elimination of that provision of the bill that the Reconstruction Finance Corporation could now make such loans; that it could borrow the money and make the loans just as it has been doing, and that the proposed section was unnecessary. All the amendment does it to raise the amount, within the total limitation which the Reconstruction Finance Corporation can use for the making of the same sort of loans hereafter.

Mr. TAFT. Raising the $350,000,000 does not in any way raise the total borrowing power of the Reconstruction Finance Corporation?

Mr. BARKLEY. It does not. It has no effect on it whatever.

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

Mr. BARKLEY. I yield.

Mr. KING. I ask the Senator from Kentucky whether or not the vote of the Senate the other day was an expression adverse to giving the Reconstruction Finance Corporation the right to extend further credit?

Mr. BARKLEY. No. I will say to the Senator from Utah that the main objection to the provision of the bill the other day, as urged by the Senator from Montana and other Senators, was that it might put the Reconstruction Finance Corporation into the equipment business. Those who objected to that section of the bill thought it might authorize the Reconstruction Finance Corporation to go out and buy old equipment, referred to as junk, and to make leases, which it does not have the power to do today; and the argument was made that under the present law the Reconstruction Finance Corporation has the authority to make all the loans necessary for equipment, provided the money is available.

This amendment merely gives the Reconstruction Finance Corporation an additional sum to make the same sort of loans it has been making; and there is nothing inconsistent between that principle and the position taken by the Senate in striking out the provision for leases, purchases, and so forth.

Mr. KING. One further question: Did the information which the Senator has received confirm the view that the Government is justified in making additional loans by reason of the precarious condition of the railroads, in view of the possibility that the Government might not be paid back the loans which were advanced?

Mr. BARKLEY. I will say to the Senator that so far as I am personally concerned the information I have received through the channels of the Reconstruction Finance Corporation convinces me that the additional authority would be properly exercised and would not involve the Government in any dangerous extension of its loans to railroads.

Mr. KING. I regret very much that it is felt necessary to increase the authority; and I shall vote against the amendment.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Kentucky.

The amendment was agreed to.

Mr. BARKLEY. Mr. President, I send to the desk another amendment, which I ask to have stated.

The PRESIDENT pro tempore. The amendment offered by the Senator from Kentucky will be stated.

The CHIEF CLERK. At the end of the bill it is proposed to insert a new section, to read as follows:

SEC. —. (a) Section 5 (d) of the Reconstruction Finance Corporation Act, as amended, is hereby further amended by deleting the words "June 30, 1939," from the second paragraph thereof wherever they appear and substituting therefor the words "June 30, 1941."

(b) Section 3 of the act approved January 31, 1935 (49 Stat., ch. 2, pp. 1–2), is hereby amended by deleting from the first sentence thereof "January 31, 1945," and substituting therefor the words "January 31, 1935."

Mr. BARKLEY. Mr. President, there are two amendments in one. When the Glass-Steagall Act was passed authorizing more liberal loans to small business there was some uncertainty, and there is now some uncertainty, as to whether it was possible to continue to make such loans beyond June 30, 1939. The Reconstruction Finance Corporation has assumed that it could do so, but in order to clear up the uncertainty the amendment merely provides for June 30, 1941, instead of June 30, 1939.

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

Mr. BARKLEY. I yield.

Mr. BYRD. Is the Senator speaking of the Reconstruction Finance Corporation authority?

Mr. BARKLEY. I am speaking of the Reconstruction Finance Corporation authority.

As to the other amendment, under the law as it now is maturities for loans of the Reconstruction Finance Corporation may not extend beyond June 30, 1945. In view of the existing situation it is felt that the time ought to be extended 10 years, to June 30, 1955, so that it may make loans with maturities up to that time.

Those two amendments are amendments of the existing Reconstruction Finance Corporation Act and do not in any way affect the bill or the amendments thereto.

Mr. BYRD. The Senator does not wish the Reconstruction Finance Corporation to expire on July 1, 1941?

Mr. BARKLEY. That is correct.

Mr. BYRD. The Senator proposes to extend——

Mr. BARKLEY. But that does not affect the length of the maturities. Even under the present law the Reconstruction Finance Corporation may make loans up to 1945. However, in view of the provisions in the bill providing for the furnishing of funds to R. E. A. and to the P. W. A.,

and the additional funds which may be available to railroads, it is felt that the maturity date ought to be extended so that the Reconstruction Finance Corporation will not have to engage altogether in short-term loans.

Mr. KING. Mr. President, in the light of the confused conditions economically as well as industrially and politically, it seems to me it is unwise to grant the extension called for by the amendment. If in the next 2 or 3 years, and before the termination of the life of the Reconstruction Finance Corporation, the situation becomes so imperative as to call for an extension of the maturity period, application may be made to Congress, and I am sure Congress will take the necessary steps. As I said, it seems to me that in view of the confused economic and political situation today in our own country as well as throughout the world we ought not to make commitments so far in the future. I am very much opposed to the amendment.

Mr. BARKLEY. I will say to the Senator that under the present limitations, even if the Reconstruction Finance Corporation made loans to railroads for equipment and took equipment bonds and trusts, it could make such loans for only 6 years, whereas the whole discussion the other day with respect to this matter was to the effect that it ought to be permitted to make loans over the period which might comprehend the life of the equipment itself; so the Government would not lose anything. This other extension is necessary in order that the R. F. C. may provide for longer loans under the authority of the act under which it is now operating and under the authority which it will have under the pending bill.

Mr. KING. I still adhere to the view which I have expressed. The arguments made a few days ago, when the railroad-equipment amendment was before the Senate, would not be applicable.

Mr. BARKLEY. If the Senator will yield, I will say that before the report was made on this bill the committee adopted these two amendments. The R. F. C. also had one or two others about which there was some confusion, and, in order to straighten out all of them, I withdrew the entire list of amendments; but these two amendments now pending were adopted unanimously by the committee while it had the bill under consideration.

Mr. KING. That merely indicates that the committee is not infallible. I think it made a mistake, and I think it would make a mistake if we reaffirmed the position which the committee then took.

Mr. TAFT. Mr. President, the amendments were not given very serious thought in the committee; they were presented at the very last moment on the last day. But I wish to ask the Senator from Kentucky, the author of the amendment, why the R. F. C. came to the Congress and had several provisions extended earlier in the session. I do not understand why they did not ask at that time to have this provision about loaning to municipalities extended that is now sought to be extended. Is there any reason why? Did they intend heretofore to give up that power and allow it to expire?

Mr. BARKLEY. That situation was somewhat analogous to the one in the first part of the amendment. They thought they were asking and obtaining the extensions referred to, but since the expiration of the fiscal year on June 30, 1939, there has arisen a doubt as to whether the act which Congress passed did actually extend the time.

This is simply to clear up that uncertainty and provide what they thought they were getting when these amendments were offered.

Mr. TAFT. I see no reason why they should not have applied for it before. They probably could have gotten it earlier in the session.

Mr. BARKLEY. That they did not do so is no reason why the amendment should be rejected now.

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from Kentucky [Mr. BARKLEY].

The amendment was agreed to.

Mr. BONE. Mr. President, I have tendered an amendment, which is on the clerk's desk, dealing with the matter of veterans' preferences. I should like to have it read from the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. At the end of the bill it is proposed to insert the following new section:

SEC. . That section 16 (b) of Public Resolution No. 24, approved June 30, 1939, be amended by inserting after the words "excepting veterans," the following words: "the wives of unemployed veterans, and the widows of veterans."

Mr. BONE. Mr. President, this amendment has to do with the relief act passed heretofore during the session. It deals with the necessity for removing from employment on works projects various kinds and certain types of relief workers. There is an exception in the case of veterans. This amendment is intended to extend that exception to wives of unemployed veterans who may be unemployed and to the widows of veterans. It does not affect the act but is an attempt to extend to widows of veterans who may be in that category, or the wives of unemployed veterans, the preference we have given to veterans themselves. I think it is a logical amendment, because if a veteran himself is entitled to a preference and is sick, is flat on his back and not able to work and is otherwise qualified, there is no reason why his wife should not enjoy that preference which is intended to affect the veteran's family. If we give the veteran a preference, obviously if he is unemployed, broke, and hungry his wife, if she is able to work, might well enjoy that preference and be the beneficiary of the advantages that we have given to the war veteran.

I submitted this amendment to a number of Senators, including the senior Senator from Connecticut [Mr. MALONEY], the junior Senator from Connecticut [Mr. DANAHER], and the Senator from South Dakota, who expressed some interest in it. I think it can be adopted without doing violence to anything we have done before.

Mr. MALONEY rose.

Mr. BONE. Mr. President, I will say to the Senator from Connecticut I have offered and had read and am asking for a vote on an amendment dealing with the exemptions to veterans which I showed to the Senator 2 or 3 days ago.

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

Mr. BONE. I have concluded.

Mr. MALONEY. Mr. President, I am very hopeful the Senate will adopt this amendment. I think it would be a great shame to permit an exemption to veterans and then deny the same exemption to the widows of veterans. There are not many of them, and the need is certainly much greater in the case of a widow. I hope there will be no objection to the amendment. It is a very worthy and important amendment.

Mr. BONE. I will say to the Senate that probably merely a handful of people, comparatively, are involved in this amendment, but it has seemed to me the part of justice, and I think the suggestion ought to meet the approval of the Senate.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Washington [Mr. BONE].

The amendment was agreed to.

Mr. DANAHER. Mr. President, I have an amendment, which I submit and ask the Chair to cause to be stated.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 4, line 17, it is proposed to insert the following proviso:

Provided, That no loan shall be made in excess of $10,000,000 for any such project.

Mr. DANAHER. Mr. President, this particular amendment applies to the P. W. A. situation. It would impose a limitation upon the amount of the taxpayers' contingent liability which could be allocated to a given project. Since

there are a good many projects of the character heretofore authorized to be financed by loans or grants or both, as described in section 4, subsection 2, on page 4, it seems to me that there should be some limitation on the extent of the authorization which we are turning over to a bureau. Because of its desirability the amendment, which was discussed, by the way in the committee, with the assurance at that time that further thought and consideration would be given to the matter, I feel that this is the proper time to take it up. It is self-evident in its purpose and aims, and requires no further explanation. I hope the amendment will prevail, and I hope the Senator from Kentucky will give us assurance that it will be adopted.

Mr. BARKLEY. Mr. President, I do not see any need for fixing a limitation on the amount that may be loaned for any project. I do not know whether there would be any projects involving $10,000,000, but assuming that the city of Chicago might want to borrow money to help construct a subway—a project which, I understand, they are considering—the adoption of the amendment might make it impossible for the city of Chicago to proceed in that way.

It might also be that the city of New York, for instance, in order to perfect its street and highway systems, might want to build a bridge across the Hudson River or the East River or somewhere else, and the adoption of the amendment might make it impossible for that kind of a transaction to be financed.

I do not know whether or not any $10,000,000 project will be approved, but certainly if a municipality is in a position to make such an improvement as I have described, and desires to make application for it on its merit, it seems to me it should have the right to do so, without being prevented by inserting such a limitation as now proposed.

I am not interested in any such project; my State is not interested, and will not be, and probably most of the other States of the Union are not interested; but there are communities that may be able to finance, in whole or in part, a project that might reach this limitation. If so, I do not see why the P. W. A. authorities should be handicapped in making loans of that character.

I am not speaking for any of these communities, but certainly the authority heretofore granted the P. W. A. has never been abused, and, under this smaller available expenditure for loans only, no grants being involved, certainly we cannot expect that it will be abused in the future.

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

Mr. BARKLEY. I yield.

Mr. DANAHER. I concede the accuracy of the Senator's statement, for, so far as I know, there has never previously been any abuse by P. W. A., but we have a brand new Administrator and will not be operating on a 45-percent equity which the State or municipality itself puts up. Quite to the contrary, there will be a 100-percent loan, and the net result will be that someone in an office in Washington, if he chooses, may allocate the whole hundred million dollars, or the whole $350,000,000, to one project.

Mr. BARKLEY. Oh, no.

Mr. DANAHER. I know it is absurd; I know it is ridiculous to think of it.

Mr. BARKLEY. I was going to say that.

Mr. DANAHER. There is no reason in the world, though, why the Administrator could not allocate $50,000,000 of the people's money if there were no restriction on its use.

Mr. BARKLEY. Of course, the Senator knows, as he said, that that sort of payment would be ridiculous; he beat me to it in saying so, but, nevertheless, that does not justify us in assuming, now that we are only making loans and no grants, now that we have only $350,000,000 available for loans instead of $1,400,000,000, or $800,000,000, as has been carried in previous appropriations, the Administrator is going to run wild and make loans of ten or fifteen or twenty million dollars or of the entire $350,000,000. These will be the same type of loans that have been made up to now. If the city of Chicago or the city of New York or some other city desired to make a loan to enable it to improve its subway-transportation facilities, I do not see why it should not have the right to make application and let the Administrator determine whether it would be wise.

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

Mr. BARKLEY. I yield.

Mr. WAGNER. As a matter of fact, there have been some very worth-while projects which cost more than $10,000,000 upon which applications for loans were granted. The Tri-Borough Bridge is one; the midtown tunnel is another; the bridge in California which has become such a notable improvement is another. There have been many very desirable projects which, in fact, have been so good that the R. F. C. no longer holds the loan, but it has been sold to the public.

Mr. BARKLEY. It made the loan, took the obligations, the work was done, and the obligations were sold to the public.

Mr. WAGNER. The obligations were sold to the public, and in the meantime men were employed and material was purchased in different sections of the country which benefited business tremendously.

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

Mr. WAGNER. I am not the one to yield, as I have not the floor.

Mr. BARKLEY. I yield.

Mr. DANAHER. The distinguished Senators who have been occupying the floor have been entertaining me with such a number of instances that I should like to ask if it is not true that there have been a 45-percent grant and a 55-percent equity held by the borrowing agencies in each of those instances.

Mr. WAGNER. I know that the California loan was a straight loan. If the Senator from Kentucky will permit me, I shall inform the Senator from Connecticut that loans have been made up to $400,000,000, as to many of which, such as the California project, which, I think, was a $60,000,000 loan, the bonds have been sold to the public. The loans originally made by the Federal agency were so successful that only forty millions of bonds remained with the R. F. C. The remainder, $350,000,000 worth, have been sold to the public and gladly purchased, at a premium, too, to the Reconstruction Finance Corporation.

However, Mr. President, if I may conclude, I should like to state that under this amendment, several of those projects could not, without Government aid, have been started, and under this amendment Government aid could not have been given.

Mr. DANAHER. Mr. President, the situation previously obtaining under the law is not the situation here. Under this set-up we are going to authorize the Reconstruction Finance Corporation to transfer to this Corporation or to the P. W. A., upon the direction of the President, the amount of money to be allocated. There is the situation which confronts us. It seems to me the Congress should have something to say about the limitation of the amount of contingent liability that the Government is undertaking.

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from Connecticut [Mr. DANAHER].

The amendment was rejected.

Mr. PEPPER. Mr. President, I offer an amendment, which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. At the proper place in the bill it is proposed to insert the following:

Subparagraph (a) of section 25 of the Emergency Relief Appropriation Act of 1939 is hereby repealed.

Mr. PEPPER. Mr. President, the purpose of this amendment is to remove one of the greatest injustices that I think was ever perpetrated by this body. That was the addition, in conference, of the provision prohibiting the Federal theater projects as part of the Works Progress Administration program. What this amendment proposes is to make the Federal theatrical projects as eligible for funds

from the W. P. A. as any other projects. This amendment does not give the Federal theater projects a preferred place, and neither does it put them in a position of ineligibility for any W. P. A. funds. Before any W. P. A. funds could be used for the theaters they would have to be sponsored locally, and 25 percent of the State funds, of course, as the bill now provides, would have to be made available to the W. P. A. In other words, it would not be possible for the W. P. A. to sponsor its own theater projects or to proceed on its own initiative with the theater projects, as was possible before the present provision was enacted.

Mr. President, I realize that the Senator from West Virginia [Mr. HOLT] and others had some criticism which they conscientiously urged, believing certain things to be unwholesome and not in the public interest, in connection with the theater projects of the W. P. A. I think I am prepared to say to the Senator from West Virginia and a few others interested in the subject that if the Federal theaters are permitted to operate in the future, as the music projects and the arts projects and the other projects of that character are permitted to operate, with local sponsorship, with the local people putting up the same proportion of the theater projects' costs as for the music projects' costs, and the like, there will be a different management of the theater projects in the future. In other words, I know that that splendid lady, Mrs. Flanagan, who has heretofore headed the theater projects, believes so conscientiously in the projects and in the merits of the program to be willing to sacrifice her personal desire to be associated with it, and even the personal remuneration that she has derived from it, and will completely detach herself from it, in order that the program, which has done so much good in this country, may have an opportunity to operate in the future.

Mr. President, I have here a statement made in 1937 by Lt. Eugene M. McGilicuddy, of the juvenile aid bureau of the crime prevention bureau of the New York City Police Department. He said:

> I have found that crime prevention and art are very closely related. For proper guidance and education, we have sent many thousands of our children to see Works Progress Administration Federal Theater productions. We feel it has done a lot for them. Taking a child once to a real theater play did more good for him than taking him 100 times to the movies. Movies do not stimulate the child's imagination in the way your productions do. It is my opinion that 75 percent of the 15,000 children a week handled by us did not know that such a thing as the real theater existed. * * * Many delinquents or potential delinquents can be reached through athletics. But some children cannot be reached through these sports. It is the theater or the parks which have an appeal for that type of child. Thanks to the W. P. A. art program, the opportunity to indulge his creative instincts has been afforded this class of child. Without the aid of the W. P. A. and its arts program the Police Athletic League could not function. We haven't the funds.

In addition to that, I should like to read a list of the sponsoring organizations of the various theater projects over the country—263 social clubs and organizations, 264 welfare and civic organizations, 271 educational organizations, 95 religious organizations, 21 organizations from business and industry, 16 mass organizations, 66 trade-unions, 82 professional unions, 17 costumers' unions, 29 fraternal organizations, and 15 political organizations.

Mr. President, the Federal theater has not only produced the greatest number of religious plays ever presented by any producing group in the country, but it has also undertaken a wide variety of original research productions in the field of religious drama.

The productions have included such distinguished presentations as the American premiere of Eliot's Murder in the Cathedral, in New York; Sierra's Holy Night, in Chicago; Hauftman's Bethlehem, in Maine; Lavery's Monsignor's Hour, in New Orleans; Obey's Noah, in Los Angeles and Seattle; Bach's Within These Walls, in Chicago and New Orleans; O'Neill's Days Without End, in Denver; Lavery's First Legion, in San Francisco, as well as the annual cycles of Christmas miracle and morality plays which have been performed from coast to coast, on the steps of churches, libraries, public buildings, and even from the platforms of trucks, which have taken the Christmas story from one block to another in much the same fashion the strolling players of old went from place to place.

Particularly significant of the work of the Federal theater in religious drama is the unsolicited comment of the Catholic Herald of London, which declared in a recent review of the theater's record:

> In such a plan as the American one seems to lie a real national theater serving both a living culture and a living people, representing no one group and no one class either artistically or politically—a people's theater in fact.

I should like to have permission to read into the RECORD a list of the authors whose plays have been performed, and while there were a few plays that were referred to by the able Senator from West Virginia, I will say that some of the plays which were criticized as objectionable were given before the program came under national supervision and control. But in the list of plays given will be found some of the best dramas available in the world of culture today. The question of whether they were given creditably or not by the performers is attested by the attendance that was enjoyed wherever the performances were given.

Do the Members of the Senate realize that the real story of the plays produced by Federal theater has not been told them? Do they realize that Federal theater has produced an extensive religious cycle of early nativity and miracle plays; that it has produced a great classical series, including plays by Euripides, Plautus, Marlowe, Shakespeare, Beaumont and Fletcher, Lope de Vega, Moliere, Sherica, Goldsmith, Schiller, Labiche, Ibsen, Wilde, Tolstoy, Chekov, Dion Boucicault, Shaw, and O'Neill?

Does the Senate realize that the majority of plays by Federal theater are those of accredited and successful dramatists? Since one of the Senators on this floor dragged up and ridiculed a dozen plays out of the entire 1,200—plays done on small projects, before there was national control of the projects—I insist on writing into the RECORD at least a partial list of American dramatists who have been proud to have their plays done by Federal theater.

This list includes George Abbot, George Ade, Zoe Akins, Maxwell Anderson, Anthony Armstrong, Frank Bacon, Fred Ballard, Philip Barry, Emjo Basshe, Lewis Beach, David Belasco, Michael Blankfort, Guy Bolton, Ann Preston Bridges, George H. Broadhurst, Porter Emerson Brown, Charlotte Chorpenning, George M. Cohan, Octavus Roy Cohen, E. P. Conkle, Marc Connelly, Barry Conners, Frank Craven, Rachel Crothers, Owen Davis, Paul Lawrence Dunbar, Philip Dunning, Frank B. Elser, John Emerson, Edna Ferber, Clyde Fitch, Martin Flavin, Rose Franken, Zona Gale, Virgil Geddes, William Gillette, Susan Glaspell, Montague Glass, James Gleason, Michael Gold, Paul Green, Harry Wagstaff Gribble, James Hagan, Theresa Helburn, Lillian Hellman, James A. Herne, Avery Hopwood, Sidney Howard, Hatcher Hughes, Talbot Jennings, Larry E. Johnson, George Kaufman, Patrick Kearney, George Kelly, Charles Rann Kennedy, Sidney Kingsley, Charles Klein, Alfred Kreymberg, Lawrence Langner, Ring Lardner, Emmet Lavery, John Howard Lawson, Sinclair Lewis, Anita Loos, Constance D'Arcy Mackaye, Elizabeth McFadden, Albert Maltz, Max Marcin, Don Marquis, Alan Landon Martin, Margaret Mayo, Edna St. Vincent Millay, John Moffet, James Montgomery, Christopher Morley, Kenyon Nicholson, J. C. Nugent, Clifford Odets, Eugene O'Neill, Paul Osborne, John Howard Payne, Paul Peters, Channing Pollock, Robert H. Powell, William W. Pratt, Samson Raphaelson, Daniel Reed, Mark Reed, Elmer Rice, Lynn Riggs, Mary Roberts Rinehart, George Scarborough, Edgar Selwyn, Irwin Shaw, Robert Sherwood, George Sklar, Winchell Smith, Samuel and Bella Spewack, Wilbur Daniel Steele, James A. Sterne, Donald Ogden Stewart, Austin Strong, Barry and Leona Stavis, Booth Tarkington, Sophia Treadwell, Bayard Veiller, Lula Vollmer, James Warwick, John Wesley, Percival Wilde, Thornton Wilder.

This list should be sufficient to indicate the wide diversity and high standards of subject matter of the plays produced.

In the New York theater project, which was referred to, there were four plays about to be given when the Federal theater project was forced to close down. These plays were chosen by the school boards of over 100 high schools in the United States and were booked continuously through next year. These plays consisted of the Taming of the Shrew, The Rivals, R. U. R., and Cyrano de Bergerac.

Mr. President, I might go on and give references to statements showing the recognition which has been given to the merit and the virtue of the Federal theater program. There is no possibility of longer being any Communists, if there ever were, in the Federal theater program, because we have an airtight provision in the law that every person who receives benefits from the W. P. A. must take an oath that he supports and adheres to and believes in the institutions which are characteristic of America. I submit that if the lady who has headed this program, Miss Flanagan, has been in the past an impediment to the preservation of that great work, she has already offered to get out voluntarily and completely dissociate herself from that program, and let it be reorganized and revised in such a way that it will be absolutely above question by the most critical and exacting Member of the Congress.

Why can we prefer orchestras and let them be sponsored locally and receive W. P. A. contributions, and yet not sponsor the theater? Why can we let people locally sponsor an arts program, and yet not let people locally sponsor a theater program? Does the American Congress propose to castigate, as the only unworthy class of American artists, the people who are dedicated to the theater?

I see sitting before me the able Senators from Alabama and South Carolina, who I happen to know have illustrious nieces who are pursuing careers on the stage. Are they to be punished because there might heretofore have been someone in the program who was not satisfactory according to someone's critical judgment? Are all the others of the 7,000 performers to be criticized as unworthy to the traditions of America, and is it to be said that they cannot under any local sponsorship or in any possible case enjoy with any aid whatsoever from the Federal Government work of the kind they have chosen as their life's vocation?

Let us not condemn a class wrongfully. If a barrel has some rotten apples in it, get the rotten apples out of the barrel. If there is a rotten apple on top of the barrel, get it off. I say that Miss Flanagan has done a wonderful job as supervisor of this theatrical program. I cannot agree with the very able Senator from West Virginia in his criticism; but I do not criticize him for making the criticism. He has a perfect right to have that view about the matter. Other Members of Congress have the same right. But because this lady might happen to be objectionable, are 7,000 who have no other work to do to be deprived of getting a W. P. A. job if the project is sponsored by local communities, the way the music and arts programs are sponsored? I say it is unworthy to catisgate as noble a class as there is in the country as unworthy of their Government's consideration, and I know that on reflection, and upon assurance that there will be given a new attitude and a new point of view, new scrutiny, if I may say so, to this program, the Senate will be fair enough to submit this amendment back to the conference and let the House say again, in view of these assurances, whether they would not be willing to let the communities of America sponsor theater projects the way they can sponsor other projects which may be made a part of the Works Projects Administration program.

Mr. BARKLEY. Mr. President, I wish to make a statement with reference to the amendment. I appreciate the interest of the Senator from Florida in the theater situation. I admire his tenacity and ability in presenting it, or in presenting anything else he espouses. But this is the situation. If we are trying to put onto this bill a correction of everything someone thinks has been a mistake in legislation enacted heretofore, we not only will not recognize the bill when it is passed, but we will not get any legislation of any sort, even on the subject about which we are legislating.

The Senate adopted an amendment continuing the theater project, and I voted for it when it was before us in connection with the relief bill. It went to conference, the House would not accept it, and I know of no reason why it should be thought the House has changed its mind and would accept it on this bill, when it would not on the other. The conference report was presented, and the Senate agreed to the conference report with the amendment stricken out.

We had before us a few days ago the prevailing-wage provision, and because the Senate did not desire to incorporate it in the pending bill, because it would complicate the situation, and perhaps we would get neither the prevailing wage nor the measure now pending, that amendment was defeated.

The amendment the Senator has offered can be offered in connection with any other legislation, as well as in connection with the pending legislation, and I hope the Senator from Florida, with all his enthusiasm, and ability, and determination, and stick-to-it-iveness on any proposition, will not urge the amendment on this bill.

I sympathize with the situation which confronts the actors and artists of the country, and I voted for the provision when it was before us on a previous occasion, and I do not wish to foreclose myself as to how I would vote in the future; but I am sympathetic. I regret that it was eliminated; but it was eliminated by the action of the Congress, and I do not believe a measure like that now pending should be used as a kind of omnibus vehicle upon which to attach other things which have been rejected heretofore. For that reason I hope the amendment will not be agreed to.

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

Mr. BARKLEY. I yield.

Mr. PEPPER. Under the rules would it be possible, or would the Senator think it inappropriate, if this amendment were withdrawn now, that it might be offered upon the deficiency bill when it comes along? It is directly related to providing jobs.

Mr. BARKLEY. It depends. It would probably be subject to a point of order, and the Senator of course could move that the rule be suspended, and if he could obtain a two-thirds vote to suspend the rule, if the point of order were made, he could make it in order on the bill. My recollection is that when the matter was up before it was adopted by an overwhelming vote.

Mr. PEPPER. Our leader has been very magnanimous about this matter, and while, of course, I do not want to bind the Senator, if I may deduce from his favorable attitude that he would not be one of the most belligerent opponents of the amendment if it is presented in connection with another measure, I will gladly acquiesce in his suggestion that the amendment be withdrawn.

The PRESIDING OFFICER (Mr. LEE in the chair). The amendment is withdrawn.

Mr. BURKE. Mr. President, I offer an amendment which I send to the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed to strike out lines 16 to 25, inclusive, on page 13, and to insert "shall become available for such purposes as and when appropriated by Congress"; and on page 18, at the end of line 9, to strike out the period and insert a comma and the words, "and the specific sums named in the act respectively for the various agencies administering the act, but no money shall be expended hereunder without appropriation by Congress."

Mr. BURKE. Mr. President, I shall explain in a very few words the purpose of the amendment.

When money is received in the United States Treasury, coming from whatever source or raised in whatever manner it may be, that money shall not find its way out of the United States Treasury until Congress has made the necessary appropriation to take it out.

We have before us a bill to provide, we are told, a sound method of financing. We are all familiar with the method that is proposed. The corporation specified in the bill is

authorized to issue bonds, to sell them to the public, and to deposit all of the proceeds in the Treasury of the United States, just as any money raised by taxation or any other money finds its way into the Treasury.

This measure then provides a different method for getting the money out of the Treasury. Through all our history the appropriation bodies of the House and the Senate have had to act before a single dollar could be taken out of the Treasury, and action has had to be concurred in by a majority of both houses of Congress.

That has been the American way of getting money out of the Treasury. But we have here proposed a new method.

The Treasurer of the United States is hereby authorized and directed to receive such moneys and hold the same * * * and * * * upon the direction of the President, shall order to such special disbursing accounts with said Treasurer as the Secretary of the Treasury shall designate.

The purpose of the amendment, as I have explained, is to provide that when this money gets into the Treasury it can be taken out only in the normal American way, and that is accomplished by the two parts of the amendment offered. First, on page 13, section 11 now reads:

The departments, administrations, and agencies for which funds shall be provided by the Corporation pursuant to this act may use such funds for the purpose of carrying out their respective functions under this act and such funds shall remain available for such purposes until expended.

All the remainder of that section is eliminated, so that if the amendment shall be adopted, the section will read:

The departments, administrations, and agencies for which funds shall be provided by the Corporation pursuant to this act may use such funds for the purpose of carrying out their respective functions under this act, and such funds shall become available for such purposes as and when appropriated by Congress.

Then, proceeding to the other part of the amendment, on page 18, line 9, section 19 now reads:

There is hereby authorized to be appropriated from time to time such sums as may be necessary for administrative expenses in carrying out the provisions of this act.

I insert this provision:

And the specific sums named in the act respectively for the various agencies administering the act, but no money shall be expended hereunder without appropriation by Congress.

I do not wish to enlarge upon this point, but, with the provision covered by the two parts of the amendment inserted in the bill, I believe it would be possible for many who must otherwise oppose the measure to give their support to it. I earnestly urge the serious consideration of the amendment.

Mr. BARKLEY. Mr. President, I have no doubt that any Member of the Senate who is opposed to the bill could with great consistency support it if the amendment of the Senator from Nebraska should be adopted, because we might as well strike out all after the enacting clause as to adopt the Senator's amendment.

What does the amendment provide? In the bill as it was first presented to the committee there was a provision for the use of a revolving fund. It was proposed that when loans made by various organizations, such as the Rural Electrification Administration, the Farm Security Administration, the Public Works Administration, were repaid, they shall be placed in a revolving fund. The committee refused to include that provision. So an amendment was adopted which stated:

The departments, administrations, and agencies for which funds shall be provided by the Corporation pursuant to this act may use such funds for the purpose—

And so on—

until expended.

In other words, there is $350,000,000 available for P. W. A. They may use that until it is absorbed, but after it is repaid they cannot use another dollar of it to make new loans. It goes back into the Treasury. The Rural Electrification Administration was authorized to lend $500,000,000 to farm cooperatives to establish rural-electrification facilities, and it is available until expended. That is not money which is going out of the Treasury. It is money that has been obtained by the Reconstruction Finance Corporation through the sale of bonds to the public. The same thing is true with respect to the Farm Security Administration, the R. E. A., and the P. W. A.

Let us suppose that projects are approved under the Public Works Program amounting to $200,000,000. The Reconstruction Finance Corporation sells bonds to obtain that $200,000,000 to turn over to the P. W. A. to make these loans. Under the amendment offered by the Senator from Nebraska not a project could be begun until Congress next year some time, after we come back in January, appropriates the money for that specific purpose. The Senator from Nebraska is an intelligent and able man, and he understands all the implications of his amendment.

If the Farm Security Administration desired to lend $100,000,000, or $50,000,000, or any part of the $600,000,000 for farm tenancy or for rural rehabilitation, it could go to the Reconstruction Finance Corporation, with the approval of the President, and say, "We have applications for loans amounting to $100,000,000. We may have some more later, but we have applications for $100,000,000 now." The R. F. C. could sell its bonds to enable these new loans to be made, if the amendment of the Senator from Nebraska were not adopted. But under the amendment of the Senator from Nebraska they could not lend a dime. The entire R. E. A. program would be stopped until Congress came back here and made an appropriation, not out of money put into the Treasury by taxes, but out of money obtained by the R. F. C. through sale of bonds to the public. Not a single cooperative in the United States could get a dollar until then.

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

Mr. BARKLEY. I have only 5 minutes. I hope the Senator will not ask me to yield. If I have any time when I get through, I shall be glad to yield.

The same situation applies to the Public Works Administration. They may have enough projects already approved to absorb all the $350,000,000. The R. F. C. may sell bonds in order to obtain the money for the benefit of the Public Works Administration. Under the Senator's amendment, however, not a project could go forward until Congress should meet again and appropriate money for each individual project. If Senators want to destroy the effect of the bill, let them vote for the amendment of the Senator from Nebraska. If Senators are opposed to the bill, let them vote against it on the roll call when it is put on its final passage, but do not kill it in an indirect way by adopting this amendment, because that is what they would do.

On page 18 of the bill we provide that the administrative expenses, as is the case now as to all these agencies, shall under the authorization be appropriated by Congress. But in order that the Senator from Nebraska might make sure that his amendment would destroy the effect of the bill, he has gone over to the last page, where we provide for the appropriation of administration expenses, and added language which would make it impossible not only for the administrative expenses to be paid under the language of the bill, but for any of these agencies to spend a dollar on any specific project unless that project were brought here on the floor, threshed out in Congress, approved, and the appropriation made, not out of funds raised by taxation and put into the Treasury, but through the sale of bonds made under the jurisdiction of the Reconstruction Finance Corporation.

Mr. President, the amendment should not be adopted, and I hope it will be defeated.

Mr. GERRY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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

Adams	Bridges	Clark, Mo.	Gibson
Andrews	Brown	Connally	Gillette
Austin	Bulow	Danaher	Guffey
Bailey	Burke	Davis	Gurney
Bankhead	Byrd	Downey	Hale
Barkley	Byrnes	Ellender	Harrison
Bilbo	Capper	Frazier	Hatch
Bone	Chavez	George	Hayden
Borah	Clark, Idaho	Gerry	Herring

Hill	McCarran	Pittman	Taft
Holman	McKellar	Radcliffe	Thomas, Okla.
Holt	Maloney	Reed	Thomas, Utah
Hughes	Mead	Russell	Townsend
Johnson, Calif.	Miller	Schwartz	Truman
Johnson, Colo.	Minton	Schwellenbach	Tydings
King	Murray	Sheppard	Vandenberg
La Follette	Neely	Shipstead	Van Nuys
Lee	Norris	Slattery	Wagner
Lodge	Nye	Smathers	Walsh
Lucas	O'Mahoney	Smith	Wheeler
Lundeen	Pepper	Stewart	White

The PRESIDING OFFICER. Eighty-four Senators having answered to their names, a quorum is present.

The question is on the amendment of the Senator from Nebraska [Mr. BURKE].

Mr. TAFT obtained the floor.

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

Mr. TAFT. I yield.

Mr. BYRD. In a colloquy several days ago in respect to the amendment offered by the Senator from——

Mr. TAFT. I thought the Senator wished to ask a question. I yield for a question.

Mr. BYRD. I just want to insert a matter into the RECORD, if the Senator will yield for a moment.

Mr. TAFT. I do not want to yield the floor, and I can speak only once on this matter. I regret I cannot yield to the Senator without yielding the floor.

Mr. BYRD. Very well.

Mr. TAFT. Mr. President, it seems to me the interpretation put on the amendment by the Senator from Kentucky is hardly justified. As I would read the amendment of the Senator from Nebraska—and if I am mistaken I wish he would correct me—it simply means that there must be an appropriation act to cover the appropriations for the year 1940. The R. E. A., for instance, always has had $40,000,000 appropriated per year, and the amendment provides that we must appropriate again each year for the R. E. A. the sum which the Appropriations Committee finds to be necessary for that particular year. It does not have to cover each separate project, does it?

Mr. BURKE. No. The provision follows the customary practice followed since the Nation was established, that before money can be taken out of the Treasury and spent there must be an appropriation. Never has it been required that an act of Congress shall go into minute detail, but merely that the department, or the corporation, in this case, must represent to Congress what funds it wants out of the money raised by the new method of issuing bonds guaranteed by the Government. It must represent to Congress what money it wants for R. E. A., for the Farm Security Administration, or anything else; and the appropriations committees consider the matter and act upon it.

There is nothing new in the amendment. It merely restores what has always been the accepted financial policy of the Government.

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

Mr. TAFT. I yield.

Mr. BARKLEY. In other words, before any money can be taken out of the Treasury there must be an appropriation.

Mr. BURKE. Yes.

Mr. TAFT. I assume such an appropriation could be put in the urgent deficiency bill before this bill passes.

Mr. BARKLEY. It would have to be pretty urgent to get in the one that is expected to pass before we adjourn.

Mr. TAFT. As I understand, it is urgent. The bill has been pushed as hard as it could be pushed.

Mr. President, it seems to me the amendment meets the really fundamental objection to the bill. It proceeds to prevent the bypassing of the Appropriations Committee. After all it seems to me that the main purpose of what is left in the bill—the R. E. A. and the Farm Security Administration—is to avoid coming back to Congress for 3 or 4 or 5 or 6 years, because according to the estimates the $500,000,000 appropriated to the R. E. A. will require from 8 to 10 years to spend; and during that time the agency is entirely relieved from the compelling force of coming to Congress every year and showing what money it needs for the next year. It seems to me the amendment fully meets the requirements.

Incidentally, I suggested in my opening speech the other night that I doubt very much whether the procedure proposed is at all constitutional. Certainly it is not in accord with the spirit of the Constitution.

The Constitution says that:

> No money shall be drawn from the Treasury but in consequence of appropriations made by law; and a regular statement and account of the receipts and expenditures of all public money shall be published from time to time.

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

Mr. TAFT. I yield.

Mr. BARKLEY. This money is not drawn from the Treasury.

Mr. TAFT. The other day the Senator made the same statement; and he cited the case of *United States* v. *Johnston* (124 U. S. 236), which I have read with interest, and which seems to me to prove nothing of the kind. It was a case relating back to the Civil War, when, in the midst of a war emergency, some man went out and bought cotton for the Government, or took over confiscated cotton. Anyone who reads the case will find a distinction about a special disbursing account; but so far as any discussion of the constitutional question is concerned, he will not find it.

Incidentally, there is a more recent case, the case of *Haskins Brothers* v. *Morgenthau* (85 Fed., 2d), pertaining to the processing taxes on oil, under the act providing that certain taxes on coconut oil shall be placed in a separate fund, earmarked as such by section 602½ of the Revenue Act of 1934, for the benefit of, and to be paid over to, the Philippine Islands. The petition asked that that section be declared unconstitutional and that the fund on hand for payment to the Philippines be held in trust for the claimant and others similarly situated. Regarding this alleged special fund in the Treasury for the Philippine Islands, the court said:

> We hold these general principles to be axiomatic:
>
> (3) First, that an act of Congress was necessary for the withdrawal of money from the Public Treasury.
>
> * * * * * * *
>
> (5) Third, that the Secretary of the Treasury and the Treasurer are officers of the United States holding offices established by law; that their duties are to receive and preserve the public money and not to disburse it except conformably to law; that as officers of the United States they have no right or estate in the public money or any other money in the Treasury, whether earmarked as a special fund or as part of the general fund of the United States; that they are in effect mandatories of a limited and defined commission.

The brief of Mr. Justice Reed, who was then Solicitor General, said:

> It is true that the Treasury has credited these taxes to the account of a special fund, by reason of the congressional appropriation to the Philippines, but a large part of the money in the Treasury is similarly allocated. It has never been supposed that the money for that reason ceased to be that of the United States or that the United States no longer had an interest in its disposition.

It seems to me that case certainly supersedes the case cited by the Senator from Kentucky.

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

Mr. TAFT. I yield.

Mr. BARKLEY. Does not the Senator recognize that the courts have drawn a distinct difference between a deposit of money with the Treasurer of the United States and a deposit in the Treasury of the United States?

Mr. TAFT. I think the case I have just read absolutely destroys that difference. It goes back to the point that, after all, in substance these are public moneys.

Mr. BARKLEY. They are not public moneys.

Mr. TAFT. They are borrowed on the credit of the United States.

Mr. BARKLEY. They do not belong to the United States.

Mr. TAFT. Not a cent could be obtained without obligating the United States.

Mr. BARKLEY. The moneys do not belong to the United States. Not a dollar of them is available for the expenses of the Government. They are moneys raised from the public

by the sale of bonds, and merely deposited in order that they may be used for the purpose for which the bonds are issued.

Mr. TAFT. The Senator certainly is drawing a fine distinction. These are public moneys. They are being used for public purposes. Take for instance the R. E. A. We have been appropriating for the R. E. A. for a number of years.

Mr. BARKLEY. Yes.

Mr. TAFT. We recognize its public purpose.

Mr. BARKLEY. That money came out of the Treasury. This money is not to come out of the Treasury. We have even covered back into the Treasury $40,000,000 which we appropriated for next year for the R. E. A.

Mr. TAFT. This money will be in the Treasury down on Pennsylvania Avenue, just where any other public money is.

Mr. CONNALLY. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. CONNALLY. The Senators are not deporting themselves according to the rules of the Senate, which require that a Senator obtain consent to interrupt another Senator.

Mr. BARKLEY. Mr. President, the Senator yielded to me.

Mr. CONNALLY. But the Senator from Kentucky did not yield to him when the Senator from Ohio was coming at him.

Mr. BARKLEY. I did not have the floor when he was coming at me.

Mr. CONNALLY. Mr. President, I am not inclined to take sides——

Mr. BARKLEY. I hope I shall never be forced to yield when the Senator from Ohio comes at me.

Mr. CONNALLY. Mr. President, I invoke the rule. In addition to the dignity of the Senate being involved, the Senator from Wisconsin [Mr. LA FOLLETTE] and myself occupy positions of danger. [Laughter.]

Mr. BARKLEY. Mr. President, the Senator yielded to me.

Mr. TAFT. I did not object to the Senator speaking.

Mr. BARKLEY. I did not think I was compelled to ask the Senator to yield every time I asked him a question, so long as he was yielding. So far as any danger to the Senator from Texas and the Senator from Wisconsin is concerned because of the fact that the Senator from Ohio was coming at me, I think that danger can be excluded.

Mr. REED. Mr. President, may I ask a question of the Senator from Kentucky?

Mr. TAFT. Mr. President, I am about to resume in my own time. I do not have very much.

Mr. REED. I merely wanted to ask the Senator from Kentucky, whether or not he thinks, if there were any real danger the Senator from Texas would stay where he is.

Mr. BARKLEY. I do not know how the Senator from Texas would demean himself, but I am sure under the same circumstances the Senator from Kansas would not remain.

Mr. AUSTIN. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Ohio [Mr. TAFT] has the floor.

Mr. TAFT. Mr. President, the appropriation system is a fundamental feature of the American constitutional system and of our whole financial system. I wish to read from Story on the Constitution:

> In arbitrary governments the prince levies what money he pleases from his subjects, disposes of it as he thinks proper, and is beyond responsibility or reproof. It is wise to interpose in a republic every restraint by which the public treasures, the common fund of all, should be applied with unshrinking honesty to such objects as legitimately belong to the common defense and the general welfare. Congress is made the guardian of this treasure and to make their responsibility complete and perfect, a regular account of the receipts and expenditures is required to be published, that the people may know what money is expended, for what purposes, and by what authority.

It seems to me that in this case we are simply abandoning our constitutional duty to sit down each year and consider how much money a particular department needs and how much money it can use in the next 12 months, which money ought to be included in the expenditures of the Government. The effect of the bill would be to take the R. E. A. expenditures and the Farm Security expenditures out of the regular Budget of the Government and present a pretended reduction of governmental expenses.

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

Mr. TAFT. I yield.

Mr. BYRD. I should like to have the Senator refer to section 12 and give me his opinion as to whether or not any losses which may be sustained by the corporations will be required to be paid to the corporations by the Secretary of the Treasury without coming to the Appropriations Committee. The point is that not only will the original expenditures be controlled by the corporation or commission, but any losses which occur will be automatically paid by the Secretary of the Treasury.

Mr. TAFT. My interpretation of section 12 is that it is only an authorization for appropriation. I do not know whether or not the author of the bill agrees with me, but that was rather the conclusion of the committee.

Mr. BARKLEY. Mr. President, I do agree; and to confirm the statement, I will say that we authorize in the bill an appropriation sufficient to pay any losses up to 1941. Beyond that the bill operates as an authorization under which Congress may from year to year after that, if necessary, appropriate money to take care of such losses. The losses would not be automatically paid out of the Treasury, but under an appropriation.

Mr. BYRD. Referring to line 19 on page 14, the provision with respect to losses is that the Secretary of the Treasury, on behalf of the United States, shall pay to the Corporation a sum equal to such losses. Then the authorization is made later.

Mr. TAFT. Mr. President, I am not thoroughly familiar with appropriation practice, but I was advised by someone who seemed to know that that provision is only an authorization. Of course, on page 17, the administrative expenses of the departments, administrations, and agencies of the Government for the year 1940 entirely bypass the Appropriations Committee. All the administrative expenses are to be paid out of borrowed money the first year. After that we are to be permitted to appropriate and decide what such expenses shall be. The bill attempts to say that money may be borrowed in New York by the Reconstruction Finance Corporation and paid over to the agencies to be used by them for administrative expenses without any further appropriation by Congress, because, while section 12 may or may not be an authorization for appropriation, certainly section 16 provides that no appropriation shall be required.

Mr. President, I believe very strongly that the essential fault of the whole lending program is that it is a fraudulent program, a concealing of expenditures, and the beginning of the creation of a double budget; and that if we wish to adhere to established practice we should return to the method of appropriating funds and adopt the amendment of the Senator from Nebraska [Mr. BURKE].

The PRESIDING OFFICER (Mr. LEE in the chair). The time of the Senator from Ohio on the amendment has expired. The question is on the amendment of the Senator from Nebraska [Mr. BURKE].

Mr. BURKE. I ask for the yeas and nays.

The yeas and nays were ordered and the Clerk proceeded to call the roll.

Mr. DAVIS (when his name was called). I am paired with the junior Senator from Kentucky [Mr. LOGAN]. I transfer that pair to the junior Senator from New Jersey [Mr. BARBOUR] and vote. I vote "yea."

Mr. GUFFEY (when his name was called). On this vote I have a pair with the junior Senator from New Hampshire [Mr. TOBEY]. I transfer that pair to the Senator from Louisiana [Mr. OVERTON] and vote. I vote "nay." I am not advised how either Senator would vote if present and voting.

The roll call was concluded.

Mr. MINTON. I announce that the Senator from North Carolina [Mr. REYNOLDS] is detained from the Senate because of a death in his family.

The Senator from Arizona [Mr. ASHURST] is absent because of illness in his family.

The Senator from Arkansas [Mrs. CARAWAY] and the Senator from Rhode Island [Mr. GREEN] are absent on important public business.

The Senator from Ohio [Mr. DONAHEY], the Senator from Virginia [Mr. GLASS], the Senator from Kentucky [Mr. LOGAN], and the Senator from Louisiana [Mr. OVERTON] are unavoidably detained.

The Senator from Iowa [Mr. GILLETTE], the Senator from Nevada [Mr. MCCARRAN], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Indiana [Mr. VAN NUYS] are detained in various Government departments.

Mr. HARRISON. Making the same announcement as before, I withhold my vote.

Mr. AUSTIN. I desire to announce the following general pairs:

The Senator from Wisconsin [Mr. WILEY] with the Senator from Rhode Island [Mr. GREEN].

The Senator from Oregon [Mr. MCNARY] is necessarily absent. His general pair with the Senator from Mississippi [Mr. HARRISON] has been stated by that Senator.

The Senator from New Hampshire [Mr. TOBEY] would vote "yea" if present.

The result was announced—yeas 31, nays 47, as follows:

YEAS—31

Austin	Danaher	Holman	Shipstead
Bailey	Davis	Holt	Smith
Bridges	Frazier	Johnson, Calif.	Taft
Bulow	George	King	Townsend
Burke	Gerry	Lodge	Tydings
Byrd	Gibson	Miller	Vandenberg
Capper	Gurney	Nye	White
Clark, Mo.	Hale	Reed	

NAYS—47

Adams	Ellender	McKellar	Schwellenbach
Andrews	Guffey	Maloney	Sheppard
Bankhead	Hatch	Mead	Slattery
Barkley	Hayden	Minton	Smathers
Bilbo	Herring	Murray	Stewart
Bone	Hill	Neely	Thomas, Okla.
Borah	Hughes	Norris	Thomas, Utah
Brown	Johnson, Colo.	Pepper	Truman
Byrnes	La Follette	Pittman	Wagner
Chavez	Lee	Radcliffe	Walsh
Clark, Idaho	Lucas	Russell	Wheeler
Connally	Lundeen	Schwartz	

NOT VOTING—18

Ashurst	Gillette	McCarran	Tobey
Barbour	Glass	McNary	Van Nuys
Caraway	Green	O'Mahoney	Wiley
Donahey	Harrison	Overton	
Downey	Logan	Reynolds	

So Mr. BURKE's amendment was rejected.

Mr. MEAD. I offer an amendment, which I send to the desk and ask that it may be read by the clerk.

The PRESIDING OFFICER. The amendment proposed by the Senator from New York will be stated.

The LEGISLATIVE CLERK. It is proposed to insert as a new section at the end of the bill the following:

DIRECT LOANS BY FEDERAL RESERVE BANKS TO BUSINESS ENTERPRISES

That section 13b of the Federal Reserve Act, as amended, is amended to read as follows:

"SEC. 13b. (a) In exceptional circumstances, when it appears to the satisfaction of a Federal Reserve bank that a business enterprise located in its district is unable to obtain requisite financial assistance on a reasonable basis from the usual sources, the Federal Reserve bank, pursuant to authority granted by the Board of Governors of the Federal Reserve System, may make loans to, or purchase obligations of, such business, or may make commitments with respect thereto, on a reasonable and sound basis.

"(b) Each Federal Reserve bank shall also have power to discount for, or purchase from, any bank, trust company, mortgage company, credit corporation for industry, or other financing institution operating in its district, obligations of any business enterprise; to make loans or advances direct to any such financing institution on the security of such obligations; and to make commitments with regard to such discount or purchase of obligations or with respect to such loans or advances on the security thereof, including commitments made in advance of the actual undertaking of such obligations. Each such financing institution shall obligate itself to the satisfaction of the Federal Reserve bank for at least 10 percent of any loss which may be sustained by such bank upon any of the obligations acquired from such financing institution, the existence and amount of any such loss to be determined in accordance with regulations of the Board of Governors of the Federal Reserve System: *Provided*, That in lieu of such obligation against loss any such financing institution may advance at least 10 percent of such advance of credit without obligating itself to the Federal Reserve bank against loss on the amount advanced by the Federal Reserve bank: *Provided, however*, That such advances by the financing institution and the Federal Reserve bank shall be considered as one advance, and repayment shall be made pro rata under such regulations as the Board of Governors of the Federal Reserve System may prescribe.

"(c) The aggregate amount of loans, advances, and commitments of the Federal Reserve banks outstanding under this section at any one time, plus the amount of purchases and discounts under this section held at the same time, shall not exceed the amounts paid to the Federal Reserve banks by the Secretary of the Treasury under subsection (d) of this section, except that when the amounts so paid by the Secretary of the Treasury are, in the judgment of the Board of Governors of the Federal Reserve System, inadequate for operations under this section, the Federal Reserve banks, with the approval of the said Board, may continue operations under this section through the utilization of their other funds until the amount of such other funds so utilized equals the amounts received by them from the Secretary of the Treasury. All operations of the Federal Reserve banks under this section shall be subject to such regulations as the Board of Governors of the Federal Reserve System may prescribe.

"(d) In order to enable the Federal Reserve banks to make the loans, discounts, advances, purchases, and commitments provided for in this section, the Secretary of the Treasury is authorized and directed to pay to each Federal Reserve bank not to exceed such portion of the sum of $139,299,557 as may be represented by the amount paid by each Federal Reserve bank for stock of the Federal Deposit Insurance Corporation, and not already paid to a Federal Reserve bank under the provisions of this section, upon request by each Federal Reserve bank and upon execution of its agreement (to be endorsed on the certificate of such stock) to hold such stock unencumbered and to pay to the United States all dividends, all payments on liquidation, and all other proceeds of such stock, for which dividends, payments, and proceeds the United States shall be secured by such stock itself, up to the total amount paid to each Federal Reserve bank by the Secretary of the Treasury under this section. Payments heretofore made by the Secretary of the Treasury to any Federal Reserve bank under the provisions of this section shall be subject only to the terms of the section as now amended. The Board of Governors of the Federal Reserve System shall have authority to reallocate among the Federal Reserve banks the funds received from the Secretary of the Treasury as said Board may find necessary in order to meet existing needs. Whenever the Board of Governors of the Federal Reserve System shall conclude, either as a result of a decrease in the volume of operations or otherwise, that the amounts paid to the Federal Reserve banks by the Secretary of the Treasury under this section are no longer needed for operations under this section, the total amount received from the Secretary of the Treasury under this section, after making adequate provisions for losses incurred in the use of such amount and after adding any net income derived from the use of such amount, shall be paid to and become the property of the United States, such payments to be made as orderly liquidation of assets acquired through the use of such amount, in the judgment of the said Board, will permit. All amounts required to be expended by the Secretary of the Treasury in order to carry out the provisions of this section shall be paid out of the miscellaneous receipts of the Treasury created by the increment resulting from the reduction of the weight of the gold dollar under the President's proclamation of January 31, 1934; and there is hereby appropriated, out of such receipts, such sum as shall be required for such purpose."

Mr. MEAD. Mr. President, in 1934, when the question of the capital and credit needs of industry was being emphasized in the Congress, the Chairman of the Federal Reserve Board at that time, Chairman Black, recommended that there be set up intermediate credit corporations in order to take care of this growing need. At that time, and when the matter came before the Committee on Banking and Currency for consideration, the senior Senator from Virginia [Mr. GLASS] presented an amendment which is virtually the amendment which I have sent to the desk, with a number of changes which I suggested today, in order that loans might be extended particularly to small enterprises.

The original amendment presented by the Senator from Virginia is changed in the main by striking from that amendment the following language—and this language is the heart and center of the amendment I have sent to the desk. This is the language that is stricken from existing law:

For the purpose of providing it—

Meaning industry—

with working capital, but no obligation shall be acquired or commitment made hereunder with a maturity exceeding 5 years.

Mr. President, the amendment which I have offered, of course, contains other new verbiage; but the language which

I have just quoted is, as I have said, language containing the major features of the amendment. It strikes out language which restricted and limited the Federal Reserve Board in granting loans to industry so that those loans could be only for working-capital purposes. It limited the life of those loans to a period of 5 years.

My amendment is the result of the hearing now being conducted in connection with the bill which I have introduced, to provide a new system of loans for small enterprise. This amendment has the approval of the Chairman of the Federal Reserve Board and of a number of Board members; but it must not be construed as the so-called Mead bill, which the Banking and Currency Committee is still considering. The hearings on that bill have not been concluded, and I should not care to ask the Senate to consider an amendment which would embrace the philosophy of the bill, until such time as the hearings shall have been concluded.

However, Mr. President, in view of the fact that the Chairman of the Federal Reserve Board and other members of the Board appeared before the committee and explained to the committee their opinion as to the necessity for loans of this character, and, in view of the fact that this amendment is but a slight modification of the amendment presented and written into the law in 1934 by the senior Senator from Virginia, I believe that it is proper and appropriate and germane at this time and for that reason I have sent it to the desk for consideration.

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

Mr. MEAD. I shall be glad to yield for a question.

Mr. VANDENBERG. There seems to be some relationship between the Senator's amendment and the stabilization fund, in the final paragraph. Will the Senator explain that?

Mr. MEAD. I shall be glad to do so. In that connection there is no difference between existing law and my amendment, insofar as finding a source for the funds is concerned.

In initiating the Federal Deposit Insurance Corporation, the Federal Reserve banks were called upon to make a contribution toward its capital structure. That amount approximated $139,000,000. The Treasury of the United States was authorized to pay that amount back to the Federal Reserve banks from the profits resulting from devaluation of the gold dollar. That is existing law. I am making no changes in that. I am merely allowing the Federal Reserve System to utilize that $139,000,000 owing to them and now allotted to them by the Treasury of the United States.

Mr. VANDENBERG. What would it be used for otherwise?

Mr. MEAD. I presume it would be used for the ordinary conduct of the Federal Reserve System or returned to the member banks that made the original contribution to the initiation of the Federal Deposit Insurance Corporation.

Mr. VANDENBERG. Does the Senator say that the Federal Reserve Board approves of this arrangement?

Mr. MEAD. I have here the statement of the Chairman of the Federal Reserve Board, and I shall be glad to put it in the RECORD.

Mr. VANDENBERG. Does his statement cover the particular subject about which I am inquiring?

Mr. MEAD. I am quite sure he does cover that, but I will be sure to cover it before I conclude.

In explanation of this amendment, Mr. President, let me say that it amends section 13 (b) of the Federal Reserve Act, which now authorizes Federal Reserve banks to make loans direct to established commercial and industrial enterprises, for working-capital purposes only, and for periods up to 5 years. It also authorizes the Federal Reserve banks to grant commitments to or participate with financing institutions with respect to any such loans. The limitations now contained in the act, with respect to supplying working capital to established businesses and with respect to maturities, with the limitation to 5 years, make it impossible for the Federal Reserve banks to grant credit to many worthy enterprises, particularly where additional funds are needed for the expansion or the improvement of enterprise.

My proposed amendment would eliminate these limiting provisions and would permit the Federal Reserve banks to extend credit to any business enterprise without restriction as to purpose and without restriction as to the period of time.

Under the present law the Secretary of the Treasury is authorized to pay to the Federal Reserve banks up to $139,000,000 out of the increment resulting from the reduction of the weight of the gold dollar, for the purpose of enabling the Federal Reserve banks to make industrial loans. This is the amount paid by the Federal Reserve banks for stock in the Federal Deposit Insurance Corporation.

I would merely permit them to use their own money. The Secretary of the Treasury has already paid to the Federal Reserve banks approximately $27,000,000 of this sum. The law requires the Federal Reserve banks to pay the Government 2 percent, if earned, on the amount received from the Secretary of the Treasury for this purpose. My proposed amendment would direct the Secretary of the Treasury to pay to the Federal Reserve banks, upon request, such portion of the sum of $139,000,000 as has not already been paid to the Federal Reserve banks; and my amendment would also eliminate the provision for the payment by the Federal Reserve banks of the 2 percent, and it would authorize the Board of Governors to make such reallocation among the Federal Reserve banks of funds received from the Secretary as it finds necessary to meet existing needs in granting these loans to enterprise.

My amendment also provides that whenever the Board of Governors of the Federal Reserve System shall conclude that the amounts paid to the Federal Reserve banks by the Secretary of the Treasury are no longer needed for operations under section 13 (b), then the amount received from the Secretary of the Treasury, plus income and less such expenses and losses, will be paid back to and become once again the property of the United States.

Mr. President, this amendment merely broadens existing law. It does not appropriate an additional dollar. The amendment would give opportunity to Congress to study the needs of small enterprise and to become acquainted with the volume of capital needed in this country by small enterprise. We have nothing to lose; we have everything to gain. The record of the operation since 1934 of the so-called Glass amendment is one that recommends itself to the broadening influences of the amendment which I have offered.

From June 19, 1934, the date when the Federal Reserve banks were authorized to make working-capital loans to business enterprise, up to May 1939, the Federal Reserve banks passed on 9,291 applications, and took commitments to make advances amounting in all to $395,000,000.

Of the total number of applications over a thousand, amounting to $195,000,000, had to be rejected because the funds were not to be used for working-capital purposes. They will be taken care of under the amendment which I have sent to the desk. Between 350 and 400 applications amounting to $15,000,000 had to be rejected because the applicants were not established in industrial or commercial enterprises.

In the case of the establishment of an enterprise in the vicinity of the anthracite mining field, where, up until the present, it has been necessary for them to secure their equipment in Germany, and where we know an enterprise will have every reason to be successful, loans could be made for the initiation of this needed new enterprise.

The PRESIDENT pro tempore. The time of the Senator on the amendment has expired.

Mr. MEAD. Mr. President, I desire to speak on the bill. Other rejections numbered about 5,100, and amounted to approximately $155,000,000. The reasons for these rejections were unsatisfactory management, unsatisfactory financial condition, and unsatisfactory business prospects. Under my amendment they will be rejected in the future. Under my amendment only sound loans will be made, and under my amendment only good, solid, substantial industries will be encouraged.

Mr. President, what about the earnings under the operation of this amendment? What possibilities of profit or loss are there under the operation of the amendment I have at the desk insofar as the administration of the new measure is concerned? From the record we learn that to the end of 1938 the net earnings on industrial advances, before making provision for losses, amounted to $2,800,000. Determined losses charged off aggregate but $160,000, and reserves set aside to take care of estimated losses amount to $1,865,000. This leaves net earnings of about $770,000 for the period from June 19, 1934, to December 31, 1938.

At the present time the Federal Reserve banks hold, in addition to the $2,500,000 of advances which are past due 3 months or more, $1,300,000 of miscellaneous assets they have acquired in connection with the liquidation of defaulted obligations.

From the earning record, therefore, from the profits at hand, the liberalization of existing law without the authorization of an additional appropriation will, in my judgment, meet a very real need, and it will enable the subcommittee recently authorized by the Committee on Banking and Currency, and given an appropriation to make a study of capital needs, an opportunity to say just what these needs are, and to observe in application, in the processes of administration, the authorization contained in this amendment. It will, in my judgment, serve a useful and a fruitful purpose. It will help the Senate of the United States to determine whether or not permanent law on the subject should be enacted, and just what the provisions of that permanent policy should be.

Mr. President, of the total amount of advances and commitments made by the Federal Reserve banks, only $38,000,0000 were advanced by the Federal Reserve banks direct to borrowers. Seventy-one million dollars represents advances made through local banks or commitments to local banks. That shows a cooperative attitude on the part of the local banks in making loans to business enterprises covered by Federal Reserve banks' commitments. Also the fact that the servicing of loans was rendered to a large extent by local banks accounts for the small amount of losses suffered by the Federal Reserve banks to date.

The amendments to section 13 of the Federal Reserve Act which I suggest propose only a slight broadening of the Federal Reserve bank authority, so that the Reserve banks will not be limited, if my amendment shall be adopted, by the restrictions imposed under existing law. These restrictions, I repeat, are that loans be only for working-capital purposes, that only established industrial businesses shall be considered eligible borrowers, and that the maximum maturities cannot exceed 5 years.

Mr. President, I should like now to read the observations made by the Chairman of the Federal Reserve System in recommending this legislation. Appearing before the Banking and Currency Committee only recently, he made the following statement:

> As I see it there is a definite gap in our financial mechanism in respect to facilities it offers for meeting two classes of need, one the short and intermediate credit needs of small business, whose paper in present circumstances is at the borderline of bankable assets, and second, long-term credit and capital needs of small and medium-sized existing or prospective enterprises.

Mr. Eccles then proceeded to say in the same testimony, in citing the experience of Federal Reserve banks, under section 13 (b):

> I believe that the authority which has been given to the Federal Reserve banks in this respect has not been sufficiently comprehensive. Many loans which might otherwise have been made have had to be declined because of restrictions in the law, such as the requirement that industrial loans be made only for working-capital purposes and to only established businesses, and for periods of not more than 5 years. The Federal Reserve banks have been crippled in the loans they might have wished to approve because of the restricted authority now granted under section 13 (b).

Mr. Eccles in the same testimony declared:

> Abolish the present lending powers if you do not expand those powers.

He continued:

> If, after consideration, Congress should feel that it does not desire to enact a proposal of this kind—

He was speaking then about my bill, and his proposal to set up a new corporation:

> If, after consideration, Congress should feel that it does not desire to enact a proposal of this kind, then it would be my recommendation that section 13 (b) of the Federal Reserve Act be repealed, because it does not operate satisfactorily in meeting the situation.

Mr. VANDENBERG. Mr. President, if the Senator will yield there, is that the statement of the Governor of the Federal Reserve System upon which the Senator relies when he says that Mr. Eccles recommends this specific amendment?

Mr. MEAD. I go beyond that, and say that I had the collaboration of the chairman and other executives of the Federal Reserve System in drafting the proposal.

Mr. President, as a result of this chaotic condition we find all over the world, we find it necessary in the United States to organize and create new industries. All over the land new industries, with very full measure of success, are looking for working capital. These new industries grow out of the turmoil of political conditions abroad. Yet we are unable to finance those industries.

I believe that America would be successful, that we would write a new pioneering chapter in American history, if we could make loans to enterprise or to industry not yet created which we have every reason to believe will be successful.

I have here a letter I received only recently from the comptroller of my State pointing out the great need of character loans to industry. He proceeds to say:

> It was a character loan to the Vanderbilts that created the Staten Island Ferry and eventually the New York Central Railroad. It was a character loan of $28,000 to Mr. Ford that created jobs for nearly 100,000 men. It was a character loan to Mr. Singer that created that great industry, with its 1,700 agencies.

He proceeds to say that not only the development of our financial industry, not only the development of our commercial industry, but the necessary development of our governmental machine has impeded the progress of negotiating loans to enterprise, has in some instances actually stopped loans from going to enterprise. As a result of the situation in the financial world and the situation in the commercial world, with monopoly growing as the result of the very necessary situation here in the governmental world, with all of its various organizations having direct connection with our banks, it seems to me we have left small enterprise out in the cold, and that we should do something to remedy that deplorable situation.

Mr. President, little industries, small businesses in America cannot today negotiate intermediate or long-term loans. They are working on their reserve capital. They are neglecting their equipment. Their plants are in decay, all because they are pouring their every dollar into what might be called current needs. They have gone so far, Mr. President, that they are being financed by materialmen, by the wholesalers, by those with whom they must of necessity do business. That limits and restricts their scope, and that indicates that unless something is done to provide a remedy in this deplorable situation which has existed since 1920—unless something is done, the end of small business in America is not far off. The menace of growing monopoly, the menace of the chain store, the menace of big business dominating every section of the United States impedes the progress of small industry in its desire to secure adequate capital in order that it might carry on and compete.

So, Mr. President, this minor amendment which I offer, limited and restricted in its scope as it is, authorizing no new appropriation, will, I trust, be included in the lending bill.

I hope that in the next session of Congress we shall not only consider matters of minor importance, such as those dealt with in my amendment, but that we shall give consideration to the establishment of a sound, comprehensive policy of government which will encourage small enterprise

and write a new chapter in the building up and development of industrial America again.

Mr. ADAMS. Mr. President, the Senator from New York had before the Banking and Currency Committee a bill which we referred to as the Mead bill, which is not this measure. It was a bill authorizing the Reconstruction Finance Corporation to make loans. His amendment is quite a different measure. It seems to me that this matter should not be crowded upon the present session. It should not be made a part of the bill without hearing and without study. It goes into the fundamentals of the Federal Reserve System. The Federal Reserve System was established for the purpose of stabilizing the banking system of the United States, for making the resources of the banks available to industry, and to commerce, and to agriculture. The bill is limited in a measure, yes; but it is limited not to the use of Government funds. It proposes to make use of the funds not of the Federal Reserve Board but of the Federal Reserve banks. The Senator from New York says it is approved by the Chairman of the Federal Reserve Board. It is not, so far as I know. And the Senator is very careful not to say that it has the approval of the Federal Reserve Board.

Every dollar that the Federal Reserve banks have, every dollar that is to be loaned under the provisions of this bill, is private money. Not one dollar of public money does the bill provide to be loaned. It provides that the loans shall be made from the funds of the Federal Reserve banks, of the 12 Federal Reserve banks, whose capital was contributed by the member banks, National and State.

Congress exercised one simple act of liberality when it took $139,000,000 of the surplus of the Federal Reserve banks as a portion of the fund created to guarantee deposits, but as the banks, which were the owners of the Federal Reserve System, were benefited by it, there was good reason for that action. However, there was some criticism because of the fact that banks which were not members of the Federal Reserve System received some benefit from it. But this $139,000,000 belonged to the Federal Reserve banks, which, in turn, belonged to their member banks. It is now to be used to make loans direct to industry.

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

Mr. ADAMS. I yield.

Mr. MEAD. In existing law Senators will find that the Federal Reserve banks have the use of $139,299,000, which represents the amount paid by the Federal Reserve banks to buy stock in the Federal Deposit Insurance Corporation. They use that money now under the amendment written into the law by the senior Senator from Virginia.

Mr. ADAMS. I think I know what the senior Senator from Virginia thinks about it, too.

Mr. MEAD. I do not know anything about that. But I am not providing any use for the funds. The Federal Reserve banks have that money right now. I am simply broadening the purpose——

Mr. ADAMS. Yes; the Senator is broadening the purpose.

Mr. MEAD. But not providing any new money.

Mr. ADAMS. That is not all. The Senator provides that at any time loans are liquidated, the money, instead of going back to the Federal Reserve banks, where it belongs, shall go to the Treasury of the United States and become Government property. It is a confiscatory proposition, in that $139,000,000 which belongs to the Federal Reserve banks, and which in turn belongs to the member banks, as well as every dollar of the Federal Reserve banks' capital, was contributed by private banks. The Government has taken over their surplus earnings. No one complains of that. Now it is proposed to take over the money which the Federal Reserve banks turned in to the Federal Deposit Insurance Corporation fund in the event the loans are repaid. And it means to go on and make unduly liberalized loans.

Mr. President, regardless of the merits of the Senator's proposal, I believe that a measure which deals with the essential functions of the Federal Reserve banks established as they are to stabilize the banking system of the United States, should not, without consideration by the Senate Committee on Banking and Currency, and without full consideration by this body, be attached to the lending bill.

Mr. BYRD. Mr. President, when the senior Senator from Delaware [Mr. TOWNSEND] offered an amendment to the bill to prohibit the purchase of foreign silver, some question arose on the floor of the Senate as to the exact attitude of my colleague, the senior Senator from Virginia [Mr. GLASS], who is chairman of the subcommittee considering that matter. I ask that the clerk read in their order three telegrams which I have received from the senior Senator from Virginia on this subject.

The PRESIDING OFFICER. Without objection, the clerk will read as requested.

The Chief Clerk read the telegrams, as follows:

LYNCHBURG, VA., *July 29, 1939.*

Senator HARRY F. BYRD,
Senate Office Building:

I assume you know that I am utterly opposed to the purchase of foreign silver and so stated in the Banking and Currency Committee repeatedly. Should there be a vote on the question I would like you to have me a live pair.

CARTER GLASS.

LYNCHBURG, VA., *July 29, 1939.*

Hon. HARRY F. BYRD,
Senate Office Building:

Touching the foreign silver purchase proposition, I may state that Secretary Hull, the day before I was compelled to leave Washington, telephoned me to disregard his request for delay.

CARTER GLASS.

LYNCHBURG, VA., *July 30, 1939.*

Hon. HARRY F. BYRD,
Senate Office Building, Washington, D. C.:

Please add this to my other telegrams should occasion offer. Please have it understood that I always have been and am now opposed to the purchase of foreign silver and desire to be recorded in favor of the immediate repeal of the law authorizing such purchase.

CARTER GLASS.

Mr. BYRNES. Mr. President, I desire to express the hope that amendments of this importance should not be attached to the bill when the Senate has had no opportunity to give to them the careful consideration they deserve. The Federal Reserve banks are authorized to make loans. They loaned, as I recall, about $60,000,000. Some of those loans are in default. Certainly the Committee on Banking and Currency has not had an opportunity to determine whether the money of the Federal Reserve banks should ever be loaned under the terms set forth in the bill.

Mr. VANDENBERG. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Michigan?

Mr. BYRNES. I yield.

Mr. VANDENBERG. Mr. President, since this subject arose I have been trying to get in touch with Mr. Eccles on the telephone to discuss the matter with him. I have not been able to do so. It certainly is not fair to ask me to vote a thing of this sort into the bill when I cannot exchange a word with the governmental authorities who deal with the subject.

Mr. BYRNES. Mr. President, I distinctly regret that the Senator from New York [Mr. MEAD] feels that he should offer the amendment at this time. It may be that upon investigation opportunity would be given the committee to have hearings, and some plan might be worked out. But certainly in the absence of any information as to the effect of the amendment it would be extremely unwise to adopt the amendment after consideration under circumstances necessarily incident to the closing of the session.

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

Mr. BYRNES. I yield.

Mr. BARKLEY. I entirely concur in the views expressed by the Senator from South Carolina and the Senator from Colorado. The proposed amendment makes a fundamental

change in the operation of the Federal Reserve banks and the Federal Reserve System. Certainly no such change ought to be made without committee consideration. We do not know whether or not it ought to be made at all, but no committee has given any consideration to this subject.

Mr. President, we all appreciate the sincerity and earnestness with which the Senator from New York [Mr. MEAD] is seeking to make a little easier credit for small business. However, the proposed amendment makes a fundamental change in the Federal Reserve System. It has not had consideration by the Committee on Banking and Currency. We do not know what might develop in the way of information as to its operation. In view of the importance of it, I wonder whether my good friend from New York will not withdraw his amendment so that the committee at some early date—probably early in the next session—may give consideration to the matter and determine whether or not it will take action upon it.

Mr. BYRNES. Mr. President, I join in the request of the Senator from Kentucky. I desire to know the view of the Federal Deposit Insurance Corporation. Insurance of deposits has given confidence to the depositors of the Nation. I do not know what effect the amendment would have. I think we ought to have an opportunity to invite Mr. Crowley to appear before the committee. It may be that after he has had an opportunity to study the bill he will not be opposed to it. I think the Senator from New York should give the committee an opportunity to consider a measure of such great importance.

Mr. MEAD. Mr. President, I recognize the propriety of offering amendments germane to the underlying purposes for which the bill is drafted. I agree with the contention that my amendment has not yet received committee consideration. Of course, the Senator knows that for 2 or 3 years I have been pressing for the enactment of legislation which would make loans more readily available to small enterprises.

Mr. BYRNES. I know that.

Mr. MEAD. However, I appreciate the fact that my amendment might retard the progress of the pending legislation. I know that the Committee on Banking and Currency, of which the senior Senator from my State [Mr. WAGNER] is the chairman, intends to pursue an intensive study of this subject after the adjournment of Congress.

With that in mind, and because it seems to be the sense of Senators on both sides of the aisle, I am perfectly willing to withdraw the amendment and have it referred as a separate subject to the Committee on Banking and Currency for study during the period when Congress will not be in session.

I wish to say to the Senator from Colorado that my amendment makes no change in the use of the money, because Federal Reserve banks are now using the money for the same purpose, and they are forced to pay the Treasury 2 percent on the use of their own money. That fact occurred to me to be inconsistent; so my amendment would repeal that clause requiring the Federal Reserve banks to pay the Treasury 2 percent on money which, as the Senator stated, is their own money.

So, Mr. President, I withdraw the amendment at this time.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. MEAD. Mr. President, I have another amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New York will be stated.

The CHIEF CLERK. It is proposed that section 5 (d) of the Reconstruction Finance Corporation Act, approved January 22, 1932, as amended, be amended to read as follows:

SEC. 5d. For the purpose of maintaining and promoting the economic stability of the country or encouraging the employment of labor, the Corporation is authorized and empowered, under such terms, conditions, and restrictions as the Corporation may determine, to make loans to, or contracts with, States, municipalities, and political subdivisions of States, municipalities, and political subdivisions of States, and with public corporations, boards, and commissions, to aid in financing projects authorized under Federal, State, or municipal law, such loans or contracts to be made through the purchase of their securities, or otherwise, and for such purpose the Corporation is authorized to bid for such securities. The Corporation is further authorized and empowered to purchase the securities and obligations of and to make, or to guarantee or insure, loans to any business enterprise when capital or credit, at reasonable rates for the character of loan applied for, is not otherwise readily available: *Provided,* That all such purchases of securities and obligations and all such extensions of loans and credits whether made, guaranteed, or insured, shall be made under conditions which afford good and reasonable prospect of their retirement or repayment; may be made or effected either directly or in cooperation with banks or other lending institutions through agreements to participate or to guarantee or insure, or by the purchase of participations or otherwise, shall be made only when the business enterprise, upon the completion of such financing, is solvent and reasonably likely to continue as a going concern: *Provided further,* That in carrying out the provisions of this section the Corporation may purchase securities and obligations and may make loans, with such maturities as the Corporation may determine, notwithstanding any other provision of law.

"The powers granted to the Corporation by this section shall terminate on June 30, 1941, or on such earlier date as the President shall determine; but no provision of law terminating any of the functions of the Corporation shall be construed (1) to prohibit disbursement of funds on purchases of securities and obligations, on loans, or on commitments or agreements to make such purchases or loans, made under this section prior to the close of business on June 30, 1941, or such earlier date, or (2) to affect the validity or performance of any agreement to participate in any purchase or loan authorized by this section.

"Nothing in this section shall be construed to authorize the Corporation (1) to purchase, or to make any commitment or agreement to purchase, any securities or obligations of any railroad engaged in interstate commerce, the obligations of which may be purchased or guaranteed by the Corporation under section 5 of this act only with the approval of the Interstate Commerce Commission, or (2) to make any loan, or any commitment or agreement to make a loan, to any such railroad or to any receiver or trustee thereof."

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

Mr. MEAD. Mr. President, I shall ask the Senate to determine by vote whether or not this amendment is to be approved. I make that statement because this is a subject which has been considered by the Banking and Currency Committee.

We are all familiar with the observations which have been made by the Chairman of the Reconstruction Finance Corporation Board; and the amendment, in the estimation of some of its critics, makes no change so far as existing law is concerned but merely writes in bolder detail the fact that the Reconstruction Finance Corporation shall have authority to guarantee or insure loans through banks, lending agencies, and so forth.

Mr. President, the amendment amends the Reconstruction Finance Corporation Act purposely to establish the principle of guaranteeing and insuring loans. That principle has been contained in the legislation which I have fostered for the past two or three sessions of Congress. That principle is contained in bills presented by other Members of this body, including the Senator from Florida [Mr. PEPPER] and the Senator from Kentucky [Mr. LOGAN], as well as by Members of the House of Representatives. The principle for which they have been striving—the principle of which I seek ultimate approval by the Congress—would make readily available to small enterprises all the credit and capital needs in the proper operation of their business. Of course, all the funds would be guaranteed. All the applications would be sound before they received approval.

Mr. President, much has been said about the attitude of the Chairman of the Federal Reserve Board with regard to this amendment. The amendment is not the so-called Mead bill. It is a minor amendment to existing law. As I have just stated, and now repeat, it is an amendment which would make it possible for the Reconstruction Finance Corporation to establish a system of insured loans; and if the critics of the amendment believe that the Reconstruction Finance Corporation now has the authority to do just that, I hope I shall have their approval. My amendment would be only supplementary. It might be superfluous. Nevertheless, it would be a mandate from Congress to set up a system of insured loans. It might lead to the ultimate adoption of a comprehensive plan which would serve small industry as the F. H. A. serves the construction industry today.

Mr. President, what has been said by the former Chairman of the Federal Reserve Board with regard to this legislation?

I have here a statement by the Honorable Jesse Jones, Federal Works Administrator, after a White House conference held July 19, 1939, which is as follows:

The President today discussed with Senator Wagner, Senator Mead, Jesse Jones, Federal Loan Administrator, and Emil Schram, R. F. C. Chairman, the need and desirability for long-term credit.

All agreed that no effort should be spared to meet legitimate need of small business for working capital and for credit for modernization of plant and equipment.

The President expressed the hope that the R. F. C., under existing law, would continue its efforts to put into effect substantially the substance of the Mead bill, which has for its purpose the insuring of bank loans to small business.

It was agreed that the R. F. C.'s program of lending, in cooperation with banks—where the R. F. C. usually guarantees the banks against loss on the major part of the loan—is equivalent to the insuring that part of the loan; but that direct authority to insure loans through a new act of Congress would stimulate applications and probably encourage banks to make a greater effort at lending, particularly for modernization and plant improvement, and for longer terms than has heretofore been the practice.

The President suggested that it was important that an educational campaign be conducted to bring home to banks, insurance companies, finance companies, and other lending institutions what the R. F. C. will do in the way of insuring and guaranteeing current and long-term loans to business and to bring home to businessmen, regardless of the size of their business, what their local banks and lending institutions can do to meet their credit needs.

That is what Mr. Jones said at the White House conference; that was what was contained in his news release.

Mr. President, the present chief executive officer of the R. F. C. is Mr. Schram, and at that conference he made a statement, which was given to the press and published widely throughout the country. The released account of the White House conference is as follows:

CONFERENCE REGARDING THE MEAD BILL FOR THE INSURANCE OF BANK LOANS TO SMALL BUSINESS

The President discussed with Senator Wagner, Senator Mead, and Mr. Emil Schram, of the Reconstruction Finance Corporation, the need and desirability of insuring intermediate and long-term bank loans to small business along the lines suggested in Senator MEAD's bill, upon which hearings have been held before the Senate Banking and Currency Committee.

Those present agreed that no effort should be spared to meet the legitimate needs of small business for working capital and for the modernization of plant and equipment.

The President expressed the hope that the R. F. C. under existing law might take steps to put into effect the substance of the Mead scheme for the insurance of bank loans to small business. Mr. Schram agreed that this should be possible with the aid of a few clarifying amendments to section 5d of the R. F. C. Act, which both Senator WAGNER and Senator MEAD thought could be enacted at this session without much controversy.

That is what is contained in the amendment which I have sent to the desk.

The President suggested that it was important that an aggressive campaign be conducted not only to bring home to banks, insurance companies, finance companies, and other lending institutions what the R. F. C. will do in the way of insuring intermediate and long-term loans to small business, but to bring home to small-business men what their local banks and lending institutions can do to meet their intermediate and long-term-capital requirements.

The President also expressed the hope that the Senate Banking and Currency Committee, or a subcommittee thereof, during the recess might study the adequacy of the intermediate and long-term-credit facilities available to small business and the need of any further legislation to accomplish the purposes of the Mead bill.

Mr. Schram was widely publicized in connection with that conference and in relation to the statement. I have here from the Buffalo Evening News, which carries the picture of Mr. Schram, a long article in connection with the interview at the White House, and some information with regard to his ideas concerning the operation of the R. F. C.:

Discussing R. F. C. lending activities, of which he has had charge for the past year, Mr. Schram said he thought that the amendments of Senator JAMES M. MEAD (Democrat), of Buffalo, to the lending bill, providing for R. F. C. insurance of small-business loans "will he helpful."

MERIT IN MEAD BILL

"We will continue," he said, "to make loans on as liberal a basis as possible. There is merit to the Mead legislation. I do not want people to think there isn't, and take it lightly. Psychologically, it will have an extremely beneficial effect, in my opinion."

In 1935, I believe it was, or perhaps it was in 1937, when the President issued restrictions preventing the R. F. C. from making loans of this character or any character, there was a lull in the expansion of our economy and shortly thereafter the President issued an Executive order authorizing the R. F. C. again to make loans to business enterprise. During the interim there was introduced what became known as the Glass-Steagall bill, which was an amendment to the then existing R. F. C. Act. The Chairman of the Federal Reserve System made the statement that they already had the authority which was contained in that new proposal, but, nevertheless, even though he repeated the statement that he had the authority, the Congress enacted the Glass-Steagall amendment authorizing the R. F. C. to initiate loans to enterprise, and, under the impetus resulting from the enactment of that bill, the R. F. C. made a mighty contribution to the expansion and enhancement of the Nation's developing economy.

So I believe, Mr. President, along with Mr. Schram and along with Mr. Jones, that the adoption of the amendment which I have offered will do much good, will improve the credit situation for small business, and I hope, in view of the fact that hearings have been held on this subject and that the statement of the head of the R. F. C. and the former head of the R. F. C. are known to all the Members of this body, that the amendment will be adopted.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from New York [Mr. MEAD].

The amendment was rejected.

Mr. ADAMS. Mr. President, the senior Senator from Montana on Saturday offered an amendment which was adopted striking out section 7 of the bill, the section dealing with loans for the purpose of purchasing railroad equipment. The legislative drafting service has called his attention—he is absent and so I am offering the amendment—to several amendments which are necessary to avoid any conflict by reason of the adoption of that amendment. I now offer the amendments.

The PRESIDING OFFICER. The amendments will be stated.

The LEGISLATIVE CLERK. On page 2, line 4, after the comma, insert "and"; and in line 5 strike out "and the Corporation."

On page 4, strike out lines 18 to 23, both inclusive.

On page 11, at the end of line 7, insert "and"; and in lines 8 and 9 strike out "and the Corporation."

On page 15, at the end of line 8, insert "and"; and in lines 9 and 10 strike out "and the Corporation."

The PRESIDING OFFICER. Without objection the amendments are agreed to.

Mr. KING. Mr. President, will the Senator make an explanation of the amendments?

Mr. BARKLEY. The amendments are made necessary because the Senate struck out the section relating to loans for railroad equipment.

Mr. KING. The amendments, then, affect the provision relating to loans for railroad equipment?

Mr. ADAMS. Yes. The amendment of the Senator from Montana struck out section 7 of the bill. There were certain other textual matters in the bill which referred to the section which was stricken out and the amendments are to that part of the text which refers to section 7, which is no longer in the bill.

Mr. KING. The amendments do not cover any other provisions of the bill?

Mr. ADAMS. No.

The PRESIDING OFFICER. The amendments have been agreed to.

Mr. BYRD. Mr. President, I ask the clerk to report an amendment which I offer, and which is on the desk, with respect to making the bonds issued under this bill taxable.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 2, between lines 22 and 23, it is proposed to insert the following:

(c) Such notes, debentures, bonds, or other obligations issued to carry out the provisions of this act shall be subject both as to

principal and interest to all taxation now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority, to the same extent as any notes, debentures, bonds, or other obligations which are not tax-exempt are subject to such taxation.

Mr. BYRD. Mr. President, it is not my purpose at this late hour to indulge in a lengthy discussion of this most important amendment. Under the provisions of this bill these bonds, if and when issued, will be exempt from normal Federal taxation and exempt from local and State taxation.

The purpose of this amendment is to do the very thing the President of the United States said should be done with respect to securities that have heretofore been issued and are tax-exempt.

I call the attention of the Senate to the fact that under the memorandum submitted by the Committee on Banking and Currency it is estimated that the interest rates on the loans which are to be made will be as follows: On a 40-year loan approximately 2¼ percent; on a 30-year loan approximately 2⅛ percent; on a 20-year loan 1¾ percent; on a 10-year loan approximately 1 percent.

It is proposed under this legislation that the loaning capacity of the Federal Government, using the tax-free power of the Federal Government to issue these obligations, shall be passed on to those to whom the money will be loaned.

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

Mr. BYRD. I yield.

Mr. CONNALLY. Without expressing any individual opinion, I think it would be a very useful experiment if the Congress would adopt the amendment of the Senator from Virginia so that we could see the market result as between bonds that carry a tax and those that are tax free.

Mr. BYRD. I appreciate the Senator's statement, and I hope that he will vote for the amendment.

Mr. CONNALLY. That would be the only ground on which I would ever vote for it, namely, purely as an experiment.

Mr. BYRD. I am glad to get the vote of the Senator from Texas on any ground whatever, just so he votes for the amendment.

The Senator from Michigan [Mr. BROWN], the Senator from Virginia, and other Senators have been members of the special committee investigating the question of taxing securities that are now tax-free. It was shown by this investigation that making these securities taxable would only increase the interest rate from 10 to 20 percent. That was the evidence before the committee; so that if this amendment should be adopted, the increase in the interest rate would not be consequential. Let us not forget that these loans are in a different category from other loans that are made for the expenses of the Federal Government, because it is proposed, as I have said, to use the taxing power and the value of the property of the people of the United States to borrow this money and pass it on to those who will make the loans.

On June 24, 1939, Mr. Turner Catledge, one of the most trustworthy correspondents here in Washington, reported in the New York Times regarding the President's press conference with reference to the loan program in this language:

> The President discussed the proposal in some detail at his press conference this morning. He expressed the hope then that the securities floated by the various Federal agencies to make up the loan fund would not bear tax-exempt features. He reiterated his previous recommendation that income from all future issues of public bonds bear their share of taxes.

Then, Mr. President, to corroborate that statement contained in the New York Times, I find in an article written by Mr. Felix Cotten, in the Washington Post, the following language:

> The President said at a morning press conference that he hoped securities issued by lending agencies to finance the new program would not be tax-exempt.

Mr. President, some question was raised by the distinguished Senator from Kentucky whether the President was correctly quoted. I have in my hand a verbatim transcript of what the President said at that conference. At his press conference on June 23, 1939, the President was asked if the securities to be issued by the Government under the proposed spending-lending program would be tax-exempt, and to this question he replied:

> Oh, I hope not. I don't know what the law on it is. I hope we will get the Congress to make it clear that there will not be any more anywhere.

So, Mr. President, I think the time has come to stop issuing tax-exempt securities. We have the recommendation of the President. Legislation is now pending before the Congress of the United States providing for the taxation of all future issues of bonds attempted to be made tax exempt, and let us not forget that the bonds issued under the terms of the legislation now proposed may extend for 30 years, and will be tax exempt throughout their life.

Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. BARKLEY. Mr. President, it is very gratifying to me to find that the Senator from Virginia is able to quote the President of the United States, when the Senator can construe in support of his position some statement the President has made.

Mr. BYRD. Does the Senator from Kentucky deny that the President of the United States made that statement?

Mr. BARKLEY. I said the other day that I was not present at the conference and I did not know whether or not he was correctly quoted, but that even if he were correctly quoted, I did not change my position with respect to the particular bonds.

Mr. BYRD. That is not the question I asked the Senator. I asked whether he denied that the President of the United States made the statement that these securities should not be tax-exempt.

Mr. BARKLEY. I neither deny nor affirm. I do not know whether he said it or not.

Mr. BURKE. Will the Senator yield, Mr. President?

Mr. BARKLEY. I yield.

Mr. BURKE. Assuming that the President did make the statement, is the Senator from Kentucky able to construe it in any other way than as the Senator from Virginia has construed it?

Mr. BARKLEY. I am not so certain that when the President made that statement—if he made it exactly in the language quoted—he meant to have it apply to all future bond issues, and that all should be dealt with on the same basis.

Mr. President, I think we ought not to deal piecemeal with bond issues, insofar as their taxability is concerned. In other words, I think that when we deal with that subject we should deal with all bonds on the same basis. I realize that there is very keen interest in the question of removing the tax-exempt privilege from bonds issued by the United States. Of course the income from these bonds and all other Government bonds is now taxable so far as surtaxes are concerned. The bonds to be issued will be in the same class with all other Government bonds.

Mr. BYRD. Mr. President, I think the Senator should make himself clear that these bonds will be exempt from all normal Federal taxes and all State and local taxes.

Mr. BARKLEY. When I said they were subject to surtaxes, of course that statement carried with it the assumption that the bonds would be exempt from the normal tax. We all understand that to be true.

Mr. President, as I was about to say, the question of tax-exempt securities is one concerning which there is very keen debate throughout the country and in Congress. There is a division of opinion as to whether, without a constitutional amendment, Congress has the power to tax securities, outside of those of the Federal Government. I believe the distinguished Senator from Idaho thinks that while by statute we may tax our own Federal obligations, without a constitutional amendment, on the other hand we cannot tax obligations of States, counties, and municipalities without a constitutional amendment. If my understanding is incorrect, he may correct it.

Mr. President, this discussion brings up the subject of what we should do and what we can do with respect to the taxation of our own obligations. I am of the opinion that, if we ever make the obligations of the Federal Government taxable by States or localities, we should not do so until their obligations are mutually taxable by the Federal Government. We can tax all our own if we wish; but when we deal with Government bonds and undertake to lift from them the exemption which they now enjoy, I think we should deal with the subject comprehensively and should treat all bonds alike and put them on the same basis.

Mr. BYRD. Mr. President, will the Senator yield once more?

Mr. BARKLEY. I yield.

Mr. BYRD. Up to this time such bonds as those proposed have been regarded as an indirect debt of the Corporation, as obligations of the Corporation, and not of the Government.

Mr. BARKLEY. They are still enjoying the same tax-exempt privilege that is enjoyed by Government obligations—Liberty bonds and other bonds.

There has been an investigation under the chairmanship of the distinguished Senator from Michigan [Mr. BROWN], who has done a very comprehensive, thorough, and capable job up to now, in the investigation and in the partial report which he has made to the Committee on Banking and Currency. All the R. F. C. obligations now outstanding enjoy this tax-exempt privilege, whether or not they were made for the purpose of obtaining money to loan railroads; and a few days ago an argument was made against the section of the bill pertaining to loans to railroads, and it was stated that the bonds issued to obtain money to lend to the railroads would be tax-exempt. Such bonds are already tax-exempt, so far as that is concerned. However, the section providing for loans to railroads has been stricken from the bill.

Obligations which were sold by the Reconstruction Finance Corporation for the purpose of obtaining money to lend to municipalities and States prior to the establishment of the Public Works Administration carry the same sort of tax-exempt privilege, except as to surtaxes. Obligations issued by the Reconstruction Finance Corporation to obtain money to lend to business and industry in this country carry the same sort of tax-exempt privilege, except as to surtaxes.

Mr. President, here is a bill for the purpose of providing money by the same process—the issuance of bonds by the Reconstruction Finance Corporation—for States, counties, and municipalities, to enable them to carry out projects heretofore carried out under the P. W. A. In the same way this bill is intended to provide money for rural electrification, and in the same way it is intended to provide money for farm security. The only bonds now provided for under this bill are those to provide funds to take care of farm tenants and farmers who desire to rehabilitate themselves, and farmers who desire to put in electrical apparatus and appliances in order that they may enjoy the modern blessings of electricity. There is also provided $350,000,000 to be advanced to the P. W. A. for the purpose of carrying on projects similar to those which have heretofore been under consideration.

Mr. President, it seems to me that it would be a strange thing for the Senate of the United States to say that the bonds which are to be issued in order to provide funds to enable the farmers to electrify their farms or to enable tenants to buy farms and become landowners or to enable those who are now landowners to protect their homes and themselves, are to be issued under a restriction depriving them of the privileges which other Government bonds enjoy. I may be inclined, and I think I am inclined, to favor the elimination of the tax-exempt privilege from all Federal obligations. I should certainly be in favor of such a procedure if it were mutual, so that we might tax obligations of all other subdivisions of our Government.

However, Mr. President, I am not willing to put into this bill a provision requiring the taxation of these bonds—bonds which are to be for the benefit of American agriculture, in the way of rural electrification and in the way of farm tenancy and rehabilitation—when all other bonds issued for all other purposes, including those issued for the benefit of business, industry, banks, and railroads, still enjoy the tax-exempt privilege.

For that reason, and because the whole matter is under discussion and consideration by the Committee on Finance, concerning which a final determination has not yet been reached, I hope that we will not now undertake to deal in this measure with the question of tax exemption, so as to put the bonds to be issued under the proposed law on a more disadvantageous basis than those already issued by the Reconstruction Finance Corporation and other governmental agencies, and by the Government itself.

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

Mr. BARKLEY. I yield.

Mr. BURKE. I think there is a great deal of merit in the position of the Senator from Kentucky; these matters should be considered together. But is there not also necessity for giving consideration to the fact that there is a determined drive which may result in early adoption of the general proposal suggested by the Senator from Kentucky, and would it not now be unfortunate, on the eve of the possibility of such a happening, to issue a very large amount of bonds, such as would be issued under the pending measure, even after the paring that has been done in the Senate, and have something like a billion and a half dollars of bonds issued tomorrow, or the next day, or very soon, totally tax-exempt, except for surtaxes, since in the very near future Congress might get around to adopting a general provision, and there would be no means at that time of reaching out and taxing this very large issue of bonds at all? It seems to me that is something which should be given consideration.

Mr. BARKLEY. Mr. President, I do not think the Senator's fears are justified. Of course, no one can tell when Congress will deal with this problem. It may deal with it at the next session. It has been under discussion for years, but we have not yet reached the point where we can deal with it scientifically, to the last ditch, so to speak, because the committee which has been considering the matter has not yet made its final report.

What I am contending for is that when we deal with these Government obligations we ought to deal with them all alike, and not make flesh of one and fowl of another. Certainly we should not put at a disadvantage the facilities we are providing now, largely for agriculture. The Senator from New York facetiously remarked to me the other day that this is largely a farm bill.

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

Mr. BARKLEY. I yield.

Mr. WALSH. Has any estimate been made as to about what increase in the interest rates would be occasioned by classifying bonds of this kind, heretofore tax-exempt, as taxable?

Mr. BARKLEY. The Senator from Michigan has some figures on that, and I will ask him to respond to the question.

Mr. BROWN. Mr. President, the testimony of the Treasury experts, and of the experts produced by the Association of States Attorneys General, boiled down to about this statement, that an increase in the interest rate of somewhere between 10 and 20 percent would be occasioned by subjecting these bonds to all Federal and State taxation.

Mr. TAFT. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. In just a moment. I wish to say, in addition to that, in the same connection, that the bill eliminates all grants. We are eliminating the question of grants altogether. We are not proposing to give anything to anyone. We are proposing to lend. But as a substitute for grants we are proposing a low rate of interest, which will be sufficiently attractive as to enable the corporation to take advantage of these provisions and borrow the money.

If we are to wipe out that advantage by subjecting the bonds to taxes of all kinds, we might as well have continued to make grants, instead of providing this rather

cheaper way of enabling them to borrow money for the same purposes. I yield to the Senator from Ohio.

Mr. TAFT. Mr. President, in the first place, the bill authorizes bonds of a longer term, I think, than any existing Federal legislation, so that if the bonds are made tax-exempt, will they not be out for a longer time?

Mr. BARKLEY. These are indirect obligations, and I suppose the Senator is not treating them differently from the direct obligations of the Federal Government, some of which are long-term, certainly for longer terms, when first issued, than the bonds to be issued.

Mr. TAFT. It seems to me 30 years is the longest term in any outstanding Federal bonds, and this authorizes bonds maturing in 40 years.

Mr. BARKLEY. The R. F. C. is issuing bonds for only 30 years. The obligation of those who borrow under the Rural Electrification Administration, the individual organizations among farmers, are for 40 years, but the R. F. C. is authorized to issue its bonds for 30 years for all these purposes. That means they would have to refund and reissue the bonds at the end of 30 years in order to carry out the remaining 10-year program under which the Farm Security and Rural Electrification Administrations have been able to borrow money for 40 years. So that, so far as the R. F. C. is concerned, the limit is 30 years, and that is not as long as was provided in some of the direct obligations of the Government at the time they were issued. Of course, a good deal of time has elapsed, and it may be that a good many of them may not have a maturity beyond 30 years. But I do not think that affects the real principle involved in the amendment.

Mr. TAFT. Does not the Senator believe that bonds of this sort would usually be held by the banks; and that to a bank in many cases the taxability makes no difference whatever? To most banks of the United States today the taxability of a bond makes no difference.

Mr. BARKLEY. That raises the question whether the taxability of the bonds affects or does not affect the rate of interest. I think it is fairly well settled that it does.

Mr. TAFT. If they are sold to individuals it does. If they are sold to banks, it affects the rate of interest very little, because most banks are not making any income any way. They have so many Government bonds which are nontaxable, and they will not pay a tax on a small additional income of this kind. Their holdings of these bonds would be very small compared with their total holdings.

Mr. BARKLEY. If the amendment is agreed to I am sure that every farmer who borrows any money under the bill, whether for farm tenancy, for rehabilitation, or for rural electrification, will pay more interest than he would if the amendment were not in the measure.

Mr. TAFT. I do not think he would have to, but if he did, I do not think it would be over one-tenth of 1 percent, and I think the value of the protection afforded for many years to come would more than balance that one-tenth of 1 percent on this particular issue of bonds.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Virginia [Mr. BYRD]. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. LOGAN]. I transfer that pair to the junior Senator from New Jersey [Mr. BARBOUR] and vote. I vote "yea."

Mr. GUFFEY (when his name was called). I have a pair with the junior Senator from New Hampshire [Mr. TOBEY]. I transfer that pair to the senior Senator from Louisiana [Mr. OVERTON] and vote. I vote "nay." I am not advised how either of these Senators would vote if present and voting.

Mr. HARRISON (when his name was called). Making the same announcement as before with regard to my general pair with the Senator from Oregon [Mr. MCNARY], I withhold my vote.

The roll call was concluded.

Mr. AUSTIN. I announce the general pair of the Senator from Wisconsin [Mr. WILEY] with the Senator from Rhode Island [Mr. GREEN].

The Senator from New Hampshire [Mr. TOBEY] would vote "yea" if present.

Mr. MINTON. I announce that the Senator from North Carolina [Mr. REYNOLDS] is detained from the Senate because of a death in his family.

The Senator from Arizona [Mr. ASHURST] is absent because of illness in his family.

The Senator from Arkansas [Mrs. CARAWAY] and the Senator from Rhode Island [Mr. GREEN] are absent on important public business.

The Senator from Ohio [Mr. DONAHEY], the Senator from Virginia [Mr. GLASS], the Senator from Kentucky [Mr. LOGAN], and the Senator from Louisiana [Mr. OVERTON] are unavoidably detained.

The Senator from Arkansas [Mrs. CARAWAY] has a pair with the Senator from Wisconsin [Mr. LA FOLLETTE]. I am advised that if present and voting, the Senator from Wisconsin would vote "yea." I am not advised how the Senator from Arkansas would vote.

The result was announced—yeas 44, nays 37, as follows:

YEAS—44

Adams	Danaher	Holt	Reed
Austin	Davis	Johnson, Calif.	Russell
Bailey	Downey	Johnson, Colo.	Shipstead
Borah	Frazier	King	Smith
Bridges	Gerry	Lee	Stewart
Brown	Gibson	Lodge	Taft
Bulow	Gillette	McCarran	Townsend
Burke	Gurney	McKellar	Vandenberg
Byrd	Hale	Maloney	Van Nuys
Capper	Hatch	Miller	Walsh
Clark, Mo.	Holman	Nye	White

NAYS—37

Andrews	George	Murray	Smathers
Bankhead	Guffey	Neely	Thomas, Okla.
Barkley	Hayden	Norris	Thomas, Utah
Bilbo	Herring	O'Mahoney	Truman
Bone	Hill	Pepper	Tydings
Byrnes	Hughes	Radcliffe	Wagner
Chavez	Lucas	Schwartz	Wheeler
Clark, Idaho	Lundeen	Schwellenbach	
Connally	Mead	Sheppard	
Ellender	Minton	Slattery	

NOT VOTING—15

Ashurst	Glass	Logan	Reynolds
Barbour	Green	McNary	Tobey
Caraway	Harrison	Overton	Wiley
Donahey	La Follette	Pittman	

So Mr. BYRD's amendment was agreed to.

Mr. TOWNSEND. Mr. President, I was prepared to send to the desk a new amendment to the bill under discussion. The amendment related to foreign silver. However, I am informed that several of my friends feel that an agreement has been made not to vote again on the subject of my amendment during the discussion of the pending bill. Therefore I am not offering the amendment.

Mr. President, over the week end important and previously undisclosed information has come to my attention relating to the position of the State Department. The junior Senator from Virginia [Mr. BYRD] has inserted in the RECORD three telegrams from the chairman of the subcommittee [Mr. GLASS] whose hearings on my bill, S. 785, were discussed on the Senate floor last Friday. These telegrams not only disclose the attitude of the senior Senator from Virginia, but also disclose that Secretary of State Hull no longer requests delay on consideration of my proposal involving discontinuance of the purchase of foreign silver by the Government. These are most important developments affecting the silver policy.

This disclosure is so significant because, as I stated in the Senate Friday, it was only the belief that the Secretary of State opposed discontinuance of foreign-silver buying which prevented the subcommittee from making the favorable report on my bill which, on July 7, it had convened fully pre-

pared to do. Although the chairman of the subcommittee is not able to be present today, other members of the subcommittee are here to correct me if I misstate the matter when I demonstrate in a moment that a large majority of the subcommittee favored ending the purchase of foreign silver.

Ten Senators, or one-tenth of the Senate, comprise the subcommittee referred to. Of these 10, only 3 last Friday voted against my amendment to end the purchase of foreign silver. Six favored my amendment. That shows how the committee stood. Thus, the committee was 2 to 1 in favor of my amendment. And this was not a partisan position. Only 2 of the 10 members are Republicans.

Not one of the three members of the subcommittee who voted against my amendment last Friday had attended a single one of the hearings on silver, as the record of attendance printed in the hearings proves. I do not criticize those three Senators. But if those three Senators had attended the silver hearings, I have no doubt at all that the entire subcommittee would have been unanimous in condemning the foreign-silver program. I therefore deeply regret that the full subcommittee could not have attended all of the hearings on silver. But on the record which I send to the desk the subcommittee approval of my position is overwhelming.

I ask consent that there be printed in the RECORD at this point a table relating to the vote of the subcommittee's members on my amendment.

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

Record of attendance of members of Senate subcommittee at hearings on S. 785, April 1939

	Apr. 19	Apr. 20	Apr. 24	Apr. 27
Glass [1]	√	√	√	
Barkley				
Byrnes				
Bankhead				
Adams [1]	√	√	√	√
Brown [1]	√	√		√
Smathers [2]				
Miller [1]	√	√	√	
Townsend [1]	√	√	√	√
Taft [1]	√	√	√	

[1] Recorded in Congressional Record of July 28, 1939, p. 14426, as favoring the Townsend silver proposal.
[2] Did not vote July 28, 1939, on Townsend amendment.
Source: Hearings, pp. 1, 63, 89, and 127.

Mr. TOWNSEND. Mr. President, on January 17, 1939, I introduced Senate bill 785, calling for an end to all silver buying, domestic as well as foreign; calling for an embargo on silver imports and for the sale of surplus Government silver, and so forth. That bill was referred to the Committee on Banking and Currency.

My amendment, however, was quite a different proposal. It did not touch domestic silver at all. It did not provide for an embargo on imports. It called for no Government sales of silver. It was very simple. Its sole effect was to withdraw the availability of Government resources for the acquisition of any more of the foreign metal, for compelling reasons thoroughly expounded by witnesses during the hearings on my bill, Senate bill 785. Those hearings, incidentally, were immediately available to any member of the Banking and Currency Committee or of the Senate who wished to consult them. In printed form they were sent to each member of the full committee in the middle of June. Altogether, a thousand copies were printed. I have had a copy placed on each Senator's desk today. I defy any intelligent person to study these hearings and not be convinced that the further purchase of foreign silver is utterly indefensible.

The argument that buying foreign silver makes jobs for Americans has no validity. The war debts made jobs for Americans! The loans of the reckless twenties made jobs for Americans! So what? If buying foreign silver at 35 cents an ounce makes jobs for Americans, buying demonetized and useless foreign silver at $3.50 an ounce would make jobs for 10 times as many Americans! Mr. Marriner S. Eccles stated to the Silver Subcommittee in his excellent testimony against the buying of any more foreign silver—and note that Mr. Eccles was analyzing this very argument that buying foreign silver makes jobs for Americans (hearings on S. 785, p. 83):

> We could take anything that a foreigner might give us that we did not need, for instance, and give him our goods. Now, whether it is silver or some other metal or some other product, we could take it as well as we could take silver, and as a result we would find a foreign market for our goods. Then we could issue money against what we took, whether it happened to be copper or sea shells or what not.

If the purchase of foreign silver is so important in order to furnish jobs for Americans, why has the National Foreign Trade Council in three successive conventions formally passed resolutions opposing it?

The able Senator from North Carolina [Mr. BAILEY] on June 26 made an able statement on silver and our export trade, and my esteemed colleague from Arizona [Mr. ASHURST] presented an equally effective discussion on the subject the same day.

Some Senators have supposed that because silver had a value abroad in ancient times, it always will have. How much do foreigners esteem silver? Let me read the exact words of Mr. Eccles on this point (hearings on S. 785, p. 81):

> Silver is almost useless as an international reserve. * * * Foreign governments and central banks do not want it. * * * the Government [would] suffer heavy losses [if it sold its silver]. * * *

Other experts confirmed Mr. Eccles' testimony on this point (hearings on S. 785, pp. 149 and 8–11).

Mr. Eccles also told your committee:

> Silver, of course, is not acceptable by the countries of the world in settlement of international balances (hearings on S. 785, p. 72).

He testified that important silver inflates bank reserves (hearings on S. 785, pp. 72–73, 78). Again I quote:

> The tendency is very inflationary.

He added:

> To the extent certainly that we buy foreign silver it seems to me to be wholly and totally unnecessary.

Mr. Eccles further testified (hearings on S. 785, p. 82):

> We would be no worse off with a foreign loan that does not have to be repaid than by the acquisition of a supply of silver that we cannot sell.

Do not assume that our foreign silver buying is confined to Latin America. Only one-fifth of all the foreign silver we have bought since 1934 has come from Latin America. Most of the imports have come from Asia. Only last week I was reliably informed that 6,000,000 ounces of discarded foreign silver coin were being purchased by the Treasury from a distant nation now at war.

The Commerce Department reports imports of silver during June 1939 from the following non-Latin American sources: Belgium, France, Netherlands, Norway, United Kingdom, Canada, British Malaya, Japan, Philippine Islands, Australia, Yugoslavia, British India, Turkey, Union of South Africa, British South Africa, and others—Commerce Department Release No. 2402 of July 12, 1939.

The silver program has compelled the Treasury, directly or through the open market, to buy silver from foreign belligerents—Chinese silver from Japan, Ethiopian silver from Italy, Spanish silver from Russia, and cast-off bullion and coin from scores of foreign places. As long as the law stands, this compulsion stands. If Germany seizes silver from the church or from minorities tomorrow, the present silver law is there to help the Nazi government.

I say to the Senate that nowhere abroad does the silver standard survive. No Latin American country has the silver standard, and most Latin American countries are not dependent on silver mining. In no country in the world does a government buy silver as we do. We are unique in this request. We are out of step.

We do not need to continue this program in order to trade abroad. We had a very flourishing foreign trade for decades before the purchase of foreign silver was enacted. We traded with Latin America before the silver program ever was dreamt of; and we will trade with Latin America long after the program has become history. Trade is an exchange of useful

goods for useful goods. Selling without buying, however, cannot go on indefinitely.

Foreign silver buying, as Mr. Eccles so well put it, is definitely "a one-way street." What I want us to do is to turn around and get clear out of it.

The PRESIDING OFFICER. The time of the Senator from Delaware on the amendment has expired.

Mr. BARKLEY. Mr. President, I have no desire to discuss the matter which has been the subject of the Senator's address. I have a textual amendment growing out of a conversation between the Senator from Georgia [Mr. GEORGE] and myself with respect to certain provisions on page 14 of the bill. I send the amendment to the desk and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. In section 12, page 14, line 19, after the word "thereon" and the comma, it is proposed to strike out down to and including the word "payment" in line 2 on page 15, and to insert in lieu thereof the following:

An appropriation sufficient to cover such difference is hereby authorized to be made annually commencing with the fiscal year 1941, out of any money in the Treasury not otherwise appropriated; and when any such annual appropriation shall have been made the Secretary of the Treasury shall pay to the Corporation the amount so appropriated.

Mr. BARKLEY. Mr. President, in section 12, page 14, the bill provides:

The Secretary of the Treasury and the Federal Loan Administrator shall cause an examination to be made annually of the status of the program of recoverable expenditures for the financing of which notes, debentures, bonds, or other obligations of the Corporation shall have been issued under this Act. Each such examination shall be made as of the last day of December in each year, beginning with December 31, 1940. The Secretary of the Treasury and the Federal Loan Administrator shall submit a report of each such examination to the President and to the Congress. If any such examination discloses that the probable recovery of the cost of all works, projects, or undertakings carried out under this act, and of all loans made to aid in the financing of the same, together with the cash on hand in the special account or accounts of the Corporation provided for by section 4 of this Act, is less than the principal amount of all notes, debentures, bonds, or other obligations issued pursuant to this act, and interest thereon, the Secretary of the Treasury on behalf of the United States shall pay to the Corporation a sum equal to the amount of such difference.

In the following sentence it authorizes such an appropriation; but the draftsman of the bill evidently got the cart before the horse. The amendment which I have offered provides no change in the annual examinations by the Secretary of the Treasury and the Loan Administrator, but provides that when there is a difference between the value of the assets and the amount loaned, an appropriation shall first be authorized by Congress before the Secretary of the Treasury may pay the Corporation the difference. In that connection, of course, the committees and the Congress itself will have an opportunity to investigate the causes of the difference and the whole situation with respect to it. After Congress has gone into the matter and made an appropriation, only then is the Secretary of the Treasury authorized to pay the difference to the Corporation.

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

Mr. BARKLEY. I yield.

Mr. BYRD. As I understand the language, "the Secretary of the Treasury, on behalf of the United States, shall pay to the corporation a sum equal to the amount of such difference" is eliminated.

Mr. BARKLEY. It is eliminated; and the language is changed so as to authorize Congress to make an appropriation; and in the event Congress makes the appropriation the Secretary of the Treasury is authorized to make payment.

Mr. BYRD. I am very glad the Senator from Kentucky discovered that error, because I have been calling it to his attention for 3 or 4 days.

Mr. BARKLEY. I appreciate that; and I think the amendment eliminates any difficulty about it. Under the new language the Secretary of the Treasury may make no payment to the corporation involving any such difference until Congress has authorized it.

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

Mr. BARKLEY. I yield to the Senator from Georgia.

Mr. GEORGE. Mr. President, I had notified the Senator from Kentucky that I proposed to offer an amendment striking out the language in this section beginning in line 11. The amendment now offered by the Senator from Kentucky satisfactorily meets the suggestion I had in mind.

Mr. BARKLEY. I thank the Senator.

Mr. BYRNES. Mr. President——

Mr. BARKLEY. I yield to the Senator from South Carolina.

Mr. BYRNES. The language in the bill was an authorization and not an appropriation. The Senator agrees to that, does he not?

Mr. BARKLEY. Yes; except that the language was confusing in this respect, that the Secretary of the Treasury was authorized to make payment——

Mr. BYRNES. I suggest to the Senator from Kentucky that that language was taken from the language used in the Commodity Credit Corporation Act.

Mr. BARKLEY. Yes.

Mr. BYRNES. It has been construed to be an authorization and not an appropriation.

Mr. BARKLEY. I think the amendment meets that situation, so that it will be an authorization; and based upon that authorization Congress would have to make the appropriation before the Secretary of the Treasury could make payment.

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

Mr. BARKLEY. I yield.

Mr. KING. Mr. President, I am very sorry that the purpose which the Senator from Georgia originally had in desiring to strike out all after the word "Congress," in line 11, on page 14, down to and including the word "section" on the next page, has been abandoned, and that he has consented to accept the suggestion which has just been made by the Senator from Kentucky.

The position of the Senator from Kentucky obviously conveys the idea that we are to expect losses and that there is to be a moral obligation upon the part of Congress to meet those losses by making appropriations from the Treasury.

Mr. BARKLEY. I will say to the Senator that there is no difference between the effect of this provision and that which has been carried in all similar laws. Of course, we are all hoping that there may not be a loss, but we all realize that there might be a loss. If the Corporation—by which I mean the Reconstruction Finance Corporation—in providing funds for these activities finds at the end of any year that there has been a loss, it shall report it to the President and to Congress. Congress is then authorized to make an appropriation. It does not have to do so. It can go into all the details of the transaction to determine whether or not there ought to be any payment.

Mr. KING. The Senator is correct in stating that the authorization has been found in some of the acts which have heretofore been enacted. I have recently discovered that the Commodity Credit Corporation invaded the Treasury upon two occasions. The first time, it obtained $100,000,000 to make up the losses which had been sustained; and since then, as I understand, the losses aggregate a very large sum, larger than the former sum. They will have to be paid out of the Treasury of the United States.

So we are following a precedent which, in my opinion, is a bad one, committing the Government of the United States to the payment of losses in the corporations which we are setting up, and which obviously will incur, as corporations in the past have incurred, very large liabilities. I think we ought to have stricken out the entire provision.

Mr. BARKLEY. I will say to the Senator that the matter to which he refers is one which is now pending before the Appropriations Committee. If it does not provide the appropriation it will never be made.

Mr. KING. There is a moral obligation when we authorize such expenditures and say that Congress is authorized to make appropriations. When that authorization is given and expenditures are incurred and losses are sustained, we feel that there is a moral if not a legal obligation on the part of the Congress to make the appropriation.

SEVERAL SENATORS. Vote!

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

The amendment was agreed to.

Mr. DAVIS. Mr. President, I have heretofore voted for all reasonable and necessary congressional appropriations to relieve unemployment. I have done so in good faith and with the hope that some measure of protection might be found in this way for the unemployed. It is now evident that the Government spending program of the past 6 years has left unsolved our major problems of agriculture, industry, transportation, and trade. The spending program has been nothing better than a series of temporary expedients, giving brief periods of aid from year to year. While the Government has been spending private enterprise has grown increasingly weak and dependent. The very life of private and business enterprise is being crushed out in this way. Further attempts to restore confidence by governmental spending of additional billions will defeat their desired purpose. They will destroy rather than create confidence. For these reasons I shall vote against the lending and spending bill.

Mr. CAPPER. Mr. President, in spite of the fact that the pending lending-spending bill has been considerably modified, and modified in the right direction, by amendments approved by the Senate, I still find myself constrained to vote against the measure.

This lending-spending bill is wrong in principle, unsound in practice, and deceptive in the governmental bookkeeping policy it proposes to put into effect.

In some respects it still is one of the most dangerous measures Congress has been asked to enact into law.

There is no use trying to gloss the situation over by specious arguments. This bill proposes to continue and, to whatever extent the final act authorizes loans, to enlarge the spending program which has been so largely responsible for these 9 years of Federal Government deficits.

The Government is to lend hundreds of millions, reaching into the billions, to governmental agencies, which will relend to corporations and to individuals at home and abroad for the purpose of spending. By providing loans instead of appropriations, an attempt is made to show that these additional billions of dollars will not be added to the public debt.

This feature of the measure, this double-dealing system of entering the amounts on the books, appeals to me as coming close to dishonest bookkeeping, although I believe it will not fool anyone.

Another dangerous feature of the measure, as it came to us originally, was the inclusion of so many possible beneficiaries, evidently with the intention of compelling Members of Congress to support the measure so that each Member's constituents would be assured of getting his share.

I think the Senate is to be congratulated upon the amendments already adopted. The bill to that extent is not so dangerous as it was when introduced. But the measure still is dangerous, unsound, and, I think, misdirected, even for the objectives sought to be attained. I shall vote against it, and I hope that enough other Senators will do so to end this kind of specious spending-lending legislation for good and all.

At this point, Mr. President, I ask unanimous consent to have printed in the RECORD a letter just received from S. R. Cellars, of Chetopa, Kans., who runs a harness and hardware business in Chetopa, in which he protests vigorously against the proposal upon which we are about to vote.

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

CHETOPA, KANS., *July 28, 1939.*

Senator ARTHUR CAPPER,
Washington, D. C.

DEAR SIR: When this Congress convened, the papers held out the idea that it was to be an economy Congress; that expenditures were to be curtailed. Instead of that they have gone on spending money like drunken sailors, except that drunken sailors probably do not spend money they haven't got.

There is no more emergency now than there will be 10 years from now, and no more reason for expenditures to exceed revenues now than there will be at any other time. If this generation cannot pay their own way in the world, what does this administration expect the next generation to do? There is ample money in the banks to finance any enterprise under sound business conditions, and I can see no reason for the Government to continue to operate a loan business. No doubt the administration intends to put this money out where it will do the most good—in the 1940 campaign.

The past 6 years has demonstrated that it is just as foolish for a government to try to spend itself into prosperity as it is for an individual. There is little likelihood of any material improvement in business as long as our enormous indebtedness continues to increase.

Over 60 percent of this town is on relief of some kind. It is almost impossible to hire a man or woman to do a day's work in this town. They do not need to work; the Government is keeping them. They will not grow gardens or can fruits or vegetables. They do not need to; the Government gives them their groceries. All they have to do is to vote right when an election comes around.

We hope that some of the men at Washington may forget their political jobs for a little while and give some consideration to the welfare of the country before all the taxpayers have to go on relief.

Sincerely,

S. R. CELLARS.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDENT pro tempore. The question now is, Shall the bill pass?

Mr. AUSTIN. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. LOGAN]. If that Senator were present, he would vote "yea." I transfer that pair to the junior Senator from New Jersey [Mr. BARBOUR], who would vote "nay," and I am entitled to vote. I vote "nay."

Mr. GUFFEY (when his name was called). I have a pair with the junior Senator from New Hampshire [Mr. TOBEY], which I transfer to the senior Senator from Arkansas [Mrs. CARAWAY], and will vote. I vote "yea."

Mr. HARRISON (when his name was called). Making the same announcement as before as to my pair with the senior Senator from Oregon [Mr. MCNARY], I withhold my vote.

Mr. KING (when his name was called). I have a pair with the junior Senator from North Carolina [Mr. REYNOLDS]. Not knowing how he would vote if present, I withhold my vote.

Mr. SHIPSTEAD (when his name was called). I have a pair with the senior Senator from Virginia [Mr. GLASS]. I am informed that if present he would vote "nay." I have been unable to obtain a transfer, so I withhold my vote. If permitted to vote, I would vote "yea."

The roll call was concluded.

Mr. HAYDEN. My colleague the senior Senator from Arizona [Mr. ASHURST] is detained from the Senate on account of illness in his family. If present, he would vote "yea."

Mr. MINTON. I announce that the Senator from North Carolina [Mr. REYNOLDS] is detained from the Senate because of a death in his family.

The Senator from Arkansas [Mrs. CARAWAY] and the Senator from Rhode Island [Mr. GREEN] are absent on important public business.

The Senator from North Carolina [Mr. BAILEY] and the Senator from Ohio [Mr. DONAHEY] are unavoidably detained. I am advised that, if present and voting, these Senators would vote "nay."

The Senator from Virginia [Mr. GLASS], the Senator from Kentucky [Mr. LOGAN], and the Senator from Louisiana [Mr. OVERTON] are unavoidably detained.

The Senator from Rhode Island [Mr. GREEN] is paired with the Senator from Wisconsin [Mr. WILEY], who is unavoidably detained. I am advised that, if present and voting, the Senator from Rhode Island and the Senator from Arkansas would vote "yea." I am not advised how the Senator from Wisconsin would vote.

Mr. AUSTIN. I desire to announce that the Senator from Oregon [Mr. MCNARY] and the Senator from New Hampshire [Mr. TOBEY] would, if present, vote "nay."

The result was announced—yeas 52 nays 28, as follows:

YEAS—52

Adams	Ellender	McKellar	Russell
Andrews	Gillette	Maloney	Schwartz
Bankhead	Guffey	Mead	Schwellenbach
Barkley	Hatch	Miller	Sheppard
Bilbo	Hayden	Minton	Slattery
Bone	Herring	Murray	Smathers
Borah	Hill	Neely	Stewart
Brown	Hughes	Norris	Thomas, Okla.
Byrnes	Johnson, Colo.	Nye	Thomas, Utah
Chavez	La Follette	O'Mahoney	Truman
Clark, Idaho	Lee	Pepper	Wagner
Connally	Lundeen	Pittman	Walsh
Downey	McCarran	Radcliffe	Wheeler

NAYS—28

Austin	Danaher	Hale	Smith
Bridges	Davis	Holman	Taft
Bulow	Frazier	Holt	Townsend
Burke	George	Johnson, Calif.	Tydings
Byrd	Gerry	Lodge	Vandenberg
Capper	Gibson	Lucas	Van Nuys
Clark, Mo.	Gurney	Reed	White

NOT VOTING—16

Ashurst	Donahey	King	Reynolds
Bailey	Glass	Logan	Shipstead
Barbour	Green	McNary	Tobey
Caraway	Harrison	Overton	Wiley

So the bill (S. 2864) was passed.

Mr. BARKLEY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRNES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NOTICE OF CALL OF THE CALENDAR

Mr. BARKLEY. Mr. President, for the benefit of Senators I wish to say that tomorrow we will have a call of the calendar for the consideration of unobjected-to bills.

Mr. AUSTIN. Mr. President, does not the Senator wish to consider the possibility of limiting the call to bills which have passed the House of Representatives, with a view to expediting the consideration of some 300 such bills? It would be well, in my opinion, if we should dispose of the House bills on the calendar, and not waste time in calling the Senate bills. I merely suggest that for the consideration of the Senator.

Mr. BARKLEY. I may say to the Senator from Vermont that it may be desirable a little later, before the adjournment, to set aside a call of the calendar for the consideration exclusively of bills which have passed the House, but at this juncture I doubt very much whether it would be advisable to do that. I appreciate the situation to which the Senator has called attention. I think we can attend to that without difficulty.

REGIONAL PLANNING, NORTHERN LAKE STATES (H. DOC. NO. 458)

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Agriculture and Forestry:

To the Congress of the United States:

Exploitation of our resources has created many problems, but none more pressing than in those areas of the United States where a basic resource has been mismanaged and the principal industry has moved or waned, leaving the working population stranded.

The cut-over region in the northern part of the States of Michigan, Minnesota, and Wisconsin was once the scene of a flourishing lumber industry. Today a large section of the population in that area depends for its very existence on public aids, work relief, and security payments. The large expenditures for these purposes in the area have enabled these people to survive, but could not provide a satisfactory permanent solution to their problem.

Members of Congress representing the region appealed some time ago for aid in developing a program to assist the people in the area to find a way of life that would provide opportunity and reasonable security. The problem is now to make the best use of the natural and human resources of the area.

Over a year ago the National Resources Committee began a study of the region, establishing large local committees in order to insure accurate representation and true understanding of the local point of view. Individual reports were prepared by groups representing the cut-over areas in the three States. From these individual reports a summarized version of what is thought to be a feasible program has been developed. This summary constitutes the most recent in the series of regional reports by the National Resources Committee and is entitled "Regional Planning, Part VIII—the Report of the Northern Lakes States Regional Committee."

I am asking that the National Resources Planning Board keep in touch with the regional committee, which sponsored this report, to assist the regional committee in promoting correlation of activities of Federal, State, and local agencies concerned with bringing about the accomplishments desired. I commend the report to your careful study for whatever action may be appropriate.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *July 31, 1939.*

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to consider executive business.

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

EXECUTIVE MESSAGES REFERRED

The President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

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

EXECUTIVE REPORTS OF COMMITTEES

Mr. MCCARRAN, from the Committee on the Judiciary, reported favorably the following nominations:

Harold Maurice Kennedy, of New York, to be United States attorney for the eastern district of New York, vice Michael F. Walsh, resigned; and

Campbell E. Beaumont, of California, to be United States district judge for the southern district of California, to fill a position created by the act of Congress of May 31, 1938.

Mr. PITTMAN, from the Committee on the Judiciary, reported favorably the nomination of Harry E. Pratt, of Alaska, to be United States district judge, division No. 4, District of Alaska.

Mr. BURKE, from the Committee on the Judiciary, reported favorably the nomination of Henry L. Dillingham, of Missouri, to be United States marshal for the western district of Missouri.

Mr. HUGHES, from the Committee on the Judiciary, reported favorably the nomination of Charles Stewart Lynch, of Delaware, to be United States attorney for the district of Delaware.

Mr. KING, from the Committee on the Judiciary, reported favorably the nomination of Herman E. Moore, of Illinois, to be judge of the District Court of the Virgin Islands of the United States, vice William H. Hastie, resigned.

Mr. WHEELER, from the Committee on Interstate Commerce, reported favorably the following nominations:

James Lawrence Fly, of Tennessee, to be a member of the Federal Communications Commission for the unexpired portion of the term of 7 years from July 1, 1935, vice Frank R. McNinch, resigned; and

Lee M. Eddy, of Missouri, to be a member of the Railroad Retirement Board for a term of 5 years from August 29, 1939 (reappointment).

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDENT pro tempore. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state the nominations on the calendar.

WORK PROJECTS ADMINISTRATION

The legislative clerk read the nomination of Denis W. Delaney, of Massachusetts, to be work-project administrator for Massachusetts.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. Mr. President, I ask that the nomination of Edward E. Dewey to be postmaster at Decatur, Ark., go over. With that exception, I ask that the remaining nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDING OFFICER. Without objection, with the exception of the nomination noted, the nominations of the postmasters are confirmed en bloc.

That completes the calendar.

ADJOURNMENT

Mr. BARKLEY. As in legislative session, I move that the Senate adjourn.

The motion was agreed to; and (at 6 o'clock and 18 minutes p. m.), the Senate adjourned until tomorrow, Tuesday, August 1, 1939, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 31 (legislative day, July 25), 1939

DIPLOMATIC AND FOREIGN SERVICE

James J. Murphy, Jr., of Pennsylvania, to be a Foreign Service officer of class 3, a consul, and a secretary in the Diplomatic Service of the United States of America.

ASSISTANT TO THE ATTORNEY GENERAL

Edward Gearing Kemp, of Michigan, to be the Assistant to the Attorney General, to fill an existing vacancy.

UNITED STATES DISTRICT JUDGE

Hon. J. H. S. Morison, of Alaska, to be United States district judge, division No. 2, District of Alaska. Judge Morison is now serving in this post under an appointment which expired July 26, 1939.

JUDGES OF THE MUNICIPAL COURT OF THE DISTRICT OF COLUMBIA

Hon. Nathan Cayton, of the District of Columbia, to be judge of the municipal court of the District of Columbia. He is now serving in this post under an appointment which expired July 19, 1939.

Hon. Ellen K. Raedy, of the District of Columbia, to be judge of the municipal court of the District of Columbia. Judge Raedy is now serving in this post under an appointment which expired July 19, 1939.

POSTMASTERS

ALABAMA

George W. Floyd to be postmaster at Alabama City, Ala., in place of G. W. Floyd. Incumbent's commission expired May 15, 1939.

Otis B. Hunter to be postmaster at Boaz, Ala., in place of O. B. Hunter. Incumbent's commission expired June 26, 1939.

Thomas A. Smith to be postmaster at Cullman, Ala., in place of T. A. Smith. Incumbent's commission expired January 22, 1939.

Ernest W. Thompson to be postmaster at Tuskegee, Ala., in place of E. W. Thompson. Incumbent's commission expired July 30, 1939.

Ethel D. Jolly to be postmaster at Warrior, Ala., in place of R. C. Montgomery, resigned.

ARKANSAS

Max B. Wurz to be postmaster at Bigelow, Ark., in place of M. B. Wurz. Incumbent's commission expired July 1, 1939.

Houston E. Mayhew to be postmaster at Greenbrier, Ark., in place of H. E. Mayhew. Incumbent's commission expired June 12, 1939.

Leila W. Freeman to be postmaster at Tyronza, Ark., in place of C. H. Justus. Incumbent's commission expired June 8, 1938.

Raymond M. Moore to be postmaster at Vilonia, Ark., in place of R. M. Moore. Incumbent's commission expired July 17, 1939.

CONNECTICUT

John W. Morris to be postmaster at Canaan, Conn., in place of J. W. Morris. Incumbent's commission expired June 26, 1939.

William J. Hernberg to be postmaster at Mansfield Depot, Conn., in place of W. J. Hernberg. Incumbent's commission expired March 28, 1939.

Frederick C. Flynn to be postmaster at Thomaston, Conn., in place of F. C. Flynn. Incumbent's commission expired June 26, 1939.

DELAWARE

Harry K. Heite to be postmaster at Dover, Del., in place of H. K. Heite. Incumbent's commission expired July 18, 1939.

FLORIDA

Undine D. Watson to be postmaster at Cedar Keys, Fla., in place of G. T. Lewis, removed.

Robert L. McLester to be postmaster at West Palm Beach, Fla., in place of O. B. Carr. Incumbent's commission expired May 9, 1938.

James M. Boen to be postmaster at Wildwood, Fla., in place of P. H. Smith, resigned.

GEORGIA

John Frank Chappell to be postmaster at Americus, Ga., in place of J. F. Chappell. Incumbent's commission expired March 23, 1939.

John H. Jones to be postmaster at Fort Valley, Ga., in place of E. L. Fagan, resigned.

ILLINOIS

Benjamin H. Gardner to be postmaster at Ava, Ill., in place of B. H. Gardner. Incumbent's commission expired March 18, 1939.

Earl Grimm to be postmaster at Fairview, Ill., in place of Earl Grimm. Incumbent's commission expired May 22, 1938.

Arden O. Murray to be postmaster at Mazon, Ill., in place of J. V. Barr, resigned.

Howard M. Fox to be postmaster at Nashville, Ill., in place of B. B. Holston, deceased.

John L. Anheuser to be postmaster at O'Fallon, Ill., in place of J. L. Anheuser. Incumbent's commission expired July 9, 1939.

Otto F. Young to be postmaster at Stonington, Ill., in place of O. F. Young. Incumbent's commission expired June 26, 1939.

James F. Boyle to be postmaster at Sycamore, Ill., in place of J. F. Boyle. Incumbent's commission expires August 26, 1939.

George H. Widmayer to be postmaster at Virginia, Ill., in place of G. H. Widmayer. Incumbent's commission expired June 26, 1939.

INDIANA

Daniel L. Slaybaugh to be postmaster at Akron, Ind., in place of K. B. Gast, resigned.

Edgar D. Logan to be postmaster at Goshen, Ind., in place of E. D. Logan. Incumbent's commission expired June 18, 1939.

Norma L. A. Koerner to be postmaster at Huntingburg, Ind., in place of N. L. A. Koerner. Incumbent's commission expired July 18, 1939.

Albert Rumbach to be postmaster at Jasper, Ind., in place of Albert Rumbach. Incumbent's commission expired May 15, 1939.

Anthony M. Schuh to be postmaster at Kentland, Ind., in place of A. M. Schuh. Incumbent's commission expires August 27, 1939.

Bayard F. Russell to be postmaster at Laurel, Ind., in place of B. F. Russell. Incumbent's commission expired July 27, 1939.

Lawrence H. Barkley to be postmaster at Moores Hill, Ind., in place of L. H. Barkley. Incumbent's commission expired July 22, 1939.

Firm I. Troup to be postmaster at Nappanee, Ind., in place of F. I. Troup. Incumbent's commission expired May 2, 1939.

Retta M. House to be postmaster at North Salem, Ind., in place of R. M. House. Incumbent's commission expired January 18, 1939.

Jesse M. Trinkle to be postmaster at Paoli, Ind., in place of J. M. Trinkle. Incumbent's commission expired July 27, 1939.

Earl C. McLain to be postmaster at Swayzee, Ind., in place of E. C. McLain. Incumbent's commission expired June 18, 1938.

Iva S. Turmail to be postmaster at Vallonia, Ind., in place of I. S. Turmail. Incumbent's commission expired July 1, 1939.

Louis L. Langdon to be postmaster at Wheatland, Ind., in place of L. L. Langdon, Jr. Incumbent's commission expired February 18, 1939.

IOWA

Eunice Hamilton to be postmaster at Bedford, Iowa, in place of Eunice Hamilton. Incumbent's commission expired June 25, 1939.

Amanda J. Belt to be postmaster at Glenwood, Iowa, in place of A. J. Belt. Incumbent's commission expired February 9, 1939.

Hal W. Campbell to be postmaster at Harlan, Iowa, in place of H. W. Campbell. Incumbent's commission expired January 18, 1939.

William J. Hollander to be postmaster at Sheldon, Iowa, in place of W. J. Hollander. Incumbent's commission expired March 14, 1938.

John F. Zimpfer to be postmaster at Walker, Iowa, in place of J. F. Zimpfer. Incumbent's commission expired January 18, 1939.

Dudley A. Reid to be postmaster at West Des Moines, Iowa, in place of D. A. Reid. Incumbent's commission expired May 17, 1938.

Mary C. Ilgen Fritz to be postmaster at Winterset, Iowa, in place of M. C. Ilgen Fritz. Incumbent's commission expired May 2, 1939.

KANSAS

Norval W. Woodworth to be postmaster at Plains, Kans., in place of N. W. Woodworth. Incumbent's commission expires August 27, 1939.

LOUISIANA

Mrs. Willie B. Killgore to be postmaster at Lisbon, La. Office became Presidential July 1, 1938.

MAINE

Louis A. White to be postmaster at Eastport, Maine, in place of L. A. White. Incumbent's commission expired February 13, 1939.

David F. Kelley to be postmaster at Gardiner, Maine, in place of D. F. Kelley. Incumbent's commission expired January 17, 1939.

Archie R. King to be postmaster at Saco, Maine, in place of A. R. King. Incumbent's commission expired March 27, 1939.

MARYLAND

Irvin R. Rudy to be postmaster at Oakland, Md., in place of F. H. Matthews, resigned.

Nena M. Jamison to be postmaster at Walkersville, Md., in place of N. M. Jamison. Incumbent's commission expired July 19, 1939.

MASSACHUSETTS

Thomas J. Drummey to be postmaster at East Pepperell, Mass., in place of T. J. Drummey. Incumbent's commission expired June 12, 1938.

Armand L. Bengle to be postmaster at Indian Orchard, Mass., in place of A. L. Bengle. Incumbent's commission expired June 6, 1938.

Frank C. Sheridan to be postmaster at Maynard, Mass., in place of F. C. Sheridan. Incumbent's commission expired June 26, 1939.

Lawrence Cotter to be postmaster at North Brookfield, Mass., in place of Lawrence Cotter. Incumbent's commission expired June 14, 1938.

Josephine E. Dempsey to be postmaster at South Ashburnham, Mass., in place of J. E. Dempsey. Incumbent's commission expired March 7, 1939.

Anna Wohlrab to be postmaster at South Sudbury, Mass., in place of Anna Wohlrab. Incumbent's commission expires August 21, 1939.

James H. Anderson to be postmaster at Ware, Mass., in place of J. H. Anderson. Incumbent's commission expires August 12, 1939.

MICHIGAN

Helen M. Kane to be postmaster at Algonac, Mich., in place of H. M. Kane. Incumbent's commission expired April 26, 1939.

George P. Siagkris to be postmaster at Base Line, Mich., in place of G. P. Siagkris. Incumbent's commission expired April 26, 1939.

Carl V. Moody to be postmaster at Copemish, Mich., in place of C. V. Moody. Incumbent's commission expired May 29, 1939.

Vedah W. Halterman to be postmaster at De Witt, Mich., in place of V. W. Halterman. Incumbent's commission expired May 29, 1939.

Fred W. Schroeder to be postmaster at East Detroit, Mich., in place of F. W. Schroeder. Incumbent's commission expired April 26, 1939.

Joseph F. Roberts to be postmaster at Elkton, Mich., in place of J. F. Roberts. Incumbent's commission expired April 26, 1939.

Norman C. Lee to be postmaster at Farmington, Mich., in place of N. C. Lee. Incumbent's commission expired April 26, 1939.

James L. Heslop to be postmaster at Gladwin, Mich., in place of J. L. Heslop. Incumbent's commission expired April 26, 1939.

Leo G. Burns to be postmaster at Kingston, Mich., in place of L. G. Burns. Incumbent's commission expired April 26, 1939.

Clarence J. Maloney to be postmaster at Mass, Mich., in place of C. J. Maloney. Incumbent's commission expired March 28, 1939.

Edwin Boyle to be postmaster at Milford, Mich., in place of Edwin Boyle. Incumbent's commission expired May 15, 1938.

Frank C. Miller to be postmaster at Stevenville, Mich., in place of F. C. Miller. Incumbent's commission expired June 17, 1939.

MINNESOTA

Marie H. Sands to be postmaster at Alvarado, Minn., in place of M. H. Sands. Incumbent's commission expired March 23, 1939.

Ove H. Voigt to be postmaster at Dent, Minn., in place of O. H. Voigt. Incumbent's commission expired May 29, 1939.

Jacob Ohlsen to be postmaster at Luverne, Minn., in place of Jacob Ohlsen. Incumbent's commission expired March 12, 1939.

MISSISSIPPI

Frederick J. Fugitt to be postmaster at Booneville, Miss., in place of F. J. Fugitt. Incumbent's commission expired June 18, 1939.

Minnie L. Beall to be postmaster at Lexington, Miss., in place of M. L. Beall. Incumbent's commission expired July 26, 1939.

James C. Edwards to be postmaster at Pontotoc, Miss., in place of J. C. Edwards. Incumbent's commission expired July 11, 1939.

MISSOURI

Ethel Rose to be postmaster at Bogard, Mo., in place of S. W. Vaughn. Incumbent's commission expired June 18, 1938.

Howard L. Stephens to be postmaster at Eldon, Mo., in place of H. L. Stephens. Incumbent's commission expired June 5, 1939.

Frank M. Story to be postmaster at Kahoka, Mo., in place of F. M. Story. Incumbent's commission expired June 26, 1939.

William G. Warner to be postmaster at Lamar, Mo., in place of W. G. Warner. Incumbent's commission expired May 9, 1939.

Harvey F. Nalle to be postmaster at Pattonsburg, Mo., in place of Harvey Nalle. Incumbent's commission expires August 21, 1939.

Oliver A. Cook to be postmaster at Portageville, Mo., in place of O. A. Cook. Incumbent's commission expired February 28, 1939.

MONTANA

Shebel Rehal to be postmaster at Chester, Mont., in place of Shebel Rehal. Incumbent's commission expired January 17, 1939.

NEBRASKA

Henry A. Georgi to be postmaster at Dawson, Nebr., in place of H. A. Georgi. Incumbent's commission expired June 28, 1939.

NEW HAMPSHIRE

Roland A. Lewin to be postmaster at Hanover, N. H., in place of R. A. Lewin. Incumbent's commission expires August 27, 1939.

Arthur L. Prince to be postmaster at Manchester, N. H., in place of A. L. Prince. Incumbent's commission expires August 15, 1939.

NEW JERSEY

Thomas C. Stewart to be postmaster at Atlantic City, N. J., in place of T. C. Stewart. Incumbent's commission expires August 26, 1939.

Emma E. Hyland to be postmaster at Camden, N. J., in place of E. E. Hyland. Incumbent's commission expires August 16, 1939.

John F. O'Toole to be postmaster at Cliffside Park, N. J., in place of T. V. Chieffo. Incumbent's commission expired May 10, 1936.

Edward J. Shea to be postmaster at Rochelle Park, N. J., in place of E. J. Shea. Incumbent's commission expired February 25, 1939.

Joseph M. Carson to be postmaster at Trenton, N. J., in place of E. J. Jennings. Incumbent's commission expired April 27, 1938.

NEW YORK

Freida L. Brickner to be postmaster at Bolton Landing, N. Y., in place of W. R. Krohn. Incumbent's commission expired June 18, 1938.

John L. Mack to be postmaster at Gasport, N. Y., in place of J. L. Mack. Incumbent's commission expired June 28, 1939.

David J. Fitzgerald, Jr., to be postmaster at Glens Falls, N. Y., in place of D. J. Fitzgerald, Jr. Incumbent's commission expired July 27, 1939.

W. Armand Downes to be postmaster at Hilton, N. Y., in place of W. A. Downes. Incumbent's commission expired January 22, 1939.

Charles A. Denegar to be postmaster at Madalin, N. Y., in place of C. A. Denegar. Incumbent's commission expired May 17, 1939.

Arthur J. Belgard to be postmaster at Ogdensburg, N. Y., in place of A. J. Belgard. Incumbent's commission expired April 6, 1939.

Thomas F. Connolly to be postmaster at Port Chester, N. Y., in place of T. F. Connolly. Incumbent's commission expired May 17, 1939.

James Arthur Egan to be postmaster at Sherrill, N. Y., in place of J. A. Egan. Incumbent's commission expired July 18, 1939.

NORTH CAROLINA

Wade C. Hill to be postmaster at Canton, N. C., in place of W. C. Hill. Incumbent's commission expired January 16, 1939.

Fletcher C. Mann to be postmaster at Pittsboro, N. C., in place of F. C. Mann. Incumbent's commission expired June 5, 1939.

NORTH DAKOTA

Julius C. Pfeifer to be postmaster at Richardton, N. Dak., in place of J. C. Pfeifer. Incumbent's commission expired March 8, 1939.

John A. Corrigan to be postmaster at Stanley, N. Dak., in place of J. A. Corrigan. Incumbent's commission expired May 7, 1938.

Clifton G. Foye to be postmaster at Steele, N. Dak., in place of C. G. Foye. Incumbent's commission expired March 18, 1939.

Howard W. Miller to be postmaster at Werner, N. Dak., in place of Howard Miller. Incumbent's commission expired June 18, 1939.

Bernhard Ottis to be postmaster at Wyndmere, N. Dak., in place of Bernhard Ottis. Incumbent's commission expired February 7, 1939.

OHIO

Ray W. Senn to be postmaster at Attica, Ohio, in place of R. W. Senn. Incumbent's commission expired May 13, 1939.

Elmer E. Eller to be postmaster at Cuyahoga Falls, Ohio, in place of E. E. Eller. Incumbent's commission expired February 12, 1939.

OKLAHOMA

Thomas A. Gray to be postmaster at Duncan, Okla., in place of T. A. Gray. Incumbent's commission expires August 13, 1939.

OREGON

Viva R. Todd to be postmaster at Cloverdale, Oreg., in place of Viva Todd. Incumbent's commission expired July 19, 1939.

George E. Travis to be postmaster at St. Benedict, Oreg., in place of G. E. Travis. Incumbent's commission expired May 1, 1939.

Harry M. Stewart to be postmaster at Springfield, Oreg., in place of H. M. Stewart. Incumbent's commission expired January 18, 1939.

PENNSYLVANIA

Robert E. Holland to be postmaster at Kane, Pa., in place of R. E. Holland. Incumbent's commission expired June 6, 1938.

William E. Rutter to be postmaster at Kinzers, Pa., in place of W. E. Rutter. Incumbent's commission expired January 29, 1939.

John K. Newcomer to be postmaster at McClellandtown, Pa., in place of A. E. Cavalcante, removed.

Stanley B. Janowski to be postmaster at Nanticoke, Pa., in place of S. B. Janowski. Incumbent's commission expired April 6, 1939.

Sarah S. Broadbelt to be postmaster at Newtown Square, Pa., in place of H. O. Broadbelt, removed.

Vera C. Remaley to be postmaster at Penn, Pa., in place of V. C. Remaley. Incumbent's commission expired July 27, 1939.

Karl Smith to be postmaster at Sharpsville, Pa., in place of Karl Smith. Incumbent's commission expired February 21, 1939.

Catherine V. Lybarger to be postmaster at Vintondale, Pa., in place of C. V. Lybarger. Incumbent's commission expired July 27, 1939.

George J. Moses to be postmaster at West Chester, Pa., in place of G. J. Moses. Incumbent's commission expired August 22, 1939.

SOUTH DAKOTA

Adolph M. Kaufmann to be postmaster at Colman, S. Dak., in place of A. M. Kaufmann. Incumbent's commission expired May 16, 1938.

TENNESSEE

Miss Willie Ozelle Barnes to be postmaster at Cowan, Tenn., in place of W. O. Barnes. Incumbent's commission expired July 3, 1939.

Joseph E. McCracken to be postmaster at Cumberland City, Tenn., in place of J. E. McCracken. Incumbent's commission expired May 29, 1939.

John F. Dunbar to be postmaster at Grand Junction, Tenn., in place of J. F. Dunbar. Incumbent's commission expired June 17, 1939.

Irene Miller to be postmaster at La Follette, Tenn., in place of Irene Miller. Incumbent's commission expired January 24, 1939.

George S. Wilson to be postmaster at McMinnville, Tenn., in place of W. G. McDonough, resigned.

Eugene L. McDade to be postmaster at Mountain City, Tenn., in place of E. L. McDade. Incumbent's commission expired February 9, 1939.

Gaston H. Rhodes to be postmaster at Whiteville, Tenn., in place of G. H. Rhodes. Incumbent's commission expired January 16, 1939.

TEXAS

Richard P. Park to be postmaster at Aransas Pass, Tex., in place of R. P. Park. Incumbent's commission expired January 25, 1939.

George R. Kocurek to be postmaster at Caldwell, Tex., in place of G. R. Kocurek. Incumbent's commission expired March 25, 1939.

Albert P. Hinton to be postmaster at Columbus, Tex., in place of A. P. Hinton. Incumbent's commission expired March 21, 1939.

John H. Jones to be postmaster at Dickinson, Tex., in place of R. C. Owens, removed.

Marvin B. Smith to be postmaster at Farmersville, Tex., in place of M. B. Smith. Incumbent's commission expired July 18, 1939.

Mildred H. Freeman to be postmaster at Freer, Tex., in place of M. H. Freeman. Incumbent's commission expired June 18, 1939.

William C. Allen to be postmaster at Hearne, Tex., in place of W. C. Allen. Incumbent's commission expired May 2, 1939.

DeLouise M. Beall to be postmaster at Jacksonville, Tex., in place of C. F. Adams. Incumbent's commission expired January 8, 1936.

George H. Boynton to be postmaster at Hamilton, Tex., in place of T. M. White, resigned.

Percy L. Walker to be postmaster at Luling, Tex., in place of P. L. Walker. Incumbent's commission expired May 13, 1939.

William H. Wentland to be postmaster at Manor, Tex., in place of W. H. Wentland. Incumbent's commission expired May 13, 1939.

Mary E. Pennington to be postmaster at Matagorda, Tex., in place of C. E. Baker, removed.

Loyal N. Tyer to be postmaster at Mont Belvieu, Tex., in place of L. N. Tyer. Incumbent's commission expired January 25, 1939.

Lemuel O. Robbins to be postmaster at Raymondville, Tex., in place of L. O. Robbins. Incumbent's commission expired June 18, 1939.

Frank Clark to be postmaster at Rockwall, Tex., in place of Frank Clark. Incumbent's commission expired June 18, 1939.

Alejo C. Garcia to be postmaster at San Diego, Tex., in place of A. C. Garcia. Incumbent's commission expired February 12, 1939.

Albert G. Lee to be postmaster at Sweetwater, Tex., in place of T. H. Bowen. Incumbent's commission expired July 18, 1939.

Pearson P. Pollard to be postmaster at Waskom, Tex., in place of P. P. Pollard. Incumbent's commission expired January 25, 1939.

UTAH

Howard Mattsson to be postmaster at Salina, Utah, in place of F. R. Peterson, deceased.

VIRGINIA

Jay C. Litts to be postmaster at Norton, Va., in place of J. C. Litts. Incumbent's commission expired February 18, 1939.

WASHINGTON

Fred E. Booth to be postmaster at Castle Rock, Wash., in place of F. E. Booth. Incumbent's commission expired March 21, 1939.

Clyde F. Shrauger to be postmaster at Mount Vernon, Wash., in place of C. F. Shrauger. Incumbent's commission expires August 27, 1939.

Dorothy H. Lynch to be postmaster at Soap Lake, Wash., in place of D. H. Lynch. Incumbent's commission expired July 27, 1939.

WEST VIRGINIA

Henry S. Lambert to be postmaster at Kenova, W. Va., in place of B. L. Osburn. Incumbent's commission expired June 18, 1938.

WISCONSIN

Joseph Schmidlkofer to be postmaster at Chilton, Wis., in place of Joseph Schmidlkofer. Incumbent's commission expired June 18, 1939.

George E. Shaw to be postmaster at Cornell, Wis., in place of G. A. Harding, resigned.

Herman W. Paff to be postmaster at Elk Mound, Wis., in place of H. W. Paff. Incumbent's commission expired April 28, 1938.

Ira A. Kenyon to be postmaster at Mellen, Wis., in place of I. A. Kenyon. Incumbent's commission expired June 15, 1938.

John P. Snyder to be postmaster at Oconomowoc, Wis., in place of J. P. Snyder. Incumbent's commission expired June 18, 1939.

Herman H. Lins to be postmaster at Spring Green, Wis., in place of H. H. Lins. Incumbent's commission expired June 12, 1938.

Robert L. Graves to be postmaster at Viroqua, Wis., in place of R. L. Graves. Incumbent's commission expired Jan. 18, 1939.

Christian R. Mau to be postmaster at West Salem, Wis., in place of C. R. Mau. Incumbent's commission expired January 18, 1939.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 31 (legislative day July 25), 1939

WORK PROJECTS ADMINISTRATION

Denis W. Delaney to be work projects administrator for Massachusetts.

POSTMASTERS

CALIFORNIA

Leon L. Allen, Agnew.
Bertha A. Williams, Cloverdale.
Raymond M. Krollpfeiffer, Del Monte.
Neil A. MacMillan, Eureka.
Ralph N. Swanson, Hollydale.
Earl F. Fishel, Lomita.
Julia A. Monahan, Newcastle.
Matie L. McCormick, Ojai.
Carl J. Hase, Ontario.
Austin R. Gallaher, Orange Cove.
John Ransom Casey, Pomona.
Robert E. O'Connell, Jr., Redwood City.
Robert B. Finnegan, Valley Springs.

COLORADO

Rose Richards, Buena Vista.

CONNECTICUT

John A. Jackson, Durham.
Clifford E. Brooks, Moodus.
John A. Leahy, Plainfield.
Willard Gardiner Davis, Pomfret Center.
Patrick T. Malley, Thompsonville.
Paul DeF. Wren, Westbrook.
Edward McElwee, Westport.
Agnes Reilly Collins, Woodmont.

DELAWARE

Harry T. Swain, Georgetown.

FLORIDA

Hal Hoffman, Apalachicola.
George H. Stokes, Callahan.
Reuben G. Bradford, Carrabelle.
Mayo Ferdon, Crestview.
William H. Owens, Goulds.
Fred Ewing, Hialeah.
Bennett L. David, Hollywood.
Fred J. Dion, Key West.
Vivan L. Roberts, Lynn Haven.
Paul G. J. Mayer, New Port Richey.
Abraham C. Fiske, Rockledge.

IDAHO

Guy E. Van Buskirk, Pottlach.
LeRoy C. Harris, Wallace.

ILLINOIS

Fred Rohr, Ashkum.
James R. Freddy, Atkinson.
Clarence O. Dreher, Atlanta.
John C. Kepner, Blue Mound.
Michael Colgrass, Brookfield.
Roy Ansel Brooks, Carthage.
Jay R. Cooper, Chapin.
Raymond R. Staubus, Cissna Park.
Thomas W. Cramer, Clinton.
Claude Shaffner, Dallas City.
Rose E. Gorman, Farmersville.
Mervin F. Hinton, Fisher.
Henry Swanson, Geneva.
Everett L. Cameron, Gillespie.
Francis L. Wright, Henry.
John Petry, Hoopeston.
Curtis E. Roller, Hume.
Anthony H. Koselke, Lansing.
Wilber J. Strange, Le Roy.
Lois M. La Tourette, London Mills.
Leroy McNary, Marshall.
Clem Wiser, Martinsville.
James D. Larry, Sr., Melrose Park.
John R. Goodson, Newman.
Conrad W. Knuth, Ohio.
William E. Hollerich, Spring Valley.
James Elmer Davis, Versailles.
Arthur E. Swan, Waynesville.
Eric Donoven Stover, Western Springs.
Robert L. Cooper, Williamsville.

INDIANA

Alpha W. Jackson, Birdseye.
Joseph F. Winkler, Hammond.
Herbert J. Harris, Hillsboro.
Harold A. Rowe, Medaryville.
Louis W. Thomas, Mount Vernon.
Clarence Pook, South Whitley.
George F. Coyle, Tell City.

IOWA

Anna Reardon, Auburn.
Herbert F. Starner, Shelby.

KANSAS

Richard R. Bourne, Delphos.
David Earl Moore, Dexter.
John O. Derfelt, Galena.
Cornelius Foster, Geneseo.
Elizabeth C. Johnson, Hartford.
Wilbert F. Kunze, Kensington.
Hugh Lee, Louisburg.
Charles L. Krouse, Onaga.
John L. Larson, Randolph.
Henry F. Dodson, South Haven.
Thomas W. Ross, Sterling.
Victor Gibson, Sylvia.
Clayton Wyatt, Valley Falls.
Wilders D. McKimens, Westmoreland.

LOUISIANA

Donald Lavine, Oil City.
Thomas L. Hardin, Sicily Island.

MAINE

Lewis W. Haskell, Jr., Auburn.
Harold C. Collins, Bingham.
Ervin O. Hamilton, Chebeague Island.
Ava P. Galusha, Clinton.
Edna G. Chase, Limestone.
Adelbert L. Mains, Mechanic Falls.
Louis N. Redonnett, Mount Vernon.
Velorus T. Shaw, Prouts Neck.
Aubrey Kelley, Solon.

MARYLAND

John B. T. Merrick, Church Hill.
George M. Mowell, Glencoe.

MISSISSIPPI

William P. Young, Liberty.

MONTANA

Mary A. Fetterman, Saco.
Frank R. Murray, Townsend.

NEBRASKA

Clarke W. Kelley, Beaver City.
John F. McGill, Center.
Gladys G. Rockhold, Comstock.
George J. Scott, Crawford.
John H. Hutchings, Falls City.
James Melvern West, Herman.
Herman Stahly, Milford.
Harold Glenn Butler, Newport.
Thomas Glen Roberts, Sterling.
Charles J. Mullaney, Walthill.
Peter A. Meehan, York.

NEVADA

Delevan F. Defenbaugh, Winnemucca.

NEW JERSEY

Lawrence R. Ress, Chatham.
John S. Hains, Hillsdale.
Martin L. Mulvey, Landing.
August F. Schweers, Little Silver.
Edward J. Turpin, Mays Landing.
Marion M. Klockner, Mercerville.
Frank H. Moran, Middlesex.
Nicholas T. Ballentine, Peapack.

NORTH CAROLINA

John C. Koleman, Carolina Beach.
Lillington Hendrix, Cooleemee.
William C. Stockton, Ellenboro.
William M. Shaw, Fayetteville.
Riddick W. Gatling, Gates.
John R. Teague, Henderson.
Ethel R. Edwards, Pinebluff.
Leslie G. Shell, Roanoke Rapids.
Leonard T. Yaskell, Southport.
George W. Stuart, Troy.

RHODE ISLAND

Joseph E. Murray, Ashaway.

SOUTH CAROLINA

Gordon W. Hungerpiller, Cameron.

VERMONT

Berne B. Titus, Fairlee.
George H. St. Pierre, Island Pond.

WISCONSIN

Thomas J. Weiler, Auburndale.
Isabelle C. Spang, Franksville.
Raymond W. Burt, Goodman.
Philip A. Panetti, Hustisford.
Erwin A. Kamholz, Luck.
John J. Steiner, Mauston.
Clarence G. Shultz, Neenah.
Mary Hanley, Roberts.
Frank L. Daniels, Weyerhauser.
Joseph P. Wheir, Wisconsin Rapids.

HOUSE OF REPRESENTATIVES

MONDAY, JULY 31, 1939

The House met at 12 o'clock noon.

The Reverend Bernard Braskamp, D. D., pastor of the Gunton-Temple Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty God, our Father, whose guiding intelligence is the supreme need of our minds for the solution of life's problems, we pray that Thou wilt be present and favorable unto Thy servants as they seek Thy will in facing the duties and responsibilities of another day.

Enrich our hearts with those virtues whereby Thou and Thy will art known and may we have within us the testimony that we are numbered among those who do justly, love mercy, and walk humbly with God.

May men and nations be drawn together in one high and holy aspiration to know and to do Thy will more perfectly, for Thy ways are ways of pleasantness and Thy paths are paths of peace.

Hasten that blessed day when we shall be one in spirit with Him, who said, "Thy will be done." To Thy name, through Christ our Lord, shall be all the glory. Amen.

The Journal of the proceedings of Saturday, July 29, 1939, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative 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 House to the bill (S. 1558) entitled "An act to provide for the acceptance of an easement with respect to certain lands in New Mexico, and for other purposes."

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

EXTENSION OF THE CIVIL SERVICE

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

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

There was no objection.

Mr. REES of Kansas. Mr. Speaker, I have asked unanimous consent to address the House for the purpose of directing your attention to H. R. 960, a so-called civil-service bill, which has been recommended for passage.

This bill gives the President power to place approximately 300,000 politically appointed Federal employees under civil service. The only requirement is that they take noncompetitive examinations. If they make grades of 70 or more, they are then entitled to all the rights and privileges granted to civil-service employees who passed a competitive examination. Mind you, if they do not pass the examination with at least a grade of 70, they are not discharged from their jobs but permitted to retain them, except that they do not attain civil-service status. Stenographers, clerks, and other employees who have been working 6 months and receive a grade of 70 in a noncompetitive examination can hold their jobs, even though there are eligible registers for such positions, with thousands of names of persons who made a higher grade in a competitive examination.

It is my contention that the policy is unsound, and this procedure is unfair and unwarranted. I do not contend that all of these 300,000 employees are not qualified for the jobs they are holding. The fact remains that they secured the positions, whether qualified or not, principally because of their political affiliations. Under this measure, you are giving them the same rights, the same privileges, and the same status as those persons who secured their jobs under a competitive civil-service merit system.

The big question involved is whether or not you believe this Government should maintain and improve a competitive civil-service merit system, or whether you think these thousands of employees, who knew when they received their appointments that they were more or less temporary, should, by one stroke of the pen, be given permanent status and position, together with all the advantages provided under our civil-service merit system.

These employees, of course, would be entitled to the benefits of the retirement system. Not only that, but, by making contribution to the Federal Government, they are entitled to these benefits accrued since they were employed.

The sponsors of this bill will tell you that other administrations have blanketed-in employees without competitive civil-service examinations. But let me suggest right here and now that this blanketing-in of 300,000 positions, principally typists, stenographers, clerks, and similar jobs, is unprecedented. It is unwarranted.

I have directed your attention to the unfairness of this bill as it applies to the employee who secured his job under a competitive examination. When you pass this measure you not only blanket-in the present encumbent in his job, and you not only place him on the same status as the fellow who has held his job through the years by reason of a competitive examination, but you give this new man or woman the right to be transferred to some other civil-service position. In the event the employees coming under this bill should lose their jobs because their positions are later eliminated, they would have the same right to seek appointments under the civil-service law as any person who had qualified under a competitive civil-service examination.

Let us review the situation. In March 1933 there were 563,000 Federal employees, outside of the Army, Navy, and Diplomatic Service. Eighty-three percent of them were under civil service. In the last 6 years that number has increased to approximately 900,000. Three hundred thousand, or practically one-third of them, are not under civil service. Almost all of the 300,000 employees secured their jobs by political patronage. After we have built up a big patronage system, we are making the positions permanent under the guise of civil service.

Congress deliberately exempted these jobs from civil-service regulations when it created the many new bureaus and commissions which have come into being during the past 6 years. Today Congress is asked to right about face. After having appointed all these people to these jobs, we say to them that after all, they should have been, and are now, entitled to civil-service status. Then we go further, and exempt them from competitive examinations.

Do you think, as you sit here this afternoon, that because Congress made the mistake of excluding these 300,000 employees from competitive civil-service requirements, and gave them their jobs under political preference, that you should write into law an authorization giving these political appointees a preference against the thousands on the outside

who are entitled to compete for the positions? Do you think it is fair to those persons who have earned their jobs by competitive civil-service examinations that these people should be placed on the same basis and receive the same benefits?

Last week this Congress determined that people holding patronage appointments should not take an active part in the election of persons to political office. Congress banned these 300,000 employees from political activity, and now we give them the blessing of civil-service status for the remainder of their lives. This is manifestly unfair to those now holding jobs under a civil-service merit system. It certainly is unfair to the thousands of persons throughout our country who have a right to compete for Government positions.

In other words, if you believe in a fair competitive system, and if you believe in securing the most competent employee to fill a position, you certainly are not in favor of this bill. If you believe that a man or woman who has fitted himself or herself for any one of these positions is entitled to an even break, you cannot support this measure.

You will be told that competitive examinations would disrupt the service; that the task is too complicated, too much time would be needed, if competitive examinations are required; and that such examinations would be expensive.

There can be no occasion for disruption of the service when positions are filled by persons who have shown themselves, under a competitive test, to be better qualified than those who are holding the positions at this time. The person now employed would compete with those on the outside, and certainly if somebody from the outside shows herself or himself to be more competent, their employment would not interfere with efficient service.

On the contrary, it would promote efficiency. Furthermore, the person now holding the job has the distinct advantage of experience. If he does not prove himself to be better qualified, in view of his experience, than the outsider competing against him—he certainly is not entitled to the job. The man or woman now holding such a job should be willing to take a competitive examination along with the person on the outside. If he or she receives a higher grade, good and well. If not, then his right to that position should be relinquished to the person who shows himself more competent and qualified to fill it.

It has been said that it would be unfortunate for these patronage employees to be turned out of their jobs. That would not be as discouraging as to have thousands of competent persons—who might be better qualified for the places and who are only asking for an even break—to be barred from even having a chance to compete for them.

Certainly it would take some time to put into effect a competitive civil-service system involving so many jobs—but the sponsors of this bill state that it will take 1 to 2 years under the noncompetitive plan. There could be no possible impairment in the Government service, even if an extra year were required to establish a competitive system, provided the personnel is improved and the efficiency of the services increased. There is no reason, in my opinion, why sufficient time should not be taken to conduct competitive examinations. Our first consideration should be given to securing the best type of service. The competitive merit system is the one way to secure it.

What has come over Congress—with this great wave of reformation—especially in the closing days of the session? Why the hurry all at once, after these people have held these jobs from 2 to 4 years?

The proponents of this measure would have you believe that to conduct such competitive examinations would be extremely complicated. The fact remains that most of the employees covered under this bill are stenographers, typists, and people holding various kinds of clerical positions similar to those now held by persons who secured their jobs under a competitive system. As a matter of fact, nearly all the examinations required to fill these positions would be similar to other civil-service examinations which are now being given and for which eligible registers have been established.

A great deal has been said about the expense of giving competitive examinations. They should not be extremely expensive. Civil-service examinations which are expensive are those to fill highly technical positions. There are only a comparatively few of such jobs involved under this measure, as nearly as I can learn. I have tried to obtain accurate information from some of the departments of Government as to the classification of these positions, but they continue to tell me that this information is not available. If it is necessary, in the interests of efficiency of Government, I know that this Congress would be reasonable in its appropriation of additional funds to the Civil Service Commission. If given a little extra time, it should not require a great deal more than is being appropriated at this time.

I realize that a competitive-examination plan would cost a little more money. I do not know how much, but do not believe the additional cost would be great if properly handled. You and I know that the Civil Service Commission is conducting examinations right along for the same kinds of jobs as are involved and included under this bill. Then why is it not possible for the Commission to take these jobs into consideration and go ahead and hold competitive examinations for them? If the Civil Service Commission feels that the incumbent is entitled to some credit for experience in the position, good and well, he can be given a certain credit. But let us give the hundreds of thousands of people who have qualified themselves to hold such positions a chance to compete with the fellow who got his place principally because of his party pull. I just cannot see any objections to that sort of policy.

I just do not believe this House realizes what it is doing if it approves this legislation. It is an important matter. You are going to put it across—largely on political grounds. You have given 300,000 people jobs by political patronage, and you are going to approve a measure which provides that they are now entitled to hold their positions in the same manner as if they had earned them in the first place, and that others shall not have a chance to apply for these positions even though they may be better qualified, more capable, and deserving.

Remember this, too, that this group that you are freezing into civil service will be given a distinct advantage over those who have taken competitive examinations and whose names are now on the eligible lists.

The purpose of this bill is diametrically opposed to the basic principles that are essential to a real merit system. The purpose of the Civil Service Act is to provide open competition for all applicants for Government employment, and provides that they earn a right to these positions by securing grades higher than their competitors. Competitive examinations are democratic in principle and give all qualified applicants a fair chance for Government employment. Furthermore, those who are not qualified can and should be eliminated under a competitive merit system.

This bill is not in the best interests of the principles of a competitive civil-service merit system. It does not promote efficiency in the affairs of Government. It certainly is undemocratic and ought to be defeated. I believe that competitive examinations are efficient and economical in selecting qualified personnel for carrying on the business of our Government. I believe that under our democratic system of government, if we are going to maintain a civil-service merit system, the public is entitled, to the very fullest extent, to the opportunity of competing for Government positions.

We have done so many things in the name of emergency during the past few years. This is one more step under that excuse. I am in favor of a competitive civil-service merit system. I think you are. This measure is lip service—nothing more. [Applause.]

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

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

There was no objection.

Mr. McCORMACK. Mr. Speaker, briefly answering the gentleman who has just preceded me, when he states that the bill, H. R. 960, is undemocratic, I want to call the gentleman's attention to the fact that when the Republican Party was in power it was their policy to pass legislation of this kind, and if it is undemocratic, the precedent was established by the Republican Party. I feel that the Republican Party established a very good precedent for the House to follow. Certainly there is nothing undemocratic about it. So far as I am concerned, I think it is a mighty good bill, and I hope it is taken up at this session and passed. [Applause.]

EXTENSION OF REMARKS

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a speech delivered by myself over the National Broadcasting System.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mr. GOSSETT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an address on Americanism and International Law by Dr. C. D. Judd, head of the department of government, Texas State College for Women, Denton, Tex.

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

There was no objection.

Mr. ELSTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein two radio addresses by the junior Senator from Ohio, Hon. ROBERT A. TAFT.

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

There was no objection.

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein two editorials appearing in the Cincinnati Enquirer of July 27, 1939.

The SPEAKER. Is there objection?

There was no objection.

Mr. SHAFER of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an address made Saturday at Sunbury, Pa.

The SPEAKER. Is there objection?

There was no objection.

Mr. SHAFER of Michigan. Also, Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a short editorial from the Detroit Free Press.

The SPEAKER. Is there objection?

There was no objection.

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a short editorial from the Portland Oregonian.

The SPEAKER. Is there objection?

There was no objection.

Mr. ANGELL. Also, Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an article appearing in the Washington Post of yesterday on Britain and Japan.

The SPEAKER. Is there objection?

There was no objection.

PUBLIC UTILITIES

Mr. RICH rose.

The SPEAKER. For what purpose does the gentleman from Pennsylvania rise?

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. RICH. Mr. Speaker, we heard a few moments ago the gentleman from Mississippi [Mr. RANKIN] tell about the great good we would receive if we had a copy of a certain book published with reference to public utilities. If the gentleman from Mississippi is so anxious that we have that knowledge, it seems to me that he ought to provide each Member of Congress with one of those books. However, I call attention to the fact that if we continue to put the Government in business, as the gentleman from Mississippi evidently desires, we better consider the fact that we have already gone in the red over $40,000,000,000, twenty-one billions of which debt were incurred during this administration because this administration has put the Government in business in every form; and if we continue to put the Government in business, where are we going to get the money to run the Government? It will be ruination to our Nation and ruination to individual people in the country at large, for they will not be able to continue in business under this socialistic form of government. I say get the Government out of business. Mr. Roosevelt recognized Russia and now he is trying to pattern after them. Will it ever stop? Let us hope so.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

JOHN L. LEWIS

Mr. HOFFMAN rose.

The SPEAKER. For what purpose does the gentleman from Michigan rise?

Mr. HOFFMAN. The usual request, to proceed for 1 minute, and to extend and revise my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

RADICAL AND OFTEN-ARRESTED ORGANIZER SENT BY JOHN L. LEWIS TO AID IN STRIKES AGAINST PACKING INDUSTRY

Mr. HOFFMAN. Mr. Speaker, the July 26, 1939, Daily Times of Chicago carries this item:

> The C. I. O.'s chief trouble shooter, Powers Hapgood, arrived in Chicago today as John L. Lewis' personal emissary to the C. I. O.'s packing-house union in their threatened strike against Armour & Co.

Hapgood is the man who appeared on the scene shortly before the big strikes in the shoe, automobile, and steel industries. It might be well to know something about this personal representative of Lewis. Let us have Lewis' words for it. At the Indianapolis convention in 1930, of Powers Hapgood and two others, Lewis said that they were—

> Fakirs, repudiated leaders, traitors to the unions, opportunists and purveyors of every falsehood, slander, and deception.

Lewis' United Mine Workers Journal of May 1, 1928, made the statement that the leadership of Brophy, Patrick Toohey, and Hapgood and a few others had been—

> Doing its dirtiest to capture the United Mine Workers and to transform this splendid union into a Communist organization.

Yet Lewis is sending to represent him in his effort to get a closed shop in the packing industry a man whose activities so often in the past have been followed by violence and bloodshed, a man he not long ago described as a purveyor of every falsehood, slander, and deception.

That is the kind of a man, so described by Lewis himself, that he sent as his personal representative to represent him in the dispute with the packing industry in Chicago.

The local morning papers carry the information that the C. I. O. is trying to enforce a closed shop in the cafeterias maintained in Federal buildings. If Lewis can enforce his demands that to work in a Federal building one must join his union and pay his fee, he is getting too close to Congressmen and Senators for comfort. If patriotism will not move us to curb his activities, perhaps self-preservation will stir us to action. Shall we sit here until he establishes the closed-shop rule over Senators and Congressmen, requires us not only to sign on the dotted line but to kick in whatever fee he may name for the privilege of being elected in our respective districts? Think it over, Members of the House.

EDUCATION

Mr. WHELCHEL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. WHELCHEL. Mr. Speaker, it has never been my purpose to unnecessarily bring worries to this Congress that

could be solved otherwise, but the condition of the schools in my own State, Georgia, is such a deplorable one, because of the neglect of those in power to provide the necessary funds, that it brings to my mind the real necessity for legislation by this Congress, and before it adjourns, that will equalize educational opportunities for the Nation as a whole. My information is that in some States there is not sufficient money that can be made available for adequate school facilities; however, in my State, as I have previously said, it is due to the neglect of those who are in power to provide funds, but in either event, it convinces me that the educational problem of our Nation is a most important one and should be given immediate consideration.

From the most authentic information obtainable, there will be dropped from the accredited list 157 Georgia high schools this year due to the fact that they have not operated the required number of days, all of which is brought about by failure to provide funds. There is now due an amount of $3,911,000 to the teachers of Georgia, which is most shameful, and I repeat that when a State, either by the neglect of those in power, or its own helplessness, fails to provide the necessary funds for operating its schools the full school year, it then becomes a Federal problem, and should be dealt with accordingly. The bill to which I refer is H. R. 3517. There is a companion bill in the Senate on which hearings were held, and it was reported favorably by the Committee on Education. I make no criticism of either the Senate or the House Education Committees as it was not necessary for both to hold hearings and it would be a duplication of expense, and so forth, but I do think that it is high time that this matter should be made a reality. It was of such grave concern to our great President that in the year 1936 he appointed a committee, numbering 21, to study this problem and their recommendation is as embodied in bills now before the respective bodies of this Congress.

On page 3 of H. R. 3517 is the statement of policies which this legislation would, if enacted, put into force, and I quote you as follows: "It is the primary purpose of this act to assist in equalizing educational opportunities, among and within the States, insofar as the grants-in-aid to the States herein authorized will permit, without Federal control over the educational policies of States and localities. The provisions of this act shall therefore be so construed as to maintain local and State initiative and responsibility in the conduct of education and to reserve explicity to the States and their local subdivisions the administration of schools, including institutions for the preparation of teachers, the control over the processes of education, the control and determination of curricula of the schools, the methods of instruction to be employed by them, the selection of personnel employed by the State and its agencies and local school jurisdictions, and insofar as consistent with the purposes for which funds are made available under this act the determination of the best uses of the funds appropriated under this act."

I, therefore, feel that this Congress should not adjourn without this bill being enacted into law, to correct the inadequacies to which I refer. In my opinion, more is required for the preparation of teachers, both time and money, for the compensation they receive, and the amount of work they are required to do, than any other group of people on earth.

LEAVE OF ABSENCE

Mr. CROSSER. Mr. Speaker, on account of the serious illness in his family, I ask unanimous consent for indefinite leave of absence for my colleague [Mr. SWEENEY].

The SPEAKER. Is there objection?

There was no objection.

PERSONAL EXPLANATION

Mr. FLAHERTY. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. FLAHERTY. Mr. Speaker, in offering an amendment to the Smith bill last Saturday, in my explanation I made the statement that I was of the opinion that the author of the bill was in accord with my amendment. I was somewhat surprised when the vote was taken on this amendment to find that the author of the bill stood up in opposition to it. In asking for an explanation of his position later on he explained to me that he had forgotten about the discussion I had with the gentleman from Massachusetts [Mr. CASEY] and himself on the proposal. It was an innocent misunderstanding on his part, I am sure, because of the tremendous activity of his legislative business and the minor nature of this amendment. However, I wanted to be fair with the Members of the House and to explain that it is not my intention at any time to make a misstatement here or to misinform my colleagues. I hope that this is an explanation for the statement I made at that time, for any Member who may have had any doubt as to the accurracy of my remarks on Saturday.

[Here the gavel fell.]

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SABATH. Mr. Speaker, the gentleman from Michigan [Mr. HOFFMAN] is very much interested in the people of Chicago, and I am grateful to him, because I am more interested in them than he could possiby be. But I feel we do not need his aid or assistance. We have a splendid and efficient administration. It is a Democratic administration in the State as well as in the city, and we can handle our affairs without any aid from him.

As to the gentleman from Pennsylvania [Mr. RICH], who is fearful that the Government is encroaching on private business, I want to say that private business has increased under the Democratic administration by 300 percent; that greater profits are being made by industry in 1938 and 1939 than they made in the Republican inflation period of 1928 and 1929.

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

Mr. SABATH. Later on I will yield.

Mr. RICH. Tell us about the 11,000,000 unemployed.

Mr. SABATH. It is due to the Republican misrule of this Government of ours for 12 long years. If the Republicans would cooperate with us now we would not have any unemployed. The trouble is they are trying to do everything they can to prevent reemployment in order to try and make a campaign issue for next year. They want to keep people suffering, instead of helping us to restore prosperity, in the hopes they can fool the people into voting Republican. [Applause.]

[Here the gavel fell.]

CONSENT CALENDAR

The SPEAKER. Under previous order of the House, the Consent Calendar is in order today. The Clerk will call the first bill on the Consent Calendar.

WAPATO SCHOOL DISTRICT NO. 54, YAKIMA COUNTY, WASH.

The Clerk called the first bill on the Consent Calendar (H. R. 3824) to provide funds for cooperation with Wapato School District No. 54, Yakima County, Wash., for extension of public-school buildings to be available for Indian children of the Yakima Reservation.

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

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

QUINAIELT RESERVATION, STATE OF WASHINGTON

The Clerk called the next bill, H. R. 2654, authorizing the payment of necessary expenses incurred by certain Indians allotted on the Quinaielt Reservation, State of Washington.

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

Mr. WOLCOTT and Mr. LEAVY asked unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

CONVEYING CERTAIN PROPERTY TO WASHINGTON COUNTY, UTAH

The Clerk called the next bill, H. R. 2184, to authorize the Secretary of the Interior to convey certain property to Washington County, Utah, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior, in his discretion, is hereby authorized to convey, by quitclaim deed, to Washington County, Utah, or the authorized agents or representatives of said county, certain land and the improvements thereon, said land being described as follows:

SALT LAKE MERIDIAN

A part of lot 1 in block 9, and a part of lot 2 in block 3, of Rockville Townsite Survey, described as follows: Beginning at the southeast corner of said lot 2 in block 3, which point is approximately north 639 feet and west 923 feet from the southeast corner of section 1, township 42 south, range 11 west, and running thence north 30 feet, thence west 80 feet, thence south 325 feet, thence east 80 feet, thence north 295 feet to the place of beginning, containing 26,000 square feet, more or less.

The bill was ordered to be engrosseed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRANSFERRING LANDS FROM SIERRA NATIONAL FOREST TO YOSEMITE NATIONAL PARK, CALIF.

The Clerk called the next bill, H. R. 4635, to transfer certain lands from the Sierra National Forest to the Yosemite National Park, in the State of California, and for other purposes.

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

Mr. RICH. Reserving the right to object, Mr. Speaker, I would like to ask the gentleman from California what this bill is intended to do?

Mr. CHURCH. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

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

There was no objection.

RAILROADS IN THE TERRITORY OF ALASKA

The Clerk called the next bill, H. R. 4868, to amend the act authorizing the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes.

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

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

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

There was no objection.

AUTHORIZING UNITED STATES INDIAN SERVICE OFFICERS TO MAKE ARRESTS

The Clerk called the next bill, H. R. 5409, to authorize certain officers of the United States Indian Service to make arrests in certain cases, and for other purposes.

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

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

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

There was no objection.

COLUMBIAN FOUNTAIN IN WASHINGTON, D. C.

The Clerk called the next business, House Joint Resolution 159, authorizing the selection of a site and the erection thereon of the Columbian Fountain in Washington, D. C.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That authority is hereby granted to any association organized within 2 years from date of approval of this joint resolution for that purpose to erect the Columbian Fountain on an appropriate site on grounds now owned by the United States in the District of Columbia other than those of the Capitol or the Library of Congress. The location of said fountain and the plan for the development of the site shall be submitted to the Commission of Fine Arts and the National Capital Park and Planning Commission for advisory assistance and the construction shall be under the direction of the Director of the National Park Service, Department of the Interior: *Provided*, That the United States shall be put to no expense in or by the erection of said fountain and that unless funds, which in the estimation of the Secretary of the Interior are sufficient to insure the completion of the fountain, are certified available, and the erection of this fountain begun within 5 years from and after the passage of this joint resolution, the authorization hereby granted is revoked.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: On page 1, line 8, after the word "Capitol", strike out "or the Library of Congress" and insert in lieu thereof a comma and the words "the Library of Congress, the Mall, and the Tidal Basin areas."

The amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MEXICAN CLAIMS COMMISSION

The Clerk called the next bill, H. R. 1821, to provide for the payment in full of the principal of awards of the Special Mexican Claims Commission.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may go over without prejudice.

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

There was no objection.

SAN FRANCISCO BAY EXPOSITION

The Clerk called House Joint Resolution 242, to authorize the appropriation of an additional sum of $606,650 for Federal participation in the world's fair to be held by the San Francisco Bay Exposition, Inc., in the city of San Francisco during the year 1939.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may go over without prejudice.

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

There was no objection.

GENERAL CLAIMS CONVENTION, UNITED STATES AND MEXICO

The Clerk called the next bill, S. 326, for the payment of awards and appraisals heretofore made in favor of citizens of the United States on claims presented under the General Claims Convention of September 8, 1923, United States and Mexico.

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

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may go over without prejudice.

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

There was no objection.

CLEVELAND NATIONAL FOREST, ORANGE COUNTY, CALIF.

The Clerk called the next bill, H. R. 2728, to add certain lands to the Cleveland National Forest in Orange County, Calif.

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

Mr. RICH. Mr. Speaker, I object. This bill does not conform to the recommendation of the National Park Service.

WHITMAN, MALHEUR, AND UMATILLA NATIONAL FORESTS

The Clerk called the next bill, H. R. 2418, to extend the provisions of the Forest Exchange Act, as amended, to certain lands, so that they may become parts of the Whitman, Malheur, or Umatilla National Forests.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That any lands in private, State, or county ownership within the following described area, which are found by the Secretary of Agriculture to be chiefly valuable for national forest purposes, may be offered in exchange under the provisions of the act approved March 20, 1922, as amended (U. S. C., title 16, secs. 485, 486), and upon acceptance of title shall become parts of the Whitman, Malheur, or Umatilla National Forests, Oreg., and shall thereafter be subject to the laws, rules, and regulations applicable to national forests.

To the Whitman National Forest: The east half of section 1; the southeast quarter of section 11; the south half and the northeast quarter of section 12; section 13; the east half of section 14; the east half of section 23; sections 24, 25, 26, 35, and 36; township 1 north, range 40 east.

Sections 6, 7, 18, 19, 30, and 31; township 1 north, range 41 east.

The south half of section 12; section 13; the east half of section 14; sections 23, 24, 25, 26, 35, and 36; township 1 south, range 39 east.

Sections 1, 2, 3, 4, and 5; the south half of section 6; sections 7 to 36, inclusive; township 1 south, range 40 east.

Section 1; township 2 south, range 39 east.

Sections 5 and 6; the north half of section 7; sections 8 and 16; the southwest quarter of section 35; township 2 south, range 40 east.

The east half of section 11; the southwest quarter of section 12; section 13; the east half of section 14; the east half of section 23; sections 24, 25, and 26; the east half of section 27; sections 35 and 36; township 3 south, range 40 east.

The west half of section 30; section 31; the southwest quarter of section 32, township 3 south, range 41 east.

Sections 5, 8, 9, 10, 11, 14, and 23; township 4 south, range 38 east.

Section 1; the east half of section 2; the east half and the northwest quarter of section 12; the northeast quarter of section 13; township 4 south, range 40 east.

Sections 5, 6, 7, and 8; the west half of section 9; sections 16 to 21, inclusive, and 28 to 33, inclusive; the west half of section 34; township 4 south, range 41 east.

Section 36; township 5 south, range 37 east.

Sections 2, 3, 10, 11, 14, 15, 16, 22, 23, 26, and 27; the east half of section 28; the southwest quarter of section 31; sections 33, 34, and 35; township 5 south, range 38 east.

The south half of section 1; the south half of section 2; sections 11, 12, 13, and 14; the east half of section 23; sections 24 and 25; the east half of section 26; township 5 south, range 40 east.

The west half of section 3; sections 4 to 10, inclusive; the southwest quarter of section 14; sections 15 to 36, inclusive; township 5 south, range 41 east.

Section 19; the north half of section 30; township 5 south, range 42 east.

Sections 31 and 32; portions of sections 33, 34, 35, and 36, which lie south of the North Fork John Day River; township 6 south, range 31 east.

Sections 4, 5, 6, 7, 8, 9, 17, 18, 19, 20, 29, 30, 31, and 32; township 6 south, range 38 east.

Sections 1 to 6, inclusive, and 8 to 12, inclusive; township 6 south, range 41 east.

Section 1; portions of sections 2, 3, 4, 5, and 6, which lie south of North Fork John Day River; sections 7 to 25, inclusive; township 7 south, range 30 east.

Sections 4, 5, 6, 7, 8, 9, 16, 17, 18, 19, 20, 21, 28, 29, 30, 31, 32, and 33; township 7 south, range 38 east.

Section 3; township 8 south, range 31 east.

The south half of section 3; section 4; the north half of section 5; sections 9, 10, 11, 14, 15, 16, 21, 22, 23, 26, 27, 28, and 35; township 8 south, range 38 east.

Section 1; township 9 south, range 38 east.

The north half of section 8; township 9 south, range 39 east.

The south half of section 2; the southwest quarter of section 4; the southwest quarter of section 10; the south half of section 23; section 25; township 10 south, range 37 east.

The south half of section 29; the south half of section 30; township 10 south, range 38 east.

The east half, the southeast quarter of the northwest quarter and the southwest quarter of section 3; sections 16 and 21; the west half of section 28; section 33; township 10 south, range 39 east.

Sections 31, 32, and 33; township 11 south, range 37 east.

The north half of section 10; the west half of section 11; the north half, the south half of the south half, and the north half of the southeast quarter of section 30; township 11 south, range 39 east.

Section 1; the south half of section 2; the southwest quarter of section 4; the southeast quarter of section 5; the east half of section 8; sections 9, 10, 11, 12, 13, 14, 15, 22, 23, 24, 25, 26, 27, 34, 35, and 36; township 11 south, range 40 east.

The south half of section 2; the south half of section 3; section 7; the west half of section 8; sections 10 to 21, inclusive; the west half of section 22; the north half of section 28; sections 29, 30, 31, and 32; township 11 south, range 41 east.

Sections 1, 10, 11, 12, 13, 14, 15, 16, 21, 22, 23, and 24; the north half of section 29; township 12 south, range 32 east.

Sections 1 to 12, inclusive; sections 17, 18, and 19; the north half of section 30; township 12 south, range 33 east.

Sections 7 and 8; the northwest quarter and the south half of section 9; the south half of section 10; the west half of section 15; sections 16, 17, 18, 20, and 21; the west half of section 22; sections 27 and 34; township 12 south, range 34 east.

Section 16; the northeast quarter of section 17; the north half of section 21; sections 22, 26, 27, 34, and 35; township 12 south, range 36 east.

Sections 5, 6, 7, and 8; township 12 south, range 37 east.

The northeast quarter of section 4; township 12 south, range 39 east.

Sections 1, 2, 3, 10, and 11; the north half of section 12; the west half of section 15; the north half of section 19; the north half of section 20; the north half of section 21; the northwest quarter of section 22; township 12 south, range 40 east.

Sections 6 and 7; township 12 south, range 41 east.

Sections 1 and 2; the north half of section 3; sections 11, 12, and 13; the north half of section 14; the north half of section 24; township 13 south, range 34 east.

The west half of section 19; the northwest quarter of section 30; the west half of section 31; township 13 south, range 35 east.

The north half of section 2; sections 3, 10, 15, 16, 22, 27, and 34; township 13 south, range 36 east.

To the Malheur National Forest:

Sections 14, 15, 16, and 23; the west half of section 26; the west half of section 35; township 9 south, range 31 east.

The south half of section 27; sections 31, 32, 33, and 34; township 9 south, range 32 east.

Sections 1 and 2; township 10 south, range 31 east.

The west half of the west half of section 4; section 5; the north half of section 6; township 10 south, range 32 east.

Sections 31 and 32; the south half of section 33; the south half of section 34; the south half of section 35; township 11 south, range 29 east.

The south half of section 10; the north half of section 15; section 16; the east half of section 29; the south half of section 32; township 11 south, range 30 east.

To the Umatilla National Forest:

Sections 13, 14, 15, 16, 21, and 22; the west half of section 28; the west half of section 33; township 1 north, range 38 east.

Sections 2, 3, 8, 9, 10, 11, 15, 16, and 17; township 2 north, range 39 east.

The south half of section 13; sections 23, 24, and 34; township 3 north, range 39 east.

Sections 19, 20, 21, and 22; the northwest quarter of section 29; section 30; township 3 north, range 40 east.

All Willamette base and meridian.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OCHOCO NATIONAL FOREST, OREG.

The Clerk called the next bill, H. R. 5404, to extend the provisions of the Forest Exchange Act, as amended, to certain lands so that they may become part of the Ochoco National Forest, Oreg.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That any lands in private, State, or county ownership within the following-described area, which are found by the Secretary of Agriculture to be chiefly valuable for national-forest purposes, may be offered in exchange under the provisions of the act approved March 20, 1922, as amended (U. S. C., title 16, secs. 485, 486), and upon acceptance of title shall become part of the Ochoco National Forest, Oreg., and shall thereafter be subject to the laws, rules, and regulations applicable to national forests:

Section 36, township 15 south, range 24 east; section 36, township 15 south, range 25 east; section 36, township 20 south, range 24 east; section 5, township 20 south, range 25 east; section 36, township 20 south, range 26 east; sections 9, and 13 to 16, inclusive, sections 21 to 27, inclusive, and sections 33 to 36, inclusive, township 21 south, range 25 east; sections 7, 18, and 19, township 21 south, range 26 east; sections 1, 3, 11, and 12, township 22 south, range 24 east; sections 3 to 7, inclusive, township 22 south, range 25 east; and section 16, township 22 south, range 27 east; all Willamette base and meridian.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAJOR GENERAL WILLIAM JENKINS WORTH MEMORIAL COMMISSION

The Clerk called the next business, House Joint Resolution 283, to establish the Major General William Jenkins Worth Memorial Commission to formulate plans for the construction of a permanent memorial to the memory of Maj. Gen. William Jenkins Worth.

There being no objection, the Clerk read the joint resolution, as follows:

Whereas the people of the United States owe a deep debt of gratitude to Maj. Gen. William Jenkins Worth, whose military career meant so much during the Mexican War and the Seminole Indian War, and whose activities in the said Indian war succeeded in opening up such a large tract of land in the South now known as the State of Florida; and

Whereas no adequate memorial exists in the State of Florida; and

Whereas it would seem appropriate and fitting to erect a memorial to said Maj. Gen. William Jenkins Worth in said State on the shores of the lake located therein named after said general and at or near the city of Lake Worth located on the shores of said lake: Therefore be it

Resolved, etc., That there is hereby established a commission, to be known as the Major General William Jenkins Worth Commission and to be composed of six commissioners, two to be appointed by the President of the United States, two Senators to be appointed by the President of the Senate, and two Members of the House of Representatives to be appointed by the Speaker of the House. Such Commission shall consider and formulate plans for designing and

constructing a permanent memorial in the city of Lake Worth, Fla., to the said Maj. Gen. William Jenkins Worth.

SEC. 2. Such commission may, in its discretion, accept from any source, public or private, money, obligations, or property to be used for the purpose of making surveys and investigations, formulating, preparing, and considering plans for the construction of such memorial, or other expenses incurred, or to be incurred, in carrying out the provisions of this joint resolution.

SEC. 3. The commission shall report its recommendations to Congress as soon as practicable.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Strike out the preamble.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISPOSITION OF CERTAIN KLAMATH INDIAN TRIBAL FUNDS

The Clerk called the next bill, H. R. 2738, providing for the disposition of certain Klamath Indian tribal funds.

Mr. COCHRAN. Mr. Speaker, reserving the right to object, I have four amendments to make the amended bill conform to the recommendations of the Department of the Interior and the Bureau of the Budget. As far as I am concerned, if those interested in the bill desire to accept the amendments, I am willing to let the bill pass.

Mr. PIERCE of Oregon. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. PIERCE of Oregon. We accept the amendments.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to distribute pro rata to all of the enrolled members of the Klamath and Modoc Tribes and Yahooskin Band of Snake Indians living on the date of the enactment of this act the unexpended balance of the judgment rendered against the United States in the United States Court of Claims in case No. E-346 in favor of said tribes and band of Indians, and appropriated by Public Law No. 723 of the Seventy-fifth Congress, and placed to the credit of said tribes and band of Indians in the Treasury of the United States, together with interest thereon as provided by existing law to the date of the distribution herein provided for: *Provided, however*, That said moneys shall be deposited to the credit of said enrolled members of said tribes and band in their individual Indian money accounts and disbursed under the regulation governing payments from said accounts, approved by the Secretary of the Interior, for (1) dental, medical, surgical, and hospital treatment, including nurses' services; (2) education, including tuition, subsistence, and other expenses; (3) support of aged and incapacitated enrolled members of said tribes and band of Indians; (4) industrial and agricultural assistance; (5) purchase of land; and (6) construction, repair, and improvement of homes and buildings.

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

"That the Secretary of the Interior be, and he is hereby, authorized and directed, from the judgment fund of the Klamath and Modoc Tribes and Yahooskin Band of Snake Indians created as the result of the passage of the act of June 25, 1938, and accrued interest thereon, to credit the sum of $2,000 upon the books of the Office of Indian Affairs, to each person determined by the Secretary of the Interior to be entitled to enrollment upon the annuity roll of said tribes of the Klamath Reservation, Oreg., living upon the date of the enactment of this act. The share of each adult member and not to exceed $1,500 of the share of any minor shall be available for expenditure, under such rules and regulations as the Secretary of the Interior may prescribe, for the following purposes:

"Purchase of land; improvement of lands acquired or already held by the Indian; erection and improvement of suitable homes; repayment of any loans received from the United States or from the Klamath tribal funds; purchase of building material, farming equipment, livestock, feed, food, seed, grain, tools, machinery, implements, household goods, bedding, clothing, and any other equipment or supplies necessary to enable the Indians to fit themselves for or to engage in farming, livestock, industry, or such other pursuits or vocations, including education, as will enable them to become self-supporting; and health purposes: *Provided, however*, That the funds of the aged, infirm, decrepit, and incapacitated members, and of minors, may be used for their proper maintenance and support. The remainder of the share of each minor Indian shall be held intact until such Indian reaches his majority, when it, together with interest at the rate of 4 percent per annum, shall be available for expenditure for the purposes specified herein. As herein used, the term "minor" shall include all members of the tribe less than 21 years of age, except that minors 18 years of age or over and who are married or have families of their own to support, shall be regarded as adults. On the death of any enrolled member, adult, or minor, the sum on deposit to his credit shall be distributed as personal property, and shall be available for expenditure by the distributees only for the purposes herein authorized: *Provided, however*, That of the aforesaid $2,000 to be prorated to each person, $100 shall be paid to each member of said tribes as a per capita payment, free from the aforesaid restrictions, under rules and regulations prescribed by the Secretary of the Interior.

"SEC. 2. That after the segregation provided for in section 1 hereof shall have been made, the remainder of such judgment fund, including interest, shall be available for expenditure subject to the following limitations and conditions:

"(a) Three hundred thousand dollars shall be transferred to and added to the loan fund authorized by the act of August 28, 1937 (50 Stat. 872). After the fiscal year 1939 no further sums shall be transferred to and added to the loan fund authorized by said act from the unobligated tribal funds on deposit in the Treasury of the United States, and said act is hereby amended accordingly.

"(b) Three hundred and seventy-five thousand dollars for immediate payment in a lump sum of $1,500 to each adult unallotted Indian found to be entitled to payment in lieu of allotment, as authorized in the act of June 1, 1938 (52 Stat. 605): *Provided*, That the amount due any minor under the provisions of said act shall be withheld until he becomes an adult, as herein defined, when it shall be paid to him in a lump sum from any unobligated funds, principal, or interest, on deposit to the credit of the Klamath Tribe, except the capital reserve fund set forth in subsection (c) hereof, and section 2 of said act of June 1, 1938, is hereby amended accordingly.

"(c) Such moneys as shall remain in the principal fund shall be transferred to and become a part of the capital-reserve fund created by section 1 of the act of August 28, 1937 (50 Stat. 872). No part of said capital-reserve fund shall be expendable by the Secretary of the Interior without specific authorization by Congress. Said capital reserve shall constitute a trust fund, and the whole of said fund shall bear interest at 4 percent per annum. The interest upon such fund shall be available for expenditure only at the request of or with the consent of the tribes and the Secretary of the Interior, for tribal use and benefit including the purchase of land, and said act of August 28, 1937, is hereby amended accordingly.

"SEC. 3. That in no event shall any portion of the said judgment fund become liable, payable, or subject to any debt or debts contracted prior to the passage of this act by any Indian of the Klamath Tribe except debts to the United States or to the tribe, and in no event shall any portion of the Klamath judgment fund or interest thereon be expended to defray the cost of Federal administration."

Mr. COCHRAN. Mr. Speaker, I offer four amendments to the committtee amendment, and ask unanimous consent that they be considered en bloc.

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

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. COCHRAN: Page 5, line 5, after the word "any", strike out the word "unobligated."

Page 5, lines 6 and 7, strike out the words "except the capital-reserve fund set forth in subsection (c) hereof."

Page 5, beginning in line 12 with the word "no", strike out all down to and including the word "accordingly" in line 21.

Page 6, line 2, after the word "tribe", insert a period and strike out the remaining language of lines 2, 3, and 4.

Mr. COCHRAN. Mr. Speaker, nearly $5,000,000 is involved in this legislation. The money has been appropriated by the Congress, is in the Treasury, and, as the lawyers who participated have received their fees, amounting to about $500,000, there is no reason why the Indians should not get their money, provided it is disbursed as recommended by the Secretary of the Interior and the Director of the Budget.

Two weeks or more ago we passed the bill which enabled the Shoshone Tribe to receive the money awarded by the Court of Claims. In that case the amount, using round numbers, was about the same both for the Indians and the attorneys. The same issue is involved in both bills.

Mr. Speaker, I again impress upon Members of the House that this money in both cases was awarded as a result of the Congress amending the original Jurisdictional Act in such a way that the Government had practically no defense. The court in both cases awarded a little less than $2,000,000 as principal, and the balance was interest dating back over 50 years. As the court also held interest at the rate of 5 percent was to run on the principal until paid, the amount to meet

the obligation was carried in the last deficiency bill of the Seventy-fifth Congress. Within 2 months thereafter the attorneys claimed and received over $400,000 in each case. At the start of the session I placed the exact amounts and the names of the attorneys in the RECORD.

Had the Congress not placed the Government in the position it did by amending the original Jurisdictional Act this legislation would not be here today nor would we have been required to appropriate nearly $10,000,000 in the last Congress. I have been making the argument for years that to amend the Jurisdictional Acts we simply are paving the way for hands to go into the Treasury, and, at the expense of the taxpayers, pay large sums on these Indian claims, some of them dating back well over 100 years.

In view of the fees in these cases, naturally the attorneys never want to close the cases. Strange as it may seem, it is not the attorneys that prepare the evidence but the Government. Under the procedure, when the General Accounting Office completes its investigation of the records and submits its report to the Department of Justice charged with defending the Government in the suits the attorneys for the claimants are entitled to this evidence. There can be no complaint there, because the Government is the only one that has the evidence. In other words, in some of the suits the attorneys simply go on a fishing expedition, hoping that when the General Accounting Office makes its report they will find that their clients are eligible to recover. The cost of preparing the evidence is borne entirely by the Government. There is one set of cases pending where the report has not been completed which has cost around $200,000 up to this time, according to officials of the General Accounting Office.

The amendments I suggested today are the ones that the Secretary of the Interior and the Bureau of the Budget insisted should be made to the bill. It is beyond me to understand why neither the House nor Senate committee accepted the amendments, which would have made it unnecessary to prepare and offer them on the floor.

I express the hope that Members of the House will remember these two cases in the future when we are considering resolutions changing the original jurisdictional acts.

The SPEAKER. The question is on the amendments to the committee amendment.

The amendments to the committee amendment were agreed to.

The committee amendment as amended was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ACCUMULATION OF SICK AND ANNUAL LEAVE OF POSTMASTER POSITIONS

The Clerk called the next bill, H. R. 5784, to provide for the conservation and transfer of accumulated sick leave and vacation time due classified civil-service employees who succeed to the position of postmaster, and for other purposes.

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

Mr. TABER. Mr. Speaker, I object.

MERITORIOUS MEDAL FOR CIVIL-SERVICE OFFICERS AND EMPLOYEES

The Clerk called the next bill, S. 1582, to authorize the President to bestow a meritorious-service medal upon civil-service officers and employees of the United States, and for other purposes.

Mr. KEAN. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey [Mr. KEAN]?

There was no objection.

DISTRICT JUDGE FOR THE WESTERN DISTRICT OF WASHINGTON

The Clerk called the next bill, H. R. 6167, to provide that the district judge for the western district of Washington, authorized to be appointed under the act of May 31, 1938, shall be a district judge for the eastern and western districts of Washington.

Mr. WALTER. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. WALTER]?

There was no objection.

UNITED STATES-PHILIPPINE TRADE AND RELATED MATTERS

The Clerk called the next bill, H. R. 7096, to amend an act entitled "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes."

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. WOLCOTT]?

There was no objection.

TRIAL OF GOOD BEHAVIOR OF UNITED STATES DISTRICT JUDGES

The Clerk called the next bill, H. R. 5939, to provide for trials of and judgments upon the issue of good behavior in the case of certain Federal judges.

Mr. CELLER. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. CELLER]?

There was no objection.

MENOMINEE INDIAN DELEGATES

The Clerk called the next bill, H. R. 4831, authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Menominee General Council, members of the Menominee Advisory Council, and official delegates of the Menominee Tribe.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior, or such official as may be designated by him, is hereby authorized beginning as of July 1, 1938, and until otherwise directed by Congress, to pay out of any unobligated tribal funds (except the Menominee 5-percent log fund) of the Menominee Indians in the Treasury of the United States the following salaries and expenses:

To the chairman, secretary, and interpreter of the Menominee General Council and members of the Menominee Advisory Council, when engaged on business of the tribe, a salary of not to exceed $5 per day, and a per diem of not to exceed $3 per day in lieu of subsistence and all other expenses; to such official delegates of the Menominee Tribe who carry on the business of the tribe at the seat of government a salary of not to exceed $5 per day and a per diem of $5 in lieu of subsistence and all other expenses: *Provided*, That the rate of salary and per diem paid shall be fixed in advance by the Menominee General Council or by the Menominee Advisory Council if authorized by the Menominee General Council: *Provided further*, That each of the official delegates of the tribe carrying on said business at the seat of government shall also receive the usual railroad and sleeping-car transportation to and from the seat of government or, in lieu thereof if travel be by automobile, 5 cents per mile payable to the delegate furnishing the automobile, provided two or more delegates travel therein, otherwise an amount equivalent to the cost of the usual railroad and sleeping-car transportation: *Provided further*, That the aforesaid salaries and expenses shall not exceed $6,000 per annum: *Provided further*, That the length of stay of the official delegates at the seat of government shall be determined by the Commissioner of Indian Affairs.

With the following committee amendments:

Page 2, line 4, strike out "day" and insert "day."

Page 2, line 6, after the word "expenses", insert "while absent from their domicile."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ERECTION OF MONUMENT TO THE MEMORY OF FATHER PIERRE GIBAULT

The Clerk called the joint resolution (H. J. Res. 219) to provide for the erection of a monument to the memory of the patriot priest, Father Pierre Gibault.

Mr. KEAN. Mr. Speaker, I ask unanimous consent that the resolution may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey [Mr. KEAN]?

There was no objection.

POWER PLANT AT PASSAMAQUODDY BAY

The Clerk called the joint resolution (S. J. Res. 57) authorizing the Secretary of War to cause a completion of surveys, test borings, and foundation investigations to be made to determine the advisability and cost of putting in a small experimental plant for development of tidal power in the waters in and about Passamaquoddy Bay, the cost thereof to be paid from appropriations heretofore or hereafter made for such examinations.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this resolution may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. WOLCOTT]?

There was no objection.

TERM OF COURT AT KALISPELL, MONT.

The Clerk called the next bill, S. 474, to amend section 92 of the Judicial Code to provide for a term of court at Kalispell, Mont.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 92 of the Judicial Code, as amended, is amended to read as follows:

"SEC. 92. The State of Montana shall constitute one judicial district, to be known as the district of Montana. Terms of the district court shall be held at Helena, Butte, Great Falls, Lewistown, Billings, Missoula, Glasgow, Havre, Miles City, Livingston, and Kalispell at such times as may be fixed by rule of such court: *Provided*, That suitable rooms and accommodations for holding court at Lewistown, Livingston, Havre, and Kalispell are furnished free of all expenses to the United States. Causes, civil and criminal, may be transferred by the court or a judge thereof from any sitting place designated above to any other sitting place thus designated, when the convenience of the parties or the ends of justice would be promoted by the transfer; and any interlocutory order may be made by the court or judge thereof in either place."

With the following committee amendments:

Page 1, line 10, after the word "court", strike out the remainder of line 10, all of line 11, and lines 1 and 2 down to the word "States" on page 2.

Page 2, line 8, after the word "place", insert a colon and the following: "*Provided*, That suitable rooms and accommodations for holding court at Lewistown and Havre are furnished without expense to the United States: *Provided further*, That suitable rooms and accommodations for holding court at Livingston and Kalispell are furnished without expense to the United States until, subject to the recommendation of the Attorney General of the United States with reference to providing such rooms and accommodations for holding court at Livingston and Kalispell, public buildings shall have been erected or other Federal space provided for court purposes in said cities."

The committee amendments were agreed to.

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

The title was amended so as to read: "An act to amend section 92 of the Judicial Code to provide for a term of court at Kalispell, Mont., and subject to the recommendation of the Attorney General of the United States to permit the provision of rooms and accommodations for holding court at Livingston and Kalispell, Mont."

A motion to reconsider was laid on the table.

PROTECTION OF WITNESSES BEFORE CONGRESS AND ADMINISTRATIVE AGENCIES

The Clerk called the next bill, H. R. 6832, to provide for the protection of witnesses appearing before any department, independent establishment, or other agency of the United States or the Congress of the United States.

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

Mr. EBERHARTER. Mr. Speaker, reserving the right to object, I would like to have this bill explained, if the author of the bill is present, or by any member of the Committee on the Judiciary.

Mr. CELLER. Mr. Speaker, the Committee on the Judiciary has regarded this bill favorably because witnesses before congressional committees do not have the same protection as witnesses in courts. This bill supplies that lack or deficiency. Also, the attendance of witnesses before the departments is not compellable, and this bill would also remedy that and prevents the intimidation of such witnesses.

Mr. EBERHARTER. There is no clause in this bill which would in any way restrict the rights of any witness appearing before any committee of the Congress or any department?

Mr. CELLER. None whatsoever.

Mr. EBERHARTER. On the gentleman's assurance, I have no objection, Mr. Speaker.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Criminal Code of the United States be amended by inserting therein a new section immediately following section 135 (U. S. C., title 18, sec. 241) to be known as section 135 (a) (U. S. C., title 18, sec. 241 (a)) and reading as follows:

"SEC. 135. (a) That whoever corruptly, or by threats or force, or by any threatening letter or communication, shall endeavor to influence, intimidate, or impede any witness in any proceeding pending before any department, independent establishment, board, commission, or other agency of the United States, or in connection with any inquiry or investigation being had by either House, or any committee of either House, or any joint committee of the Congress of the United States, or who corruptly or by threats or force, or by any threatening letter or communication shall influence, obstruct, or impede, or endeavor to influence, obstruct, or impede the due and proper administration of the law under which such proceeding is being had before such department, independent establishment, board, commission, or other agency of the United States, or the due and proper exercise of the power of inquiry under which such inquiry or investigation is being had by either House, or any committee of either House or any joint committee of the Congress of the United States shall be fined not more than $1,000 or imprisoned not more than 1 year, or both."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LANDS HELD IN TRUST FOR INDIAN USE

The Clerk called the next bill, H. R. 6506, to declare that the United States holds certain lands in trust for Indian use.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That title to the lands and interests in lands, together with the improvements thereon, which have been, or are in process of being acquired by the United States under authority of title II of the National Industrial Recovery Act of June 16, 1933 (48 Stat. 200), the Emergency Relief Appropriation Act of April 8, 1935 (49 Stat. 115), and of section 55 of title I of the act of August 24, 1935 (49 Stat. 750, 781), lying and situated within the States of Florida, Idaho, Michigan, Minnesota, Montana, North Dakota, Oklahoma, Oregon, South Dakota, and Wisconsin, administrative jurisdiction over which has heretofore been transferred by the President from the Secretary of Agriculture to the Secretary of the Interior by Executive Order No. 7868, dated April 15, 1938, and such additional lands or interests therein, together with the improvements thereon, lying and situated within the States named herein, as have been or may hereafter be acquired by the United States under the authorities herein cited and as may hereafter be transferred for administrative purposes from the Secretary of Agriculture to the Secretary of the Interior, is hereby declared to be held in trust by the United States of America for the use and benefit of those respective tribes, bands, or groups of Indians for whom the Secretary of the Interior may by proclamation hereafter declare such lands to be available, and the Secretary of the Interior is hereby authorized to proclaim such lands as new Indian reservations or as additions to existing Indian reservations.

With the following committee amendments:

On page 1, line 5, after the word "States", insert the words "for Indian use."

On page 2, line 1, strike the word "Oregon."

On page 2, lines 7 and 8, strike the words "or may hereafter be."

On page 2, line 8, after the word "States", insert the words "for Indian use."

On page 2, line 9, strike the words "as may hereafter be" and insert in lieu thereof the words "have been."

On page 2, line 18, at the end of the line change the period to a colon and add the following:

Provided, That nothing in this act shall deprive any Indian of any individual right, ownership, right of possession, or contract right that he may have in any land or improvements thereon.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

UNAUTHORIZED USE OF INSIGNIA OF VETERANS' ORGANIZATIONS

The Clerk called the next bill, H. R. 5982, for the protection against unlawful use of the badge, medal, emblem, or other insignia of veterans' organizations incorporated by act of Congress, and providing penalties for the violation thereof.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the manufacturing, wearing, purchase or sale, either separately or appended to, or to be appended to, or the reproduction of any article of merchandise manufactured or sold, of the badge, medal, emblem, or other insignia or any colorable imitation thereof, of any veterans' organization incorporated by act of Congress, or the printing, lithographing, engraving, or other like reproduction on any poster, circular, periodical, magazine, newspaper, or other publication, or the circulation or distribution of any such printed matter bearing a reproduction of such badge, medal, emblem, or other insignia or any colorable imitation thereof, of any such veterans' organization, is prohibited except when authorized under such rules and regulations as may be prescribed by such organization so incorporated. Any person who knowingly offends against any provision of this act shall on conviction be punished by a fine not exceeding $250 or by imprisonment not exceeding 6 months, or by both such fine and imprisonment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SETTLEMENT OF DISPUTES WITH THE UNITED STATES

The Clerk called the next bill, H. R. 6324, to provide for the more expeditious settlement of disputes with the United States, and for other purposes.

Mr. COSTELLO and Mr. WOLCOTT asked unanimous consent that the bill be passed over without prejudice.

There was no objection.

SEQUOIA NATIONAL FOREST, CALIF.

The Clerk called the next bill, H. R. 1790, to authorize additions to the Sequoia National Forest, Calif., through exchanges under the act of March 20, 1922, or by proclamation of Executive order.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

There was no objection.

VIRGINIA (MERRIMAC)-MONITOR COMMISSION

The Clerk called the concurrent resolution (H. Con. Res. 32) establishing a commission to be known as the Virginia (Merrimac)-Monitor Commission.

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

Mr. COSTELLO. Reserving the right to object, Mr. Speaker, may I ask the chairman of the Committee on the Library or the author of the bill what the possible cost of this commission will be?

Mr. BLAND. As far as I can see, there will be no cost, as provision is made in the resolution that any assistants, clerks, or others shall be hired, if possible, without cost to the United States.

Mr. COSTELLO. The proposal is to create a memorial in Virginia to commemorate the battle referred to in the bill.

Mr. BLAND. Yes. This would simply be a commission to consider plans, and so forth, and that would have to be brought before the Congress.

Mr. COSTELLO. In other words, no particular type of memorial is being considered at this time?

Mr. BLAND. None at this time.

Mr. COSTELLO. I withdraw my reservation of objection, Mr. Speaker.

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

There being no objection, the Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That there is hereby established a commission to be known as the Virginia (Merrimac)-Monitor Commission (hereinafter referred to as the commission) and to be composed of six commissioners, as follows: Three Senators to be appointed by the President of the Senate and three Members of the House of Representatives to be appointed by the Speaker of the House. The commissioners shall serve without compensation and shall select a chairman from among their number.

SEC. 2. That it shall be the duty of the commissioners to consider and report as to the feasibility, practicability, and desirability of creating in Hampton Roads, Va., or on or near the shores thereof, at a site to be selected by the commission, a suitable memorial in commemoration of the battles in Hampton Roads, Va., (1) on March 8, 1862, participated in by the former United States frigate *Merrimac*, raised after burning, and rechristened the Confederate States ironclad *Virginia*, and *Cumberland, Congress, Minnesota, Roanoke*, and *St. Lawrence;* and (2) on March 9, 1862, the first battle in the history of the world between ironclads; that is, the Confederate ironclad *Virginia* (*Merrimac*) and the United States ironclad *Monitor*. The said commission shall report an estimate of the probable cost of said memorial and give due and proper consideration to such plan or plans as may be submitted to them for said memorial; shall confer with such civic associations and organizations and with such other commissions, Federal, State, or municipal, as may be appointed or created for purposes similar to the purposes of this concurrent resolution; shall take such steps as may be necessary to secure the coordination and correlation of plans prepared by such commissions, organizations, or agencies; shall ascertain and report as to the extent to which such commissions, organizations, or agencies will cooperate in creating said memorial and shall do all such other things as may be necessary to carry into full effect the intents and purposes of this concurrent resolution.

SEC. 3. That the commission, after selecting a chairman and vice chairman from among their members, may appoint or employ a secretary and such other assistants as may be needed for clerical work connected with the duties of the commission: *Provided*, That said commission can so arrange that no part of the pay or expense of said secretary and other assistants shall be paid by the United States.

SEC. 4. That the said commission be, and the same is hereby, authorized to call upon the Commission of Fine Arts, in Washington, for their assistance and advice in connection with any plan or plans that may be submitted or considered, and the said Commission of Fine Arts is directed to render such assistance and advice as its other duties may permit and as may be within its power.

SEC. 5. That the commission shall on or before the 15th day of April 1940 make a report to Congress for such enabling legislation, if any, as the Congress may desire.

SEC. 6. That the commission hereby created shall expire within 2 years after the adoption of this concurrent resolution.

SEC. 7. That this concurrent resolution shall take effect immediately.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

BUREAU OF RECLAMATION

The Clerk called the next bill, H. R. 3391, providing payment to employees, Bureau of Reclamation, for mileage traveled in privately owned automobiles.

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

Mr. WOLCOTT. Reserving the right to object, Mr. Speaker, in connection with this bill, I wish to call the attention of the committee to the bill H. R. 6693, No. 389 on the Consent Calendar. There seems to be some discrepancy in these bills. The bill we are considering authorizes payment to employees of the Bureau of Reclamation of 3 cents a mile for mileage traveled in motorcycles and 7 cents a mile for mileage traveled in automobiles. The bill H. R. 6693, No. 389 on the calendar, for civilian employees, authorizes the payment of 2 cents a mile for mileage traveled in motorcycles and 5 cents a mile for mileage traveled in automobiles. I believe that before we pass these bills this discrepancy should be corrected. I have no objection to the bills as long as they are consistent.

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

Mr. WOLCOTT. I yield to the gentleman from New Mexico.

Mr. DEMPSEY. The bill we are now considering is one that passed the House in the last Congress, and also in the preceding Congress, but got to the Senate too late to be passed. The bill affects a few employees of the Bureau of Reclamation who several years ago were authorized to use their cars in the service of the Federal Government and to be reimbursed for such use, as prescribed here. It was later

found that there was no authority in law to cover that service. Legislation was then enacted which is now in effect and covers the present employees. This bill is simply to reimburse those men who expended their money for that purpose for a short period prior to enactment of existing law. When the bill was under consideration last year, the gentleman from New York [Mr. TABER] asked certain questions about it.

Mr. TABER. If the gentleman will yield, how much is allowed per mile by this bill?

Mr. DEMPSEY. I believe 7 cents per mile.

Mr. TABER. I object to the present consideration of the bill, Mr. Speaker; that amount is too much.

THE BENJAMIN HARRISON COMMISSION

The Clerk called the next bill, H. R. 4872, to establish the Benjamin Harrison Commission to formulate plans for the construction of a permanent memorial to the memory of Benjamin Harrison, twenty-third President of the United States.

Mr. COSTELLO. Mr. Speaker, reserving the right to object, I would like to ask the author of this bill a few questions regarding the purpose of the legislation.

It is my understanding that in the Seventy-fourth Congress we passed a general bill giving the Department of the Interior the right to select for preservation various historic monuments in the country. However, the bill we have here not only proposes to acquire and restore the home of President Harrison but also to acquire additional grounds in connection therewith. If that is the purpose of the bill, I want to ask the gentleman who is the author of the measure what he has in mind with respect to the size of the park and the location of it.

Mr. LUDLOW. Mr. Speaker, in reply to the gentleman's question I may state that reference in the report to acquiring the home of President Harrison is an unintentional error. It is an entirely different location. The location proposed is about 10 miles north of the city of Indianapolis, a place that President Harrison frequently visited and one which was a favorite haunt of his, but in no way associated with his home.

President Harrison is one of the few great characters that has never been shown any recognition in any way. This bill does not provide any appropriation for the memorial, but merely a small appropriation for an investigation. Benjamin Harrison was a statesman of sterling character, highly respected and honored by all who knew him, an ornament to the State of Indiana and to the Nation which he served so faithfully and well. This bill would confer deserved recognition that is long overdue.

I have this morning consulted the National Park Service, and Mr. R. F. Lee, the head of their Historic Sites Division, tells me the general authority they have under existing law does not cover a case of this kind, that it goes only to the preservation of existing historic sites and memorials, which is quite a different proposition.

Mr. COSTELLO. Does the gentleman know how large an area they plan to include in this proposed national park?

Mr. LUDLOW. I think that is more or less undetermined. It would not be a very large or expensive proposition, I will say to the gentleman. I hope the gentleman from California will not object.

Mr. COSTELLO. Mr. Speaker, I withdraw my reservation of objection to this bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I would like to know how this memorial committee is going to be appointed. The bill itself does not seem to provide for that.

Mr. LUDLOW. I may say to the gentleman that I do not know definitely about the membership, but whatever is customary in the matter of investigating such matters will be followed. The commission will be appointed by the President, and the expense, I may say, is wholly and satisfactorily limited by the terms of the appropriation itself, the total expense being limited to $2,500. The President will find plenty of timber from which to make suitable selections for membership on the commission, and I have no doubt the commission will find it possible to perform all of the duties enjoined by the bill without exceeding the appropriation.

Mr. SABATH. Mr. Speaker, reserving the right to object—and I shall not object—I desire to call attention to the fact that we are proposing by this bill to erect a memorial to a President of the United States who, we all know, was a Republican. I remember that for nearly 20 years we have been trying to erect a memorial to Thomas Jefferson, an outstanding American President, and we found objections on the Republican side. I simply want to compliment my colleague, the Democratic Member from Indiana, for introducing this bill, and I hope it will pass and that no Democrat shall object.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby established a commission, to be known as the Benjamin Harrison Memorial Commission, and to be composed of five commissioners, to be appointed by the President of the United States. Such commission shall consider and formulate plans for establishment of a permanent memorial in the city of Indianapolis to the said Benjamin Harrison, twenty-third President of the United States.

SEC. 2. Such commission may, in its discretion, accept from any source, public or private, money or property to be used for the purpose of making surveys and investigations, formulating, preparing, and considering plans for the construction of such memorial, or other expenses incurred, or to be incurred, in carrying out the provisions of this joint resolution.

SEC. 3. The commission shall report its recommendations to Congress as soon as practicable.

SEC. 4. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $2,500, which shall be available to defray the necessary expenses of the commission for the performance of their duties herein prescribed. Disbursement of the sum herein authorized shall be made on vouchers approved by the chairman of the commission.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMPLOYMENT OF ENGINEERS AND ECONOMISTS ON RECLAMATION WORK

The Clerk called the next bill, H. R. 6379, to amend section 1 of an act entitled "An act authorizing the Secretary of the Interior to employ engineers and economists for consultation purposes on important reclamation work," approved February 28, 1929 (45 Stat. 1046).

Mr. KEAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

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

There was no objection.

CENTRAL PACIFIC RAILWAY CO.

The Clerk called the next bill, H. R. 3764, to validate and confirm a certain conveyance heretofore made by Central Pacific Railway Co., and its lessee, Southern Pacific Co., to Consolidated Warehouse Co., involving a portion of the right-of-way acquired by the Central Pacific Railroad Co. of California under the act of Congress approved July 1, 1862 (12 Stat. 489).

The SPEAKER pro tempore (Mr. WARREN). Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the conveyance heretofore executed by Central Pacific Railway Co., a corporation, and its lessee, Southern Pacific Co., a corporation, as grantors, to Consolidated Warehouse Co., a corporation, as grantee, dated June 16, 1937, and recorded in the office of the county recorder, of Washoe County, Nev., on September 21, 1937, in book No. 112, at page 19, of the official records of said county, involving a parcel of land containing seventy one-thousandths acre, more or less, situated at the foot of Evans Street in Evans Addition in the city of Reno, in the county of Washoe, State of Nevada, described as follows:

Beginning at the southwesterly corner of lot 13, block K, Evans Addition to the city of Reno; thence in a southwesterly direction along the prolongation of the southerly link of block K a distance of 80 feet, said line being parallel to and 100 feet distant northerly from the center line of the original Central Pacific main track; thence, at a right angle, 38 feet in a northwesterly direction; thence, at a right angle, 80 feet in a northeasterly direction

to the westerly line of lot 13, block K; thence, at a right angle, 38 feet in a southerly direction along the westerly line of lot 13 to the point of beginning; and forming a part of the right-of-way granted to the Central Pacific Railroad Co. of California by an act of Congress approved July 1, 1862 (12 Stat. 489), entitled "An act to aid the construction of a railroad and telegraph line from the Missouri River to the Pacific Ocean and to secure to the Government the use of the same for postal, military, and other purposes," and other acts of Congress amendatory thereof or supplementary thereto, is hereby validated and confirmed, to the extent that said conveyance would have been legal and valid if the land involved therein and affected by this act had been held by the corporations making said conveyance under absolute or fee-simple title; subject to the conditions hereinafter stated.

SEC. 2. That this validation and confirmation shall not in any instance diminish said right-of-way to a width less than 100 feet on either side of the center of the main track of the railroad as now established and maintained.

SEC. 3. That there shall be reserved to the United States of America all oil, coal, or other minerals in the described parcel, and the right to prospect for, mine, and remove the same under such rules and regulations as the Secretary of the Interior may prescribe.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SPECIAL DISTRICT JUDGE, VIRGIN ISLANDS

The Clerk called the bill (S. 190) to authorize the temporary appointment of a special judge for the district court of the Virgin Islands.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 26 of the Organic Act of the Virgin Islands of the United States (act of June 22, 1936, 49 Stat. 1813; U. S. C., title 48, sec. 1405y) be, and the same is hereby, amended by inserting therein immediately following the first sentence thereof the following sentence: "In case of the absence, disability, or disqualification of such judge, the President is authorized to appoint a special judge to discharge the duties of such judge only until the termination of such absence, disability, or disqualification; and the special judge so appointed shall be authorized and empowered to perform the duties of such office during such periods and shall receive compensation at the same rate, for the period of time actually served, and the same allowances for expenses and transportation, as are paid and allowed the judge of said court."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LOSS OF INSURED MAIL MATTER

The Clerk called the bill (S. 185) to amend section 224 of the Criminal Code so as to penalize the making of false claims for the loss of insured mail matter.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 224 of the Criminal Code (35 Stat. 1133; U. S. C., title 18, sec. 354) be, and the same is hereby, amended to read as follows:

"SEC. 224. Whoever shall make, allege, or present, or cause to be made, alleged, or presented, or assist, aid, or abet in making, alleging, or presenting, any claim or application for indemnity for the loss of any registered or insured letter, parcel, package, or other article or matter, or the contents thereof, knowing such claim or application to be false, fictitious, or fraudulent; or whoever for the purpose of obtaining or aiding to obtain the payment or approval of any such claim or application, shall make or use, or cause to be made or used, any false statement, certificate, affidavit, or deposition; or whoever shall knowingly and willfully misrepresent, or misstate, or, for the purpose aforesaid, shall knowingly and willfully conceal any material fact or circumstance in respect of any such claim or application for indemnity, shall be fined not more than $500 or imprisoned not more than 1 year, or both, except in cases where the amount of such claim or application for indemnity is less than $100 there may be imposed a fine only."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRAVEL AND SUBSISTENCE EXPENSES, DISTRICT JUDGES

The Clerk called the bill (H. R. 7015) to reenact section 259 of the Judicial Code, relating to the traveling and subsistence expenses of circuit and district judges.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 259 of the Judicial Code (U. S. C., title 28, sec. 374) is hereby reenacted, the section reading as follows:

"SEC. 259. The circuit justices, the circuit and district judges of the United States, and the judges of the district courts of the United States in Alaska, Hawaii, and Puerto Rico, shall each be allowed and paid his necessary expenses of travel, and his reasonable expenses (not to exceed $10 per day) actually incurred for maintenance, consequent upon his attending court or transacting other official business in pursuance of law at any place other than his official place of residence, said expenses to be paid by the marshal of the district in which such court is held or official business transacted, upon the written certificate of the justice or judge. The official place of residence of each circuit and district judge, and of each judge of the district courts of the United States in Alaska, Hawaii, and Puerto Rico, shall be at that place nearest his actual residence at which either a circuit court of appeals or a district court is regularly held. Every such judge shall, upon his appointment, and from time to time thereafter whenever he may change his official residence, in writing notify the Department of Justice of his official place of residence."

SEC. 2. This act shall take effect July 1, 1939.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISPOSAL OF SURPLUS REAL PROPERTY

The Clerk called the bill (H. R. 7233) to amend the act entitled "An act to provide for the disposition, control, and use of surplus real property acquired by Federal agencies, and for other purposes," approved August 27, 1935 (Public, No. 351, 74th Cong.), and for other purposes.

The SPEAKER pro tempore. Is there objection?

Mr. CHURCH. Mr. Speaker, I would like the author of the bill to give us an explanation of this.

Mr. TOLAN. Mr. Speaker, this bill has for its purpose the demolition of public buildings. The Treasury Department cannot go in now and demolish a building, and there are a lot of these old buildings in the United States which are a detriment to the property. If they were demolished, as is the case in the city of Oakland, the property could be sold. It has the approval of the Department. There is no objection from any source.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That an act entitled "An act to provide for the disposition, control, and use of surplus real property acquired by Federal agencies, and for other purposes", approved August 27, 1935 (Public, No. 351, 74th Cong.; 49 Stat. 885; U. S. C., Supp. II, title 40, sec. 304 (a) to (e)), be, and the same is hereby, amended as follows:

At the end of section 1 add to subsection (c) the following: ": *Provided*, That if no bids, or if bids which are not satisfactory as to price or responsibility of bidder are received as a result of such public advertisement, the Commissioner of Public Buildings, with the approval of the Federal Works Administrator, is authorized to sell such property by negotiation, upon such terms as may be deemed to be to the best interest of the Government, but at a price not less than that bid by the highest responsible bidder."

SEC. 2. At the end of the act add the following sections:

"SEC. 6. There is hereby authorized to be appropriated such amount as may be necessary to cover the costs incident to the sale or lease of real property, or demolition of buildings thereon as hereinafter authorized, which have been or may hereafter be declared surplus to the needs of any Federal agency in accordance with the provisions of this act, and the care, maintenance, and protection thereof, including, but not limited to pay of employees, travel of Government employees, broker's fees not in excess of rates paid for similar services in the community where the property is situated, appraisals, photographs, surveys, evidence of title and perfecting of defective titles, advertising, and telephone and telegraph charges: *Provided, however*, That a Federal agency shall remain responsible for the proper care, maintenance, and protection of the aforesaid property, notwithstanding any declaration that the same is in excess of its needs until such time as custody is assumed by the Federal Works Agency or other disposition is made thereof.

"SEC. 7. The Commissioner of Public Buildings, with the approval of the Federal Works Administrator, is authorized, upon their determination that such action will be to the best interest of the Government, to demolish any building declared surplus to the needs of the Government in accordance with the provisions of this act: *Provided*, That before proceeding with the demolition of any building the Commissioner of Public Buildings shall inform the Secretary of the Interior in writing of his intention to demolish it, and shall not proceed with the demolition until he shall have received written notice from the Secretary of the Interior that said building is not an historic building of national significance within the meaning of the act entitled 'An act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes', approved August 21, 1935 (Public, No. 292, 74th Cong.; 49 Stat. 666): *Provided, however*, That if the Secretary of the Interior shall fail to so notify the Commissioner of

Public Buildings within 90 days of the receipt of the notice of intention to demolish the Commissioner of Public Buildings may proceed to demolish said building."

SEC. 3. In sections 1 to 4, inclusive, of said act approved August 27, 1935, (a) strike out the words "the Secretary of the Treasury" and insert in lieu thereof the words "the Federal Works Administrator"; (b) strike out the words "the Director of Procurement" and insert in lieu thereof the words "the Commissioner of Public Buildings"; (c) strike out the words "the Procurement Division" and insert in lieu thereof the words "the Public Buildings Administration."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OBTAINING MONEY BY FALSE PRETENSES ON THE HIGH SEAS

The Clerk called the bill (S. 1874) to amend the Criminal Code in regard to obtaining money by false pretenses on the high seas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Criminal Code of the United States be amended by inserting after section 288 the following section:

"SEC. 288A. Whoever, upon the high seas or on any waters within the admiralty and maritime jurisdiction of the United States and out of the jurisdiction of any particular State, or within the admiralty and maritime jurisdiction of the United States and out of the jurisdiction of any particular State on board any vessel belonging in whole or in part to the United States or any citizen thereof or to any corporation created by or under the laws of the United States, or of any State, Territory, or District thereof, by any fraud, or false pretense whatsoever with intent to defraud, obtains from any person anything of value, or procures the execution and delivery of any instrument of writing or conveyance of real or personal property, or the signature of any person, as maker, endorser, or guarantor, to or upon any bond, bill, receipt, promissory note, draft, or check, or any other evidence of indebtedness, or fraudulently sells, barters, or disposes of any bond, bill, receipt, promissory note, draft, or check, or other evidence of indebtedness, for value, knowing the same to be worthless, or knowing the signature of the maker, endorser, or guarantor thereof to have been obtained by any false pretenses, shall be fined not more than $5,000 or imprisoned not more than 5 years, or both."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ISSUANCE OF REVENUE BONDS, HAWAII

The Clerk called the bill (H. R. 6943) to ratify and confirm Act 58 of the Session Laws of Hawaii, 1939, extending the time within which revenue bonds may be issued and delivered under Act 174 of the Session Laws of Hawaii, 1935.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. KING. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 2738, be substituted for the House bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That Act 58 of the Session Laws of Hawaii, 1939, amending section 17 of Act 174 of the Session Laws of Hawaii, 1935, as amended, so as to extend the time within which revenue bonds may be issued and delivered under said Act 174, is hereby ratified and confirmed and revenue bonds may be issued under and pursuant to the provisions of said Act 174 of the Session Laws of Hawaii, 1935, as amended, and as further amended by said Act 58, without the approval of the President of the United States and without the incurring of an indebtedness within the meaning of the Hawaiian Organic Act, and said Act 174, as amended, shall constitute full authority for the issuance of said bonds without reference to and independent of the Hawaiian Organic Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

The House bill (H. R. 6943) was laid on the table.

CROP INSURANCE FOR COTTON

The Clerk called the bill (H. R. 6972) to amend the Federal Crop Insurance Act.

The SPEAKER pro tempore. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. FULMER. Mr. Speaker, I suggest to the gentleman that a similar bill has already passed the Senate. This simply extends the insurance program to cotton. The only reason why cotton was not included under the insurance program in 1938 was because the Department did not have the necessary information about cotton that would warrant placing cotton in the program. The crop-insurance bill authorized the Secretary to make an investigation, which he did, and this information has been printed in House Document 277.

The passage of this bill will mean much to the farmers in the South, where they have hailstorms and losses from other natural causes which destroy their crops and make them absolutely dependent on relief and relief work. I hope the gentleman will not object to the bill.

Mr. WOLCOTT. As I interpret this bill, this covers all agricultural crops as well as cotton. I think this altogether too important a bill to be passed by unanimous consent.

We do not have any reason to assume that the contingent liability of the Federal Government will not be increased materially by the adoption of this bill. Of course, we are right up against adjournment, and for that reason we have allowed many of these bills to go through that we might otherwise have objected to. But the gentleman will have to admit that if it does what the bill says it does, it is a very, very important bill, and I do not like the idea of our legislating on an important matter like this by unanimous consent.

Mr. FULMER. May I say to the gentleman it only covers cotton as stated—was left out when the crop-insurance bill passed in 1938, for the reason given. We had extensive hearings before the Committee on Agriculture, which indicates the Crop Insurance Corporation has made a wonderful success with wheat. It is understood by the Department that cotton would work better under the program than wheat. If the gentleman would take the time to investigate the millions we spend in the way of relief when farmers have to give up their farms because of the destruction of their crops and their inability to pay these obligations and taxes, there would be no objection to this bill. When the act is amended it will only cover wheat and cotton.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. WOLCOTT] that the bill be passed over without prejudice?

Mr. FULMER. Mr. Speaker, I object.

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

Mr. WOLCOTT. Mr. Speaker, I object.

OSAGE TRIBE OF INDIANS

The Clerk called the next bill, H. R. 6314, authorizing an appropriation for payment to the Osage Tribe of Indians on account of their lands sold by the United States.

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

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

AMENDING THE PROVISIONS OF LAW RELATING TO USE OF PRIVATE VEHICLES FOR OFFICIAL TRAVEL

The Clerk called the next bill, H. R. 6693, to amend the provisions of law relating to the use of private vehicles for official travel in order to effect economy and better administration.

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

Mr. TABER. Reserving the right to object, Mr. Speaker, this bill provides for the payment of 5 cents per mile for the use of automobiles. According to my understanding, and I think my information is accurate, the regular allowance in private industry is somewhere around 4 cents per mile. Very seldom is it over that. Anyone who receives that and who operates a Ford or Chevrolet can get by very nicely. Will the gentleman agree to an amendment reducing that 5 cents to 4 cents?

Mr. COCHRAN. This bill was referred to the committee by the Speaker. It is approved by the Treasury, the Bureau

of the Budget, and the Comptroller General. As far as I am concerned personally, not speaking for the committee, I am willing to accept it. If the gentleman feels that 4 cents is sufficient, and the House agrees, I accept the decision.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act of February 14, 1931 (46 Stat. 1103), as amended by section 9 of the act of March 3, 1933 (47 Stat. 1516; U. S. C., title 5, sec. 73a), entitled "An act to permit payments for the operation of motorcycles and automobiles used for necessary travel on official business, on a mileage basis in lieu of actual operating expenses," is further amended to read as follows:

"On and after the effective date of this act, a civilian officer or employee engaged in necessary travel on official business away from his designated post of duty may be paid, in lieu of actual expenses of transportation, under regulations to be prescribed by the President, not to exceed 2 cents per mile for the use of a privately owned motorcycle or 5 cents per mile for the use of a privately owned automobile for such transportation, whenever such mode of travel has been previously authorized and payment on such mileage basis is more economical and advantageous to the United States."

Mr. TABER. Mr. Speaker, I offer an amendment reducing the amount from 5 cents to 4 cents, on the second page.

The Clerk read as follows:

Amendment offered by Mr. TABER: Page 2, line 4, strike out the figure "5" and insert in lieu thereof the figure "4."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEVING DISBURSING AND CERTIFYING OFFICERS OF VETERANS' ADMINISTRATION FROM LIABILITY FOR PAYMENT

The Clerk called the next bill, S. 2454, to relieve disbursing officers and certifying officers of the Veterans' Administration from liability for payment where recovery of such payment is waived under existing laws administered by the Veterans' Administration.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That no disbursing officer and no certifying officer of the Veterans' Administration shall be held liable for any amount paid to any person where the recovery of such amount from the payee is waived under existing laws administered by the Veterans' Administration.

SEC. 2. This act shall be deemed to be in effect as of June 10, 1933.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JURISDICTION OVER LANDS ACQUIRED FROM MEXICO

The Clerk called the next bill, H. R. 6124, giving the consent to Congress to the addition of lands to the State of Texas and ceding jurisdiction to the State of Texas over certain parcels or tracts of land heretofore acquired by the United States of America from the United Mexican States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That upon the acceptance of this act by the State of Texas all of the parcels or tracts of land lying adjacent to the territory of the State of Texas, which were acquired by the Government of the United States of America by virtue of the convention between the United States of America and the United Mexican States signed February 1, 1933, shall be and become a geographical part of the State of Texas and shall be under the civil and criminal jurisdiction of the said State, without affecting the ownership of the said lands.

The bill was ordered to be engrossed and read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

CLASSIFICATION AND GRADING OF FOREIGN-SERVICE PERSONNEL

The Clerk called the next bill, H. R. 7149, to amend the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor," approved February 23, 1931, as amended.

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

There was no objection.

Mr. BLOOM. Mr. Speaker, I ask unanimous consent that a similar Senate bill (S. 2788) be substituted for the House bill.

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

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That paragraph (o) of section 26 of the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor," approved February 23, 1931, as amended, is amended to read as follows:

"(o) For the purposes of this act the period of service shall be computed from the date of original oath of office as diplomatic secretary, consul general, consul, vice consul, deputy consul, consular assistant, consular agent, commercial agent, interpreter, or student interpreter, and shall include periods of service at different times as either a diplomatic or consular officer, or while on assignment to the Department of State, or on special duty or service in another department or establishment of the Government, but all periods of separation from the service and so much of any period of leave of absence without pay as may exceed 6 months shall be excluded: *Provided*, That service prior to appointment as a Foreign Service officer as a classified or an unclassified employee in the civil service of the United States, or in the service of the District of Columbia, including periods of service at different times and in one or more departments, branches, or independent offices, or the legislative branch of the Government, and also periods of service performed overseas under authority of the United States, and periods of honorable service in the Army, Navy, Marine Corps, or Coast Guard of the United States may be included in the period of service, in which case the officer shall pay into the Foreign Service retirement and disability fund a special contribution equal to 5 percent of his annual salary for each year of such employment subsequent to July 1, 1924, with interest thereon to date of payment compounded annually at 4 percent and all such officers within the purview of this provision may elect to make such deposits in installments during the continuance of their service in such amounts and under such conditions as may be determined in each instance by the Secretary of State; but in the case of a Foreign Service officer who is eligible for and elects to receive a pension under any law, or retired pay on account of military or naval service, or compensation under the War Risk Insurance Act, the period of his military or naval service upon which such pension, retired pay, or compensation is based shall not be included, but nothing in this act shall be so construed as to affect in any manner his right to a pension, or to retired pay, or to compensation under the War Risk Insurance Act in addition to the annuity herein provided."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill, H. R. 7149, was laid on the table.

SCHOOL USE OF NATIONAL PARKS AND MONUMENTS

The Clerk called the next bill, H. R. 4097, to authorize the use of certain facilities of national parks and national monuments for elementary-school purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to facilitate the providing of educational opportunities for children of Government employees and other residents in the national parks and national monuments the Secretary of the Interior is hereby authorized, in his discretion, to make available for elementary-school purposes therein, without charge, space in Government-owned buildings, and to permit the use, without charge, of Government-owned transportation facilities, when available, without detriment to the official business of such national parks and national monuments, for conveying such children to and from schools when not conveniently accessible by public transportation.

With the following committee amendments:

Amend the title so as to read, "To authorize the use of certain facilities of national parks and national monuments for school purposes."

In lines 7 and 8 strike out the words "for elementary-school purposes therein."

In line 9, beginning with the first comma, strike out up to and including the word "available" in line 10, and substitute in lieu thereof "for school purposes therein, when such space may be available for such purposes."

In line 12, substitute a period for the comma and strike out the remainder of the bill.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to authorize the use of certain facilities of national parks and national monuments for school purposes."

CUSTER BATTLEFIELD MUSEUM

The Clerk called the next bill, S. 28, to provide for the erection of a public historical museum in the Custer Battlefield National Cemetery, Montana.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is authorized and directed (1) to select a site within the Custer Battlefield National Cemetery, Montana; (2) to erect and maintain thereon, as a memorial to Lt. Col. George A. Custer and the officers and soldiers under his command at the Battle of Little Big Horn River, June 25, 1876, a public museum suitable for housing a collection of historical relics; (3) to accept on behalf of the United States for exhibit in such museum the collection of relics now a part of the estate of Mrs. George A. Custer, deceased, the wife of such Lt. Col. George A. Custer; and (4), in his discretion, to accept such other historical relics as he may deem appropriate for exhibit therein.

SEC. 2. The Secretary of War is authorized and directed, notwithstanding any provision of law to the contrary, to do all things necessary to carry out the provisions of this act, by contract or otherwise, with or without advertising, under such conditions as he may prescribe, including the engagement by contract of services of such architects, sculptors, artists, or firms and such other technical and professional personnel as he may deem necessary, without regard to civil-service requirements and restrictions of law governing the employment and compensation of employees of the United States.

SEC. 3. There is hereby authorized to be appropriated the sum of $75,000, or so much thereof as may be necessary, to carry out the provisions of this act.

With the following committee amendment:

Page 2, line 18, strike out "$75,000" and insert in lieu thereof "$25,000."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FILING OF AFFIDAVITS OF PREJUDICE, DISTRICT COURT, ALASKA

The Clerk called the next bill, S. 1335, relating to the filing of affidavits of prejudice in the District Court for the District of Alaska.

Mr. DIMOND. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the Delegate from Alaska?

There was no objection.

LIABILITY OF RAILROADS TO THEIR EMPLOYEES

The Clerk called the next bill, H. R. 4988, to amend an act entitled "An act relating to the liability of common carriers by railroad to their employees in certain cases," approved April 22, 1908 (U. S. C., title 45, sec. 51).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act relating to the liability of common carriers by railroad to their employees in certain cases," approved April 22, 1908 (35 Stat. 65; U. S. C., title 45, sec. 51), be, and it is hereby, amended to read as follows:

"That every common carrier by railroad while engaging in commerce between any of the several States or Territories, or between any of the States and Territories, or between the District of Columbia and any of the States or Territories, or between the District of Columbia or any of the States or Territories and any foreign nation or nations, shall be liable in damages to any person suffering injury while he is employed by such carrier in such commerce, or, in case of the death of such employee, to his or her personal representative, for the benefit of the surviving widow or husband and children of such employee; and, if none, then of such employee's parents; and, if none, then of the next of kin dependent upon such employee, for such injury or death resulting in whole or in part from the negligence of any of the officers, agents, or employees of such carrier, or by reason of any defect or insufficiency, due to its negligence, in its cars, engines, appliances, machinery, track, roadbed, works, boats, wharves, or other equipment. In any action brought against any common carrier under or by virtue of any of the provisions of this act to recover damages for injuries to, or the death of, any of its employees, such employee shall not be held to have assumed the risks of his employment in any case where the negligence of such common carrier, its officers, agents, or employees, proximately contributed to the injury or death of such employees except those risks incident to the employment."

With the following committee amendment:

Page 2, line 20, after the word "case" insert "where said employee has not had actual notice of any negligently maintained condition or practice."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE NAVY CLUB OF THE UNITED STATES

The Clerk called the next bill, H. R. 5880, to incorporate the Navy Club of the United States of America.

Mr. WADSWORTH. Mr. Speaker, reserving the right to object, will the gentleman from Illinois explain the necessity for a national charter for this organization?

Mr. REED of Illinois. I may say to the gentleman from New York that at the present time several Navy clubs throughout the United States have been in existence for several years. About 2 or 3 years ago they consolidated into a national organization. They had their national convention this year at Marion, Ohio, and they are now asking to be incorporated in the same manner as the American Legion and the Marine Corps, which was incorporated by act of Congress last year.

Mr. WADSWORTH. May I ask the gentleman would it not suffice if they could be incorporated under the laws of the District of Columbia?

Mr. REED of Illinois. I assume it would suffice, but in all of these veteran organizations I think they feel there is a great deal they can accomplish, so far as enlarging their organization is concerned, if they have a national charter.

Mr. WADSWORTH. I shall not object, but let me say, Mr. Speaker, that this practice of granting national charters at the hands of Congress instead of these organizations going to their States or to the District of Columbia, which provide the natural channels for incorporation of mutual-benefit societies, should not be followed.

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

Mr. REED of Illinois. I yield.

Mr. HEALEY. I may say to the gentleman from New York that last year we authorized the Marine Corps Reserve, made up of men who served in the Marine Corps.

Mr. WADSWORTH. I doubt the wisdom of that.

Mr. HEALEY. I think it has had a very stimulating effect on that organization.

Mr. WADSWORTH. Mr. Speaker, I withdraw my objection.

Mr. VAN ZANDT. Mr. Speaker, reserving the right to object, will the gentleman advise whether or not it is the intention of the committee to grant a national charter to the order of the Purple Heart?

Mr. HEALEY. That has already been done; they have a national charter.

Mr. SABATH. Mr. Speaker, reserving the right to object, I would like to know the underlying reason for this piece of legislation for this request for a national charter. What is the need for it? Are you going to incorporate everybody?

Mr. REED of Illinois. I may say to the gentleman from Illinois that membership in this organization is limited to men who are now serving in the Navy or who have served in the Navy. Membership in the organization is open to any officer or enlisted man of the United States Navy.

The Committee on the Judiciary has followed its custom in the past to approve a national charter only in those cases where the organizations are national in character and where they assist in the execution of some express or implied powers of the Constitution, or perform governmental functions thereunder.

Mr. SABATH. Is membership in the organization open only to officers of the Navy?

Mr. REED of Illinois. Not at all, it is open to the officer and enlisted personnel of the Navy.

Mr. WALTER. Any man who ever served in the Navy is eligible for membership.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Sigfred A. Sandeen, national commandant; Ernest C. Fiedler, national senior executive officer; Thomas D. Hickey, national junior executive officer; Forest F. Bodiker, national paymaster; V. Homer Peabody, national chaplain; Mason C. Martin, national historian; and John F. McCullough, medical doctor, national medical officer, are hereby created a body corporate of the name, "Navy Club of the United States of America."

SEC. 2. That the purposes of this corporation shall be (a) to further, encourage, promote, and maintain comradeship among those persons who are or have been in the active service of the United States Navy, the United States Marine Corps, or the United States Coast Guard; (b) to revere, honor, and perpetuate the memory of those persons who have been such members and have departed this life; (c) to promote and encourage further public interest in the United States Navy, the United States Marine Corps, and the United States Coast Guard and the history of said organizations; (d) to uphold the spirit and ideals of the United States Navy, the United States Marine Corps, and the United States Coast Guard; (e) to promote the ideals of American freedom and democracy and to fit its members for the duties of citizenship and to encourage them to serve as ably as citizens as they have served the Nation under arms; and (f) to maintain true allegiance to American institutions.

SEC. 3. That the corporation (a) shall have perpetual succession; (b) may charge and collect membership dues and receive contributions of money or property to be devoted to carrying out the purposes of the organization; (c) may sue or be sued; (d) may adopt a corporate seal and alter it at pleasure; (e) may adopt and alter bylaws not inconsistent with the Constitution and laws of the United States or of any State; (f) may establish and maintain offices for the conduct of its business; (g) may appoint or elect officers and agents; (h) may choose a board of trustees, consisting of not more than 15 persons nor less than 5 persons, to conduct the business and exercise the powers of the corporation; (i) may acquire, by purchase, devise, bequest, gift, or otherwise, and hold, encumber, convey, or otherwise dispose of such real and personal property as may be necessary or appropriate for its corporate purposes; and (j) generally may do any and all lawful acts necessary or appropriate to carry out the purposes for which the corporation is created.

SEC. 4. That the corporation shall, on or before the 1st day of December in each year, transmit to Congress a report of its proceedings and activities for the preceding calendar year, including the full and complete statement of its receipts and expenditures. Such reports shall not be printed as public documents.

SEC. 5. That the right to alter, amend, or repeal this act at any time is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FEDERAL RECLAMATION PROJECTS

The Clerk called the next bill, H. R. 6372, relating to the development of farm units on public lands under Federal reclamation projects with funds furnished by the Farm Security Administration.

Mr. TABER. Mr. Speaker, I ask unanimous consent that the bill may go over without prejudice.

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

There was no objection.

OSAGE PRODUCTION TAX

The Clerk called the joint resolution (H. J. Res. 289) to amend section 5 of Public Law No. 360, Sixty-sixth Congress.

The SPEAKER pro tempore. Is there objection to the present consideration of the resolution?

Mr. McCORMACK. Mr. Speaker, reserving the right to object, I would like to ask the chairman of the Committee on Indian Affairs a few questions. Will the gentleman explain the resolution?

Mr. ROGERS of Oklahoma. Mr. Speaker, under present law the Osages, so far as royalties in Oklahoma are concerned, may be charged up to 5 percent on oil that is produced in Osage County. The original bill permitted 3 percent, which was later changed to make it a maximum of 5 percent when there was so much oil produced in Osage County. The tax collected from this oil is paid back to the State of Oklahoma. Under the present arrangement the limit would be 3 percent, of which Osage County gets one-third under the law as it is written now and it would continue to get one-third if this resolution is passed.

Mr. McCORMACK. What is the tax now?

Mr. ROGERS of Oklahoma. It can be up to 5 percent.

Mr. McCORMACK. The purpose of this resolution is to make it what?

Mr. ROGERS of Oklahoma. To set it definitely at 3 percent.

Mr. McCORMACK. What tax do they oppose?

Mr. ROGERS of Oklahoma. They oppose anything up to 5 percent.

Mr. McCORMACK. What is being imposed now?

Mr. ROGERS of Oklahoma. Five percent.

Mr. McCORMACK. This has the effect of reducing it 2 percent?

Mr. ROGERS of Oklahoma. That is right; on Indians' royalty.

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

Mr. TABER. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice?

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. TABER]?

There was no objection.

LEASING OF UNDEVELOPED COAL AND ASPHALT DEPOSITS OF THE CHOCTAW AND CHICKASAW INDIANS

The Clerk called the next bill, H. R. 7135, to authorize the leasing of the undeveloped coal and asphalt deposits of the Choctaw and Chickasaw Nations in Oklahoma.

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

Mr. SABATH. Mr. Speaker, reserving the right to object, this seems to be an important bill. I would like to know a little more about it. It is a far-reaching bill.

Mr. ROGERS of Oklahoma. It simply provides, as the title indicates, authorizing the leasing of the undeveloped coal and asphalt deposits of the Choctaw and Chickasaw Nations in Oklahoma.

Mr. SABATH. We ought to know a little more about it.

Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois [Mr. SABATH]?

There was no objection.

COAST GUARD STATION, WRIGHTSVILLE BEACH, N. C.

The Clerk called the next bill, H. R. 5845, to provide for the establishment of a Coast Guard station on the shore of North Carolina at or near Wrightsville Beach, New Hanover County.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to establish a Coast Guard station on the shore of North Carolina, at or near Wrightsville Beach, New Hanover County, at such point as the Commandant of the Coast Guard may recommend.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LIFEBOAT LAUNCHING DEVICES

The Clerk called the next bill, H. R. 7090, to amend section 4488 of the Revised Statutes of the United States, as amended (U. S. C., 1934 ed., title 46, sec. 481).

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the first two sentences appearing in paragraph 1 of section 4488 of the Revised Statutes of the United States, as amended (U. S. C., 1934 ed., title 46, sec. 481), is hereby amended to read as follows:

"SEC. 4488. Every steamer navigating the ocean, or any lake, bay, or sound of the United States, shall be provided with such numbers of lifeboats, floats, rafts, life preservers, line-carrying projectiles, and the means of propelling them, and drags, as will best secure the safety of all persons on board such vessel in case of disaster; and every seagoing vessel carrying passengers, and every such vessel navigating any of the northern or northwestern lakes,

shall have the lifeboats required by law, provided with suitable boat-disengaging apparatus, so arranged as to allow such boats to be safely launched. And the Board of Supervising Inspectors shall fix and determine, by their rules and regulations, the character and arrangement of boat-disengaging apparatus and the character of lifeboats, floats, rafts, life preservers, line-carrying projectiles, and the means of propelling them, and drags that shall be used on such vessels, and also the character and capacity of pumps or other appliances for freeing the steamer from water in case of heavy leakage, the capacity of such pumps or appliances being suited to the navigation in which the steamer is employed."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HAND FIRE PUMPS ON VESSELS

The Clerk called the next bill, H. R. 7091, to amend section 4471 of the Revised Statutes of the United States, as amended (U. S. C., 1934 ed., title 46, sec. 464).

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4471 of the Revised Statutes of the United States, as amended (U. S. C., 1934 ed., title 46, sec. 464), is hereby amended to read as follows:

"SEC. 4471. Every steamer permitted by her certificate of inspection to carry as many as 50 passengers, or upward, and every steamer carrying passengers, which also carries cotton, hay, or hemp, shall be provided with a good double-acting steam fire pump, or other equivalent apparatus for throwing water. Such pump or other apparatus for throwing water shall be kept at all times and at all seasons of the year in good order and ready for immediate use, having at least 2 pipes of suitable dimensions, 1 on each side of the vessel, to convey the water to the upper decks, to which pipes there shall be attached, by means of stopcocks or valves, both between decks and on the upper deck, good and suitable hose of sufficient strength to stand a pressure of not less than 100 pounds to the square inch, long enough to reach to all parts of the vessel and properly provided with nozzles, and kept in good order and ready for immediate service. Each fire pump thus prescribed shall be supplied with water by means of a suitable pipe connected therewith, and passing through the side of the vessel so low as to be at all times under water when she is afloat. Every steamer shall also be provided with a pump which shall be of sufficient strength and suitably arranged to test the boilers thereof.

"On and after October 1, 1937, every passenger vessel with berthed or stateroom accommodation for 50 or more passengers shall be equipped with an automatic sprinkler system, which shall be in addition to any other device or devices for fire protection, of a type prescribed by the Board of Supervising Inspectors and approved by the Secretary of Commerce. All enclosed portions of such vessels accessible to passengers or crew (except cargo holds, machinery spaces, and, when of fire-resisting construction, toilets, bathrooms, and spaces of similar construction) shall be protected by an automatic sprinkler system: *Provided*, That if after investigation the Bureau of Marine Inspection and Navigation finds in the case of a particular vessel the application of this paragraph is unnecessary properly to protect life on such vessel, an exception may be made. The Bureau of Marine Inspection and Navigation shall cause to be made suitable tests and inspections as will insure the proper working of such systems. In carrying out the provisions of this paragraph the Bureau of Marine Inspection and Navigation is hereby authorized and directed to prescribe the particular approved type, character, and manner of installation of systems to be fitted. The term 'type' as used in this paragraph shall be considered to mean any system which will give a prescribed or required efficiency and shall not mean some peculiar shape or design and shall not be confined to some certain brand or make."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LIMITATION OF COST OF CONSTRUCTION OF BUILDINGS IN NATIONAL PARKS

The Clerk called the next bill, S. 2624, to amend the act of August 24, 1912 (37 Stat. 460), as amended, with regard to the limitation of cost upon the construction of buildings in national parks.

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

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, it seems to me we raised this last year, and if it is going to be the policy to raise every year the authorization for the cost of these buildings, we will get into difficulty. I think we should give a little more consideration to it, and I therefore ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. WOLCOTT]?

There was no objection.

MINNESOTA CHIPPEWA DELEGATES

The Clerk called the next bill, H. R. 6054, authorizing the Secretary of the Interior to pay salaries and expenses of tribal officials of the Minnesota Chippewa Tribe.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior, or such official of the Department of the Interior as may be designated by him, is hereby authorized beginning July 1, 1939, and until otherwise directed by Congress, to pay out of any unobligated tribal funds of the Minnesota Chippewa Tribe in the Treasury of the United States arising under the act of January 14, 1889, or any other act, salaries and per diem in lieu of subsistence and expenses of tribal officials, as may be authorized pursuant to article XIV, section 1, of the constitution of the Minnesota Chippewa Tribe, approved July 24, 1936: *Provided*, That the salaries and other allowances aforesaid shall not exceed $5,000 per annum: *And provided further*, That the visit of any official delegation to Washington, D. C., shall be authorized in advance by the Commissioner of Indian Affairs and shall not extend beyond 30 days, except with his written approval.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROHIBITION OF USE OF UNIFORMS OR ARMS BY CERTAIN ORGANIZATIONS

The Clerk called the next bill, H. R. 7193, prohibiting the use of military uniforms or arms by certain organizations.

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

Mr. VAN ZANDT. Mr. Speaker, reserving the right to object, may I ask, Does this affect veterans' organizations?

Mr. HEALEY. Absolutely not.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That it shall be unlawful for any person to wear a military uniform prescribed for or prescribed by or which is worn by members of any committee, association, or organization the purpose or intent of which committee, association, or organization is to establish a system of government not authorized by the Constitution or to bear arms in the course of its activities. Any person who violates any provision of this act shall, upon conviction, be punished by a fine of not more than $1,000, or imprisonment for not more than 1 year, or by both such fine and imprisonment.

Amend the title so as to read: "A bill prohibiting the use of uniforms or arms by certain organizations."

With the following committee amendments:

Page 1, line 3, after the word "a", strike out the word "military."

Page 1, line 8, after the word "Constitution", insert "of the United States."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill prohibiting the use of uniforms or arms by certain organizations."

PUBLIC LANDS IN THE STATE OF NEVADA

The Clerk called the next bill, H. R. 6692, authorizing the Secretary of the Interior to convey certain land to the State of Nevada to be used for the purposes of a public park and recreational site, and other public purposes.

Mr. KEAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

VICKSBURG NATIONAL MILITARY PARK, MISS.

The Clerk called the next bill, H. R. 2315, to provide for the addition of certain lands to the Vicksburg National Military Park, in the State of Mississippi, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized, in his discretion and upon submission of evidence of

title satisfactory to him, to acquire on behalf of the United States by donation or purchase when purchasable at prices deemed by him reasonable, otherwise by condemnation under the provisions of the act of August 1, 1888, an area of approximately 8 acres adjoining the Clay Street entrance on the west side of the Vicksburg National Military Park, Miss.

SEC. 2. Lands acquired pursuant to section 1 hereof shall be added to and become a part of the Vicksburg National Military Park upon acquisition thereof and shall be subject to all laws and regulations applicable thereto.

SEC. 3. There is authorized to be appropriated the sum of $25,000, or so much thereof as may be necessary, to carry out the provisions of this act.

With the following committee amendment:

Page 2, line 6, strike out "$25,000" and insert "$5,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BONNEVILLE PROJECT

The Clerk called the next bill, S. 2634, to reserve to the United States for the Bonneville project a right-of-way across certain Indian lands in the State of Washington, subject to the consent of the individual allottees and the payment of compensation, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby reserved to the United States for the Bonneville project a right-of-way in the nature of an easement not to exceed 300 feet in width across allotted and tribal lands on the Yakima Indian Reservation, in the State of Washington, for the construction, operation, and maintenance of electric transmission lines, with the right of ingress and egress, and such additional area as may be necessary for a substation.

SEC. 2. This reservation is subject to the consent of the individual allottees and the tribal council, to the approval of a map of definite location by the Secretary of the Interior, and to the payment of such compensation as he may determine. Should any allottee refuse to give his consent, condemnation under the provisions of the act of August 1, 1888 (25 Stat. 357), is hereby authorized. The right is reserved to the Indians to cultivate or otherwise utilize the right-of-way in such manner as will not be inconsistent with the use thereof for transmission-line purposes.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FISHERY EDUCATIONAL SERVICE

The Clerk called the next bill, H. R. 4985, to provide for a Fishery Educational Service in the Bureau of Fisheries.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Commerce is authorized and directed to establish in the Bureau of Fisheries a Fishery Educational Service for the purpose of (a) providing instruction for members of the fishery industry in methods of preserving the catch; (b) providing fish-cookery demonstrations for home-economics teachers, and for clubs, schools, and similar institutions; (c) sponsoring fishery studies by graduate students at colleges, universities, and other educational institutions; (d) making radio broadcasts and preparing booklets, displays, and other types of visual educational material; (e) providing educational help to fishermen who desire to form cooperative producing and marketing associations; and (f) providing other facilities which promote the welfare of those engaged in the fisheries and fishery industry.

SEC. 2. There is hereby appropriated, out of any money in the Treasury, not otherwise appropriated, for the fiscal year ending June 30, 1940, the sum of $150,000, to carry out the provisions of this act.

With the following committee amendments:

Page 1, line 3, strike out the words "the Secretary of Commerce" and insert in lieu thereof the following: "for a period of 5 years next succeeding the approval of this act the Secretary of the Interior."

Page 2, line 1, before the letter "e" in parentheses, insert the word "and", and page 2, line 3, strike out the semicolon following the word "associations", insert a period in lieu thereof, and strike out the remainder of section 1.

Page 2, line 6 to line 9, both inclusive, strike out all of section 2 and insert in lieu thereof the following:

"SEC. 2. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sum of money not to exceed $75,000 annually as may be necessary to carry out the provisions of this act."

Page 2, following line 9, insert a new section to be known as Sec. 3, reading as follows:

"SEC. 3. For the purpose of carrying out the provisions of this act the Secretary of the Interior may cooperate with any department or agency of the Federal Government, State, county, municipality, public or private agency, organization, institution, or person; may accept donations of funds, or other aid; and may make such expenditures in the District of Columbia and elsewhere as may be necessary for the purposes of this act."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SIUSLAW NATIONAL FOREST, OREG.

The Clerk called the next bill, H. R. 884, to add certain lands to the Siuslaw National Forest in the State of Oregon.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purpose of forest management and municipal watershed protection, the following-described lands are hereby added and made a part of the Siuslaw National Forest in the State of Oregon and shall hereafter be administered subject to all the laws and regulations governing the national forests: All of township 12 south, range 7 west; all of township 12 south, range 8 west; section 19, sections 29 to 32, inclusive, and sections 34 to 36, inclusive, in township 12 south, range 9 west; south half section 10, south half section 13, sections 14 and 15, sections 22 to 27, inclusive, and sections 34 to 36, inclusive, in township 12 south, range 10 west; sections 2 to 11, inclusive, sections 15 to 21, inclusive, and sections 30 and 31 in township 13 south, range 7 west; all of township 13 south, range 8 west; sections 1 to 5, inclusive, east half section 8, sections 9 and 10, north half section 11, sections 12 and 13, north half section 15, sections 16, 17, and 20, north half section 21 and sections 24 and 36 in township 13 south, range 9 west, all Willamette base and meridian: *Provided*, That this action shall, as to all lands which are at this date legally appropriated under the public-land laws or reserved for any purpose, be subject to and shall not interfere with or defeat legal rights under such appropriation, or prevent the use for such public purposes of lands so reserved so long as such appropriation is legally maintained or such reservation remains in force: *Provided further*, That this action shall, as to the lands which have been revested in the United States under the act of Congress approved June 9, 1916, not interfere with the recognized rights of the counties in which the said lands are located.

SEC. 2. That when the Secretary of Agriculture finds that merchantable timber may be cut without detriment to the purity or depletion of the water supply from such of the above-described lands, title to which has been revested in the United States under the act of Congress approved June 9, 1916 (39 Stat. 218), said Secretary is hereby authorized to dispose of such merchantable timber on such lands in accordance with the rules and regulations of the Secretary of Agriculture for the national forests and the entire proceeds of any such sale shall be deposited in the United States Treasury in a special fund designated "The Oregon and California Land Grant Fund," referred to in section 10 of the said act of June 9, 1916, and be disposed of in the manner designated by said act of June 9, 1916, or acts amendatory thereto.

With the following committee amendments:

Page 1, line 4, after the word "lands", insert a comma and the words "excepting such subdivisions as were revested in the ownership of the United States by the act approved June 9, 1916 (39 Stat. 218), or now are parts of the unappropriated public domain,".

Page 1, line 6, after the word "Oregon", insert a comma and the words "subject to valid existing rights,".

Page 1, line 6, after the word "and", insert the following words "all of the added lands owned by the United States."

Page 2, line 10, substitute a period for the colon and strike out all the succeeding language in the bill.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ARIZONA STATE ELKS ASSOCIATION HOSPITAL

The Clerk called the next bill, S. 5, to grant certain lands to the Arizona State Elks Association Hospital.

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

Mr. GEYER of California. Reserving the right to object, Mr. Speaker, I should like to have an explanation of this bill.

Mr. MURDOCK of Arizona. This bill pertains to a strip of land on the northern border of the city of Tucson, where there was an inaccurate survey. They want to set the line over about 200 feet on one side. This land is to be used as the site of a hospital by a charitable and benevolent society, for health purposes.

Mr. GEYER of California. It is just correcting a mistake in the survey?

Mr. MURDOCK of Arizona. It means that. It conveys certain land which is not otherwise used by Uncle Sam. The space was used as a rifle range at one time, but it is no longer valuable to the Federal Government. It will be put to a better use by a great fraternal order, the Elks, who recognize the value of healing sunshine and air in this sun parlor of the Nation.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Executive Order No. 2295 and dated January 1, 1916, as modified by the Executive Order No. 6971 and dated February 19, 1935, is hereby further modified by the elimination from the provisions of said Executive order as modified of a certain tract of land particularly described as follows, to wit: The north 200 feet northwest quarter northwest quarter section 10 township 14 south, range 13 east, Gila and Salt River base and meridian; in all, an area approximately 200 feet wide by approximately 1,315.28 feet long.

SEC. 2. The Secretary of the Interior is hereby authorized and directed to issue patent covering the lands described in section 1 hereof to the Arizona State Elks Association Hospital.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

The Clerk called the next bill, H. R. 6831, to authorize the Secretary of the Interior to lease certain of the public lands to the Metropolitan Water District of Southern California for the extraction of sodium chloride for water-conditioning purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized, pursuant to the provisions of the act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", approved February 25, 1920 (41 Stat. 437), as amended, and notwithstanding any limitations contained therein with respect to the leasing of public mineral lands to municipalities, to lease to the metropolitan water district of Southern California public lands containing deposits of sodium for the extraction therefrom of sodium chloride for water-conditioning purposes. Such lands may be acquired by the said district either through the filing and issuance of prospecting permits or leases or through the assignment to it by qualified holders of such permits or leases.

SEC. 2. The leases authorized by section 1 shall be granted upon the condition that if such lands or deposits are used for purposes other than as authorized by this act, or upon the exhaustion of the deposits of sodium chloride in such lands, the permits or leases may be canceled by the Secretary of the Interior.

With the following committee amendment:

Page 2, line 4, strike out "Such" and insert "the use of such."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GRAND CANYON NATIONAL MONUMENT

The Clerk called the next bill, S. 6, to return a portion of the Grand Canyon National Monument to the public domain.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the boundaries of that portion of the Grand Canyon National Monument established pursuant to the proclamation of the President dated December 22, 1932, lying north of the Colorado River in Arizona are hereby revised so as to include within said national monument the tract of land in the State of Arizona particularly described as follows, to wit: Gila and Salt River base and meridian.

Beginning at a point on the north bank of the Colorado River due south of the quarter section corner of sections 9 and 10, township 32 north, range 8 west; thence due north to the quarter section corner of sections 9 and 10; thence northerly along the line between sections 9 and 10, 3 and 4, to the eighth standard parallel north; thence west along said standard parallel to the standard corner of sections 33 and 34, township 33 north, range 8 west; thence northerly along the line between sections 33 and 34, to the corner of sections 27, 28, 33, and 34; thence westerly along the line between sections 28 and 33, 29 and 32, to its intersection with the hydrographic divide between Toroweap Valley on the east and an unnamed valley on the west; thence northerly along said hydrographic divide to its intersection with the township line between townships 33 and 34 north, range 8 west; thence east along the township line between townships 33 and 34 north, range 8 west, to the corner of townships 33 and 34 north, ranges 7 and 8 west; thence east on the south boundary of township 34 north, range 7 west, and the south boundary of township 34 north, range 6 west, to the southwest corner of unsurveyed section 32 of said township and range thence north on the line between unsurveyed sections 31 and 32 to the northwest corner of section 32; thence east on the line between unsurveyed sections 29 and 32, 28 and 33, 27 and 34, 26 and 35, to the southwest corner of section 25 of said township and range; thence north on the line between unsurveyed sections 26 and 25, 23 and 24, to the northwest corner of section 24; thence east along the line between unsurveyed sections 13 and 24, township 34 north, range 6 west, and continuing east along the line between unsurveyed sections 18 and 19, 17 and 20, 16 and 21, 15 and 22, 14 and 23, to the southwest corner of section 13, township 34 north, range 5 west; thence north along the line between unsurveyed sections 14 and 13, 11 and 12, 1 and 2, to the northwest corner of section 1, township 34 north, range 5 west; thence east along the line between unsurveyed townships 34 and 35 north, ranges 5, 4, and 3 west, to the western boundary of the Grand Canyon National Park; thence southerly and westerly along the north bank of the Colorado River to the point of beginning.

SEC. 2. That portion of the Grand Canyon National Monument lying north of the Colorado River in Arizona and not included in the lands described in section 1 of this act is hereby returned to and made a part of the public domain, subject to existing withdrawals and reservations, and to valid private rights therein, for administration under the act approved June 28, 1934 (48 Stat. 1269), as amended and supplemented by the act of June 26, 1936 (49 Stat. 842).

Mr. MURDOCK of Arizona. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MURDOCK of Arizona: On page 3, line 21, after "Stat.", insert "Ch."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CITY OF PARKER, ARIZ.

The Clerk called the next bill, S. 432, to provide for the public auction of certain town lots within the city of Parker, Ariz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to sell at public auction or after publicly advertising for bids, to the highest and best bidder, any unsold lots in the townsite of Parker, Ariz.: *Provided*, That the said Secretary may, in his discretion, reject any or all bids so received: *And provided further*, That no sale shall be made pursuant to the provisions of this act without first obtaining the written consent of the Tribal Council of the Colorado River Indian Tribes of the Colorado River Reservation.

SEC. 2. That any vacant unsold lots within the townsite of Parker, Ariz., may be leased by the Tribal Council of the Colorado River Indian Tribes, with the approval of the Secretary of the Interior and upon such terms and conditions as he may prescribe, for a term of not exceeding 25 years. Such leases may provide for renewal for an additional term of not exceeding 25 years.

SEC. 3. The Secretary of the Interior is hereby authorized to prescribe such rules and regulations as may be necessary to carry out the provisions of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MOREHEAD CITY TARGET RANGE, N. C.

The Clerk called the next bill, S. 1156, to authorize the transfer to the jurisdiction of the Secretary of the Treasury of portions of the property within the military reservation known as the Morehead City Target Range, N. C., for the construction of improvements thereon, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to make transfers to the jurisdiction and control of the Secretary of the Treasury of such portions of the property at present included within the military reservation known as the Morehead City Target Range, N. C., and upon such conditions, as may be mutually agreed upon by the Secretary of War and the Secretary of the Treasury. The Secretary of the Treasury is hereby authorized to construct within the limits of the property so transferred, from such funds as may be now or may hereafter become available, such improvements or buildings, appurtenances, and approaches thereto as he may deem adequate and suitable for the use of said property as a target range by the United States Coast Guard, and for use in carrying out any other functions or duties of the Treas-

ury Department: *Provided*, That upon cessation of such use the premises or any part thereof so transferred shall revert to the jurisdiction of the War Department.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSTRUCTION WORK FOR THE ARMY

The Clerk called the next bill, S. 2562, to facilitate certain construction work for the Army, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That to enable the Secretary of War to accomplish without delay or excessive cost those public-works projects for which appropriations are available or may become available, to be located outside the continental limits of the United States, he is hereby authorized to enter into contracts upon a cost-plus-a-fixed-fee basis after such negotiations as he may authorize and approve and without advertising for proposals with reference thereto. Approval by the President shall be necessary to the validity of any contract entered into under authority of this section. The fixed fee to be paid the contractor as a result of any contract entered into under authority of this section shall be determined at or before the time such contract is made, and shall be set forth in such contract. Such fee shall not exceed 10 percent of the estimated cost of the contract, exclusive of the fee, as determined by the Secretary of War. Changes in the amount of the fee shall be made only upon material changes in the scope of the work concerned as determined by the Secretary of War, whose determination shall be conclusive.

(b) Negotiations under this section shall be between the Secretary of War, or a duly authorized representative, and three or more reputable and qualified contracting individuals, firms, or corporations regularly engaged in work of comparable magnitude and class to that contemplated by the negotiations, as determined by the Secretary of War, and contracts may be made with any such individual, firm, or corporation, or with any two or more of them jointly, upon such terms and conditions as the Secretary of War may determine to be fair and equitable and in the interests of the national defense. For each contract entered into under authority of this section the Secretary of War may detail an Army officer to duty, without additional compensation, as an executive representative of the contracting officer. The contract shall provide that the officer so detailed shall have the right to attend any meetings of the board of directors or other executive or administrative board or committee of any corporation, partnership, firm, or syndicate which is or may become a party thereto, for the purpose of submitting propositions, propounding questions, and receiving information relative to any matter within the purview of the contract with the intent and for the purpose of safeguarding the interests of the United States, coordinating efforts, and promoting mutually beneficial relationships, and making decisions within the scope of his delegated authority and not in conflict with any provision of the contract.

(c) In any project the contract for which is negotiated under authority of this section, the Secretary of War may waive the requirement of a performance and a payment bond and may accept materials required for any such project at such place or places as he may deem necessary to minimize insurance costs.

(d) The Secretary of War shall report annually to the Congress all contracts entered into under authority of this section, including the names of the contractors and copies of the contracts concerned, together with the amounts thereof.

SEC. 2. Whenever deemed by him to be advantageous to the national defense, and providing that in the opinion of the Secretary of War the existing facilities of the War Department are inadequate, the Secretary of War is hereby authorized to employ, by contract or otherwise, outside architectural or engineering corporations, firms, or individuals for the production and delivery of the designs, plans, drawings, and specifications required for the accomplishment of any public works or utilities project of the War Department without reference to the Classification Act of 1923 (42 Stat. 1488), as amended (5 U. S. C., ch. 13), or to section 3709 of the Revised Statutes of the United States (41 U. S. C. 5). In no case shall the fee paid for any service authorized by this section exceed 6 percent of the estimated cost, as determined by the Secretary of War, of the project to which such fee is applicable.

With the following committee amendment:

Page 1, line 6, after the word "located", strike out the remainder of line 6 and insert "in Alaska and the Panama Canal Zone."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FOR THE RELIEF OF THE STATE OF OHIO

The Clerk called the next bill, H. R. 5118, for the relief of the State of Ohio.

Mr. SABATH. Mr. Speaker, reserving the right to object, I would like to know from the gentleman from Ohio what relief is contemplated or asked for in this measure.

Mr. JENKINS of Ohio. If the gentleman will permit I would prefer that the acting chairman of the Committee on the Judiciary make the explanation.

Mr. CELLER. Mr. Speaker, I may say to the gentleman that the Judiciary Committee considered very carefully this application which, I understand, has the support of the entire Ohio delegation, both Democrats and Republicans, as well as the two Senators from that State.

It would appear that there were differences of opinion as to computation and distribution of socal-security funds for the State of Ohio for the month of October last. Those differences have now been reconciled and the Social Security Board is satisfied that the conditions that existed during the month of October no longer exist. The Board withheld the funds for October, but have resumed monthly payments thereafter. Thus the Board indicated satisfaction with the changed conditions in Ohio.

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

Mr. CELLER. I yield.

Mr. DOUGHTON. The gentleman understands that the Social Security Board is very much opposed to this legislation?

Mr. CELLER. I will come to that. The Chairman of the Social Security Board has objected and he appeared before the Judiciary Committee. The members of the Judiciary Committee unanimously felt that Mr. Altmeyer was assuming an attitude in this matter which was somewhat unjust. He said that according to the wording of the statute, particularly section 4, he may not have the power to pay this money to the State of Ohio, and therefore he said that the State of Ohio should go into court and test out the question. It would be highly unjust to place that burden upon the State of Ohio and make it go through the Federal courts and up to the Supreme Court before it could get this money which we, the members of the Judiciary Committee, feel is rightly due the State of Ohio. Ohio was compelled, in order to take care of its poor and indigent and aged during that month to go out and borrow one-million-three-hundred-and-some-odd-thousand dollars from the bankers in Ohio and they were compelled to issue their bonds. Ohio is entitled to this money. Why blame the innocent people of Ohio for some derelictions of one official—in this case the Governor. The money has been deposited in the United States Treasury, it is there to the credit of the State of Ohio, and there seems no good reason why Mr. Altmeyer should take the attitude he has assumed and compel Ohio to go into the courts to get this money. I have great respect for Mr. Altmeyer and his colleagues. They have done and are doing excellent work. But in this instance they are wronging a great State. The unanimous verdict of the House Judiciary Committee and the entire Ohio delegation in House and Senate that this bill pass should have considerable weight in the House.

Mr. DOUGHTON. Did not the Chairman of the Social Security Board propose to submit the legal aspects of this matter to the Attorney General and the Ohio authorities declined to do that?

Mr. CELLER. I asked Mr. Altmeyer, if the Attorney General would decide in favor of the State of Ohio, would he agree to that decision and doubt was expressed. I am of the personal opinion that the withholding of this money is highly unfair. There is no defense, and I say that as an attorney, and that will be borne out by the members of the Judiciary Committee. I say that Mr. Altmeyer and the Social Security Board have no defense whatever against this claim by the State of Ohio. It would be ill-advised to compel any State in Ohio's position to be compelled to go into court for redress. We expressly provided that the Security Board could punish a State for its failure to comply. The Board can refuse to certify payments by the Treasury to a State until that State repents and changes its method and practices interdicted by the Board. Ohio did rectify its procedure. Why has not the Board, therefore, the right and duty under section 4 of the act to certify payment?

Mr. HARTER of Ohio. Mr. Speaker, will the gentleman yield?

Mr. CELLER. Yes.

Mr. HARTER of Ohio. Did not this matter arise because of differences of opinion between the State officials and the Federal Social Security Board with reference to the administration of the old-age pension act in Ohio?

Mr. CELLER. That is correct.

Mr. HARTER of Ohio. Is it not a matter of strict justice and right and equity that the State of Ohio is entitled to the relief granted in this bill?

Mr. CELLER. That is the unanimous opinion of the Committee on the Judiciary.

The SPEAKER pro tempore. Is there objection?

Mr. SABATH. Mr. Speaker, reserving the right to object, I desire to get some information. Is not this on all fours with the Illinois situation?

Mr. JENKINS of Ohio. Oklahoma.

Mr. SABATH. Illinois; whereby because of the passing of a law in the State of Illinois, the State was not allowed for 2 months any appropriation or allocation for the old-age pension and other laws.

Mr. CELLER. An analogous situation arose concerning Oklahoma. That State admitted its wrong, changed its methods, and the Board made payment.

Furthermore, be it remembered there is no claim by the Board of any fraud or defalcation. The equities are with the sovereign State of Ohio.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired. Is there objection?

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

CIVIL GOVERNMENT, VIRGIN ISLANDS

The Clerk called the bill (S. 2784) to amend section 4 of the act entitled "An act to provide a civil government for the Virgin Islands of the United States, approved June 22, 1936."

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4 of the act entitled "An act to provide a civil government for the Virgin Islands of the United States," approved June 22, 1936, be, and the same is hereby, amended to read as follows:

"SEC. 4. (a) All property which may have been acquired by the United States from Denmark in the Virgin Islands under the convention entered into August 4, 1916, not reserved by the United States for public purposes prior to June 22, 1937, is hereby placed under the control of the government of the Virgin Islands.

"(b) Except as otherwise expressly provided, all laws of the United States for the protection and improvement of the navigable waters of the United States shall apply to the Virgin Islands.

"(c) No Federal laws levying tonnage duties, light money, or entrance and clearance fees shall apply to the Virgin Islands.

"(d) The Legislative Assembly of the Virgin Islands shall have power to enact navigation, boat inspection, and safety laws of local application; but the President shall have power to make applicable to the Virgin Islands such of the navigation, vessel inspection, and coastwise laws of the United States as he may find and declare to be necessary in the public interest, and, to the extent that the laws so made applicable conflict with any laws of local application enacted by the legislative assembly, such laws enacted by the legislative assembly shall have no force and effect.

"(e) Nothing in this act shall be construed to affect or impair in any manner the terms and conditions of any authorizations, permits, or other powers heretofore lawfully granted or exercised in or in respect of the Virgin Islands by any authorized officer or agent of the United States.

"(f) The Secretary of the Interior shall be authorized to lease or to sell upon such terms as he may deem advantageous to the Government of the United States any property of the United States under his administrative supervision in the Virgin Islands not needed for public purposes."

The bill was order to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADDITIONAL DISTRICT AND CIRCUIT JUDGES

The Clerk called the bill (H. R. 7079) to provide for the appointment of additional district and circuit judges.

The SPEAKER pro tempore. Is there objection?

Mr. KEAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

PROCUREMENT OF AIRCRAFT FOR NATIONAL DEFENSE

The Clerk called the bill (H. R. 7267) to facilitate the procurement of aircraft for the national defense.

The SPEAKER pro tempore. Is there objection?

Mr. CLASON. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection?

Mr. HARTER of Ohio. Mr. Speaker, will the gentleman reserve his request?

Mr. CLASON. Yes.

Mr. HARTER of Ohio. Mr. Speaker, this bill is of great importance to the national defense at this time. It permits multiple awards in the purchase of additional aircraft for the Army and Navy. It is a temporary measure and will expire, under the terms of the bill, June 30, 1941. If we are to complete a program of airplane purchasing during the period fixed by the Congress, this legislation, in the opinion of the Army Air Corps, is most important.

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

Mr. HARTER of Ohio. Yes.

Mr. TABER. Is it not a fact that this permits the letting of contracts to the highest bidder?

Mr. HARTER of Ohio. No. It allows awards to be split between the three lowest bidders, or two of them, if in the judgment of the Secretary of War it is in the interest of the national defense to do so. It is designed to prevent the overloading of a plant or plants, thus permitting the procurement of the authorized planes by June 30, 1941. It does not in any way set aside the present system of procuring aircraft by competitive bidding. Under the terms of the bill the Secretary of War must make a report to Congress following each award made pursuant to the provisions of this bill showing that it is in the interest of the national defense to make such an award.

Mr. CLASON. Mr. Speaker, it is my understanding that for every contract or every set of bids sent out there have not been less than 14 bidders. Each bid provides for penalties. So far as both Major General Arnold and Assistant Secretary of War Johnson are concerned, it was testified that there was no penalty being inflicted upon any company for failure to produce aircraft and the only penalties in connection with present contracts are minor in nature. There is nothing to indicate that these lowest bidders will not be able to produce the aircraft in accordance with the terms of their contracts. I think this is too important a subject to be dealt with in this way and that the bill ought to go over.

Mr. HARTER of Ohio. Of course, the gentleman is mistaken.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts that the bill go over without prejudice?

There was no objection.

RETIREMENT FOR DISABLED JUDGES

The Clerk called the next bill, S. 1282, to extend the privilege of retirement for disability to judges appointed to hold office during good behavior.

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

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

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

There was no objection.

THE BARGES "PRARI" AND "PALPA"

The Clerk called the next bill, H. R. 6664, to admit the American-owned barges *Prari* and *Palpa* to American registry and to permit their use in coastwise trade.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the barges *Prari* and *Palpa*, owned by the Southern Banana Corporation, a Delaware corporation, shall be admitted to American registry, and shall be entitled to engage in the coastwise trade and to transport merchandise between points

in the United States, including Districts, Territories, and possessions thereof embraced within the coastwise laws; said barges and the merchandise transported by them shall not be subject to the provisions of section 27 of the act of June 5, 1920, as amended (46 U. S. C., sec. 883).

With the following committee amendment:

Beginning on page 1, line 3, strike out all after the enacting clause and insert: "That notwithstanding the provisions of section 27 of the act of June 5, 1920, as amended (U. S. C., 1934 ed., Supp. IV, title 46, sec. 883), the barges *Prari* and *Palpa*, owned by the Southern Banana Corporation, a Delaware corporation, shall be admitted to American registry, and shall be entitled to engage in the coastwise trade and to transport merchandise between points in the United States, including Districts, Territories, and possessions thereof embraced within the coastwise laws."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERFECTING CONSOLIDATION OF LIGHTHOUSE SERVICE WITH THE COAST GUARD

The Clerk called the next bill, H. R. 7288, to perfect the consolidation of the Lighthouse Service with the Coast Guard by authorizing the commissioning, appointment, and enlistment in the Coast Guard, of certain officers, and employees of the Lighthouse Service, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President is hereby authorized to commission, by and with the advice and consent of the Senate, in the line of the Coast Guard in grades appropriate to their qualifications, experience, and lengths of service, as determined by the Secretary of the Treasury (hereinafter referred to as the "Secretary"), such personnel of the Lighthouse Service as, on June 30, 1939, were serving in professional and scientific grades 1 to 8, inclusive, of the classified civil service, and who, on that date, met the requirements for retirement (except those relating to age and period of service) of section 6 of the act approved June 20, 1918 (40 Stat. 608), as amended and supplemented (U. S. C., title 33, sec. 763): *Provided*, That no person shall be commissioned under the provisions of this section who does not possess such mental, moral, professional, and physical qualifications as may be prescribed by the Secretary.

SEC. 2. Any officer commissioned pursuant to section 1 of this act shall be an extra number in his grade and in the grades to which he may be promoted. He shall take precedence (1) with other officers commissioned in his grade pursuant to section 1 of this act as the Secretary may determine, and (2) with other line officers in his grade in accordance with the respective dates of their commissions in such grade. He shall be eligible for promotion, if otherwise qualified, at such time as the officer in a regular number in line of promotion next above him on the seniority list becomes eligible for promotion; or if there be no such officer in his grade, he shall be eligible for promotion, if otherwise qualified, when a vacancy occurs in the next higher grade: *Provided*, That an officer commissioned pursuant to section 1 of this act shall be assigned to duty for which he is specially qualified, and professional examinations for promotion given to such officer shall embrace only subjects which pertain to the duty to which he is assigned.

SEC. 3. Each vacancy (1) hereafter occurring in the extra numbers of officers commissioned pursuant to section 1 of this act; (2) existing on the date of the enactment of this act in positions in the Lighthouse Service classified in professional and scientific grades 1 to 8, inclusive, of the classified civil service; and (3) created by the retirement, resignation, death, or separation from the service for any other cause, of personnel described in section 1 of this act who do not possess the qualifications prescribed by the Secretary, or who, being qualified, do not accept a commission thereunder, shall operate to increase by one the total authorized number of line officers of the Coast Guard.

SEC. 4. (a) The President is hereby authorized to commission, by and with the advice and consent of the Senate, as chief warrant officers of the Coast Guard as the needs of the service may require, such personnel of the Lighthouse Service as, on June 30, 1939, met the requirements for retirement (except those relating to age and period of service) of section 6 of the act approved June 20, 1918, as amended and supplemented, and who possess such mental, moral, professional, and physical qualifications as may be prescribed by the Secretary.

(b) Under such regulations as he may prescribe the Secretary is hereby authorized to appoint or cause to be enlisted, in the Coast Guard, in warrant grades or enlisted ratings appropriate to their qualifications, experience, and length of service, such personnel of the Lighthouse Service as, on June 30, 1939, met the requirements for retirement (except those relating to age and period of service) of section 6 of the act approved June 20, 1918, as amended and supplemented.

(c) Chief warrant officers and warrant officers commissioned or appointed under the provisions of this section shall take precedence among themselves as the Secretary may determine, and with other chief warrant and warrant officers in accordance with the dates of their respective commissions or warrants in such grades.

SEC. 5. Vacancies created by the retirement, resignation, death, or separation from the service for any other cause, of personnel described in section 4 of this act who do not possess the qualifications prescribed by the Secretary, or who, being qualified, do not accept a commission, appointment, or enlistment thereunder may or may not be filled, in the discretion of the Secretary, in accordance with the existing needs of the service. If such vacancy be filled it shall be filled by commission, appointment, or enlistment in an appropriate chief warrant or warrant grade or rating, as the case may be.

SEC. 6. In computing length of service, for the purpose of retirement in the Coast Guard, of any person commissioned, appointed, or enlisted under the provisions of this act, there shall be included all service computable for retirement under the provisions of section 6 of the act of June 20, 1918, as amended and supplemented.

SEC. 7. No person commissioned, appointed, or enlisted in the Coast Guard pursuant to this act shall suffer any reduction in the total of the annual compensation and allowances which he was receiving on the date of his commission, appointment, or enlistment. Upon his retirement from active duty in the Coast Guard, the retired pay of any person so commissioned, appointed, or enlisted, shall not be less than an annuity computed in accordance with the provisions of section 6 of the act of June 20, 1918, as amended and supplemented, substituting, however, for purposes of such computation, the annual compensation which he was receiving on the date of his commission, appointment, or enlistment in the Coast Guard for the average annual pay received by him for the last 5 years of service.

SEC. 8. All persons commissioned, appointed, or enlisted in the Coast Guard pursuant to this act, shall be subject to all laws and regulations for the government of the Coast Guard, and nothing contained in this act shall be construed to prevent the application to any of such persons of laws and regulations concerning the military discipline of commissioned and warrant officers and enlisted men of the Coast Guard.

SEC. 9. All acts or parts of acts inconsistent with the provisions of this act are hereby repealed.

With the following committee amendments:

Page 1, line 9, after the word "in", strike out the remainder of line 9 and all of the first line on page 2 and insert "grades 1 to 8, inclusive, of the professional and scientific service as defined in the Classification Act of 1923, as amended (U. S. C., 1934 ed., Supp. IV, title 5, sec. 673)."

Page 3, line 9, after the word "Service", strike out the remainder of line 9 and all of line 10 and the words "classified civil service" in line 11 and insert "formerly held by personnel described in section 1 of this act;"

Page 5, line 2, after the word "filled", strike out the remainder of line 2 and all of lines 3 and 4 and insert "from among the chief warrant, warrant, or enlisted personnel of the Coast Guard."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMPACTS BETWEEN ATLANTIC COAST STATES FOR REGULATION OF FISHING

The Clerk called the next business, House Joint Resolution 302, to authorize compacts or agreements between or among the States bordering on the Atlantic Ocean with respect to fishing in the territorial waters and bays and inlets of the Atlantic Ocean on which such States border, and for other purposes.

The SPEAKER pro tempore. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

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

Mr. BLAND. Mr. Speaker, reserving the right to object, I want to say that practically all the commissioners along the Atlantic coast and the territory affected are urging that this bill be passed. There is no objection, because the States are simply permitted to enter into their compacts, and the Congress then ratifies them.

Mr. WOLCOTT. I would prefer that the bill be introduced after the compacts have been tentatively agreed upon, so that we may ratify the compacts then.

Mr. BLAND. I have no objection to its going over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

CONVEYANCE OF CERTAIN LAND TO NEVADA

The Clerk called the next bill, S. 2, authorizing the Secretary of the Interior to convey certain land to the State of

Nevada to be used for the purposes of a public park and recreational site and other public purposes.

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

Mr. KEAN. Mr. Speaker, reserving the right to object, this is the same bill that I objected to on Calendar No. 410. In the report I have, the Secretary of the Interior recommends against the bill. Will the gentleman explain this?

Mr. SCRUGHAM. Mr. Speaker, this area is absolutely unnecessary as an adjunct of Federal withdrawal to protect the Boulder Dam reservoir. It is valuable for State-park purposes. At no time in history do I recall a case where the request of a State for cession of an area of desert land of this kind for recreational purposes, has ever been refused. There seems to be some misunderstanding in regard to the bill. It was claimed that part of the area might be used for gambling, and that there might be created unsanitary places on the ground that would contaminate water in the Boulder Dam Reservoir. To meet these objections, there is included in the bill the following language:

In the event the State shall fail to devote such lands to the purposes of a State public park and recreational site within 5 years after the date of enactment of this act, or fail to maintain such land as a public park and recreational site for any period of 5 consecutive years subsequent to its devotion to such use, or devote such lands or any part thereof to other than public use, or shall fail within a reasonable time to authorize and put in effect and practice within said area any laws, rules, and regulations that are put in effect and practice by the Department of the Interior within the Boulder Canyon Reclamation Area relative to gambling, the sale of intoxicating liquors, water pollution, or sanitation, such land and all improvements thereon shall revert to the United States; and in such event the Secretary of the Interior is hereby authorized and empowed to declare such a forfeiture of the grant, and to assume jurisdiction of such land for national recreational area or national-monument purposes under the act of June 8, 1906.

I am sure that this language amply protects the situation. I sincerely trust that the gentleman will not enter further objection to the passage of the measure by the House. It creates a needed adjunct to the State-park system and will be developed without cost to the Federal Government. It is especially needed as a recreational area for the people of the town of Las Vegas.

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

Mr. KEAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

SHIPOWNERS' LIABILITY CONVENTION, 1936

The Clerk called the next bill, H. R. 6881, to implement the provisions of the Shipowners' Liability (sick and injured seamen) Convention, 1936.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That where used in this act—

(a) The term "convention" shall mean Shipowners' Liability (sick and injured seamen) Convention, 1936 (International Labor Organization Draft Convention No. 55, "Concerning the liability of the shipowner in case of sickness, injury, or death of seamen"), as ratified by the President on August 15, 1938, with understandings appended, and effective October 29, 1939.

(b) The term "coastwise fishing boat" means any vessel of less than 20 net tons documented under the laws of the United States ordinarily engaged in the American fishery navigating on the high seas.

(c) The term "shipowner" as used herein shall be deemed to include the actual owner of the vessel and any charterer of such vessel.

SEC. 2. The convention and this act shall apply to all persons employed on board any vessel, however propelled, ordinarily navigating on the high seas, which is registered, enrolled, and licensed, or licensed under the laws of the United States, whether permanently, temporarily, or provisionally, including yachts enrolled and licensed, or licensed, with the exception of—

(a) Persons employed on board—

(1) Vessels of public authorities, when such vessels are not engaged in trade;

(2) all coastwise fishing boats;

(3) all boats of less than 25 gross tons;

(4) wooden ships of primitive build, such as dhows and junks;

(5) ships of war;

(b) Persons employed on board by employer other than shipowner;

(c) Persons employed solely in ports in repairing, cleaning, loading, or unloading vessels;

(d) Members of the shipowner's family;

(e) Pilots who are not required by law to enter into articles of agreement with the master and who are not members of the crew.

SEC. 3. No provisions of the convention or of this act shall apply to any vessel, however propelled, navigating on the Great Lakes.

SEC. 4. In accordance with the provisions of the sections 2 and 3 of article 2 of the convention, the shipowner is hereby excepted from the terms of the convention, except the terms of articles 6, 7, and 8 thereof, with respect to liability for—

(a) Injury incurred otherwise than in the service of the ship;

(b) Injury or sickness due to the willful act or misbehavior of the sick, injured, or deceased person;

(c) Sickness or infirmity intentionally concealed when the engagement is entered into.

SEC. 5. Where the sickness or injury results in incapacity for work the shipowner shall be liable—

(a) To pay full wages as long as the sick or injured person remains on board;

(b) If the sick or injured person has dependents, to pay his wages in full from the time when he is landed until he has been cured or the sickness or incapacity has been declared of a permanent character.

SEC. 6. The shipowner or his representative shall take measures for safeguarding property left on board by sick or injured persons to whom the convention applies and shall comply with such regulations as the Secretary of Commerce shall prescribe to give effect to this section. Whenever any master or shipowner fails to take measures for safeguarding such property or fails to comply with such regulations of the Secretary of Commerce, he shall be liable in such manner and for such penalties as are provided with respect to safeguarding the property of deceased seamen in the act of March 3, 1911 (ch. 231, 36 Stat. 1167; U. S. C., title 46, sec. 623).

SEC. 7. The provisions of section 1 of the act of July 12, 1917, as amended (U. S. C., 1934 ed., title 28, sec. 837), are hereby extended and made applicable for the purposes of suit under the convention of this act.

SEC. 8. In accordance with the provisions of article 10 of the convention, the shipowner is hereby exempted from the liability to which he is subjected by articles 4, 6, and 7 of the convention insofar as such liability is assumed by the United States through any executive department, independent establishment, or other agency thereof. The provisions of this act shall apply jointly and severally to any shipowner as defined in section 1 (c) hereof.

SEC. 9. The Secretary of Labor, with the cooperation of the Secretary of State, the Secretary of Commerce, the United States Public Health Service, and the United States Maritime Commission, shall, on or before the 3d day of January 1943 submit to the Congress of the United States a report on the manner and extent to which shipowners and the United States have rendered services specified in the convention or this act.

SEC. 10. Nothing contained in the convention or in this act shall affect any statutory, admiralty, or maritime law, award, custom, or agreement between shipowner and seaman which insures or provides more favorable conditions, rights, or remedies to the seaman than those provided by the convention or act; nor shall any provision of the convention or of this act be deemed to alter, amend, or repeal any statutory, admiralty, or maritime law, in effect on the effective date of this act so as to affect any legal right, remedy, or duty of any person exempted from the provisions of this act.

SEC. 11. This act shall become effective on October 29, 1939.

SEC. 12. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

With the following committee amendments:

Page 2, line 1, strike out all of the paragraph down to and including line 4 and insert:

"(b) The term 'coastwise fishing boats' shall be deemed to include all vessels owned in the United States, its Territories or possessions, ordinarily used in the fisheries."

Page 2, line 11, insert:

"(d) The term 'dependents' as used herein shall be deemed to include any child, grandchild, parent, grandparent, brother, sister, wife, or husband of the sick or injured person who at the time of the sickness or injury was dependent upon him for support."

Page 4, after line 6, strike out all of lines 7, 8, 9, and 10 and insert:

"(b) If the sick or injured person has dependents, to pay at the rate of $10 per month from the time when he is landed until he has been cured or the sickness or injury has been declared of a permanent character, but not for any period after 16 weeks from the date of the injury or the commencement of his sickness."

Page 5, after line 15, strike out all of section 9.

Line 24, change the figure "10" to the figure "9."

Page 6, line 10, change the figure "11" to the figure "10."

Page 6, line 12, change the figure "12" to "11."

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

JURISDICTION OVER UNITED STATES LAND

The Clerk called the next bill, H. R. 7293, to amend sectic 355 of the Revised Statutes, as amended, to make permissive the acquisition of legislative jurisdiction over land or interests in land acquired by the United States.

Mr. WOLCOTT. Mr. Speaker, this bill involves a question which might be considered in connection with the so-called lending bill with respect to the acquisition of lands by the Federal Government. For this reason I ask unanimous consent that this bill may go over without prejudice.

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

There was no objection.

KLAMATH INDIANS

The Clerk called the next bill, H. R. 5684, amending the act of Congress of June 25, 1938 (C. 710, 52 Stat. 1207), authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Klamath general council, members of the Klamath business committee and other committees appointed by said Klamath general council, and official delegates of the Klamath Tribe.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act approved June 25, 1938 (C. 710, 52 Stat. 1207), be, and the same hereby is, amended as follows:

The proviso contained therein reading as follows: "*Provided further*, That the official delegates of the tribe carrying on said business at the seat of government shall also receive the usual railroad and sleeping-car transportation to and from the seat of government;" is hereby repealed, and in lieu thereof the following proviso is added: "*Provided further*, That the official delegates of the tribe carrying on said business at the seat of government shall receive also (1) the usual railroad and sleeping-car transportation to and from the seat of government, or, if after July 1, 1938, travel be by automobile, an amount equivalent to the cost of the usual railroad and sleeping-car transportation to and from the seat of government, (2) any needed hospitalization, and (3) reimbursement for telegraphic expenses incurred on tribal business;".

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That the act approved June 25, 1938 (52 Stat. 1207), be, and the same thereby is, amended by striking out the second proviso thereof and inserting in lieu thereof the following: '*Provided further*, That the official delegates of the tribe carrying on said business at the seat of government shall receive, if travel is by rail, the usual railroad and sleeping-car transportation to and from the seat of government or, if travel is by automobile, delegates furnishing such transportation shall receive an amount equivalent to the cost of their railroad and sleeping-car transportation to and from the seat of government, but salary and per diem shall not be paid to delegates traveling by automobile for any period in excess of the time required to perform the travel by railroad: *Provided further*, That the aforesaid official delegates shall also receive reimbursement for telegraphic expenses incurred on tribal business:'."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MATANUSKA SETTLEMENT PROJECT, ALASKA

The Clerk called the next bill, H. R. 3695, to validate settlement claims established on sections 16 and 36 within the area withdrawn for the Matanuska Settlement project in Alaska, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That where settlement claims with a view to making homestead entry have been established on lands in sections 16 and 36, reserved for the support of schools in the Territory of Alaska by the act of March 4, 1915 (38 Stat. 1214), within the area withdrawn by Executive Order No. 6957, dated February 4, 1935, as modified by Executive order of May 20, 1935, which temporarily withdrew from disposal under the public-land laws certain lands within the Matanuska Valley in Alaska, and reserved them for classification and in aid of legislation, such claims be, and they are hereby, validated, subject to compliance with the applicable provisions of the homestead laws; and other lands in lieu thereof may be designated by the Territory of Alaska, to be reserved for the support of schools in said Territory, in the manner provided by the act of Congress approved February 28, 1891 (26 Stat. 796).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL MISSISSIPPI RIVER PARKWAY

The Clerk called the next bill, H. R. 3759, to authorize a national Mississippi River Parkway and matters relating thereto.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that this bill may go over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

FREE HOMESTEADS

The Clerk called the next bill, H. R. 1675, to establish a national land policy, and to provide homesteads free of debt for actual farm families.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that this bill may go over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

KIOWA, COMANCHE, AND APACHE INDIANS

The Clerk called House Joint Resolution 290, referring the claims of the Kiowa, Comanche, and Apache Tribes of Indians in Oklahoma to the Court of Claims for finding of fact and report to Congress.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that the joint resolution go over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

AMENDMENT OF COMMODITY EXCHANGE ACT

The Clerk called the next bill, H. R. 4088, to amend the Commodity Exchange Act, as amended, to extend its provisions to fats and oils, cottonseed, cottonseed meal, and peanuts.

Mr. SABATH. Mr. Speaker, reserving the right to object, will the gentleman from Georgia tell us why other agricultural products were not included? This bill includes only fats, oils, cottonseed, cottonseed meal, and peanuts.

Mr. PACE. The gentleman understands that the act now covers the following commodities: Wheat, cotton, rice, corn, barley, rye, flaxseed, grain sorghums, mill feeds, butter, eggs, Irish potatoes.

Mr. SABATH. It does include all those products?

Mr. PACE. Yes. This bill merely adds certain products.

Mr. SABATH. Mr. Speaker, I withdraw my reservation of objection.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the third sentence of section 2 of the Commodity Exchange Act, as amended, is amended to read as follows: "The word 'commodity' shall mean wheat, cotton, rice, corn, oats, barley, rye, flaxseed, grain sorghums, mill feeds, butter, eggs, Solanum tuberosum (Irish potatoes), wool tops, fats and oils (including lard, cottonseed oil, peanut oil), cottonseed meal, cottonseed, and peanuts."

With the following committee amendment:

Page 1, line 10, add a new section as follows:

"SEC. 2. This act shall take effect 60 days after the date of its enactment."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF EMERGENCY FARM MORTGAGE ACT OF 1933

The Clerk called the next bill, H. R. 7342, to amend the Emergency Farm Mortgage Act of 1933, as amended.

Mr. SABATH. Mr. Speaker, I ask unanimous consent that this bill may go over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

STATUTE OF LIMITATIONS

The Clerk called the next bill, S. 1773, to provide that no statute of limitations shall apply to offenses punishable by death.

Mr. GEYER of California. Mr. Speaker, reserving the right to object, will the gentleman from New York explain this bill? Does it do anything more than appears here?

Mr. CELLER. Nothing whatsoever.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That an indictment for any offense punishable by death may be found at any time without regard to any statute of limitations.

SEC. 2. This act shall not authorize prosecution, trial, or punishment for any offense now barred by the provisions of existing law.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DEFINITION OF TERM "AMMUNITION" UNDER FEDERAL FIREARMS ACT

The Clerk called the next bill, H. R. 2883, to amend the Federal Firearms Act (Public, No. 785, 75th Cong.) so as to more adequately define the term "ammunition" as said term is defined in said act.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1, subsection 8, of the Federal Firearms Act (Public, No. 785, 75th Cong.), be amended so as to read as follows, to wit:

"(8) The term 'ammunition' shall include only pistol or revolver ammunition. It shall not include shotgun shells, metallic ammunition suitable for use only in rifles, or any .22-caliber rimfire ammunition."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMENCING AND COMPLETION OF BRIDGE ACROSS COLUMBIA RIVER, OREG.

The Clerk called the next bill, S. 1996, to extend the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oreg.

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

Mr. WOLCOTT. Mr. Speaker, reserving the right to object for the purpose of propounding a parliamentary inquiry. Would it be in order to ask unanimous consent that all of the bills from 441 to 455 and from 457 to 462 on the Consent Calendar be considered in gross?

The SPEAKER pro tempore (Mr. WARREN). The Chair thinks that would not be good procedure on account of the fact that many of the bills now pending on the calendar have committee amendments.

Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oreg., authorized to be built by the Oregon-Washington Bridge Board of Trustees by an act of Congress approved June 13, 1934, as amended, as heretofore extended by Acts of Congress approved August 30, 1935, January 27, 1936, August 5, 1937, and May 26, 1938, are further extended 1 and 3 years, respectively, from June 13, 1939.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RAILROAD BRIDGE ACROSS WARREN RIVER NEAR BARRINGTON, R. I.

The Clerk called the next bill, S. 2188, granting the consent of Congress to the Providence, Warren & Bristol Railroad Co. to construct, maintain, and operate a railroad bridge across the Warren River at or near Barrington, R. I.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Providence, Warren & Bristol Railroad Co., its successors and assigns, to construct, maintain, and operate a railroad bridge and approaches thereto across the Warren River, at a point suitable to the interests of navigation, at or near Barrington, R. I., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. The right to sell, assign, transfer, or mortgage all the rights, powers, and privileges conferred by this act is hereby granted to the Providence, Warren & Bristol Railroad Co., its successors and assigns, and any corporation to which or any person to whom such rights, powers, and privileges may be sold, assigned, or transferred, or who shall acquire the same by mortgage foreclosure or otherwise is hereby authorized to exercise the same as fully as though conferred herein directly upon such corporation or person.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MEMPHIS-ARKANSAS BRIDGE COMMISSION

The Clerk called the next bill, S. 2242, creating the Memphis and Arkansas Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Memphis, Tenn.; and for other purposes.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the Memphis and Arkansas Bridge Commission (hereinafter created, and hereinafter referred to as the "Commission"), and its successors and assigns be, and are hereby, authorized to construct, maintain, and operate a bridge and approaches thereto, across the Mississippi River at or near the city of Memphis, Tenn., at a point suitable to the interest of navigation, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the Commission and its successors and assigns the right and power to enter upon such lands and to acquire, condemn, occupy, possess, and use such real estate and other property in the State of Arkansas and the State of Tennessee, as may be needed for the location, construction, operation, and maintenance of any such bridge and its approaches, upon making just compensation therefor, to be ascertained and paid according to the laws of the State in which such real estate or other property is situated, and the proceedings therefor shall be the same as in the condemnation of private property for public purposes in said State, respectively. The Commission, its successors, and assigns are further authorized to enter into agreements with the States of Arkansas and Tennessee, and any political subdivision thereof, for the acquisition, lease, or use of any lands or property owned by such State or political subdivision.

SEC. 3. The Commission and its successors and assigns are hereby authorized to provide for the payment of the cost of such bridge as may be constructed, as provided herein, and approaches (including the approach highways which, in the judgment of the Commission, it is necessary or advisable to construct or cause to be constructed to provide suitable and adequate connection with existing improved highways) and the necessary lands, easements, and appurtenances thereto by negotiating and entering into a contract or contracts with the State Highway Commission of Tennessee, the State Highway Commission of Arkansas, Shelby County, Tenn., Crittenden County, Ark., the city of Memphis, Tenn., or any other county or municipality in the States of Arkansas and Tennessee, whereby the Commission may receive financial aid in financing said project, and said Commission, in its discretion, may avail itself of all the facilities of the State Highway Commission of Tennessee, the State Highway Commission of the State of Arkansas, or any county or municipality in the State of Tennessee and the State of Arkansas, with regard to the construction of said bridge, and the Commission may make and enter into any contract or contracts which it deems expedient and proper with the State Highway Commission of the State of Tennessee, the State Highway Commission of the State of Arkansas, or any county or municipality in the State of Tennessee and the State of Arkansas, whereby said highway departments, municipalities, or counties, or either of them, may construct, operate, and maintain, or participate with the Commission in the construction, operation, and maintenance of said bridge constructed hereunder, and approaches thereto. It

is hereby declared to be the purpose of Congress to facilitate the construction of a bridge and proper approaches across the Mississippi River at or near Memphis, Tenn., and to authorize the Commission to promote said object and purpose, with full power to contract with either the State Highway Commission of Tennessee, the State Highway Commission of Arkansas, or any municipality or county in the States of Tennessee and Arkansas, or all of them, in relation to the construction, operation, and maintenance of said bridge and approaches.

SEC. 4. Notwithstanding any restriction or limitation imposed by the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes", approved July 11, 1916, or by the Federal Highway Act, or by an act amendatory of, or supplemental to either thereof, the Secretary of Agriculture, or any other Federal department or agency of the United States Government, may extend Federal aid under such acts for the construction of said bridge out of any money allocated to the State of Tennessee with the consent of the State highway commission of said State, and out of money allocated to the State of Arkansas with the consent of the highway department of said State.

SEC. 5. For the purpose of carrying into effect the objects stated in this act, there is hereby created the Memphis and Arkansas Bridge Commission, and by that name, style, and title said body shall have perpetual succession, may contract, and be contracted with, sue and be sued, implead and be impleaded, complain and defend in all courts of law and equity; may make and have a common seal; may purchase or otherwise acquire and hold or dispose of real estate and other property; may accept and receive donations, grants, or gifts of money or property and apply the same to the purposes of this act; and shall have and possess all powers necessary, convenient, or proper for carrying into effect the objects stated in this act.

The Commission shall consist of E. H. Crump, Sr., E. W. Hale, Sr., Clifford Davis, Frank R. Ahlgren, W. H. Jasspon, William B. Fowler, Frank Gailor, and Will Gerber, all residents and citizens of the State of Tennessee; and J. O. E. Beck, Sr., J. C. Johnson, J. Land Williams, W. W. Campbell, C. R. Walton, A. C. Oliver, J. L. Shaver, and James Crane, all residents and citizens of the State of Arkansas. Such Commission shall be a body corporate and politic. Each member of the Commission shall qualify within 30 days after his appointment by filing in the office of the Administrator of the Federal Works Agency an oath that he will faithfully perform the duties imposed upon him by this act, and each person appointed to fill a vacancy shall file in like manner within 30 days after his appointment. Any vacancy occurring in said Commission by reason of failure to qualify as above provided, or by reason of death or resignation, shall be filled by the Administrator of the Federal Works Agency, and in filling such vacancy the Administrator of the Federal Works Agency shall at all times make the appointment so that the respective States shall at all times have the same representation on said Commission as herein provided. The Commission shall elect a chairman and vice chairman from its members, and shall establish rules and regulations for the government of its own business. A majority of the members shall constitute a quorum for the transaction of business. The Commission may employ a secretary, treasurer, engineers, attorneys, and such other experts, assistants, and employees as they may deem necessary, who shall be entitled to receive such compensation as the Commission may determine. All salaries and expenses shall be paid solely from the funds provided under the authority of this act.

SEC. 6. Within 6 months after completion of the bridge, the Commission shall be dissolved and shall cease to have further existence by an order of the Commissioner of the Public Roads Administration, made upon his own initiative or upon application of the Commission or any member or members thereof, but only after a public hearing in the city of Memphis, Tenn., notice of time and place of which hearing and the purpose thereof shall have been published once, at least 30 days before the date hereof, in a newspaper published in the cities of Memphis, Tenn., and Little Rock, Ark. At the time of such dissolution all moneys in the hands of or to the credit of the Commission shall be divided and distribution made between the interests of the States as may be determined by the terms and provisions of the contract or contracts that may be entered into between the parties thereto.

SEC. 7. Nothing herein contained shall be construed to authorize or permit the Commission or any member thereof to create or obligate or incur any liability other than such obligations and liabilities as are dischargeable solely from funds contemplated to be provided by this act. No obligation created or liability incurred pursuant to this act shall be a personal obligation or liability of any member or members of the Commission, nor shall any indebtedness created pursuant to this act be an indebtedness of the United States.

SEC. 8. The design and construction of any bridge which may be built pursuant to this act shall be in accordance with the standard specifications for highway bridges adopted by the American Association of State Highway Officials.

SEC. 9. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS MISSOURI RIVER BETWEEN DECATUR, NEBR., AND ONAWA, IOWA

The Clerk called the next bill, S. 2306, relating to the construction of a bridge across the Missouri River between the towns of Decatur, Nebr., and Onawa, Iowa.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsections (a), (b), and (c) of section 29 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and/or completing the construction of other bridges over the navigable waters of the United States, and for other purposes," approved August 30, 1935, are amended to read as follows:

"(a) In order to promote interstate commerce, improve the postal service, and provide for military and other purposes, the county of Burt, State of Nebraska, and the county of Monona, State of Iowa, singly or jointly, be, and are hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Missouri River at a point suitable to the interests of navigation between the towns of Decatur, Nebr., and Onawa, Iowa, in accordance with the provisions of the act entitled 'An act to regulate the construction of bridges over navigable waters,' approved March 23, 1906, and subject to the conditions and limitations contained in this act.

"(b) There is hereby conferred upon such counties, acting singly or jointly, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, maintenance, and operation of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

"(c) Such counties, acting singly or jointly, are hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1906."

SEC. 2. The times for commencing and completing the construction of a bridge across the Missouri River between the towns of Decatur, Nebr., and Onawa, Iowa, authorized to be built by section 29 of such act of August 30, 1935, as amended, heretofore extended by acts of Congress approved June 19, 1936, March 24, 1937, and June 16, 1938, are hereby further extended 1 and 3 years, respectively, from August 30, 1939.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEGALIZING EXISTING BRIDGE ACROSS BAYOU LA FOURCHE AT CUT OFF, LA.

The Clerk called the next bill, S. 2392, to legalize a bridge across Bayou La Fourche at Cut Off, La.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Chief of Engineers and the Secretary of War are hereby authorized to approve the location and plans of a bridge already constructed by the police jury of La Fourche Parish of Louisiana across Bayou La Fourche at Cut Off, La.: *Provided*, That said bridge has been authorized by the Legislature of the State of Louisiana, and as located and constructed affords reasonably free, easy, and unobstructed navigation.

SEC. 2. That when the location and plans of said bridge have been approved as provided in section 1 of this act, said bridge shall be deemed a lawful structure and subject to the laws enacted by Congress for the protection and preservation of the navigable waters of the United States.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS MISSOURI RIVER AT FRAZER, MONT.

The Clerk called the next bill, S. 2407, granting the consent of Congress to the counties of Valley and McCone, Mont., to construct, maintain, and operate a free highway bridge across the Missouri River at or near Frazer, Mont.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the counties of Valley and McCone, Mont., to construct, maintain, and operate a free highway bridge and approaches thereto across the Missouri River, at a point suitable to the interests of navigation, at or near Frazer, Mont., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMENCING AND COMPLETION OF BRIDGE ACROSS MISSOURI RIVER AT OR NEAR ARROW ROCK, MO.

The Clerk called the next bill, S. 2484, to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Missouri River, at or near Arrow Rock, Mo., authorized to be built by the St. Louis-Kansas City Short Line Railroad Co. by the act of Congress approved March 2, 1929, heretofore extended by acts of Congress approved April 15, 1932, August 30, 1935, and May 24, 1937, are hereby further extended 1 and 3 years, respectively, from the date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS MISSOURI RIVER AT OR NEAR PETERSBURG, MO.

The Clerk called the next bill, S. 2502, authorizing the county of Howard, State of Missouri, to construct, maintain, and operate a toll bridge across the Missouri River at or near Petersburg, Mo.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to promote interstate commerce, improve the postal service, and provide for military and other purposes, the county of Howard, State of Missouri, be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Missouri River, at a point suitable to the interests of navigation, at or near Petersburg, Mo., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the county of Howard, State of Missouri, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, maintenance, and operation of such bridge and its approaches, as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The said county of Howard, State of Missouri, is hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1906.

SEC. 4. In fixing the rates of toll to be charged for the use of such bridge the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of such bridge and its approaches, including interest at a rate of not to exceed 5 percent per annum and reasonable financing cost, as approved by the Commissioner of Public Roads, as soon as possible, under reasonable charges, but within a period of not to exceed 25 years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls. An accurate record of the cost of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 5. Notwithstanding any restrictions or limitations imposed by the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, or by the Federal Highway Act, or by an act amendatory of, or supplemental to either thereof, the Secretary of Agriculture or any other Federal department or agency of the United States Government may extend Federal aid under such acts for the construction of said bridge out of any money allocated to the State of Missouri with the consent of the State highway commission of said State.

SEC. 6. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS THE DES MOINES RIVER AT LEVY, IOWA

The Clerk called the next bill, S. 2563, to legalize a free highway bridge now being constructed across the Des Moines River at Levy, Iowa.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Iowa State Highway Commission to complete construction of a free highway bridge and approaches thereto being constructed across the Des Moines River at Levy, Iowa, and to maintain and operate said bridge as a lawful structure subject to the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS DES MOINES RIVER AT RED ROCK, IOWA

The Clerk called the next bill, S. 2564, granting the consent of Congress to the Iowa State Highway Commission to construct, maintain, and operate a free highway bridge across the Des Moines River at or near Red Rock, Iowa.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted etc., That the consent of Congress is hereby granted to the Iowa State Highway Commission to construct, maintain, and operate a free highway bridge and approaches thereto across the Des Moines River, at a point suitable to the interests of navigation, at or near Red Rock, Iowa, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS THE CHESAPEAKE AND DELAWARE CANAL AT ST. GEORGES, DEL.

The Clerk called the next bill, S. 2574, authorizing the construction of a highway bridge across the Chesapeake and Delaware Canal at St. Georges, Del.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the War Department under the direction of the Secretary of War and supervision of the Chief of Engineers is hereby authorized and directed to construct a four-lane high-level fixed highway bridge across the Chesapeake and Delaware Canal, at or near St. Georges, Del., of such type, design, and clearances for navigation as are approved by the Chief of Engineers: *Provided*, That the State of Delaware shall furnish all lands, easements, and rights-of-way required for such bridge.

SEC. 2. That the cost of constructing such four-lane bridge shall be paid from funds heretofore or hereafter appropriated for maintenance and improvement of river and harbor works.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS OHIO RIVER AT MAUCKPORT, IND.

The Clerk called the next bill, S. 2589, to authorize the construction of a bridge across the Ohio River at or near Mauckport, Harrison County, Ind.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to promote interstate commerce, improve postal service, and provide for military and other purposes the Indiana State Toll Bridge Commission be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Ohio River, at a point suitable to the interest of navigation at or near Mauckport, Harrison County, Ind., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the Indiana State Toll Bridge Commission all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, maintenance, and operation of such bridges and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The said Indiana State Toll Bridge Commission is hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1906.

SEC. 4. In fixing the rates of toll to be charged for the use of such bridge the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of such bridge and its aproaches, including interest at a rate of not to exceed 5 percent per annum and reasonable financing cost, as approved by the Commissioner of Public Roads, as soon as possible, under reasonable charges, but within a period of not to exceed 30 years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls. An accurate record of the cost of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 5. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSTRUCTION OF A BRIDGE ACROSS COLUMBIA RIVER NEAR THE DALLES, OREG.

The Clerk called the next bill, H. R. 3122, to extend the time for completing the construction of a bridge across the Columbia River near The Dalles, Oreg.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the time for completing the construction of a bridge across the Columbia River near The Dalles, Oreg., authorized to be built by The Dalles Bridge Co., a Washington corporation, by an act of Congress approved March 4, 1933, heretofore extended by acts of Congress approved April 30, 1934, and March 10, 1937, is hereby further extended 2 years from March 4, 1940.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 1, line 9, change the period to a colon and insert the following: "*Provided*, That it shall not be lawful to continue construction of said bridge until plans therefor shall again be submitted to and approved by the Chief of Engineers and by the Secretary of War."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE OR FERRY ACROSS THE RIO GRANDE AT BOCA CHICA, TEX.

The Clerk called the next bill, H. R. 3138, authorizing J. E. Pate, his successors and assigns, to construct, maintain, and operate a bridge or ferry across the Rio Grande at Boca Chica, Tex.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

DEVILS DEN SPRINGS, DECATUR COUNTY, GA.

The Clerk called the next bill, H. R. 4040, declaring Devils Den Springs, in Decatur County, Ga., to be nonnavigable.

Mr. COSTELLO. I object, Mr. Speaker.

BRIDGE ACROSS THE MISSOURI RIVER AT NIOBRARA, NEBR.

The Clerk called the next bill, H. R. 5998, to amend section 32 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and/or completing the construction of other bridges over the navigable waters of the United States, and for other purposes," approved August 30, 1935.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 32 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and/or completing the construction of other bridges over the navigable waters of the United States, and for other purposes," approved August 30, 1935, as amended, is amended by adding thereto a new subsection (e) reading as follows:

"(e) The right to sell, assign, transfer, and mortgage all the rights, powers, and privileges conferred by this act is hereby granted to the county of Knox, State of Nebraska, its legal representatives and assigns, and to any corporation to which, or any person to whom, such rights, powers, and privileges may be sold, assigned, or transferred, or who shall acquire the same by mortgage foreclosure or otherwise, is hereby authorized and empowered to exercise the same as fully as though conferred herein directly upon such corporation or person, and any mortgage, assignment, or transfer of the franchise granted by this act to the county of Knox, State of Nebraska, heretofore made by the governing body of said county is hereby validated and declared of full legal force and effect."

SEC. 2. The times for commencing and completing the construction of a bridge across the Missouri River at or near Niobrara, Nebr., authorized to be built by the county of Knox, State of Nebraska, as aforesaid, are extended 1 and 3 years, respectively, from August 30, 1939.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 1, line 8, after the word "is", insert the word "further."

Page 2, line 14, strike out "effect'.", and insert the following: "effect: *Provided*, That nothing contained in this paragraph shall be construed to authorize the construction or maintenance of a privately operated toll bridge.' ".

Page 2, line 15, after "Sec. 2.", strike out "The" and insert "That the."

Page 2, line 18, strike out all of line 18 following the comma after "Nebraska" and insert the following: "by the aforesaid section 32 of the act of Congress approved August 30, 1935, as amended by act of Congress approved May 18, 1936, heretofore extended by acts of Congress approved July 5, 1937, and June 16, 1938, are hereby further extended 1 and."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS THE COLUMBIA RIVER, KETTLE FALLS, WASH.

The Clerk called the next bill, H. R. 6271, granting the consent of Congress to the Secretary of the Interior, the State of Washington, and the Great Northern Railway Co. to construct, maintain, and operate a combined highway and railroad bridge across the Columbia River, at or near Kettle Falls, Wash.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Secretary of the Interior, the State of Washington, the Great Northern Railway Co., a corporation organized and existing under

the laws of the State of Minnesota, and their successors and assigns, jointly or separately, to construct, maintain, and operate a combined highway and railroad bridge across the Columbia River at a point suitable to the interests of navigation at or near Kettle Falls, and between Perry County and Stevens County, Wash., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 1, line 8, after "operate", insert the word "either."

Page 1, line 9, after "bridge", insert the following: "or two bridges, one to be a highway bridge and one a railroad bridge."

Page 1, line 9, after "point", insert "or points."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill granting the consent of Congress to the Secretary of the Interior, the State of Washington, and the Great Northern Railway Co. to construct, maintain, and operate either a combined highway and railroad bridge or two separate bridges across the Columbia River at or near Kettle Falls, Wash."

TOLL BRIDGE ACROSS THE MISSISSIPPI RIVER, JEFFERSON BARRACKS, MO.

The Clerk called the next bill, H. R. 6441, authorizing the county of St. Louis, State of Missouri, to construct, maintain, and operate a toll bridge across the Mississippi River at or near Jefferson Barracks, Mo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to promote interstate commerce, improve the postal service, and provide for military and other purposes, the county of St. Louis, State of Missouri, be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Mississippi River, at a point suitable to the interests of navigation, at or near Jefferson Barracks, Mo., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act: *Provided*, That permission for such bridge or approaches to said bridge to cross the Government reservation at Jefferson Barracks, Mo., shall first be obtained from the Secretary of War: *And provided further*, That if any buildings, improvements, or facilities of such Government reservation are damaged or destroyed by the construction of said bridge or the approaches thereto they shall be repaired or replaced by the county of St. Louis, State of Missouri, on a site or sites acceptable to the Secretary of War having jurisdiction over the property involved.

SEC. 2. There is hereby conferred upon the county of St. Louis, State of Missouri, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, maintenance, and operation of such bridge and its approaches, as are possessed by railroad corporations for railroad purposes or by bridge corporasions for bridge purposes in the State in which such real estate estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The said county of St. Louis, State of Missouri, is hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1906.

SEC. 4. In fixing the rates of toll to be charged for the use of such bridge the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of such bridge and its approaches, including reasonable interest and financing cost, as soon as possible, under reasonable charges, but within a period of not to exceed 25 years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management. An accurate record of the cost of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 5. Notwithstanding any restrictions or limitations imposed by the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes", approved July 11, 1916, or by the Federal Highway Act, or by an act amendatory of, or supplemental to either thereof, the Secretary of Agriculture or any other Federal department or agency of the United States Government may extend Federal aid under such acts for the construction of said bridge out of any money allocated to the State of Missouri with the consent of the State Highway Commission of said State.

SEC. 6. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 1, line 8, before "near", strike out "at or."

Page 2, strike out all of lines 4 to 12, both inclusive, and in lieu thereof insert the following: "any approaches to said bridge will not include the right to encroach upon or cross the Government reservation of Jefferson Barracks, Mo."

Page 2, line 20, after "real estate", strike out "estate."

Page 3, after the word "of", in line 18, strike out from the word "toll" down to and including the period after the word "management", in line 21, and insert "tolls."

Page 4, lines 6 and 7, strike out "Secretary of Agriculture" and in lieu thereof insert "Administrator of the Federal Works Agency."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill authorizing the county of St. Louis, State of Missouri, to construct, maintain, and operate a toll bridge across the Mississippi River near Jefferson Barracks, Mo."

BRIDGE ACROSS THE SUSQUEHANNA RIVER AT HARRISBURG, PA.

The Clerk called the next bill, H. R. 6662, granting the consent of Congress to the Dauphin County, Pa., Authority to construct, maintain, and operate a highway bridge across the Susquehanna River at or near the city of Harrisburg, Pa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc.. That the consent of Congress is hereby granted to the Dauphin County, Pa., Authority, a body corporate and politic heretofore created and existing under and by virtue of an act of the General Assembly of Pennsylvania, known as the Municipality Authorities Act of 1935, as amended, to construct, maintain, and operate a highway bridge and approaches thereto across the Susquehanna River, at a point suitable to the interests of navigation, at or near the city of Harrisburg, Pa., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 2, after line 5, insert a new section, as follows:

"SEC. 2. If tolls are charged for the use of such bridge, the rates of toll shall be so adjusted as to provide a fund sufficient to pay the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of the bridge and its approaches, including interest at a rate not to exceed 5 percent per annum and reasonable financing cost, as soon as possible under reasonable charges, but within a period of not to exceed 20 years from the date of approval of this act. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls. An accurate record of the costs of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested."

Page 2, line 6, after "SEC.", strike out "2" and insert "3."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS THE SUSQUEHANNA RIVER, WYOMING, PA.

The Clerk called the next bill, H. R. 6907, granting the consent of Congress to the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the Susquehanna River, from the borough of Wyoming, in the county of Luzerne, Commonwealth of Pennsylvania, to Jenkins Township, county of Luzerne, Commonwealth of Pennsylvania.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of the Congress is hereby granted to the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge and approaches thereto across the Susquehanna River, at a point suitable to the interests of navigation, from the borough of Wyoming, in the county of

Luzerne, Commonwealth of Pennsylvania, to Jenkins Township, in the county of Luzerne, Commonwealth of Pennsylvania, at or in prolongation of Eighth Street as the same is now established and used in the respective municipality, in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TOLL BRIDGE ACROSS THE MISSOURI RIVER, FLORENCE STATION, OMAHA, NEBR.

The Clerk called the next bill, H. R. 7069, authorizing Douglas County, Nebr., to construct, maintain, and operate a toll bridge across the Missouri River at or near Florence Station, in the city of Omaha, Nebr.

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

Mr. JENSEN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. McLAUGHLIN. Reserving the right to object, Mr. Speaker, may I call the attention of the gentleman to the fact that this bridge, while a toll bridge, is a bridge that will amortize itself in 20 years and thereafter become a free bridge.

I should further like to call the attention of the gentleman to the fact that there previously existed a franchise for a bridge at this identical place, but the franchise expired with the passage of time and because of the fact that the bridge was not constructed.

I should like to urge the gentleman, if he can see fit to do so, to allow this bill to pass, for the reason that it is a bill which will provide bridge facilities for the people in the northern part of the city of Omaha across the Missouri River into Iowa. I urge the gentleman not to insist upon his request if he can possibly see fit to do so.

Mr. JENSEN. Mr. Speaker, I appreciate the position of the gentleman from Nebraska, but we have two bridges across the river now and they are toll bridges. What the people of Omaha and Council Bluffs want is a free bridge. If we get more toll bridges it will just be further in the future when we do get a free bridge.

Mr. McLAUGHLIN. This bill simply gives to the people of North Omaha the same facilities that are now enjoyed by the people of South Omaha. We have a bridge at the central part, the business part of Omaha, across to Council Bluffs. We have a bridge at South Omaha across the Missouri River into Iowa. We are now asking a franchise for a bridge from the north end of Omaha, or at Florence, Nebr., across the Missouri River into Iowa. I believe this would give to the people of Iowa and Nebraska and the surrounding territory adequate bridge facilities which are very much needed.

Mr. ROBSION of Kentucky. If the gentleman will yield, the people want this bridge, do they not?

Mr. McLAUGHLIN. The people of North Omaha want it and they state that they need it very much.

Mr. ROBSION of Kentucky. I hope the gentleman will not insist upon his request.

Mr. JENSEN. I am sorry, but I feel that it is necessary for me to insist upon my request that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

RAILROAD BRIDGE ACROSS THE MISSOURI RIVER AT OR NEAR RANDOLPH, MO.

The Clerk called the next bill, H. R. 7262, granting the consent of Congress to Frank O. Lowden, James E. Gorman, and Joseph B. Fleming, trustees of the estate of the Chicago, Rock Island & Pacific Railway Co., to construct, maintain, and operate a railroad bridge across the Missouri River at or near Randolph, Mo.

Mr. SABATH. Mr. Speaker, reserving the right to object, I would like to know the reason for the construction of this new bridge; and in the absence of anyone to explain the purpose of this bill, I ask unanimous consent that the bill go over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

SOLICITATION OF PROCUREMENT OF DIVORCES IN FOREIGN COUNTRIES

The Clerk called the next bill, H. R. 6051, to prohibit the use of the mails for the solicitation of the procurement of divorces in foreign countries.

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

There was no objection.

Mr. HEALEY. Mr. Speaker, I ask unanimous consent to substitute a similar Senate bill (S. 2245).

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That every written or printed card, circular, letter, book, pamphlet, advertisement, or notice of any kind, giving or offering to give information concerning where or how or through whom a divorce may be secured in a foreign country, and designed to solicit business in connection with the procurement thereof, is hereby declared to be nonmailable matter and shall not be conveyed in the mails or delivered from any post office or by any letter carrier. Whoever shall knowingly deposit, or cause to be deposited, for mailing or delivery, anything declared by this section to be nonmailable, or shall knowingly take or cause the same to be taken from the mails for the purpose of circulating or disposing thereof, shall be fined not more than $5,000 or imprisoned for not more than 5 years, or both.

SEC. 2. Nothing herein contained shall be construed to preclude criminal prosecution under the provisions of section 338, title 18, United States Code (Criminal Code, sec. 215), in any case in which the mails are used by any person in furtherance of any scheme or artifice to defraud, or for obtaining money or property by means of false or fraudulent pretenses, representations, or promises.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 6051) was laid on the table.

NEW USES FOR ANTHRACITE COAL

The Clerk called the next bill, H. R. 7189, to authorize research and experiments to find new uses for anthracite coal.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $54,500, which shall be available exclusively to enable the Bureau of Mines of the Department of the Interior to conduct research and experiments into new and extended chemical and other uses for anthracite coal and necessary administrative expenses in connection therewith. No part of any appropriation made in pursuance of this act may be obligated after December 31, 1939. The Bureau of Mines shall submit to the Senate and the House of Representatives a report of operations and results obtained under the provisions of this act on the first day of the next regular session of Congress.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STATUE OF JOHN MARSHALL

The Clerk called the next joint resolution, House Joint Resolution 260, authorizing the removal of the statue of John Marshall from its present site on the Capitol Grounds to a new site in proximity to the Supreme Court Building.

Mr. COSTELLO. Mr. Speaker, reserving the right to object, I notice that this bill, along with several others of a similar character, providing for the creation of a monument or the erection of a statue, simply provides that the statue shall be erected at some place in the city of Washington, but we never get a report as to exactly where the statue is to be put. In this particular case the proposal is to remove the statue of John Marshall now in the rear of the Capitol to some other place, either in the grounds of the Supreme Court or elsewhere in the Capitol Grounds. It seems to me to be very inadvisable to authorize the removal of the statue without knowing to what location we intend to move it. Personally, I do not see any suitable location between the Capitol and the Supreme Court Building to which this statue might be moved.

The purpose of moving the statue of John Marshall from the Capitol Grounds apparently, as shown by a bill further down on the calendar, is to provide a place for a statue of George Washington. Whether this exchange of statue is necessary or not I am not in a position to judge, but I do believe the Congress should be informed as to the location at which we are going to put these various statues, fountains, and other monuments of that kind around the city of Washington before we authorize such legislation. You will recall the difficulty we had over the Jefferson Memorial when we had a similar proposition to this, simply authorizing the location of a memorial somewhere in the city of Washington.

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

Mr. COSTELLO. I yield.

Mr. BREWSTER. The gentleman is clear that this provides for the location to be approved by the Supreme Court.

Mr. COSTELLO. I agree with the gentleman that that is quite correct.

Mr. BREWSTER. And the gentleman realizes that the Fine Arts Commission and the Architect of the Capitol both approve of this bill?

Mr. COSTELLO. I understand that likewise is correct.

Mr. BREWSTER. The gentleman would not disagree with the purpose of putting John Marshall in the vicinity of the Supreme Court Building?

Mr. COSTELLO. I question very much the advisability or the necessity of moving the statue from its present location, where it has been for a long period of time.

Mr. BREWSTER. The gentleman will agree that not 1 percent of the visitors to the Capitol ever see the statue of John Marshall.

Mr. COSTELLO. I will state to the gentleman that the contrary is quite true, and if he passes by the Capitol on a Sunday afternoon, for example, I will venture to say that he will see as many pictures being taken of the statue of John Marshall at its present location as the dome of the Capitol itself.

Mr. BREWSTER. That disagrees with my observation, I will say to the gentleman.

Mr. COSTELLO. Further, I do not see any location immediately adjacent to the Supreme Court on which this statue might be placed.

Mr. BREWSTER. The gentleman would accept competent architectural advice on that?

Mr. COSTELLO. I do not set myself up either as one competent to judge the finest architectural location, or to judge beauty, but I can say to the gentleman that I have a holy horror of seeing statues poking out from behind every tree in the Capitol Grounds every time you go for a walk in the Capitol Grounds. This bill provides that this statue could be placed anywhere in the Capitol Grounds.

Mr. ROBERTSON. Mr. Speaker, the Chairman of the Fine Arts Commission told me this morning that his Commission desires to place the John Marshall statue in the grounds of the Supreme Court Building, and then the Commission desires to have the John Q. Ward statue of Washington placed on the west side of the Capitol from which the Marshall statue would be removed. He said when the Marshall statue was removed, it would leave no statue on that side of the Capitol, and so far as the Fine Arts Commission is concerned, it definitely wants to put the Marshall statue on the grounds of the Supreme Court. Whether they can get the consent of the Court to do that I do not know.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

DEVELOPMENT OF FARM UNITS ON PUBLIC LANDS

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to return to Calendar No. 398, H. R. 6372, relating to the development of farm units on public lands under Federal reclamation projects with funds furnished by the Farm Security Administration, and I ask unanimous consent that Senate bill 2410 be substituted for the House bill, with an amendment thereto.

The SPEAKER. The gentleman from Montana asks unanimous consent to return to Calendar 398, H. R. 6372, and substitute therefor S. 2410, with an amendment. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the Senate bill.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That in order to further cooperation between the Bureau of Reclamation and the Farm Security Administration in the development of farm units on public lands under Federal reclamation projects, the Secretary of the Interior is authorized, in pursuance of cooperative agreements between the Secretary of Agriculture and the Secretary of the Interior, (1) to consider the money or any part of the money made available to settlers or prospective settlers by the Farm Security Administration as all or a portion of the capital required of such settlers under subsection C of section 4 of the act of December 5, 1924 (43 Stat. 702); and (2) where such farm units have been or may be improved by means of funds made available by the Farm Security Administration, to require an entryman of any such unit to enter into a mortgage contract with the Farm Security Administration to repay the value of such improvements thereon before an entry is allowed.

Mr. O'CONNOR. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. O'CONNOR: Page 1, line 3, after the word "that", insert the words "during the fiscal year 1940."

The amendment was agreed to; and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

A House bill, H. R. 6372, was laid on the table.

PAYMENT TO EMPLOYEES OF BUREAU OF RECLAMATION FOR MILEAGE

Mr. DEMPSEY. Mr. Speaker, I ask unanimous consent to return to Calendar No. 377, H. R. 3391, providing payment to employees, Bureau of Reclamation, for mileage traveled in privately owned automobiles.

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

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That the Comptroller General is hereby authorized and directed to credit disbursing agents of the Bureau of Reclamation for payments made as mileage reimbursement for the use, during the period of February 14, 1931, to April 30, 1932, of privately owned motor vehicles, in accordance with the act of February 14, 1931 (46 Stat. 1146), which payments were suspended and/or disallowed pursuant to the decision of the Comptroller General of April 30, 1932 (A-41688). In those cases where collections have been made from employees pursuant to such suspension and/or disallowed, refunds are authorized.

Mr. DEMPSEY. Mr. Speaker, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Page 2, line 3, strike out the period, insert a comma and the following: "*Provided, however*, That all payments made pursuant to this act shall be at the rate of 4 cents per mile."

The amendment was agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GRAND CANYON NATIONAL MONUMENT

Mr. MURDOCK of Arizona. Mr. Speaker, I ask unanimous consent to return to Calendar No. 417, S. 6, to return a portion of the Grand Canyon National Monument to the public domain, vacate the proceedings by which the bill was passed, and correct an amendment.

The SPEAKER. The gentleman from Arizona asks unanimous consent to return to S. 6, to vacate the proceedings by which the bill was passed, and to offer a perfecting amendment. Is there objection?

There was no objection.

The Clerk read the bill.

Mr. MURDOCK of Arizona. Mr. Speaker, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. MURDOCK of Arizona: Page 3, line 21, strike out all of line 21 and insert "(49 Stat. 1976)."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to, and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMEMORATION OF ONE HUNDRED AND TWENTY-FIFTH ANNIVERSARY OF WRITING OF THE STAR-SPANGLED BANNER

Mr. SASSCER. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Joint Resolution 176, providing for participation by the United States in the celebration to be held at Fort McHenry on September 14, 1939, in celebration of the one hundred and twenty-fifth anniversary of the writing of The Star-Spangled Banner.

The Clerk read the title of the joint resolution.

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

Mr. MARTIN of Massachusetts. Reserving the right to object, will the gentleman explain what the cost of this resolution will be?

Mr. SASSCER. Mr. Speaker, on the 14th of September of this year at Fort McHenry in Baltimore we are celebrating the one hundred and twenty-fifth anniversary of the writing of The Star-Spangled Banner. There is a feeling that this is not a matter that is local to Baltimore or local to the great Free State of Maryland, but national in its scope and importance. On the 14th of September, 125 years ago, The Star-Spangled Banner was written by the great poet and lawyer, Francis Scott Key, who was then a prisoner on board a British ship during the bombardment of Fort McHenry. Standing on the deck in the harbor of Baltimore, seeing our American flag waving proudly over Fort McHenry during the bombarding of that fort, he was inspired to write The Star-Spangled Banner.

This resolution calls for a committee to represent the United States Government consisting of the President of the United States, the President of the Senate, the Speaker of the House of Representatives, the two Senators from Maryland, three Members appointed by the President of the United States, three Members appointed by the Speaker of the House. In this age when we are spending so much time considering legislation in connection with, and talking about, subversive influences and un-Americansm, I think it would be particularly unfortunate if a single voice should be raised here in this body objecting to the National Government participating in this ceremony commemorating the writing of The Star-Spangled Banner, that inspiring anthem which, when played, causes all Americans to arise in patriotic reverence.

Mr. MARTIN of Massachusetts. How much is it going to cost?

Mr. SASSCER. In answer to the gentleman from Massachusetts [Mr. MARTIN], there is an appropriation of $5,000, none of which is to be used by the committee for compensation or personal expenses of the members. I may add that the State of Maryland is appropriating money, the city of Baltimore is appropriating money, and we felt it would be particularly appropriate for our National Government to participate.

Mr. MARTIN of Massachusetts. What committee does this come from?

Mr. SASSCER. From the Committee on the Library, with a report unanimously recommending the passage of the resolution.

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

There being no objection, the Clerk read the Senate joint resolution, as follows:

Resolved, etc., That, for the purpose of providing for participation by the United States in the celebration of the one hundred and twenty-fifth anniversary of the writing of The Star-Spangled Banner, there is hereby established a commission to be composed of the President of the Senate, the Speaker of the House of Representatives, the United States Senators from the State of Maryland, three Senators to be appointed by the President of the Senate, the Members of the House of Representatives from the State of Maryland, three Members of the House of Representatives to be appointed by the Speaker of the House of Representatives, the Governor of Maryland, the mayor of the city of Baltimore, and three persons to be appointed by the President of the United States. It shall be the duty of such commission to formulate and carry out plans for participation by the United States in the celebration to be held at Fort McHenry on September 14, 1939, in commemoration of such anniversary. The members of such commission shall serve without compensation and shall select a chairman from among their number.

SEC. 2. The commission is authorized to make such expenditures for the purpose of carrying out the provisions of the first section of this joint resolution as it may deem advisable. Expenditures of the commission shall be paid upon the presentation of vouchers approved by the chairman of the commission.

SEC. 3. There is hereby authorized to be appropriated the sum of $5,000 to be expended by the commission for the purpose of carrying out the provisions of the first section of this joint resolution.

SEC. 4. The President is authorized to extend invitations to foreign governments to be represented by their accredited diplomatic agents at the celebration to be held at Fort McHenry on September 14, 1939, in commemoration of the one hundred and twenty-fifth anniversary of the writing of The Star-Spangled Banner: *Provided*, That no appropriation shall be granted by the United States for expenses of delegates or for other expenses incurred in connection with such invitation.

With the following committee amendment:

Page 1, line 7, after the word "composed" insert "of the President of the United States."

The committee amendment was agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS MISSOURI RIVER AT OR NEAR RANDOLPH, MO.

Mr. BELL. Mr. Speaker, I ask unanimous consent to return to Calendar No. 462, H. R. 7262, granting the consent of Congress to Frank O. Lowden, James E. Gorman, and Joseph B. Fleming, trustees of the estate of the Chicago, Rock Island & Pacific Railway Co., to construct, maintain, and operate a railroad bridge across the Missouri River at or near Randolph, Mo.

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

There was no objection.

The Clerk read the title of the bill.

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

Mr. SABATH. Mr. Speaker, reserving the right to object, I would like to know a little about why these trustees are starting to construct this bridge and whether it means to prolong an additional 5 years their trusteeship at the expense of the stockholders and bondholders of the railroad?

Mr. BELL. Mr. Speaker, it will have no effect whatsoever upon the tenure of office of those trustees. All this bill does is to grant the railroad the right to build a bridge across the river near Kansas City. It will mean that about 500 men will have employment there, paid for out of private funds, and not one cent of Government money going into it. That is all it means, that the railroad has the right to build the bridge across the river. The War Department, the Department of Public Roads, and everybody has consented to it. It will have no effect whatsoever on the tenure of office of these trustees.

Mr. SABATH. I ask the usual question that is asked by the gentleman from Pennsylvania [Mr. RICH] where will these trustees of the railroad get the money to build this bridge?

Mr. BELL. They have the money and are ready to spend it.

Mr. SABATH. Why do they not give up the trusteeship and turn the railroad over to the bondholders and stockholders that own the railroad if the money is forthcoming? Can the gentleman explain that?

Mr. BELL. I cannot explain that. I do not know anything about their trusteeship except that I would like to have this bridge in order to give employment to a lot of good men down in my district and help keep them off of relief.

Mr. SABATH. I am not opposed to reemploying 500 men. I will be only delighted if they will find employment, but I doubt very much whether the gentleman's constituents will have an opportunity to get any of this work while it is under the trusteeship of these three Republicans.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to Frank O. Lowden, James E. Gorman, and Joseph B. Fleming, trustees of the estate of the Chicago, Rock Island & Pacific Railway Co., their successors and assigns, to construct, maintain, and operate a railroad bridge and approaches thereto across the Missouri River, at a point suitable to the interests of navigation, at or near Randolph, Mo., near river mile 370, as located by the Secretary of War in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. The right to sell, assign, transfer, and mortgage, in whole or in part, the rights, powers, and privileges conferred by this act is hereby granted to Frank O. Lowden, James E. Gorman, and Joseph B. Fleming, trustees of the estate of the Chicago, Rock Island & Pacific Railway Co., their successors and assigns, and any corporation to which, or any person to whom, such rights, powers, and privileges may be sold, assigned, or transferred, in whole or in part, or who shall acquire the same by mortgage, foreclosure, or otherwise, is hereby authorized to exercise the same as fully as though conferred herein directly upon such corporation or person.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mrs. NORTON rose.

The SPEAKER. The Chair thinks it proper to make the statement that the gentlewoman from New Jersey is going to ask unanimous consent that may save recognition on the part of the Chair on a motion to suspend the rules.

The gentlewoman from New Jersey is recognized.

Mrs. NORTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 2900) to amend the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes", approved June 28, 1937, as amended.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes", approved June 28, 1937 (50 Stat. 319), as amended, is amended by striking out the proviso which reads "*Provided*, That the provisions of this act shall continue for the period of 3 years after July 1, 1937, and no longer" and that a period be substituted for the colon immediately preceding this proviso.

SEC. 2. Section 2 of said act is amended by striking out the figure "$10,000" and inserting in lieu thereof the figure "$12,000."

SEC. 3. Section 5 of said act is amended by striking out the words "without regard to civil-service laws and regulations" and inserting in lieu thereof the following: "in accordance with the civil-service laws and regulations made thereunder and their compensation shall be fixed in accordance with the Classification Act of 1923, as amended: *Provided*, That employees of the Civilian Conservation Corps who have been continuously employed for at least 6 months prior to the effective date of this act, and who do not have a competitive classified civil-service status appropriate for the positions to be occupied, shall be permitted to acquire such a status (1) upon recommendation by the Director of the corps and certification by him to the Civil Service Commission that such persons have rendered satisfactory service in said corps for not less than 6 months and (2) upon passing a suitable noncompetitive examination prescribed by the Commission, said examination to be given within a period of 10 months after the effective date of this act, and those employees who do not receive an eligible rating as the result of said examinations shall be dropped from the rolls not later than 2 years subsequent to the date the Director is notified of their failure to receive an eligible rating: *Provided further*, That no employee otherwise qualifying shall be dismissed because of failure to comply with age provisions which would normally apply on a competitive examination: *Provided further*, That the provisions of this section shall not apply to Reserve officers on active duty with the corps, enrollees of the corps, or unskilled laborers: *And provided further*, That, notwithstanding any contrary provisions of this or any other act, the employment of Indians shall be in accordance with section 12 of the act of June 18, 1934 (48 Stat. 984).

SEC. 4. Section 13 of said act is amended by substituting a colon for a period after the last word in the section and inserting the following: "*Provided*, That the Director may designate an appropriate official seal for the corps which shall be judicially noticed and which shall be preserved in the custody of the Director."

SEC. 5. This act shall be immediately effective.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That section 1 of the act entitled 'An act to establish a Civilian Conservation Corps, and for other purposes,' approved June 28, 1937 (50 Stat. 319), as amended, is amended by striking out of the second proviso the words 'for the period of 3 years after July 1, 1937, and no longer' and inserting in lieu thereof the words 'until July 1, 1945.'

"SEC. 2. Section 13 of said act is amended by substituting a colon for a period after the last word in the section and inserting the following: '*Provided*, That the Director may designate an appropriate official seal for the Corps, which shall be judicially noticed and which shall be preserved in the custody of the Director.'

"SEC. 3. This act shall be immediately effective."

Mrs. NORTON. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mrs. NORTON: On page 3, line 23, after the word "longer", strike out "until July 1, 1945" and insert "July 1, 1943."

The amendment to the committee amendment was agreed to.

The committee amendment, as amended, was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BONNEVILLE DAM

The SPEAKER. The Chair recognizes the gentleman from Texas [Mr. MANSFIELD].

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7270) to amend the Bonneville Project Act.

The Clerk read the title of the bill.

Mr. RICH. Mr. Speaker, reserving the right to object, will the gentleman from Texas explain the purpose of the bill?

Mr. MANSFIELD. The Bonneville Act of a few years ago authorized the appointment of an administrator. One was appointed. He has since died. The pending bill extends the provisions of the original act and provides for an assistant administrator and an engineer in addition.

Mr. RICH. We are now to have an administrator and an assistant administrator?

Mr. MANSFIELD. That is the purpose of the bill.

Mr. RICH. Just in charge of the Bonneville Dam?

Mr. MANSFIELD. No; the extension lines. It has nothing to do with the dam.

Mr. RICH. It seems to me we are putting in assistant administrators not only in Cabinet offices but in all other Government organizations. It seems to me it is time we tried to eliminate some of these extra employees instead of creating new positions.

Mr. MANSFIELD. I agree with the gentleman on the general proposition, but I think this is more urgent than some of the others.

Mr. RICH. If we let this one go through will the gentleman from Texas try to cut out some that are not so important?

Mr. MANSFIELD. I will endeavor to cut out all I can.

Mr. RICH. It seems to me if the gentleman uses his good offices to that effect we could eliminate a lot of these extra employees.

Mr. MANSFIELD. I think I can join with the gentleman from Pennsylvania on a good many of them.

Mr. RICH. Let us see that we get some action on cutting out some of these jobs.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2 (a) of chapter 720 of the act of the Seventy-fifth Congress, first session (50 Stat. 731, 732), is hereby amended by inserting after the second sentence ending "in the vicinity of the Bonneville project.", the following sentence: "The Secretary of the Interior shall also appoint, without regard to the civil-service laws, an Assistant Administrator, chief engineer, and general counsel, and shall fix the compensation of each at not exceeding $9,000 per annum. The Assistant Administrator shall perform the duties and exercise the powers of the Administrator, in the event of the absence or sickness of the Administrator, until

such absence or sickness shall cease, and, in the event of a vacancy in the office of Administrator until a successor is appointed."

SEC. 2. Section 2 (a) of the said chapter is hereby further amended by adding at the end thereof the following sentences: "The office of the Administrator of the Bonneville project is hereby constituted an office in the Department of the Interior and shall be under the jurisdiction and control of the Secretary of the Interior. All functions vested in the Administrator of the Bonneville project under this act may be exercised by the Secretary of the Interior and, subject to his supervision and direction, by the Administrator and other personnel of the project."

SEC. 3. Section 4 (b) of the said chapter is hereby amended by striking out the words and figures "January 1, 1941" wherever they occur therein and by substituting in lieu thereof the words and figures "January 1, 1942."

With the following committee amendments:

On page 2, line 1, after the word "administrator", insert "and a."

On page 2, line 1, strike out the words "and general counsel."

On page 2, line 2, strike out "$9,000" and insert in lieu thereof "$7,500."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RIVER AND HARBOR PROJECTS

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7411) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

The Clerk read the title of the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman from Texas explain the bill?

Mr. MANSFIELD. I may state, Mr. Speaker, that the river and harbor bill recently passed by the House has been sidetracked in the Senate. Senator BAILEY introduced in the Senate a bill similar to the pending bill, and at his suggestion I introduced this bill in the House. It provides for the clarification of some of the matters that were embraced in the other bill, but does not authorize the expenditure of funds from the Federal Treasury, except nominal sums for preliminary examinations.

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

Mr. MANSFIELD. Gladly.

Mr. RANKIN. Let me say to the chairman of the Committee on Rivers and Harbors that this bill cannot become a law at this session of Congress. The bill introduced by Senator BAILEY was referred to the Senate Committee on Commerce. That committee met and discussed it and came to the very definite conclusion that they did not want to pass that bill because it eliminated, so to speak, a large number of projects in the other bill.

Mr. MANSFIELD. The gentleman is entirely mistaken.

Mr. RANKIN. So this bill was reported out. I am not going to object, but I want to serve notice that if this bill passes the House it will not pass the other body at this session of Congress.

Mr. MANSFIELD. This bill has not been opposed by the Committee on Commerce of the Senate. The original river and harbor bill was postponed until January by a majority vote of the Commerce Committee.

Mr. RANKIN. But I understand that this very proposition was taken up by the chairman of the Senate Commerce Committee, Senator BAILEY, and it was the consensus of opinion of the Commerce Committee of the Senate that the entire matter should go over until January. So if this bill passed it would simply be held up in the Senate.

Mr. MANSFIELD. My information is entirely different from that of the gentleman.

Mr. RICH. Mr. Speaker, reserving the right to object, may I ask the gentleman from Texas how we are going to have a number of surveys made that will not cost anything? I have never seen the Government make a survey that did not cost something.

Mr. MANSFIELD. These are preliminary surveys.

Mr. RANKIN. Mr. Speaker, for the time being I shall object, until we can see what the Senate committee does about it. I object to the consideration of the bill at this time.

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

Mr. RANKIN. Mr. Speaker, I do not think this bill ought to be taken up in this way, at this time; therefore I object for the time being.

ENCOURAGING TRAVEL IN THE UNITED STATES

Mr. MARTIN of Colorado. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6884) to encourage travel in the United States, and for other purposes.

The Clerk read the title of the bill.

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

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. MARTIN of Colorado. Mr. Speaker, this is a bill to promote and encourage travel in the United States by people from foreign countries and has been unanimously reported by the House Committee on Interstate and Foreign Commerce. By legislation in 1935 the National Park Service was authorized to engage in certain of these activities in the way of collecting and disseminating information regarding our national parks and to encourage travel to them. It is desired to expand that service to take in all places and points of interest in the United States. Every country on the continent but the United States has what is known as a travel bureau. These countries held a conference in San Francisco in April, 21 American countries being officially represented by travel bureaus, and the United States was the only country that was not officially represented there.

Under this bill the National Park Service will collect, publish, and disseminate information with respect to places of interest, routes, transportation facilities, accommodations, and other matters advantageous for the purpose of developing travel from other countries to the United States. The Service may prepare graphic materials in foreign languages and encourage the use of American registered ships and planes. The existing facilities of the United States Government in foreign countries will be employed in the distribution of this material.

It is a startling fact that the balance of travel against this country is between four and five hundred million dollars a year. That is, Americans going from this country to other countries spend four to five hundred million dollars more every year as compared with the tourists and visitors from those countries to the United States, when, as a matter of fact, no country in the world equals this in its great natural attractions.

Mr. MURDOCK of Arizona. Will the gentleman yield?

Mr. MARTIN of Colorado. I yield to the gentleman from Arizona.

Mr. MURDOCK of Arizona. I wish to emphasize what the gentleman from Colorado has just said in this respect, that it is possible to name 50 spots in our Rocky Mountains which are worth traveling around the earth to see. More than one portion of the whole western highlands surpass anything that can be found in Switzerland. I have received hundreds of letters from chambers of commerce and civic bodies endorsing this legislation, and I sincerely trust that it will be enacted today.

Mr. MARTIN of Colorado. I thank the gentleman from Arizona for his contribution, and I may add that similar interest has been displayed in this legislation by such bodies all over the United States.

The introduction of this bill originally involved the creation of a separate bureau. Thanks to the carpenter work of the able and distinguished gentleman from New York [Mr. WADSWORTH], the bureau part of it was amputated from the bill and this bill merely means an expansion in

the National Park Service, plus an advisory committee of six to represent the Departments of State, Agriculture, Commerce, the Interstate Commerce Commission, the Civil Aeronautics Authority, and the United States Maritime Commission, appointed by the Secretary of the Interior but designated by the departments, and not to exceed six additional members to be appointed by the Secretary of the Interior, representative of the various sections of the Nation, including transportation and accommodation agencies. These gentleman will not draw any salary, although if called for an annual conference to Washington they would receive their expenses for coming here to confer.

Mr. RICH. Will the gentleman yield?

Mr. MARTIN of Colorado. I yield to the gentleman from Pennsylvania.

Mr. RICH. Every State now has an organization within the State that advertises that particular State and the beauties and glories of the roads, trails, and parks.

Mr. MARTIN of Colorado. About 40 of them have, but there is no coordination between the States. The hotels, the transportation lines, and various civic bodies are interested in this matter. It is felt it would be of immense value to the United States to have these activities coordinated and directed by the National Park Service.

Mr. RICH. The National Park Service now is advertising all the parks of the United States.

Mr. MARTIN of Colorado. That is limited to parks, but we have a lot of things in the United States that are not national parks, which are well worth seeing.

Mr. RICH. Every railroad in the country has its travel bureau that does a lot of advertising.

Mr. MARTIN of Colorado. But the gentleman can see that the more of them he mentions the greater is the need of coordination between them.

Mr. RICH. Where are you going to do this advertising—in America? Where are you going to get the money to operate it?

Mr. MARTIN of Colorado. We are going to do it in America and in foreign countries both.

Mr. RICH. The organization that was set up, which was cut out by the gentleman from New York, would cost how much? In other words, what is it going to cost to do this advertising of America when we already have all these bureaus and organizations now advertising America, American parks, and American scenery?

Mr. MARTIN of Colorado. I may say that the National Park Service is now spending about $70,000 a year on the activities that were authorized by an act of Congress in 1935. This will cost about $30,000 a year more, and will perform a vastly greater and more effective service, and will include many places of great interest that are not within the national parks.

Mr. WADSWORTH. Will the gentleman yield?

Mr. MARTIN of Colorado. I yield to the gentleman from New York.

Mr. WADSWORTH. May I call the attention of the gentleman from Pennsylvania [Mr. RICH] to the fact that every nation or nearly every nation on the face of the globe advertises its attractions and its beauties. They do this by governmental action. For example, the Government at Ottawa, Canada, appropriates $300,000 a year to attract tourists to Canada and the sum of $280,000,000 was spent by American tourists in Canada last year. The purpose of this centralization or coordination is to put the proper material in the hands of our embassies and our legations in foreign countries, so that the foreigner who may be contemplating taking a vacation tour may be attracted to the United States. This material has to be translated into his language. It is the purpose of the Park Service to arrange the translating and coordination of all this information. Most of it will come from the States to this organization in Washington. The State of New York, for example, spends $200,000 a year on this very thing. Other States do likewise.

Mr. RICH. The point I make in reference to this bill is that the State of New York is spending $200,000, the State of New Mexico, the State of Colorado, the State of Maine, the State of Pennsylvania, and all these States are spending a large amount of money. We are going to duplicate the work that is being done by those States. We duplicate the cost, and where are you going to get the money?

Mr. WADSWORTH. Not at all. That is where the gentleman is mistaken. It is to gather in all that information and make it available, not only to the whole of the United States, but to Europe and South America.

Mr. MARTIN of Colorado. May I say to the gentleman that there are 57 countries that have over 350 agencies in this country working to get our people and their money to come to their countries, but we have no organization seeking to bring any of the tourist trade here. The consequence is that we are practically $500,000,000 in the red annually on national tourist travel.

Mr. RICH. Five hundred million dollars in the red? Does the gentleman know that you went $3,500,000,000 in the red this last year and you will go $4,500,000,000 in the red this year; yet you come in here with bill after bill after bill duplicating the work that we are doing in this country. It seems to me it is about time you stopped it.

Mr. MARTIN of Colorado. No; we are going to get some of those hundreds of millions of dollars back, under this bill, at an added cost of only $30,000.

Mr. Speaker, the following letter from Secretary Ickes summarizes the existing situation with regard to foreign travel to this country and the great need for this legislation. While the letter was written with regard to H. R. 5412, the predecessor of the pending bill, the only material change made is the elimination of a separate bureau, and the vesting of jurisdiction of the activity in the National Park Service, as I stated earlier in my remarks. The letter of the Secretary reads as follows:

THE SECRETARY OF THE INTERIOR,
Washington, June 13, 1939.

Hon. JOHN A. MARTIN,
Member of Congress, Washington, D. C.

MY DEAR CONGRESSMAN MARTIN: The bill to encourage travel to and within the United States, concerning which I telephoned you recently, would establish for our Government what every other advanced nation in the world already has.

While the Department of the Interior administers a travel bureau that was the natural outgrowth of the National Park Service, it lacks the coordinating function that is essential to the full utilization of such an agency. The proposed legislation, embodied in H. R. 5412, if enacted, would remedy this deficiency.

The measure now before the Congress would permit the broad expansion of the activities of the Government in the further development of a great industry. The United States now has an adverse travel trade balance in excess of $500,000,000 annually. The tide of travel out of the United States, particularly through Europe, Canada, and, more recently, the countries of Latin America, has increased enormously during the last few decades. Other nations realize this, and, through their own nationally established travel bureaus, have sought systematically to attract as large a share of this lucrative business as they can contrive. We alone seem to have been backward in this respect.

We had recently a graphic instance of how other governments regard the work of their travel bureaus. This was at the inter-American Travel Congress recently held in San Francisco, where the delegates of the United States met the travel representatives of the 20 other American republics and the Dominion of Canada. Each of these nations and the Canadian Commonwealth has already established official travel bureaus. Our country was the only one not reporting an officially accredited travel agency. Apparently all others are keenly alive to the development of travel as a great national industry yielding consistently increasing revenues.

A particularly striking instance is furnished by Canada, which appropriates around $300,000 annually for the maintenance of the Canadian Travel Bureau. Largely as a result of the promotional activities of this bureau, an average of 17,000,000 Americans visit Canada each year and spend in the Dominion more than $280,000,000. Canada is a nation of only 12,000,000 people, and while its scenic areas are beautiful, their extent and diversity are not comparable to our own.

It seems unquestionable that to leave this subject to the States, acting alone, will always fall badly short of the need. A number of them have their own travel agencies, supported by State funds, but not unnaturally these devote themselves to their own local facilities and attractions. There is no agency at present that synchronizes, coordinates, and cooperates with these various States and private agencies. The object of this proposed legislation is not

to substitute for these existing agencies but to cooperate with and extend their useful functions by making them universally available to the traveling public. The argument for exploiting the travel resources of any one of the States applies, with cumulatively greater force, to the present proposal for the establishment of an official Federal bureau that would act not only as a clearing house of information between the States but as the principal coordinating agency for assembling and spreading information of our travel resources as a whole Nation.

The legislation to implement all this is inherent in the present bill, H. R. 5412, a copy of which is attached. It calls for an appropriation of only $100,000 for the first year of operation. The nucleus of organization necessary already exists and is functioning efficiently. The whole project is practical and realistic. For an appropriation far less than that of many smaller governments, it promises rich, realizable returns. It is sound economics to give to our travel industry the full encouragement and assistance of our Government.

This proposed legislation has been approved by the President, the Budget, the State, Agriculture, and Interior Departments, by the Maritime Commission and the Civil Aeronautics Authority. It has a favorable report from the Budget Bureau.

This legislation also has approval of many local, private, as well as State groups, interested in travel development. We have spent much for the development of our commerce. Under the methods proposed by this bill, we can, judging by the results obtained by other nations, reap large dividends from this moderate investment in travel advancement.

Sincerely yours,

HAROLD L. ICKES,
Secretary of the Interior.

The SPEAKER. Is there objection to the request of the gentleman from Colorado [Mr. MARTIN]?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed, through the National Park Service, to encourage, promote, and develop travel within the United States, its Territories and possessions, providing such activities do not compete with the activities of private agencies; and to administer all existing travel-promotion functions of the Department of the Interior through such Service.

SEC. 2. In carrying out the purposes of this act, the Secretary is authorized to cooperate with public and private tourist, travel, and other agencies in the display of exhibits, and in the collection, publication, and dissemination of information with respect to places of interest, routes, transportation facilities, accommodations, and such other matters as he deems advisable and advantageous for the purpose of encouraging, promoting, or developing such travel. Nothing in this act shall prohibit the preparation of graphic materials in foreign languages, designed to call attention to the attractions and places of interest in the United States and to encourage the use of American registered ships and planes. The existing facilities of the United States Government in foreign countries are hereby authorized to assist in the distribution of this material. The Secretary may enter into contracts with private publishers for such printing and binding as he may deem advisable in carrying out the purposes of this act. The Secretary is also authorized to make charges for any publications made available to the public pursuant to this act; and any proceeds from the sale of publications produced by the expenditure of contributed funds shall continue to be available for printing and binding as aforesaid.

SEC. 3. The Secretary of the Interior is authorized to create an advisory committee to consist of a representative from each of the Departments of State, Agriculture, and Commerce, the Civil Aeronautics Authority, and the United States Maritime Commission, as may be designated by such Departments or agencies, respectively, and such additional members, representatives of the various sections of the Nation, including transportation and accommodations agencies, not to exceed six members, to be appointed by the Secretary of the Interior to serve at his pleasure. Meetings of the Board shall be held at the request of the Secretary for the purpose of making recommendations concerning the promotion of tourist travel under the provisions of this act. The members of the Board shall receive no compensation for their services as members, but shall be entitled to reimbursement for such necessary travel and other expenses in connection with their attendance at Board meetings as may be authorized or approved by the Secretary.

SEC. 4. In the performance of his functions and duties under the provisions of this act, the Secretary of the Interior is authorized—

(a) To prescribe, amend, and repeal such rules and regulations as he may deem necessary, and to accept contributions for carrying out the purposes of this act; and

(b) To employ without regard to the civil-service laws, but subject to the Classification Act of 1923, as amended, one special assistant and not to exceed five artists and illustrators.

SEC. 5. There is authorized to be appropriated annually not to exceed the sum of $100,000 to carry out the provisions of this act.

With the following committee amendments:

Page 2, line 32, following "merce" and after the comma insert "the Interstate Commerce Commission."

Page 3, line 6, strike out "Board" and insert "committee."
Page 3, line 10, strike out "Board" and insert "committee."
Page 3, line 13, strike out "Board" and insert "committee."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DEVILS DEN SPRINGS, DECATUR COUNTY, GA.

Mr. COX. Mr. Speaker, I ask unanimous consent to return to Calendar No. 455 on the Consent Calendar the bill (H. R. 4040) declaring Devils Den Springs, in Decatur County, Ga., to be nonnavigable for immediate consideration.

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

Mr. GEYER of California. Reserving the right to object, Mr. Speaker, may we have an explanation of this bill?

Mr. COX. Mr. Speaker, this bill concerns a stream that rises in a spring near the banks of the Flint River. The entire body of water is not more than half as large as this Capitol. Where the spring runs into the Flint River the stream is about 8 to 10 feet wide, or was the last time I saw it. It is not deep enough to accommodate an ordinary skiff that carries the usual kicker. I have been there many times, and in order to get in we ordinarily have to push our little flatboat into the mouth of the stream. The stream runs back in the forest and winds around for some three or four hundred yards, but altogether the entire body of water is not more than half as large as the ground on which this Capitol rests. The stream could not be navigable in the sense that the word is understood for any purpose in the world.

Mr. MARTIN of Massachusetts. If the gentleman will yield, is the fishing good in that creek?

Mr. COX. Yes; it is good.

Mr. GEYER of California. What is the object of having an act of Congress to declare the stream nonnavigable? Why is that necessary?

Mr. COX. That is to keep out people, very frankly, who come in from many miles away and bring their little boats in there and dynamite the stream and destroy the fish. This is for the purpose of keeping such persons out. Arrangements have been made or will be made for anybody in the neighborhood wishing to fish in the stream to enjoy that privilege. The man who owns it has no purpose in the world of denying the public the pleasure of using the stream for fishing purposes, and this bill is to protect it against those persons who come in in the nighttime and dynamite the waters; and that is all.

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

Mr. GEYER of California. I object, Mr. Speaker.

CITY OF PIERRE, S. DAK.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6446) amending section 4 of the act entitled "An act to authorize the city of Pierre, S. Dak., to construct, equip, maintain, and operate on Farm Island, S. Dak., certain amusement and recreational facilities; to charge for the use thereof; and for other purposes."

The SPEAKER. Is this a bill that was on the Consent Calendar for consideration?

Mr. MUNDT. Yes, Mr. Speaker; it was Calendar No. 471.

The SPEAKER. Was it eligible for call on the calendar today.

Mr. MUNDT. No.

The SPEAKER. The Clerk will report the title of the bill.

The Clerk read the title of the bill.

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

Mr. SCHULTE. I object, Mr. Speaker.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one

of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On July 27, 1939:

H. R. 161. An act to amend section 73 of the Hawaiian Organic Act, approved April 30, 1900, as amended;

H. R. 2413. An act for the protection of the water supply of the city of Ketchikan, Alaska;

H. R. 2903. An act for the relief of Virginia Guthrie, Jake C. Aaron, and Thomas W. Carter, Jr.;

H. R. 3796. An act to extend the period of restrictions on lands of the Quapaw Indians, Oklahoma, and for other purposes;

H. R. 4646. An act to provide means by which certain Filipinos can emigrate from the United States;

H. R. 4762. An act for the relief of William S. Huntley; and

H. R. 6870. An act to grant to the Commonwealth of Massachusetts a retrocession of jurisdiction over the General Clarence R. Edwards Memorial Bridge, bridging Watershops Pond of the Springfield Armory Military Reservation in the city of Springfield, Mass.

On July 28, 1939 (9:45 a. m., E. S. T.):

H. R. 5407. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto.

PRIVATE CALENDAR

The SPEAKER. The Clerk will call the Private Calendar.

Mr. RICH. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and forty-seven Members are present, a quorum.

GDYNIA AMERICA LINE, INC.

The Clerk called the first individual bill on the Private Calendar, H. R. 3087, for the relief of Gdynia America Line, Inc., of New York City, N. Y.

Mr. COSTELLO and Mr. HANCOCK objected and, under the rule, the bill was recommitted to the Committee on Claims.

FRANCISCO R. ACOSTA

The Clerk called the next bill, H. R. 3477, for the relief of Francisco R. Acosta.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Francisco R. Acosta, master sergeant, Medical Department, United States Army, the sum of $1,060.95, in full and final settlement of all claims against the United States for loss of personal property in a fire which occurred in quarters No. 52-B, hospital steward's quarters, Fort Sheridan, Ill., on November 4, 1936.

With the following committee amendments:

Line 7, strike out the figures "$1,060.95" and insert in lieu thereof "$822.45."

At the end of the bill add: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIJO M'MILLAN WILLIAMS

The Clerk called the next bill, H. R. 3927, for the relief of Marijo McMillan Williams.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Marijo McMillan Williams, an employee of the Bureau of Engineering, Department of the Navy, is hereby released from any liability to the United States by reason of being carried on the pay roll in two positions, that of postmaster at Sycamore, Ga., and as a clerk in the Macon, Ga., post office during the period August 24, 1924, to March 31, 1925. The Acting Comptroller General of the United States has certified that the sum of $868.01 is due the United States from the said Marijo McMillan Williams under the statute relating to the receiving of more than one salary.

SEC. 2. That the Secretary of the Treasury be, and he is hereby, directed to refund to Marijo McMillan Williams any amount she shall have refunded to the United States prior to the passage of this act.

SEC. 3. There is hereby authorized to be appropriated, to be paid out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the purposes of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARY FORTUNE

The Clerk called the next bill, H. R. 4027, for the relief of Mary Fortune.

Mr. COSTELLO and Mr. HALLECK objected; and, under the rule, the bill was recommitted to the Committee on Claims.

W. C. AND JAMES LATANE

The Clerk called the next bill, H. R. 4115, for the relief of W. C. and James Latane.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to W. C. Latane and James Latane, of Westmoreland County, Va., the sum of $2,267.50, due the said W. C. Latane and James Latane because of the loss of cattle and horses by death in November 1937 from arsenic poisoning as a result of Japanese beetle control operations at George Washington Birthplace National Monument in September 1937.

With the following committee amendments:

Line 7, after the figures "$2,267.50", strike out "due the said W. C. Latane and James Latane" and insert in lieu thereof "and to Willie Johnson, of Westmoreland County, Va., the sum of $387.50, in full settlement of all claims against the United States."

Line 11, after the word "Monument", insert "in the State of Virginia."

At the end of the bill add "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of W. C. and James Latane and Willie Johnson."

WARREN ZIMMERMAN

The Clerk called the next bill, H. R. 4126, for the relief of Warren Zimmerman.

Mr. COSTELLO. Mr. Speaker, I object.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to Warren Zimmerman the sum of $877.09, in full settlement for losses sustained because of the failure of the postmaster and postal employees at Lawrence, Kans., to handle mail deposited in that post office in accordance with the understanding and agreement made with this patron.

With the following committee amendments:

Line 6, after the name "Zimmerman", insert "of Lawrence, Kans."

Line 6, after the word "settlement", insert "of all claims against the United States."

At the end of the bill add "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GUSTAV SCHMIDT

The Clerk called the next bill, H. R. 4292, for the relief of Gustav Schmidt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, in full settlement against the Government, the sum of $7,633.50 to Gustav Schmidt, of South San Francisco, Calif., on account of injuries sustained on July 24, 1926, when struck by a United States Army touring car.

With the following committee amendments:

Line 5, after the word "settlement", insert "of all claims."

Line 6, strike out the word "Government" and insert in lieu thereof "United States."

Line 6, strike out the sign and figures "$7,633.50" and insert in lieu thereof "$2,500."

At the end of the bill add: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANCIS A. LEETE

The Clerk called the next bill, H. R. 4554, for the relief of Francis A. Leete.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay to Francis A. Leete, out of any money in the Treasury not otherwise appropriated, the sum of $4,000, in full satisfaction of his claim against the United States arising from personal injuries sustained by him when he was struck by a Government ambulance, operated in connection with the Civilian Conservation Corps, on Riverdale Street at West Springfield, Mass., on January 26, 1935: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Line 4, after the name "Leete", insert "and Sarah Leete, of Northville, Fulton County, N. Y."

Line 5, change the word "sum" to "sums."

Line 5, strike out the sign and figures "$4,000" and insert in lieu thereof "$2,500 and $1,000, respectively."

Line 6, strike out the words "his claim" and insert in lieu thereof "their claims."

Line 7, strike out the words "by him."

Line 7, strike out the word "he" and insert in lieu thereof "the car in which they were riding."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Francis A. Leete and Mrs. Sarah Leete."

LETTIE LEVERETT

The Clerk called the bill (H. R. 4608) for the relief of Lettie Leverett.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lettie Leverett, of Elgin, Okla., the widow and legal representative of the late Silas Leverett, the sum of $5,000 in full settlement of all claims against the United States arising out of the death of Silas Leverett, on August 22, 1930, while engaged in fighting fire on the Fort Sill Military Reservation, Okla., in obedience to, and under the supervision of, officers of the National Guard of Oklahoma. The deceased was burned to death through the negligence of such officers in ordering and bringing the deceased into a position of extreme danger to life without due precaution for the safety to the deceased, and through the negligent operation of a Government truck on which the deceased was riding, and which was being operated by an enlisted man of the United States Army under orders of such officers: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 7, after the word "Provided", strike out the rest of the bill and insert in lieu thereof the following: "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

Mr. COSTELLO. Mr. Speaker, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 1, line 7, strike out "$5,000" and insert "$3,000."

The amendment was agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

BORG-WARNER CORPORATION

The Clerk called the bill (S. 755) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Borg-Warner Corporation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims to hear, determine, and render judgment in such amount as it deems may be equitably due, notwithstanding the lapse of time, or any statute of limitation, or any limitation upon the jurisdiction of such court with respect to claims upon any contract implied in law, upon the claim of the Borg-Warner Corporation, in its own right and as successors to the Marvel Carbureter Co. (formerly a wholly owned subsidiary of the Borg-Warner Corporation), against the United States in connection with the development of fuel-injection systems for use on military aircraft: *Provided, however*, That such damages shall not exceed the actual moneys expended by the said Borg-Warner Corporation and the Marvel Carbureter Co. in connection with this said development during the calendar years 1927 to 1936, inclusive.

SEC. 2. Such claim shall be instituted by or on behalf of the Borg-Warner Corporation within 1 year after the date of the enactment of this act. Proceedings in any suit before the Court of Claims under this act, and review thereof and payment of any judgment therein, shall be had as in the case of claims over which such court has jurisdiction under section 145 of the Judicial Code, as amended.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

SIGVARD C. FORO

The Clerk called the bill (S. 1092) for the relief of Sigvard C. Foro.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money appropriated or allocated for the maintenance and operation of the Civilian Conservation Corps, to Sigvard C. Foro, of Duluth, Minn., the sum of $3,621.75, in full satisfaction of his claim against the United States for personal injuries and property damages sustained by him when his car was struck by a Civilian Conservation Corps truck on Highway No. 61 at Palmer, Minn., on August 5, 1937: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with such claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating the

provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 4, after the word "money", strike out "appropriated or allocated for the maintenance and operation of the Civilian Conservation Corps" and insert in lieu thereof "in the Treasury not otherwise appropriated."

Page 2, strike out lines 2 to 13, inclusive, and insert "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

Mr. COSTELLO. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 1, line 8, strike out "$3,621.75" and insert in lieu thereof "$2,500."

The amendment was agreed to, and the bill, as amended, was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LESLIE J. FRANE AND CHARLES FRANE

The Clerk called the bill (S. 2067) for the relief of Leslie J. Frane and Charles Frane.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Leslie J. Frane, of Fort Wayne, Ind., the sum of $1,948.50, and to Charles Frane, the sum of $3,995.25, in full settlement of all their claims against the United States for injuries and expenses incurred by Leslie J. Frane, and for the death of Mrs. Charles Frane, when the car in which they were traveling was struck by a Works Progress Administration truck on September 13, 1938: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GUY F. ALLEN

The Clerk called the bill (S. 2179) for the relief of Guy F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to allow credit in the June 1937 and July 1938 accounts of Guy F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department, without charge against the certifying officer of the Department of the Interior, for the following vouchers covering the purchase of tents and canvas: Voucher 13-85798, $65; voucher 13-86963, $73.75; voucher 13-87591, $784.25; voucher 13-87592, $366.02; voucher 13-8340, $40.75.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

DOROTHY CLAIR, G. F. ALLEN, AND EARL WOOLDRIDGE

The Clerk called the bill (S. 2239) for the relief of Dorothy Clair, G. F. Allen, and Earl Wooldridge.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to allow credit to Dorothy Clair, a former employee of the Rocky Boy Indian Agency at Rocky Boy, Mont., and to allow credit in the accounts of G. F. Allen, chief disbursing officer, and Earl Wooldridge, formerly superintendent and certifying officer of that agency, for the amount of $127.28, representing per diem and travel expenses paid to said Dorothy Clair for the period August 19, 1937, to September 10, 1937, inclusive.

With the following committee amendment:

Line 5, strike out the word "Boy" and insert the word "Boy's."

The amendment was agreed to, and the bill as amended was ordered read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

LEONHARD STEJNEGER

The Clerk called the bill (H. R. 6678) to authorize Leonhard Stejneger, of the United States National Museum, to accept certain decoration from the Norwegian Government.

The SPEAKER. Is there objection?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that a similar Senate bill (S. 2526) of similar title, be substituted for the House bill.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the Senate bill as follows:

Be it enacted, etc., That Leonhard Stejneger, of the United States National Museum, be authorized to accept and wear the decoration of Commander of the Royal Norwegian Order of St. Olav, tendered him by the Norwegian Government in recognition of his scientific work, and further that the Department of State be authorized to deliver said decoration to the said Leonhard Stejneger.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

A House bill (H. R. 6678) was ordered to lie on the table. table.

JEANETTE W. MOFFETT

The Clerk called the bill (H. R. 2253) granting an increase of pension to Jeanette W. Moffett.

Mr. HALLECK and Mr. HANCOCK objected, and the bill was recommitted to the Committee on Pensions.

HARVEY T. WILSON

The Clerk called the next bill, H. R. 1554, for the relief of Harvey T. Wilson.

The SPEAKER. Is there objection?

Mr. HALLECK and Mr. COSTELLO objected, and the bill, under the rule, was recommitted to the Committee on Claims.

ESTATE OF K. J. FOSS

The Clerk called the next bill, H. R. 1843, for the relief of the estate of K. J. Foss.

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

Mr. COSTELLO. I object, Mr. Speaker.

The SPEAKER. Two objections are required. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of K. J. Foss, of Houston, Minn., the sum of $4,060 in full settlement of all claims against the United States for damages to a building as the result of a fire caused by defective wiring in a truck owned by the Soil Conservation Service, Department of Agriculture, and parked in said building.

With the following committee amendments:

Page 1, line 6, strike out "$4,060" and insert $233.04";

Line 11, after the word "building" insert the following: "on November 12, 1935: *Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TOM KELLY

The Clerk called the next bill, H. R. 2041, for the relief of Tom Kelly.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $20,000 to Tom

Kelly, in full satisfaction of the claim of said Tom Kelly for serious and permanent injuries received in an automobile collision with a Government Civilian Conservation Corps truck on the highway between Tulsa and Skedee, Okla., on September 24, 1934.

With the following committee amendments:

Page 1, line 5, strike out "$20,000" and insert "$6,270."

Page 1, line 6, after the word "Kelly", insert "of Skedee, Okla."

Page 1, line 7, after the word "of" strike out "the claim of said Tom Kelly" and insert "all claims against the United States."

Page 1, line 99, after "1934" insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LUCILE SNIDER AND CLIFF SNIDER, JR.

The Clerk called the next bill, H. R. 2096, for the relief of Lucile Snider and Cliff Snider, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lucile Snider, of Smithville, Ga., the sum of $5,000, and to Cliff Snider, Jr., the sum of $5,000, in full satisfaction of all their claims against the United States for the death of their father, Cliff Snider, who was killed when the automobile in which he was a passenger was struck by a Civilian Conservation Corps truck driven by an enrollee, Joe Holder, on the Americus-Andersonville Highway, about 8 miles north of Americus, Ga., on October 25, 1936.

With the following committee amendments:

Page 1, line 6, strike out "$5,000" and insert "$1,000."

Page 1, line 7, strike out "$5,000" and insert "$1,000."

Page 2, after the figures in line 1, insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANK MALLES, JR.

The Clerk called the next bill, H. R. 2250, for the relief of Frank Malles, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Frank Malles, Jr., of Chicago, Ill., the sum of $5,000. The payment of such sum shall be in full settlement of all claims against the United States on account of injuries received by the said Frank Malles, Jr., on March 7, 1935, when struck by a United States mail truck, at the time driven by Harry Vogt, a United States post-office employee assigned to the Chicago Post Office, who at the time was on duty and engaged in his regular duties as an employee, United States Postal Service: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person or persons violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, after the word "to", insert "the legal guardian of."

The committee amendment was agreed to.

Committee amendment: Page 1, line 7, strike out "$5,000" and insert "$2,500."

Mr. COSTELLO. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO to the committee amendment: Page 1, line 7, strike out "$2,500" and insert "$500."

The amendment to the amendment was agreed to.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTATE OF HARVEY T. COMBS

The Clerk called the next bill, H. R. 2363, for the relief of the estate of Harvey T. Combs.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Clarence D. Combs, Zanesville, Ohio, administrator of the estate of Harvey T. Combs, deceased, the sum of $10,000. The payment of such sum shall be in full settlement of all claims against the United States for the wrongful death of the said Harvey T. Combs as a result of being struck on March 27, 1937, at the intersection of Amelia Street and Jackson Street in Zanesville, Ohio, by a motor vehicle in the service of the Post Office Department.

With the following committee amendments:

Page 1, line 7, strike out "$10,000" and insert "$2,500";

Page 2, line 1, after the word "Department", insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HELEN LOUISE GILES

The Clerk called the next bill, H. R. 3109, for the relief of Helen Louise Giles.

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

Mr. HALLECK and Mr. COSTELLO objected, and the bill, under the rule, was recommitted to the Committee on Claims.

ANNA E. HURLEY

The Clerk called the next bill, H. R. 3156, for the relief of Anna E. Hurley.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any moneys in the Treasury of the United States not otherwise appropriated, to Anna E. Hurley, the sum of $2,046.11, in full settlement for damages to real and personal property, not reimbursed by insurance, and for extra expenses thereby necessitated, when, on or about January 8, 1938, an airplane belonging to and operated by persons attached to the Naval Reserve aviation base at Kansas City, Kans., after failing and being abandoned in midair, crashed into the residence at 1121 Stewart Avenue, Kansas City, Kans.

With the following committee amendments:

Page 1, line 6, after the word "Hurley", insert "of Kansas City, Kans.";

Page 1, line 7, strike out "$2,046.11" and insert "$1,646.11";

Page 1, line 7, after the word "settlement", insert "of all claims against the United States";

Page 2, after the word "Kansas", insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMERICAN INSURANCE CO. OF NEW JERSEY

The Clerk called the next bill, H. R. 3363, for the relief of the American Insurance Co. of New Jersey.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay the American Insurance Co. of New Jersey, subrogated to the rights of one Anna E. Hurley, who is the owner in fee simple of real estate and a residence situated thereon located in Kansas City, Wyandotte County, Kans., out of any money in the Treasury not otherwise appropriated, the sum of $1,300, in full settlement of all claims against the Government of the United States for loss and damages sustained to the property of Anna E. Hurley, which loss and damages was occasioned to the American Insurance Co. of New Jersey by the payment of a claim by said company to Anna E. Hurley, its insured, under a policy of insurance issued by said American Insurance Co. of New Jersey to Anna E. Hurley to indemnify her against property loss occasioned to her residence which resulted from an airplane owned and operated by the United States Naval Reserve Corps striking and passing through said residence of the insured on January 8, 1938, resulting in damages and property loss to said residence without any fault or negligence on the part of Anna E. Hurley, and which loss became the legal obligation of this claimant, the American Insurance Co. of New Jersey, under its contract of indemnity with Anna E. Hurley, and that because of said payment this claimant has by assignment been subrogated to the rights of Anna E. Hurley: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 10, after the word "against" strike out the words "the Government of";

Page 2, line 2, strike out the word "was" and insert the word "were."

Page 2, beginning in line 18, strike out down through and including line 4, on page 3 and insert the following: "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HARRY VROUNTAS

The Clerk called the next bill, H. R. 4275, for the relief of Harry Vrountas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Harry Vrountas, the sum of $5,000 in full settlement of all claims against the Government for injuries sustained by his minor son, Theodore Vrountas, when struck by a pipe being used on a Works Progress Administration project on May 3, 1938, in Boston, Mass.

With the following committee amendments:

Line 5, after the name "Vrountas", insert "of Allston, Mass."

Line 6, strike out the sign and figures "$5,000" and insert in lieu thereof "$433 and to the legal guardian of Theodore Vrountas, a minor, of Allston, Mass., the sum of $300."

Line 7, strike out the word "Government" and insert in lieu thereof "United States."

Line 7, strike out the words "his minor son" and insert in lieu thereof "the said."

At the end of the bill add: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Harry Vrountas and Theodore Vrountas."

BYRON MACDONALD

The Clerk called the next bill, H. R. 4482, for the relief of Byron MacDonald.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Byron MacDonald, of Malden, Mass., the sum of $10,000. The payment of such sum shall be in full settlement of all claims of the said Byron MacDonald against the United States for the death of his minor son, Richard MacDonald, on July 21, 1937, when he was struck down and killed by a truck, the property of the United States, in the service of the Civilian Conservation Corps, on the truck trail on Breakheart Reservation, Saugus, Mass.

With the following committee amendments:

Line 6, strike out the sign and figures "$10,000" and insert in lieu thereof "$2,500."

At the end of the bill add ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN L. MORKOVSKY ET AL.

The Clerk called the next bill, H. R. 4813, for the relief of John L. Morkovsky, and the estates of Marie R. Morkovsky and Alphons Morkovsky, both deceased.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John L. Morkovsky, of Weimar, Tex., the sum of $5,000; to the administrator of the estate of Marie R. Morkovsky, deceased, formerly of Hallettsville, Tex., the sum of $5,000; and to the administrator of the estate of Alphons Morkovsky, deceased, formerly of Hallettsville, Tex., the sum of $5,000, in full satisfaction of all claims against the United States for personal injuries sustained by John L. Morkovsky, and for the deaths of Marie R. Morkovsky and Alphons Morkovsky, which resulted from a collision between the automobile in which they were passengers and a United States Army truck, on November 9, 1937, near Luling, Tex.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Lines 5 and 6, strike out the language "to John L. Morkovsky, of Weimar, Tex., the sum of $5,000."

Line 8, strike out the sign and figures "5,000" and insert in lieu thereof "$500."

Lines 11, on page 1, and 1, on page 2, strike out the language "personal injuries sustained by John L. Morkovsky, and for."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended, so as to read: "A bill for the relief of the estates of Marie R. Morkovsky and Alphons Morkovsky, both deceased."

CARYL BURBANK ET AL.

The Clerk called the next bill, H. R. 5350, for the relief of Caryl Burbank, Preston A. Stanford, and Fire Association of Philadelphia.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $197.30

to Caryl Burbank, of Washington, D. C.; the sum of $55 to Preston A. Stanford, of Washington, D. C.; and the sum of $253.79 to the Fire Association of Philadelphia, of Philadelphia, Pa., in full settlement of their claims against the United States for property damages occasioned on October 3, 1938, in the city of Washington, D. C., when an automobile in which an injured Works Progress Administration employee was being transported to a hospital collided with an automobile owned and operated by Preston A. Stanford, and insured by the Fire Association of Philadelphia, causing it, in turn, to strike an automobile owned and operated by Caryl Burbank: *Provided*, That, as a condition precedent to the payments directed herein, each claimant shall execute an instrument releasing William A. Farr, owner and operator of the vehicle transporting the injured Works Progress Administration employee, from liability for damages occasioned to their respective automobiles and other property: *Provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN E. GARRETT

The Clerk called the next bill, H. R. 5894, for the relief of John E. Garrett.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit the accounts of John E. Garrett, postmaster at Dwight, Ill., with the sum of $12,223.04, representing the amount of money and postage stamps lost in the burglary of the post office at Dwight, Ill., on November 9, 1937, such loss having resulted from no fault or negligence on the part of said postmaster, as determined by the Postmaster General under a provision in title 39, United States Code, section 49.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES D. LARRY, SR.

The Clerk called the next bill, H. R. 5895, for the relief of James D. Larry, Sr.

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit the accounts of James D. Larry, Sr., postmaster at Melrose Park, Ill., with the sum of $10,314.79, representing the amount of public funds and stamp stock lost in the burglary of the post office at Melrose Park, Ill., on April 21, 1937, such loss having resulted from no fault or negligence on the part of said postmaster, as determined by the Postmaster General under a provision in title 39, United States Code, section 49.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

J. C. GRICE

The Clerk called the next bill, S. 891, for the relief of J. C. Grice.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to J. C. Grice, of Whittier, N. C., the sum of $201.15, in full satisfaction of his claim against the United States for mileage allowance for travel performed by means of his personally owned automobile during the period May 27, 1936, to January 8, 1938, while supervising certain construction projects for the Department of the Interior on the Cherokee Reservation at Cherokee, N. C.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Beginning with the word *"Provided"*, in line 12, strike out the remaining language of the bill and insert in lieu thereof: *"Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to:

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RENT-A-CAR CO.

The Clerk called the next bill, S. 1258, for the relief of the Rent-A-Car Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Rent-A-Car Co., of Memphis, Tenn., the sum of $144.80, in full satisfaction of its claim against the United States, for reimbursement of expenses incurred in repairing an automobile rented on November 14, 1933, by a special agent of the Department of Justice and damaged while being used by such person on official business: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent therof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Beginning with the word *"Provided"* in line 11, page 1, strike out the remaining language of the bill and insert in lieu thereof *"Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GRACE S. TAYLOR

The Clerk called the next bill, S. 1339, for the relief of Grace S. Taylor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Grace S. Taylor, Kensington, Md., the sum of $100. The payment of such sum shall be in full settlement of all claims against the United States on account of personal injuries sustained by the said Grace S. Taylor when the automobile which she was driving was struck, on March 12, 1937, in Washington, D. C., by an automobile owned by the Veterans' Administration and operated by an employee of such department: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEGAL GUARDIAN OF DOROTHY ELIZABETH SISSON, MINOR

The Clerk called the next bill, S. 1430, for the relief of the legal guardian of Dorothy Elizabeth Sisson, a minor.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of Dorothy Elizabeth Sisson, a minor, of Memphis, Tenn., the sum of

$1,230. The payment of such sum shall be in full settlement of all claims or judgments against the United States, or J. H. Rochester, of Memphis, Tenn., on account of personal injuries received by said Dorothy Elizabeth Sisson when struck, on March 19, 1935, in Memphis, Tenn., by a United States mail truck: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH W. PARSE

The Clerk called the next bill, S. 1688, for the relief of Joseph W. Parse.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to settle and allow the claim of Joseph W. Parse for compensation for services rendered as United States Commissioner in the eastern district of Arkansas from December 1, 1933, to November 30, 1936, inclusive, notwithstanding the fact that accounts therefor were not submitted by the Commissioner within 1 year after the rendition of such services in accordance with the provisions of the act of March 1, 1933 (47 Stat. 1383).

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

CLARENDON DAVIS

The Clerk called the next bill, H. R. 4062, for the relief of Clarendon Davis.

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

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Clarendon Davis, of Camilla, Ga., the sum of $680 for war-savings certificates which were registered and lost and for which the Treasury Department declines to pay, for the reason that the evidence submitted, while showing registration, does not show that the certificates were actually delivered to purchaser by postmaster.

With the following committee amendment:

Page 1, line 6, strike out "$680" and insert "$300."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

HARRY W. LYLE

The Clerk called the next bill, H. R. 5115, for the relief of Harry W. Lyle.

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

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Harry W. Lyle, Johnson City, Tenn., the amount required to reimburse him for services rendered as clerk to the Medical Advisory Board, No. 37, from February 1, 1918, to September 21, 1918, at the rate of $100 per month with interest.

With the following committee amendment:

Page 1, line 9, after "1918", strike out "at the rate of $100 per month with interest" and insert "in the sum of $586.52 in full settlement of all claims against the United States, both principal and interest."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. VIRGIE B. WEAVER

The Clerk called the next bill, H. R. 5515, for the relief of Mrs. Virgie B. Weaver.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, are hereby waived in favor of Mrs. Virgie B. Weaver, Waco, Tex., a former employee of the United States of America at Camp McArthur, Tex., and the United States Employees' Compensation Commission is authorized to receive and consider her claim, under the remaining provisions of said act, for injury and disability alleged to have been sustained in the latter part of 1917 or the early part of 1918 as a result of her employment in such capacity: *Provided,* That claim hereunder shall be filed within 90 days from the approval of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN AUGUST JOHNSON

The Clerk called the next bill, H. R. 6010, for the relief of John August Johnson.

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

Mr. COSTELLO. Mr. Speaker, I object.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Court of Claims of the United States be, and it is hereby, given jurisdiction to hear and determine the claim of John August Johnson, of Rockford, Ill., and to render judgment against the United States in his favor for such compensation and damage as may be found to be justly due, if any, as compensation and damage sustained by reason of the destruction by fire on October 4, 1923, of the dwelling house located on the farm lands of John August Johnson, situated near Camp Grant, Ill., while said farm lands were occupied by the War Department.

SEC. 2. Said claim shall not be considered as barred because of any existing statute of limitations with respect to suits against the United States: *Provided,* That suit is brought within 1 year of the approval of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

C. Z. BUSH AND W. D. KENNEDY

The Clerk called the next bill, H. R. 3481, for the relief of C. Z. Bush and W. D. Kennedy.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to C. Z. Bush, of Dawson, Ga., the sum of $10,000 for personal injuries sustained, and to W. D. Kennedy, of Dawson, Ga., the sum of $72.80 for property damage suffered, in full satisfaction of their claims against the United States, sustained when the automobile in which they were riding was struck by a National Park Service truck operated in connection with the Civilian Conservation Corps on the Dawson-Albany Highway, near Dawson, Ga., on August 12, 1937.

With the following committee amendments:

Page 1, line 6, strike out "$10,000" and insert "$3,500."

Page 2, line 2, insert a colon and the following: "*Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HEIRS OF JOHN CAULEY, DECEASED

The Clerk called the next bill, H. R. 3912, for the relief of the heirs of John Cauley, deceased.

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

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the heirs of John Cauley, deceased, the sum of $5,000. Such sum shall be in full settlement of all claims against the United States arising out of the wrongful death of John Cauley occasioned as a result of the negligence of Works Progress Administration employees in Faxon Township, county of Sibley, State of Minnesota, on the 17th day of June 1938.

With the following committee amendments:

Page 1, line 5, after the word "deceased", insert "formerly of Saxon, Minn."

Page 1, line 6, strike out "$5,000" and insert "$2,500."

Page 1, after line 11, insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MINA KEIL

The Clerk called the next bill, H. R. 5266, for the relief of Mina Keil.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mina Keil, of Muncie, Ind., the sum of $643.50. The payment of such sum shall be in full settlement of all claims against the United States on account of personal injuries sustained by the said Mina Keil when the automobile in which she was a passenger was struck, on October 13, 1936, near Stanford, Ind., by a truck owned by the Civilian Conservation Corps and operated by an employee of the Corps.

With the following committee amendments:

Page 1, line 6, strike out "$643.50" and insert "$500."

Page 1, after line 12, insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPHINE EMMER AND JOHN ECKENDORFF

The Clerk called the next bill, H. R. 5338, for the relief of Josephine Emmer, wife of and John Eckendorff.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Josephine Emmer, wife of John Eckendorff, and John Eckendorff, her husband, the sum of $2,097.98 in full settlement of all claims against the United States for injuries received by Josephine Emmer, wife of John Eckendorff, resulting from a motor-vehicle accident involving a Department of Agriculture vehicle in New Orleans, La., on May 28, 1938: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mr. and Mrs. John Eckendorff, of New Orleans, La., the sum of $500, and to Mr. and Mrs. Alexander G. Dorr, of New Orleans, La., the sum of $250. Said sums shall be in full settlement of all claims against the United States for injuries received by Mrs. John Eckendorff and Mrs. Alexander G. Dorr, and expenses incident thereto, resulting from a collision between the car in which they were riding and a truck in the service of the Department of Agriculture, in New Orleans, La., on May 28, 1938: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Mr. and Mrs. John Eckendorff, and Mr. and Mrs. Alexander G. Dorr."

H. A. DIXON

The Clerk called the next bill, H. R. 5383, for the relief of H. A. Dixon.

Mr. COSTELLO. I object, Mr. Speaker.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to H. A. Dixon, of Miami, Fla., the sum of $115.85, in full settlement of all claims against the United States for costumes and apparel furnished to the Works Progress Administration upon the order and direction of the Director of the Federal theater project of Miami, Fla., at Miami, Fla., on September 10, 1936: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary nothwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Line 10, strike out the small "t" and "p" in the words "theater project" and insert in lieu thereof a capital "T" and capital "P".

Beginning with the word "*Provided*" in line 11, page 1, strike out the remaining language of the bill and insert in lieu thereof: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARY COHEN BIENVENU

The Clerk called the joint resolution (S. J. Res. 72) readmitting Mary Cohen Bienvenu to citizenship.

Mr. MOTT and Mr. HANCOCK objected and, under the rule, the joint resolution was recommitted to the Committee on Immigration and Naturalization.

CHARLES H. LEGAY

The Clerk called the next bill, H. R. 3931, for the relief of Charles H. LeGay.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions of section 1118, Revised Statutes, the Secretary of War is hereby authorized to reenlist, in the United States Army, Charles H. LeGay, Medical Department, Fort McIntosh, Tex., at the expiration of said Charles H. LeGay's present period of enlistment, and on such future dates as the said Charles H. LeGay may make application for reenlistment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANKLIN C. RICHARDSON

The Clerk called the next bill, H. R. 6063, for the relief of Franklin C. Richardson.

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

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 2366, may be considered in lieu of the House bill.

The Clerk read the title of the Senate bill.

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

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That notwithstanding the provisions of section 1118 of the Revised Statutes of the United States, the Secretary of War is hereby authorized to reenlist in the United States Army Franklin C. Richardson, private, Hawaiian Casual Section, First Recruit Company of the Overseas Discharge and Replacement Depot, Fort Slocum, N. Y. (serial No. 6944754), on such future dates as the said Franklin C. Richardson may make application for reenlistment: *Provided*, That he meets the other requirements for reenlistment in the Army.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 6063) was laid on the table.

GRANTING PENSIONS TO CERTAIN WIDOWS OF VETERANS OF THE CIVIL WAR

The Clerk called the next bill, H. R. 7038, granting pensions to certain widows of veterans of the Civil War.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to place on the pension rolls, subject to the provisions and limitations of the pension laws—

The name of Inez Duncan, widow of George W. Duncan, late of Company A, Forty-ninth Regiment Missouri Infantry, and pay her a pension at the rate of $30 per month.

The name of Pearl Brentlinger, widow of Levi Brentlinger, late of Company I, Twenty-seventh Regiment Ohio Infantry, and pay her a pension at the rate of $30 per month.

The name of Martha J. Poole, widow of Judson Poole, late of Company L, Second Regiment Iowa Cavalry, and pay her a pension at the rate of $30 per month.

The name of Ella F. Lane, widow of John Lane, late of Company G, Sixth Regiment Wisconsin Infantry, and pay her a pension at the rate of $30 per month.

The name of Rebecca J. Reynard, widow of John Reynard, late of Company A, Sixteenth Regiment Kansas Cavalry, and pay her a pension at the rate of $30 per month.

The name of Charity Cooper, widow of Henry Skinner, alias Henry Cooper, late of Company B, Twelfth Regiment United States Colored Heavy Artillery, and pay her a pension at the rate of $30 per month.

The name of Isabel Bullock, widow of John F. Bullock, late of general service, United States Army, and pay her a pension at the rate of $20 per month, and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Belle Musgrove, widow of Robert Musgrove, late of Company E, Third Regiment, and Company E, Fifth Regiment, Michigan Infantry, and pay her a pension at the rate of $30 per month.

The name of Margaret Moore, widow of James F. Moore, late of Company E, Forty-seventh Regiment Kentucky Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary J. Ferguson, widow of Archey C. Ferguson, late of Company D, Twenty-ninth Regiment Ohio Infantry, and pay her a pension at the rate of $30 per month.

The name of Katherine M. Gurney, widow of Enoch H. Gurney, late of Company H, One Hundred and Fifty-third Regiment New York Infantry, and second lieutenant, Company F, Second Regiment New York Veteran Cavalry, and pay her a pension at the rate of $30 per month.

The name of Emma Wagner, widow of Charles Wagner, late of Company E, First Regiment Maryland Veteran Cavalry, and pay her a pension at the rate of $30 per month.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GRANTING INCREASE OF PENSION TO CERTAIN WIDOWS OF VETERANS OF THE CIVIL WAR

The Clerk called the next bill, H. R. 7039, granting increase of pension to certain widows of veterans of the Civil War.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws—

The name of Catherine J. Cupp, widow of Samuel Cupp, late of Company I, One Hundred and Ninety-fifth Regiment Ohio Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Annie S. Wynne, widow of John J. Wynne, late of Company F, One Hundred and Second Regiment New York Infantry, and United States Navy, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lillie L. White, widow of Simon W. White, late of Company C, Fifth Regiment United States Colored Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha A. Vroman, widow of Cornelius Vroman, late of Company H, First Regiment New York Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Dell McMasters, widow of Hugh McMasters, late of Company D, One Hundred and Eighty-seventh Regiment Ohio Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah L. Knickerbocker, widow of Clay Knickerbocker, late of Company I, One Hundred and Forty-third Regiment New York Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Amanda B. Thomas, widow of Jacob B. Thomas, late of Company I, Sixth Regiment Iowa Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Cornelia Hunton, widow of Jefferson D. Hunton, late of the Fourth Battery, Maine Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Jennett Hutchinson, widow of Craig Hutchinson, late of Company C, One Hundred and Thirty-fifth Regiment Ohio Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elizabeth Pidgeon, widow of Charles B. Pidgeon, late of Company K, Twenty-third Regiment Ohio Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELIZABETH FAIRFAX AYRES

The Clerk called the next bill, H. R. 766, granting an increase of pension to Elizabeth Fairfax Ayres.

Mr. HANCOCK and Mr. MOTT objected and, under the rule, the bill was recommitted to the Committee on Invalid Pensions.

MERTIE LORAIN ANDERSON

The Clerk called the next bill, H. R. 2448, granting an increase of pension to Mertie Lorain Anderson.

Mr. MOTT and Mr. HANCOCK objected and, under the rule, the bill was recommitted to the Committee on Invalid Pensions.

JOHN SPAEDY

The Clerk called the next bill, H. R. 5105, granting a pension to John Spaedy.

Mr. HANCOCK. Mr. Speaker, I object.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws, the name of John Spaedy, whose name is borne on the rolls of Capt. Horace Shoemaker's Provisional Company Enrolled Missouri Militia as John Spada and John Spady, and pay him a pension at the rate of $50 per month.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN BUTURUGA AND NORAH BUTURUGA

The Clerk called the next bill, H. R. 4846, for the relief of John Buturuga and Norah Buturuga.

Mr. CLEVENGER, Mr. JENKINS of Ohio, and Mr. MOTT objected and, under the rule, the bill was recommitted to the Committee on Immigration and Naturalization.

CHAIM WAKERMAN

The Clerk called the next bill, H. R. 3148, to record the lawful admission to the United States for permanent residence of Chaim Wakerman, known as Hyman Wakerman.

Mr. HANCOCK and Mr. MOTT objected and, under the rule, the bill was recommitteed to the Committee on Immigration and Naturalization.

GROWERS FERTILIZER CO.

The Clerk called the next bill, H. R. 5151, for the relief of the Growers Fertilizer Co., a Florida corporation.

Mr. COSTELLO, Mr. HANCOCK, and Mr. MOTT objected and, under the rule, the bill was recommitted to the Committee on Claims.

DOROTHY CLAIR HESTER

The Clerk called the next bill, S. 1322, for the relief of Dorothy Clair Hester, daughter of E. R. Hester.

There being no objection, the Clerk read the bill, as follows:

Be is enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to E. R. Hester, of Arcadia, La., for the benefit of his minor daughter, Dorothy Clair Hester, the sum of $316.35, in full satisfaction of her claim against the United States for permanent injury received when she was struck by a Civilian Conservation Corps truck as it passed along the Arcadia-Bryceland Highway in Arcadia, La., March 7, 1936: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

N. F. CLOWER AND ELIJAH WILLIAMS

The Clerk called the next bill, S. 2056, for the relief of N. F. Clower and Elijah Williams.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury, for and on behalf of the United States of America, be, and he is hereby, authorized and directed to execute to N. F. Clower, of Shelby County, Tenn., a quitclaim deed conveying any right, title, and interest of the United States of America in the following-described real estate lying and being in Shelby County, Tenn., and particularly described as follows:

Being in the second civil district of said county and State, to wit: 27.06 acres of land bounded on the north by the lands of White; on the east by the lands of Fields; on the south by the lands of Weaver; and on the west by the lands of Ensley or Barrett; and lots 9, 11, 12, and 13 in Clower's subdivision in Shelby County, State of Tennessee, which subdivison was made in January A. D. 1925; said lots are bounded on the north by the lands of N. F. Clower; on the east by the lands of Williams and Birdie Rice; on the south by Mitchell Avenue, and on the west by the Macedonia Missionary Baptist Church lands; said lots 9, 11, 12, and 13 are in block 2 of said subdivision; together with the hereditaments and appurtenances thereunto belonging.

SEC. 2. That the Secretary of the Treasury, for and on behalf of the United States of America, be, and he is hereby, authorized and directed to execute to Elijah Williams of Shelby County, Tenn., a quitclaim deed conveying any right, title, and interest of the United States of America in the following-described real estate lying and being in the of the register's office for the county of Shelby in the State Calvert Avenue at the northwest corner of Branch Street State, to wit: Lot 42, block 1 of W. O. Crump's Warford

Being in the second civil district of said county and follows: of Tennessee, said land beginning on the north side of Avenue subdivision, as shown in plat book 8 at page 205 county of Shelby, Tenn., and particularly described as thence west 40 feet; thence north parallel with Branch Street 125 feet; thence east parallel with Calvert Avenue 40 feet to the west side of Branch Street; thence south with said west line 125 feet to the beginning, together with the hereditaments and appurtenances thereunto belonging.

SEC. 3. That the clerk of the United States District Court for the Western District of Tennessee, at Memphis, is hereby authorized and directed to satisfy of record the judgment obtained by the United States of America against N. F. Clower and Elijah Williams, as sureties on the forfeited bail bond of Robert Rhone, who was charged with violation of the United States Internal Revenue Act and who failed to appear as required by law but who subsequent to the first setting of his trial and within the same term of court, made his appearance, stood trial July 21, 1937, was convicted, sentenced, and has served his time and been discharged: *Provided, however*, That as a condition precedent to the reconveyance of the property and the satisfaction of the judgment the claimants pay to the United States their proportionate share of the sum of $167.96, said sum representing costs and expenses incurred by the Government.

With the following committee amendment:

Page 2, beginning in line 18, strike out the remainder of section 2 and insert:

"Second Civil District, County of Shelby, and State of Tennessee, to wit: Lot No. 42, block 1, of W. O. Crump's Warford Avenue Subdivision, as shown in plat book 8, at page 205, of the register's office for the county of Shelby, in the State of Tennessee, said land beginning on the north side of Calvert Avenue at the northwest corner of Branch Street 40 feet; thence north parallel with Branch Street 125 feet; thence east parallel with Calvert Avenue 40 feet to the west side of Branch Street; thence south with said west line 125 feet to the beginning, together with the hereditaments and appurtenances thereunto belonging."

The Committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TO CORRECT THE MILITARY RECORD OF OBERLIN M. CARTER

The Clerk called the next bill, H. R. 4723, to correct the military record of Oberlin M. Carter, formerly captain, Corps of Engineers, United States Army, to show that the judgment of court martial in his case is unlawful and invalid.

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent that this bill be transferred to the Union Calendar.

Mr. WADSWORTH. Mr. Speaker, reserving the right to object, may I ask the gentleman from New York what the purpose of the transfer is?

Mr. ANDREWS. Due to the great public interest in this measure.

The SPEAKER. The Chair will state to the gentleman from New York that under the uniform policy and under the precedents of the House, the Chair is of the opinion that would be a bad precedent, and the Chair does not desire to recognize the gentleman for that purpose.

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. COSTELLO. Mr. Speaker, reserving the right to object, it is my understanding that under the rules a bill cannot be passed over without prejudice when on the Private Calendar, and for that reason I object.

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

Mr. COSTELLO and Mr. WADSWORTH objected and, under the rule, the bill was recommitted to the Committee on Military Affairs.

NANNIE M'CLELLAN CHASE

The Clerk called the next bill, H. R. 6590, granting an increase of pension to Nannie McClellan Chase.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws, the name of Nannie McClellan Chase, widow of George F. Chase, late brigadier general, United States Army, and pay her a pension at the rate of $100 per month in lieu of that she is now receiving.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELIZABETH PAINTER MENOHER

The Clerk called the next bill, H. R. 5170, granting an increase of pension to Elizabeth Painter Menoher.

Mr. MOTT and Mr. HANCOCK objected and, under the rule, the bill was recommitted to the Committee on Invalid Pensions.

CLARA PRENTIS BILLARD

The Clerk called the next bill, H. R. 4248, granting an increase of pension to Clara Prentis Billard.

Mr. MOTT and Mr. HANCOCK objected and, under the rule, the bill was recommitted to the Committee on Invalid Pensions.

ROSALIE HOOD

The Clerk called the bill (H. R. 3203) granting an increase of pension to Rosalie Hood.

Mr. MOTT and Mr. HANCOCK objected, and the bill was recommitted to the Committee on Pensions.

INEZ CLAIR BANDHOLTZ

The Clerk called the bill (H. R. 3158) granting an increase of pension to Inez Clair Bandholtz.

Mr. MOTT and Mr. HANCOCK objected, and the bill was recommitted to the Committee on Pensions.

MARIBEL WILLIAMS CROFT

The Clerk called the bill (H. R. 2252) granting an increase of pension to Maribel Williams Croft.

Mr. MOTT and Mr. HANCOCK objected, and the bill was recommitted to the Committee on Pensions.

MARY W. OSTERHAUS

The Clerk called the bill (H. R. 326) granting an increase of pension to Mary W. Osterhaus.

Mr. HANCOCK and Mr. MOTT objected; and the bill was recommitted to the Committee on Pensions.

MOUKBIL KEMAL TASH

The Clerk called the bill (S. 1534) for the relief of Moukbil Kemal Tash.

Mr. MOTT and Mr. HANCOCK objected, and the bill was recommitted to the Committee on Immigration and Naturalization.

GEORGE M. RUBY

The Clerk called the bill (S. 1723) to correct the military record of George M. Ruby.

Mr. HANCOCK and Mr. MOTT objected, and the bill was recommitted to the Committee on Military Affairs.

EMIL FRIEDRICH DISCHLEIT

The Clerk called the bill (S. 1269) for the relief of Emil Friedrich Dischleit.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws Emil Friedrich Dischleit, of Meriden, Conn., shall be held and considered to have been legally admitted to the United States for permanent residence on August 21, 1931.

SEC. 2. From and after the date of the approval of this act Emil Friedrich Dischleit shall not again be subject to deportation by reason of the same facts upon which the outstanding proceedings rest.

Mr. COSTELLO. Mr. Speaker, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment by Mr. COSTELLO: Page 1, line 5, after the word "been" strike out the word "legally" and in line 7, change the period to a colon and insert: "*Provided*, That the said Emil Friedrich Dischleit shall never be eligible to become a citizen of the United States."

The amendments were agreed to; and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

EUGENE KRAMER

The Clerk called the bill (S. 1224) for the relief of Eugene Kramer.

Mr. MOTT and Mr. HANCOCK objected, and the bill was recommitted to the Committee on Immigration and Naturalization.

JOHN, JULIA, MICHAEL, WILLIAM, AND ANNA KOSTIUK

The Clerk called the bill (S. 1394) for the relief of Johannes or John, Julia, Michael, William, and Anna Kostiuk.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Secretary of Labor is hereby authorized and directed to cancel the warrant of arrest and the order of deportation heretofore issued against Johannes or John, Julia, Michael, William, and Anna Kostiuk. Hereafter, for the purposes of the immigration and naturalization laws, such aliens shall be deemed to have been lawfully admitted for all purposes to the United States for permanent residence on April 15, 1925.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

DAUMIT TANNAUS SALEAH (DAVE THOMAS)

The Clerk called the bill (S. 1911) for the relief of Daumit Tannaus Saleah (Dave Thomas).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Labor is directed to cancel forthwith any outstanding warrant of arrest, order of deportion, warrant of deportation, and bond, if any, in the case of alien Daumit Tannaus Saleah, and is directed not to issue any further warrants or orders in the case of such alien, insofar as such future warrants or orders are based on the unlawful entry of such alien into the United States prior to the enactment of this act, or on perjury or false statements in connection with such entry into the United States, or with any application heretofore made for a reentry permit or extension thereof. The said alien in April of 1928 secured the admission of his two children, Evelina Saleah, aged sixteen years, and Solomon Saleah, aged thirteen years, who are now residing with the alien's father at New Kensington, Pa., where they are attending the public schools. Deportation warrants were never issued in this case inasmuch as the Department of Labor has regarded this as a so-called hardship case. Hereafter, for the purpose of the immigration and naturalization laws, said alien shall be considered to have been, at New York, N. Y., on November 25, 1933, lawfully admitted to the United States for permanent residence.

With the following committee amendment:

Page 2, line 8, after the word "case", and the period, strike out the remainder of the bill and insert in lieu thereof the following: "This Act shall not be deemed to create a record of the admission of the said Daumit Tannaus Saleah for immigration or naturalization purposes and he will not be permitted to apply for naturalization unless and until he leaves the United States and reenters with proper legal visa. The said Daumit Tannaus Saleah shall not hereafter be subject to deportation for the same cause or causes upon which the warrant of deportation was issued."

The committee amendment was agreed to.

Mr. COSTELLO. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 2, line 3, after the word "years", strike out the remainder of that line and all of lines 4, 5, 6, 7, and 8 down to the period in line 8 and insert in lieu thereof the following: "illegally."

The amendment was agreed to.

Mr. COSTELLO. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 2, in line 14, after the word "and" strike out the remainder of that line and all of lines 15 and 16 down to the period in line 16 and insert: "Shall not be eligible to become a citizen of the United States."

The amendment was agreed to and the bill as amended was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

MARIA BARTOLO

The Clerk called the next bill, S. 139, for the relief of Maria Bartolo.

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

Mr. MOTT and Mr. HANCOCK objected and the bill, under the rule, was recommitted to the Committee on Immigration and Naturalization.

CALLIOPE MINACA PILAVAKIS

The Clerk called the next bill, S. 808, for the relief of Calliope Minaca Pilavakis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws Calliope Minaca Pilavakis, of Newark, N. J., the wife of Xenophon Pilavakis and the mother of two children born in the United States, shall be held and considered

to have been legally admitted to the United States for permanent residence on February 7, 1936.

SEC. 2. Any proceedings heretofore or hereafter instituted for the deportation of the said Calliope Minaca Pilavakis on the ground of unlawful residence in the United States shall be null and void.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: On page 1, line 7, after the word "been", strike out the word "legally."

Page 1, line 8, change the period to a colon and insert: "*Provided*, That the said Calliope Minaca Pilavakis shall never be eligible to become a citizen of the United States."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KONSTANTINOS DIONYSIOU ANTIOHOS

The Clerk called the next bill, S. 1538, for the relief of Konstantinos Dionysiou Antiohos (or Gus Pappas).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws, the Secretary of Labor is hereby authorized and directed to cancel the warrant of arrest and the order of deportation against Konstantinos Dionysiou Antiohos (or Gus Pappas) and that from and after the approval of this act he shall be deemed to have been lawfully admitted to the United States for permanent residence.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 1, line 8, after the word "been", strike out the word "lawfully."

Line 9, change the period to a colon and insert: "*Provided*, That the said Konstantinos Dionysiou Antiohos (or Gus Pappas) shall not be eligible to become a citizen of the United States."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. PACIOS PIJUAN

The Clerk called the next bill, S. 1654, for the relief of Mrs. Pacios Pijuan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Secretary of Labor is hereby authorized and directed to cancel the warrant of arrest and the order of deportation against Mrs. Pacios Pijuan heretofore issued on the grounds that admission to the United States had been fraudulently gained and that she shall hereafter be deemed to have been lawfully admitted to the United States for permanent residence.

With the following committee amendments:

Page 1, line 8, after the word "fraudulently" strike out the balance of line 8, all of line 9, and the words "permanent residence" in line 10, and insert: "gained. This act shall not be deemed to create a record of the admission of the said alien, Mrs. Pijuan, for immigration or naturalization purposes. The said Mrs. Pijuan shall not hereafter be subject to deportation for the same cause or causes upon which the warrant of deportation was issued.

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HYMAN LEDERMAN

The Clerk called the next bill, H. R. 595, for the relief of Hyman Lederman.

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

Mr. CLEVENGER and Mr. HANCOCK objected and the bill, under the rule, was recommitted to the Committee on Immigration and Naturalization.

JOANNES JOSEPHUS CITRON

The Clerk called the next bill, S. 1954, for the relief of Joannes Josephus Citron.

There being no objection the Clerk read the bill as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws Joannes Josephus Citron shall be deemed to have been lawfully admitted to the United States for permanent residence on or about November 23, 1925, at the port of Eastport, Idaho.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: On page 1, line 5, after the word "been", strike out the word "lawfully."

Line 7, change the period to a colon and insert "*Provided*, That Joannes Josephus Citron shall not be eligible to become a citizen of the United States."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EVELYN MARY LOCKE

The Clerk called the next bill, S. 1815, for the relief of Evelyn Mary Locke.

The SPEAKER pro tempore. Is there objection?

Mr. MOTT and Mr. HANCOCK objected; and the bill, under the rule, was recommitted to the Committee on Immigration and Naturalization.

MATO, MILJENKO, BOZO, AND AUGUSTIN CIBILIC

The Clerk called the next bill, S. 796, for the relief of Mato, Miljenko, Bozo, and Augustin Cibilic, or Zibilich.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Secretary of Labor is hereby authorized and directed to cancel the warrant of arrest and the order of deportation against Mato, Miljenko, Bozo, and Augustin Cibilic, or Zibilich, heretofore issued on the ground that admission to the United States has been fraudulently gained and that they shall hereafter be deemed to have been lawfully admitted to the United States for permanent residence at New Orleans, La.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 1, line 9, after the word "been", strike out the word "lawfully."

Page 1, line 11, change the period to a colon and insert "*Provided*, That the said Mato, Miljenko, Bozo, and Augustin Cibilic, or Zibilich, shall never be eligible to become citizens of the United States."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SAN FRANCISCO MOUNTAIN SCENIC BOULEVARD CO.

The Clerk call the next bill, S. 68, for the relief of the San Francisco Mountain Scenic Boulevard Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the San Francisco Mountain Scenic Boulevard Co. the sum of $15,500 as full settlement of the claim of said company against the United States arising out of expenditures made for the benefit of the United States in the construction of the San Francisco Mountain Scenic Boulevard within the Coconino National Forest in Arizona: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JESSIE M. DURST

The Clerk called the next bill, S. 809, for the relief of Jessie M. Durst.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That sections 17 and 20 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties,

and for other purposes", approved September 7, 1916, as amended, are hereby waived in favor of Jessie M. Durst, who is alleged to have suffered injuries on or about May 25, 1936, while in the performance of her duties as an employee of the Works Progress Administration, at Fond du Lac, Wis.: *Provided,* That no benefit shall accrue prior to the approval of this act.

With the following committee amendment:

Line 12, after the word "act", strike out the period, insert a semicolon, and add the following language: *"And provided further,* That such claim be filed within 6 months after the passage of this act."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE A. ROGERS

The Clerk called the next bill, S. 811, for the relief of George A. Rogers.

Mr. COSTELLO and Mr. HANCOCK objected; and, under the rule, the bill was recommitted to the Committee on Claims.

SUNCREST ORCHARDS, INC.

The Clerk called the next bill, S. 927, to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of Suncrest Orchards, Inc.

Mr. COSTELLO and Mr. HALLECK objected; and, under the rule the bill was recommitted to the Committee on Claims.

EPES TRANSPORTATION CORPORATION

The Clerk called the next bill, S. 1042, for the relief of the Epes Transportation Corporation.

Mr. COSTELLO and Mr. MOTT objected; and, under the rule, the bill was recommitted to the Committee on Claims.

ALLIE HOLSOMBACK AND LONNIE TAYLOR

The Clerk called the next bill, S. 1414, for the relief of Allie Holsomback and Lonnie Taylor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Allie Holsomback, of Wyatt, La., the sum of $759, and to Lonnie Taylor, of Natchez, Miss., the sum of $175, in full and final settlement of all their claims against the United States for personal injuries and property damage sustained by them on October 28, 1937, near Hodge, La., when a Ford coach owned by the Government and operated in connection with the Soil Conservation Service collided with Allie Holsomback's wagon and a truck owned by Lonnie Taylor: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNA H. ROSA

The Clerk called the next bill, S. 1448, for the relief of Anna H. Rosa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Anna H. Rosa, of East Providence, R. I., the sum of $30, in full settlement of all claims against the United States for damages to her automobile caused by snow falling from the roof of the customhouse at Providence, R. I.: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 9, beginning with the word *"Provided"*, strike out all the remaining language of the bill and insert in lieu thereof the following: *"Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A. E. BOSTROM

The Clerk called the next bill, S. 1812, for the relief of A. E. Bostrom.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to A. E. Bostrom, of De Smet, S. Dak., the sum of $309, in full satisfaction of his claim against the United States on account of the loss of certain personal property which was destroyed by fire on January 23, 1935, at Onigum, Minn., while said claimant was temporarily employed by the Indian Service as a physician: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HARRY K. SNYDER

The Clerk called the next bill, S. 1821, for the relief of Harry K. Snyder.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, the United States Employees' Compensation Commission be, and is hereby, authorized and directed to receive and consider, when filed, the claim of Harry K. Snyder, of Wilmington, Del., for disability alleged to have been incurred by him on February 16, 1926, while employed as a keeper of the United States Lighthouse Service, Port Penn, Del., and to determine said claim upon its merits under provisions of said act: *Provided,* That no benefits shall accrue prior to the enactment of this act.

With the following committee amendment:

Page 2, line 4, after the word "act", insert a colon and add: *"And provided further,* That such claim be filed within 6 months after the passage of this act."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM HILLOCK

The Clerk called the next bill, S. 2061, for the relief of William Hillock.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $90 to William Hillock, of Watertown, S. Dak., in full settlement of his claim against the United States for 90 hours of overtime work performed by him during the period of July 1, 1936, to August 16, 1936, inclusive, while employed as a carpenter on a sewer and water project constructed at the Pine Ridge Indian Agency: *Provided,* That no part of the money appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THOMAS J. SMITH

The Clerk called the next bill, H. R. 2440, for the relief of Thomas J. Smith.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Thomas J. Smith, of Mankato, Kans., the sum of $813, in full satisfaction of his claim against the United States for per diem expenses in lieu of subsistence for the period from April 16, 1936, to February 6, 1937, in performing his official duties as an employee of the Soil Conservation Service, Department of Agriculture, which was disallowed by the Comptroller General: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Strike out all the language of the bill after the enacting clause and insert in lieu thereof the following:

"That Thomas J. Smith, of Mankato, Kans., is hereby relieved of the charge against him in the amount of $69, representing the amount paid to him by the United States as an employee of the Soil Conservation Service, Department of Agriculture, for per diem in lieu of subsistence, at the rate of $3 per day for the period March 22 to April 15, 1936, in connection with travel incident to change of duty station from Mankato to Salina, Kans., and while at Salina."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIE K. TROTTNOW, EXECUTRIX OF THE ESTATE OF ALFRED H. TROTTNOW, AND PAUL LINDLEY

The Clerk called the next bill, H. R. 2919, for the relief of Marie K. Trottnow.

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

Mr. HANCOCK and Mr. COSTELLO objected, and, under the rule, the bill was recommitted to the Committee on Claims.

CERTAIN WORKERS PERFORMING EMERGENCY WORK AT CAIRO, ILL.

The Clerk called the next bill, H. R. 3051, for the relief of certain workers performing emergency work at Cairo, Ill., in the Ohio River flood of 1937.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of the Works Progress Administration is hereby authorized and directed to pay, out of funds available for the prosecution of Official Project No. 165-54-8017 (approved in Presidential Letter No. 5584, November 6, 1936), the wages of workers at Cairo, Ill., who performed the emergency labor in the Ohio River flood disaster during the period from January 26, 1937, to February 3, 1937. Such payments shall be made to the workers and in the amounts set forth in the time reports (W. P. A. Form No. 502, revised) which were certified by a timekeeper and project superintendent, but which were not approved for payment by reason of failure in the emergency to properly assign such workers for employment and payment by the Works Progress Administration (decision of the Acting Comptroller General, April 9, 1938 (A-94042)). Payment to any worker under this act shall be in full settlement of all claims of such worker against the United States on account of the work covered by said time reports.

With the following committee amendment:

Strike out all after the enacting clause, and insert the following:

"That the Comptroller General of the United States be, and he is hereby, authorized and directed to determine the claims of persons who performed emergency work in the protection of Cairo, Ill., during the Ohio River flood between January 24, 1937, and February 3, 1937, both inclusive, at an hourly wage of 30 cents, and to pay same out of any money in the Treasury not otherwise appropriated."

SEC. 2. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, a sum not to exceed $22,000 to be used in the execution of section 1 of this act.

SEC. 3. Application for payment under this act shall be made by or on behalf of the persons entitled thereto within 1 year from the date of its approval, and payment hereunder shall be accepted in full settlement of such claims against the United States: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

J. ARISTIDE LEFEVRE

The Clerk called the next bill, H. R. 3569, for the relief of J. Aristide Lefevre.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay to J. Aristide Lefevre, of Holyoke, Mass., out of any money in the Treasury not otherwise appropriated, the sum of $108, in reimbursement of the amount paid by the said J. Aristide Lefevre in settlement of a judgment rendered against him in favor of Corrine E. Dupuis, of Willimansett, Mass., who was injured on August 13, 1936, as a result of being struck by a United States mail truck operated by him in the regular performance of his duties as an employee of the Post Office Department.

With the following committee amendments:

Page 1, line 3, strike out "is" and insert "and is hereby."

Page 1, line 6, after the word "in", insert "full settlement of all claims against the United States for."

Page 2, line 2, after the word "Department", insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OTHO L. CURTNER

The Clerk called the next bill, H. R. 3933, for the relief of Otho L. Curtner.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Otho L. Curtner, of Steele, Mo., the sum of $10,000, in full settlement of all claims against the Government of the United States for personal injuries sustained by him on August 18, 1937, while encamped with the One Hundred and Fortieth Regiment Missouri National Guard Infantry, at Fort Riley, Kans., which said injury was the direct result of the negligent acts of employees of the Works Progress Administration engaging in blasting on Works Progress Administration project No. 265-82-5000: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out "$10,000" and insert "$4,000."

Page 1, line 7, strike out "the Government of."

Page 2, line 2, after "$5,000", strike out the proviso down to and including "$1,000" in line 13, and insert the following: "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TOLEDO TERMINAL RAILROAD CO.

The Clerk called the next bill, H. R. 4606, for the relief of the Toledo Terminal Railroad Co., of Toledo, Ohio.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Toledo Terminal Railroad Co., Toledo, Ohio, the sum of $2,300, in full settlement of all claims against the United States for damages to its Navarre Avenue bridge as a result of an accident involving a truck operated in connection with the Works Progress Administration at Toledo, Ohio, on July 7, 1938: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out "$2,300" and insert "$2,031."
Page 1, line 8, after the word "bridge", insert "Toledo, Ohio."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES W. GILSON

The Clerk called the next bill, H. R. 4726, for the relief of James W. Gilson.

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

Mr. COSTELLO. Mr. Speaker, I object.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General is authorized and directed to credit the account of James W. Gilson, former postmaster at Hartford, Conn., in the sum of $682.64. Such sum represents the balance of a shortage in such account caused by the embezzlement of post-office funds by one of the postal clerks at such post office. Any recovery hereafter made by the Government in respect of such shortage may in the discretion of the Comptroller General, be credited to the account of such former postmaster in the event that any additional shortage in his account is disclosed, if such additional shortage has occurred without fault or negligence on the part of such former postmaster.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

L. W. MAREK, JR.

The Clerk called the next bill, H. R. 5514, for the relief of L. W. Marek, Jr.

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

Mr. HANCOCK and Mr. COSTELLO objected, and, under the rule, the bill was recommitted to the Committee on Claims.

SIMON A. BRIEGER

The Clerk called the next bill, H. R. 5923, for the relief of Simon A. Brieger.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Simon A. Brieger, Collinsville, Miss., the sum of $10,000. The payment of such sum shall be in full settlement of all claims against the United States on account of the death of Thomas Gerald Brieger, a minor, who was fatally injured on March 14, 1939, in Collinsville, Miss., by a truck operated by the Works Progress Administration.

With the following committee amendments:

Page 1, line 3, strike out "is" and insert "be, and he is hereby."
Page 1, line 6, after the word "Mississippi", insert "as legal representative of the estate of Thomas Gerald Brieger, a deceased minor."
Page 1, line 8, strike out "$10,000" and insert "$5,000."
Page 1, line 10, after the word "of", insert "the said."
Page 1, line 10, strike out "a minor."
Page 2, line 2, after the word "Administration", insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read, "A bill for the relief of Simon A. Brieger, as legal representative of the estate of Thomas Gerald Brieger, a deceased minor."

RUSSELL B. HENDRIX

The Clerk called the next bill, H. R. 6030, for the relief of Russell B. Hendrix.

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

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that the Senate bill, S. 2408, be substituted for the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. COSTELLO]?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Russell B. Hendrix, of Fort Wayne, Ind., the sum of $4,701.75. Such sum shall be in full settlement of all claims against the United States because of personal injuries and expenses sustained by the said Russell B. Hendrix on November 5, 1936, when the car in which he was traveling was struck by a Works Progress Administration automobile driven by James Fordyce: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. COSTELLO. Mr. Speaker, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO to Senate bill: Page 1, line 6, after the words "sum of", strike out "$4,701.75. Such sum shall be" and insert in lieu thereof "$3,851.75."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

A House bill (H. R. 6030) was laid on the table.

A motion to reconsider was laid on the table.

STACY C. MOSSER

The Clerk called the next bill, H. R. 6728, for the relief of Stacy C. Mosser, receiver for the Great Northern Majestic Building Corporation.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to Stacy C. Mosser, receiver for the Great Northern Majestic Building Corporation, Chicago, Ill., the sum of $6,267.49. The payment of such sum shall be in full settlement of all claims against the United States by Stacy C. Mosser as receiver for the Great Northern Majestic Building Corporation arising out of the leasing of the Great Northern Theater to Works Progress Administration, Federal theater project No. 1, Cook County, Ill., for use in connection with the official project No. 894-310 during the period from December 18, 1938, to January 15, 1939. Such theater was leased under a license agreement signed by the agent cashier of Works Progress Administration, Federal theater project No. 1, but payment has been denied on the ground that rent paid under a previous expired lease was paid without proper procedure or authority.

With the following committee amendment:

Page 2, line 9, after the word "authority", change the period to a colon and add the following: *"Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MOSER asked and was given permission to revise and extend his own remarks in the RECORD.

PRIVATE CALENDAR

SIDNEY M. BOWEN

The Clerk called the next bill, H. R. 5634, granting 6 months' pay to Sidney M. Bowen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized and directed to pay, out of the current appropriation "Pay of the Marine Corps," to Sidney M. Bowen, father of the late Willie Bowen, private, United States Marine Corps, an amount equal to 6 months' pay at the rate the late Willie Bowen was receiving at the date of his death: *Provided,* That Sidney M. Bowen shall establish to the satisfaction of the Secretary of the Navy that he was actually dependent upon his late son at the time of his death, and the determination of the fact of such dependency by the Secretary of the Navy shall be final and conclusive upon the accounting officers of the Government.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SGT. MAJ. LEONARD E. BROWNING, UNITED STATES MARINE CORPS

The Clerk called the next bill, S. 1901, to extend to Sgt. Maj. Leonard E. Browning, United States Marine Corps, the benefits of the act of May 7, 1932, providing highest World War rank to retired enlisted men.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Sgt. Maj. Leonard E. Browning, United States Marine Corps, upon retirement after 30 years' service in the Army and Marine Corps (double time for service in the Philippines and China included), be placed on the retired list of the United States Marine Corps with the rank of captain: *Provided,* That no increase in active or retired pay or allowances shall result from the passage of this act over and above that now authorized under the act of June 6, 1924, to enlisted men on the retired list.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CORINNE W. BIENVENU

The Clerk called the next bill, S. 2370, for the relief of Corinne W. Bienvenu (nee Corinne Wells).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, or benefits upon honorably discharged members of the Army Nurse Corps, Corinne W. Bienvenu, who served under her maiden name of Corinne Wells as a Reserve nurse, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a Reserve nurse on December 29, 1917: *Provided,* That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CERTAIN FORMER DISBURSING OFFICERS FOR THE CIVIL WORKS ADMINISTRATION

The Clerk called the next bill, H. R. 7050, for the relief of certain former disbursing officers for the Civil Works Administration.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of the following former disbursing officers for the Civil Works Administration the amounts set opposite their names: E. I. Davis (symbol 95–102), $72.79; L. S. McCracken (symbol 95–104), $1,470.78; W. A. Minnus (symbol 95–107), $583.43; C. A. Wood (symbol 95–108), $69.12; W. Weldon (symbol 95–110), $454.64; T. A. Dillon (symbol 95–111), $22.41; Harold D. McIntosh (symbol 95–112), $18.25; J. B. Lappin (symbol 95–116), $37.50; L. Levy (symbol 95–117), $13,631.05; M. V. Bates (symbol 95–119), $175.18; W. D. Berry (symbol 95–121), $46.60; N. Hesterly (symbol 95–127), $424.09; John W. Reynar (symbol 95–129), $89.12; M. L. Morris (symbol 95–132), $242.25; A. O. Wahlers (symbol 95–133), $58.75; R. E. Waters (symbol 95–139), $290.99; Ivan Carrico (symbol 95–144), $5,506.51; and R. H. Zohm (symbol 95–145), $2,932.49; which amounts have been disallowed by the Comptroller General of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN L. SUMMERS

The Clerk called the next bill, H. R. 7049, for the relief of John L. Summers, former disbursing clerk, Treasury Department, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow in the accounts of John L. Summers, former disbursing clerk, now deceased, Treasury Department, sums aggregating not to exceed $827.14 disallowed in his accounts, without raising charges against the officers who certified the vouchers for payment, covering payments made by him in the period from December 1933 to June 30, 1934; and in the accounts of Guy F. Allen, chief disbursing officer, sums aggregating not to exceed $3,352.60 disallowed in his accounts, without raising charges against the officers who certified the vouchers for payment, covering payments made by him in the period from July 1, 1934, to December 31, 1935.

SEC. 2. The Comptroller General of the United States is authorized and directed to allow in the accounts of Frank White, H. T. Tate, W. O. Woods, and W. A. Julian sums of not to exceed $16,063.37, $3,231.17, $72,822.49, and $449,160.05, respectively, representing unavailable items in their accounts as former Treasurers and Treasurer of the United States: *Provided,* That any recoveries heretofore or hereafter made in respect of any of the foregoing items may, in the discretion of the Comptroller General of the United States, be applied to offset unavailable items of a similar character hereafter arising in the accounts of the former Treasurers and Treasurer to whose account the recovery pertains, upon a showing that such unavailable items have occurred without fault or negligence on the part of said former Treasurers and Treasurer.

SEC. 3. The sum of $1,811.40 is hereby appropriated, out of any money in the Treasury not otherwise appropriated, to cover losses in the office of the Treasurer of the United States due to payment of checks on forged signature of the drawer, or for raised amounts, or on forged endorsements of the payees.

SEC. 4. For the purpose of adjusting the accounts relating to the public debt of the United States, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $576,340.23. Of this sum, the amount of $542,103.11, or so much thereof as may be necessary, shall be deposited by the Secretary of the Treasury in the accounts of the Treasurer of the United States as public-debt receipts and the amount of $34,237.12, or so much thereof as may be necessary, shall be credited by the Secretary of the Treasury to the proper accounts to adjust overissues and overredemptions of principal of public-debt securities and overpayments of interest on public-debt securities.

SEC. 5. The Secretary of the Treasury be, and he is hereby, authorized and directed to adjust discrepancies in certain national bank note currency accounts in the Office of the Comptroller of the Currency, covering the years 1934 and 1935, in the amount of $1,290, and the Treasurer of the United States is authorized and directed to charge the sum of $1,290 against his general account with corresponding credit therein to the fund for retirement of national bank notes established by the act of July 14, 1890 (26 Stat. 289; U. S. C., title 12, sec. 122).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ARKANSAS STATE PENITENTIARY

The Clerk called the next bill, H. R. 6641, for the relief of the Arkansas State Penitentiary.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Arkansas State Penitentiary the sum of $11,414.17. Such sum represents the expenses incurred by the Arkansas State Penitentiary as a result of furnishing, at the request of the United States district engineer, 955 convicts for emergency work in maintaining the levees in the lower St. Francis levee district of Arkansas during the flood emergency in January and February 1937, on the Mississippi River.

With the following committee amendments:

Line 3, strike out the word "is" and insert in lieu thereof "be, and he is hereby."

Line 6, strike out the period and the wording "Such sum represents the" and insert in lieu thereof "in full settlement of all claims against the United States for."

At the end of the bill add "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. And person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELIZABETH HESSMAN

The Clerk called the next bill, H. R. 5931, for the relief of Elizabeth Hessman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Elizabeth Hessman, of Dodge City, Kans., the sum of $5,000 in full settlement of all claims against the United States for personal injuries sustained by her when the car in which she was riding was struck, on April 27, 1936, by a Government car driven by an employee of the Soil Conservation Service: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Line 6, strike out the sign and figures "$5,000" and insert in lieu thereof the sign and figures "$1,665."

Beginning with the word "*Provided*," in line 10 of the bill, strike out the remaining language, and insert in lieu thereof the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

V. H. SCHEURING, ELMER EGGERS, AND THOMAS FAHEY

The Clerk called the next bill, H. R. 5557, for the relief of V. H. Scheuring, Elmer Eggers, and Thomas Fahey.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to V. H. Scheuring, of Dunlap, Iowa, the sum of $500; and to Elmer Eggers, of Dunlap, Iowa, the sum of $287.50; in full satisfaction of their respective claims against the United States or any employee thereof, for the amount of a judgment obtained September 28, 1937, against Thomas Fahey in the United States district court for the southern district of Iowa, on account of personal injuries and damages sustained by them when their automobile overturned as the result of a collision with an automobile confiscated in the name of the Government and operated by said Thomas Fahey, an investigator, Alcohol Tax Unit, Bureau of Internal Revenue, Treasury Department, in performing his official duties, on United States Highway No. 30, near Woodbine, Harrison County, Iowa, January 30, 1937: *Provided*, That the clerk of the United States District Court for the Southern District of Iowa is hereby authorized and directed, upon notification of payment by the Secretary of the Treasury as herein provided, to satisfy of record the said judgments obtained by V. H. Scheuring and Elmer Eggers against Thomas Fahey, in said court: *Provided further*, That no part of the amount appropriated in this act in excess of 10 percent shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CERTAIN POSTMASTERS

The Clerk called the next bill, H. R. 5348, for the relief of certain postmasters.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to credit the account of W. Rufus Jackson, postmaster, St. Louis, Mo., in the amount of $50, representing a disallowance by the General Accounting Office for an overpayment made to Conrad Groepper, who served as clerk in charge of contract station No. 45 of the St. Louis, Mo., post office.

SEC. 2. That the Comptroller General of the United States is hereby authorized and directed to cancel the charges against the postmasters, former and present, at Clinton, S. C., in the amount of $111.46, representing a payment made to W. D. Peay, former assistant postmaster at Clinton, in compensation for accrued annual leave, such payment having been authorized by the Post Office Department but later disallowed by the General Accounting Office.

SEC. 3. That the Comptroller General of the United States is hereby authorized and directed to cancel the charge of $160.87 against C. C. Ausherman, former postmaster at Fort Lauderdale, Fla., heretofore disallowed by the General Accounting Office, the amount representing overpayments to three village carriers in 1924 resulting from erroneous instructions given the postmaster by the Post Office Department.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. LAYER TAYLOR

The Clerk called the next bill, H. R. 5259, for the relief of Mrs. Layler Taylor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Layer Taylor, of Daingerfield, Tex., the sum of $1,500. The payment of such sum shall be in full settlement of all claims against the United States for damages sustained by the said Mrs. Layer Taylor on account of the death of her son, Hardy Taylor, who died on April 2, 1938, as a result of personal injuries received when he was struck by a truck in the service of the Civilian Conservation Corps on State Highway No. 49, near Daingerfield, Tex., on April 1, 1938.

With the following committee amendments:

Line 6, strike out the sign and figures "$1,500" and insert in lieu thereof "$1,360."

At the end of the bill add the following: ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

D. L. MASON

The Clerk called the next bill, H. R. 5211, for the relief of D. L. Mason.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $10,000 to D. L. Mason, father of Dorothy Mason, of Wallins Creek, Ky., in full settlement of all claims against the Government of the United States for the death of his daughter Dorothy Mason, age 15, who was killed on or about September 13, 1935, through and by the negligence of an enrollee of the United States Civilian Conservation Corps in operating a Civilian Conservation Corps truck in Harlan County, Ky., in that he operated said truck in a reckless, negligent, careless manner, and struck and demolished a taxicab in which Dorothy Mason was riding and from which injuries she died a few hours thereafter. Her injuries and death were caused solely by the

striking of said truck and through and by the negligent operation thereof by the said member of the Civilian Conservation Corps, and she would not have been injured and killed but for the negligence and carelessness of said enrollee: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That jurisdiction is hereby conferred upon the United States District Court for the Eastern District of Kentucky to hear, determine, and render judgment, as if the United States were suable in tort, upon the claims of Mat Hensley, Arnold Blanton, Lillie Price, and Clyde Thorpe, all of Wallins Creek, Harlan County, Ky., for damages resulting from personal injuries and property damage; and upon the claim of D. L. Mason, of Wallins Creek, Harlan County, Ky., for damages resulting from the death of his minor daughter, Dorothy Mason; said injuries, death, and property damage having been received when the taxicab in which they were passengers was in a collision with a Civilian Conservation Corps truck on the highway between Lake View and Harlan, Harlan County, Ky., on September 14, 1935: *Provided*, That the judgment, if any, shall not exceed, in the case of Mat Hensley, $1,500; in the case of Arnold Blanton, $1,000; in the case of Lillie Price, $3,500; in the case of Clyde Thorpe, $1,500; and in the case of D. L. Mason, $5,000.

"SEC. 2. Suit upon such claims may be instituted at any time within 1 year after the enactment of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings for the determination of such claims, appeals therefrom, and payment of any judgments thereon shall be in the same manner as in the cases over which such court has jurisdiction under paragraph 20 of section 24 of the Judicial Code, as amended."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill conferring jurisdiction upon the United States District Court for the Eastern District of Kentucky, to hear, determine, and render judgment upon the claims of Mat Hensley, Arnold Blanton, Lillie Price, Clyde Thorpe, and D. L. Mason."

DISBURSING AGENTS AND EMPLOYEES OF THE INDIAN SERVICE

The Clerk called the next bill, H. R. 4085, for the relief of certain disbursing agents and employees of the Indian Service.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to allow credit to employees of the Indian Service and in the accounts of J. E. Balmer, S. F. Stacher, and J. W. Elliott, disbursing agents of the Indian Service, for payments made during the period November 1933 to April 1934 to certain employees for the use of their personally owned automobiles as provided in the act of February 14, 1931 (46 Stat. 1103), to the extent that payments have been disallowed solely because the oil and gas used in such automobiles were purchased from Government supplies.

SEC. 2. Refunds are hereby authorized to be made, out of any money in the Treasury not otherwise appropriated, to any employees from whom collections have been made and deposited into the Treasury pursuant to disallowances on account of mileage payments made by the disbursing agents named in section 1 hereof.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BEN WILLIE JONES

The Clerk called the next bill, H. R. 2860, for the relief of Ben Willie Jones.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby appropriated, and the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Ben Willie Jones, out of any money in the Treasury of the United States to the credit of the government of the District of Columbia not otherwise appropriated, the sum of $2,500, and when same is received by the said Ben Willie Jones it shall be in full satisfaction and settlement of all claims against the government of the District of Columbia on account of the death of Thelma Jones, aged 2, daughter of Ben Willie Jones, on December 16, 1937, being burned to death while in Gallinger Hospital for treatment, through the negligence and lack of proper facilities in the said hospital: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Line 5, after the name "Jones", insert "as legal representative of Thelma Jones, a deceased minor."

Line 10, after the name "Columbia", insert "and the United States."

The committee amendments were agreed to.

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

The title was amended so as to read: "A bill for the relief of Ben Willie Jones, as legal representative of Thelma Jones, a deceased minor."

A motion to reconsider was laid on the table.

JAMES M'CONNACHIE

The Clerk called the next bill, H. R. 2344, for the relief of James McConnachie.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to James McConnachie, of Austin, Tex., the sum of $5,000. The payment of such sum shall be in full satisfaction of the claim of the said James McConnachie against the United States for damage to his stucco duplex apartment when a United States Army airplane crashed into it at Austin, Tex., on December 7, 1937: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$5,000" and insert "$3,900."

The committee amendment was agreed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HARRY BRYAN AND ALDA DUFFIELD MULLINS AND OTHERS

The Clerk called the next bill, H. R. 377, for the relief of Harry Bryan and Alda Duffield Mullins and others.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act for the relief of Harry Bryan and Alda Duffield Mullins, and others," approved August 28, 1937, is hereby amended by adding at the end thereof the following section:

"SEC. 3. That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, in accordance with certifications of the Works Progress Administrator, or his duly authorized representative, under this act, all hospital, medical, and other expenses necessarily incurred by the claimants named in this act as a result of the explosion in Gassaway, W. Va., November 7, 1936, and such payments, when made, shall be in full settlement of all claims against the United States for said expenses. No payment shall be made under the provisions of this act for any of said expenses incurred after January 1, 1939, and application for any of said expenses shall be filed with the Works Progress Administration by or on behalf of the person entitled to payment within 6 months from the date of approval of this amendatory act. The Works Progress Administrator, or his duly authorized representative, shall determine the amount due on any application, and the person entitled thereto under the provisions of this act, and shall certify such determination to the Secretary of the Treasury, which determination shall be final and conclusive upon the accounting officers of the Government."

With the following committee amendment:

Strike out all after the enacting clause and insert: "That the act entitled 'An act for the relief of Harry Bryan and Alda Duffield Mullins, and others,' approved August 28, 1937, is hereby amended

by renumbering section 2 thereof as section 3, and by adding thereto the following section:

"SEC. 2. That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, in accordance with such certifications as may be made by the Works Progress Administrator, or his duly authorized representative under this act, claims for hospital, medical, and other reasonable expenses necessarily incurred by, in behalf, or at the request, of the claimants named in this act as a result of the explosion that occurred in Gassaway, W. Va., on November 7, 1936: *Provided*, That such payments as may be made hereunder shall be deemed to be in full settlement of all claims against the United States and against the claimants named in this act for said expenses: *Provided further*, That the total amount that may be paid hereunder by the Secretary of the Treasury in settlement of said claims shall not exceed the sum of $18,000. No claim, or part thereof, for expenses incurred after January 1, 1939, shall be considered, nor shall any claim be considered or paid under the provisions of this act unless application therefor shall be filed with the Works Progress Administration by or on behalf of the person entitled to payment within 6 months from the date of approval of this act. The Works Progress Administrator, or his duly authorized representative, shall determine the amount due on any application and the person entitled thereto under the provisions of this act, and shall certify such determinations to the Secretary of the Treasury for payment of the claims, which determination shall be final and conclusive upon the accounting officers of the Government."

Amend the title.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to amend the act entitled 'An act for the relief of Harry Bryan and Alda Duffield Mullins, and others.'"

FLOYD M. DUNSCOMB

The Clerk called the next bill, S. 2275, for the relief of Floyd M. Dunscomb.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Floyd M. Dunscomb, Norvell, Mich., the sum of $175, in full settlement of all claims against the United States for the value of personal property owned by Floyd M. Dunscomb and destroyed by fire at Camp Bewabic, Crystal Falls, Mich., on February 13, 1937, while said Floyd M. Dunscomb was an employee of the Civilian Conservation Corps: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VIRGINIA PEARSON

The Clerk called the next bill, S. 2114, for the relief of Virginia Pearson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Virginia Pearson, of Bellingham, Wash., the sum of $121.40, in full satisfaction of her claim against the United States for expenses incurred as the result of an accident involving a Government truck operated in connection with the Civilian Conservation Corps, at the intersection of Maple and Jersey Streets, Bellingham, Wash., on March 27, 1938: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HUGH A. SMITH

The Clerk called the next bill, S. 2082, for the relief of Hugh A. Smith.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Hugh A. Smith, of Bend, Oreg., the sum of $220.65, in full satisfaction of his claim against the United States for expenses incurred, and property damage sustained, by him as a result of a collision between his automobile and a War Department truck which occurred near Fort Canby, Wash., on August 12, 1938: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELIZABETH E. BURKE

The Clerk called the next bill, S. 1905, for the relief of Elizabeth E. Burke.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Elizabeth E. Burke, of Turners Falls, Mass., the sum of $304, in full satisfaction of her claim against the United States for compensation and reimbursement of medical and hospital expenses incurred by her as the result of personal injuries sustained by her when the car in which she was riding was struck by a Civilian Conservation Corps truck on January 26, 1935: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with such claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, beginning with the word *"Provided"* in line 11 strike out the remaining language of the bill and insert in lieu thereof the following: *"Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THOMAS A. ROSS

The Clerk called the bill (S. 1882) for the relief of Thomas A. Ross.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Thomas A. Ross, chief boatswain, United States Coast Guard, the sum of $250, in full settlement of all claims against the United States for loss of, or damage to, personal property and effects resulting from the fire which occurred at Nome, Alaska, on September 17, 1934: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MONTIE S. CARLISLE

The Clerk called the bill (S. 1816) for the relief of Montie S. Carlisle.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury

not otherwise appropriated, to Montie S. Carlisle, of Albuquerque, N. Mex., the sum of $1,000, in full satisfaction of his claim against the United States for compensation for injury and damage to his property located in section 10, township 15 north, range 1 east, New Mexico principal meridian, Sandoval County, N. Mex., resulting from activities of officers and enrollees of the Civilian Conservation Corps: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. COSTELLO. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 1, line 6, strike out "$1,000" and insert in lieu thereof "$500."

The amendment was agreed to; and the bill, as amended, was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HANNIS HOVEN

The Clerk called the bill (S. 1722) for the relief of Hannis Hoven.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Hannis Hoven, of Jackson, Ala., the sum of $2,500, in full and final settlement of his claim against the United States for permanent injuries sustained June 3, 1937, when the automobile in which he was a passenger was struck by a Chevrolet coupe, tag No. 13-688, D. A. U. S. A., which was being driven by one Gaylord Willard, an employee of the United States Department of Agriculture, in the city of Mobile, Ala.: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STANDARD OIL CO., INC., IN KENTUCKY

The Clerk called the bill (S. 1467) for the relief of the Standard Oil Co., Inc., in Kentucky.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Standard Oil Co., Inc., in Kentucky, the sum of $941.59 which is due by reason of an error in making settlement for gasoline furnished the War Department under contract No. W 535-AC-8868, dated June 13, 1936, which sum shall be in full settlement of any claim against the Government by the Standard Oil Co., Inc., in Kentucky, by reason of deliveries of gasoline under said contract for the months of July, August, September, and October 1936: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EARL J. REED AND GILES J. GENTRY

The Clerk called the bill (S. 1429) for the relief of Earl J. Reed and Giles J. Gentry.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Earl J. Reed and Giles J. Gentry, jointly, of West Palm Beach, Fla., the sum of $1,500, in full settlement of their claim against the United States for the loss sustained by them on account of the estreature on April 23, 1936, to the United States of their cash-appearance bond deposited by them and conditioned upon the delivery in the United States District Court for the Southern District of Florida, in Miami, Fla., in criminal case No. 4816-M, of one Alva Slayton O'Dell, by reason of the nonappearance of said Alva Slayton O'Dell in said court, although said Alva Slayton O'Dell was subsequently apprehended on information furnished by said Earl J. Reed and Giles J. Gentry: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, strike out the proviso and insert in lieu thereof the following: "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to, and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

CHARLES L. KEE

The Clerk called the bill (S. 821) for the relief of Charles L. Kee.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Charles L. Kee, of Portsmouth, Va., the sum of $9,000, in full satisfaction of his claim against the United States for damages arising out of the loss by officers of the United States Navy on June 26, 1920, at Hampton Roads, Va., of an aircraft-planted mine invented by said Charles L. Kee and constructed by him for demonstration.

With the following committee amendment:

Page 1, line 11, strike out the period and insert a colon and the following: *"Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The committee amendment was agreed to, and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HUGH M'GUIRE

The Clerk called the bill (S. 765) for the relief of Hugh McGuire.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $600 to Hugh McGuire, of Turner, Mont., in full satisfaction of his claim against the United States for the loss of his truck, such truck having been destroyed on December 5, 1936, by a fire which burned a garage at Turner, Mont., in which it was stored for the purpose of safeguarding its load, consisting of property used in connection with Resettlement Administration projects: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FAE BANAS

The Clerk called the bill (S. 683) for the relief of Fae Banas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Fae Banas, of Philadelphia, Pa., the sum of $1,719.80, in full satisfaction of her claim against the United States for injuries suffered as the result of a collision with a Civilian Conservation Corps truck on route 331, 8 miles north of Tampa, Fla., on the 7th day of December 1934 at 12 o'clock noon: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. THOMAS H. JACKSON

The Clerk called the bill (H. R. 3005) granting an increase of pension to Mrs. Thomas H. Jackson.

Mr. HALLECK and Mr. HANCOCK objected; and the bill was recommitted to the Committee on Pensions.

MINNIE WETMORE COLE

The Clerk called the next bill, H. R. 4122, granting an increase of pension to Minnie Wetmore Cole.

The SPEAKER pro tempore. Is there objection?

Mr. HANCOCK and Mr. MOTT objected; and the bill, under the rule, was recommitted to the Committee on Invalid Pensions.

ISABELLE JOHNSTON

The Clerk called the next bill, H. R. 6092, granting an increase of pension to Isabelle Johnston.

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

Mr. HANCOCK and Mr. MOTT objected, and the bill, under the rule, was recommitted to the Committee on Invalid Pensions.

MORRIS BURSTEIN ET AL.

The Clerk called the next bill, H. R. 6083, for the relief of Morris Burstein, Jennie Burstein, and Adolph Burstein.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the immigration and naturalization laws, Morris Burstein, Jennie Burstein, his wife, and their son, Adolph Burstein, shall be considered to have been lawfully admitted at New York, N. Y., on February 25, 1925, to the United States for permanent residence.

With the following committee amendment:

Page 1, line 4, after the word "laws", strike out the balance of line 4 and the words "son, Adolph Burstein" in line 5, and insert "Adolph Burstein."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KURT G. STERN

The Clerk called the next bill, S. 1533, for the relief of Kurt G. Stern.

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

Mr. MOTT and Mr. HANCOCK objected; and the bill, under the rule, was recommitted to the Committee on Immigration and Naturalization.

BRIG. GEN. HARLEY B. FERGUSON

The Clerk called the next bill, H. R. 7104, for the relief of Brig. Gen. Harley B. Ferguson.

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

Mr. WADSWORTH, Mr. MOTT, and Mr. HANCOCK objected; and the bill, under the rule, was recommitted to the Committee on Military Affairs.

JOHN B. JONES

The Clerk called the next bill, S. 1081, for the relief of John B. Jones.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That John B. Jones, who served as a first lieutenant, One Hundred and Forty-third Regiment United States Infantry, shall be entitled to apply for benefits of the World War Adjusted Compensation Act, as amended and supplemented, in the same manner as other officers and enlisted men of the United States Army who served during the World War, and who were discharged under honorable conditions, and upon presentation of proper proof to receive such compensation.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIE HEINEN

The Clerk called the next bill, H. R. 5953, for the relief of Marie Heinen.

There being no objection, the Clerk read the bill as, follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Marie Heinen, of Kaukauna, Wis., the sum of $100. Such sum shall be in full settlement of all claims against the United States on account of burial expenses of Robert B. Heinen, a World War veteran, and paid by his widow, Marie Heinen.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

POKEGAMA SANATORIUM

The Clerk called the next bill, H. R. 1368, for the relief of the Pokegama Sanatorium.

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

Mr. COSTELLO and Mr. HANCOCK objected; and the bill, under the rule, was recommitted to the Committee on War Claims.

NEVADA SILICA SANDS, INC.

The Clerk called the next bill, H. R. 7327, for the relief of the Nevada Silica Sands, Inc.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That a patent is hereby authorized to be issued to the Nevada Silica Sands, Inc., a corporation organized under the laws of the State of Nevada, conveying the mineral deposits in the east three-quarters southwest quarter section 5, township 16 south, range 67 east, Mount Diablo meridian, together with the right to use so much of the surface as may be necessary for the mining and removal of such deposits upon compliance with the applicable provisions of sections 2325 and 2333 of the United States Revised Statutes.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAJ. NOE C. KILLIAN

The Clerk called the next bill, H. R. 5369, for the relief of Maj. Noe C. Killian.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Maj. Noe C. Killian, United States Army, retired, the sum of $435, in full satisfaction of his claim against the United States for refund made by him to the War Department as a result of overpayments of an allotment in the case of Pvt. Frank Frolla which were not discovered until after the soldier's discharge, said overpayments having been caused by alleged failure of Major Killian to send in the proper request for discontinuance to the zone finance officer, Washington, D. C.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BENNO VON MAYRHAUSER AND OSKAR VON MAYRHAUSER

The Clerk called the next bill, H. R. 6546, for the relief of Benno von Mayrhauser and Oskar von Mayrhauser.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Benno von Mayrhauser and Oskar von Mayrhauser, of Kiel, Germany, shall be admitted to the United States of America for permanent residence here, notwithstanding any provision of the immigration laws of the United States now in effect.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 1, line 7, change the period to a colon and insert "*Provided*, That said Benno von Mayrhauser and Oskar von Mayrhauser shall not be eligible to become citizens of the United States."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STINA ANDERSON

The Clerk called the next bill, H. R. 6965, for the relief of Stina Anderson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Secretary of Labor is hereby authorized and directed to cancel the warrant of arrest and any order of deportation which may be issued against Stina Anderson and that Stina Anderson shall not hereafter be subject to deportation for the same cause or causes upon which the present warrant of arrest is based.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 1, line 9, change the period to a colon and insert "*Provided*, That the said Stina Anderson shall not be eligible to become a citizen of the United States."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM H. CARTER

The Clerk called the next bill, H. R. 5608, directing the payment to William H. Carter of travel allowances from Manila, P. I., to San Francisco, Calif.

Mr. MOTT and Mr. HANCOCK objected, and, under the rule, the bill was recommitted to the Committee on War Claims.

CARL G. ALLGRUNN

The Clerk called the next bill, H. R. 1629, conferring jurisdiction upon the Court of Claims of the United States to hear, adjudicate, and enter judgment on the claim of Carl G. Allgrunn against the United States for the use of his invention in rifling guns during the war and thereafter by the Symington-Anderson Co. at Rochester, N. Y., said invention being shown and described in his Letters Patent No. 1,311,107 issued by the Patent Office of the United States on or about July 22, 1919.

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

Mr. COSTELLO. Mr. Speaker, I object.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims of the United States, under the acts of October 6, 1917 (40 Stat. 394 and 40 Stat. 422), notwithstanding the lapse of time or the statute of limitations, to hear, examine, adjudicate, and render judgment on the claim of Carl G. Allgrunn for the use of his invention in rifling so-called 75-millimeter guns during the war and thereafter by the Symington-Anderson Co. at Rochester, N. Y., which guns were made under contracts with the War Department of the United States Government, which invention is shown and described in his patent No. 1,311,107 issued on or about July 22, 1919. In said adjudication any alleged defense of shop right in the Symington-Anderson Co. or in the United States Government is hereby waived, and the said Carl G. Allgrunn shall be considered as having the same status as though he had never been in the employ of the Symington-Anderson Co., it being understood that the court ruled in its decision of December 3, 1928, "The plaintiff (Carl G. Allgrunn) may not recover for the use of his invention by the Symington-Anderson Co." and that by said ruling he was deprived of any pay for such use by the Symington-Anderson Co. or in their shop and it being further understood that the said Carl G. Allgrunn has not been paid any royalty or other compensation for the use of his invention by said company or in said shop and that any further proceedings in said court will be in continuation of the suit filed by Carl G. Allgrunn in said court on or about September 13, 1920, on which final judgment was given February 8, 1937, and that the continuation of said suit under this act is not barred by the judgment given in said suit or the payment of said judgment on or about April 11, 1938.

SEC. 2. From any decision in said suit, under the authority of this act an appeal may be taken by either party as is provided for by law in other cases.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALBERT L. BARNHOLTZ

The Clerk called the next bill, H. R. 3774, for the relief of Albert L. Barnholtz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the United States Employees' Compensation Commission is hereby authorized to consider and determine the claim of Albert L. Barnholtz, of Denver, Colo., for disability alleged to have been incurred by him while employed in the Denver, Colo., post office in the same manner and to the same extent as if the said Albert L. Barnholtz had made application for benefits under the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, within the period required by sections 17 and 20 thereof. No benefit shall accrue by reason of the enactment of this act prior to the date of such enactment: *Provided*, That claim hereunder shall be made within 90 days from the enactment of this act.

With the following committee amendments:

Line 5, after the word "disability", insert "due to tuberculosis."

Line 6, strike out the word "incurred", and insert in lieu thereof "contracted."

Line 7, after the words "post office", insert "during the period 1907–21."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FLOYD ELTON

The Clerk called the next bill, H. R. 3853, for the relief of Floyd Elton.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $400 to Floyd Elton, of Swanton, Ohio, in full settlement of all claims against the United States for personal injuries sustained by him and his daughter, Catherine Elton, as a result of being struck by a truck operated by an employee of the Civilian Conservation Corps, said Civilian Conservation Corps employee admitted his negligence and took full responsibility for the accident: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Line 10, strike out the comma after the word "Corps", and also strike out the remaining language of the bill, and insert in lieu thereof the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding.

Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CELIA PRESS ET AL.

The Clerk called the next bill, H. R. 4141, for the relief of Celia Press, Bernard Press, Ethel Press, and Marion Press.

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

Mr. COSTELLO. Mr. Speaker, I object.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Celia Press, Middletown, Conn., the sum of $491.15, such sum to be in full settlement of all claims against the United States for damages by reason or her automobile being struck and damaged in Hamden, Conn., on May 31, 1936, by an automobile which was carelessly and negligently driven by a special-delivery messenger of the Post Office Department in the course of his employment and delivery of mail; and to Bernard Press, of Middletown, Conn., the sum of $641.15, in full settlement of all claims against the United States for damages sustained by him by reason of being struck and permanently injured while riding in the car of Celia Press in this collision; and to Ethel Press, also of Middletown, Conn., the sum of $500, in full settlement for damages sustained by her by reason of being struck and permanently injured in the same collision; and to Marion Press, of Middletown, Conn., the sum of $250 in full settlement for damages sustained by her by reason of being struck and permanently injured in the same collision.

With the following committee amendments:

Page 1, line 5, strike out the sign and figures "$491.15" and insert in lieu thereof "$214.50 out of any money in the Treasury not otherwise appropriated."

Line 5, after the word "States" insert "or any employee thereof."

Page 2, line 2, strike out the sign and figures "$641.15" and insert in lieu thereof "$299 out of any money in the Treasury not otherwise appropriated."

Page 2, after the world "collision" in line 6, strike out the semicolon and all the remaining language of the bill and insert in lieu thereof: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

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

The title was amended so as to read: "A bill for the relief of Celia Press and Bernard Press."

A motion to reconsider was laid on the table.

M. L. PARISH

The Clerk called the next bill, H. R. 4198, for the relief of M. L. Parish.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to pay, out of any funds on deposit in the Treasury of the United States to the credit of the Sioux Indians, of the Rosebud Reservation, S. Dak., an amount not to exceed $500 to M. L. Parish, of Murdo, S. Dak., for legal and other services rendered and expenses incurred by the said M. L. Parish, at the request of the Rosebud Sioux Tribe of Indians in connection with tribal matters: *Provided*, That the amount to be paid shall be settled by an official resolution of the Rosebud Sioux Tribe which resolution shall be subject to the approval by the Secretary of the Interior.

With the following committee amendments:

Line 7, strike out the sign and figures "$500" and insert in lieu thereof "$480.74."

At the end of the bill add: ": *Provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

J. GEORGE BENSEL CO.

The Clerk called the next bill, H. R. 4252, for the relief of J. George Bensel Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $140, in full settlement of all claims against the United States for refund of deduction of said amount of $140 from the amount due the J. George Bensel Co. under its contract with the Procurement Division, Treasury Department, to make alterations and repairs to room 87, Treasury Building, Washington, D. C.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Line 8, after the word "contract", insert "Tlp-1266, dated December 1, 1936."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAMIE HOFFMAN

The Clerk called the next bill, H. R. 4875, for the relief of Mamie Hoffman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $15,000 to Mamie Hoffman, widow of Milton H. Hoffman, in full settlement, satisfaction, and discharge of all claims of said Mamie Hoffman arising by reason of the death of said Milton H. Hoffman occasioned by a bomb dropped by an airplane owned and operated by the United States on the 13th day of December 1938.

With the following committee amendments:

Line 5, strike out the sign and figures "$15,000", and insert in lieu thereof "$5,000."

Line 6, after the name "Mamie Hoffman" insert "of Messick, Va."

Line 7, after the words "settlement", strike out the comma, and the language "satisfaction, and discharge."

Line 8, after the name "Hoffman", insert "against the United States."

At the end of the bill add: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE A. MEFFAN

The Clerk called the next bill, H. R. 5607, for the relief of George A. Meffan, United States marshal, district of Idaho.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to George A. Meffan, United States marshal, district of Idaho, the sum of $85.37 as reimbursement for a deposit in the Treasury of the United States on account of disallowances by the Comptroller General in his

official accounts for the period ended March 31, 1934, involving authorized payments in connection with depositions for the Government.

With the following committee amendments:

Line 6, after the sign and figures "$85.37", insert "in full settlement of all claims against the United States for."

Line 7, strike out the word "as."

Line 7, strike out the word "for", and insert in lieu thereof the word "of."

At the end of the bill add: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

H. H. RHYNE, JR.

The Clerk called the next bill, H. R. 5698, for the relief of H. H. Rhyne, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to H. H. Rhyne, Jr., of Mecklenburg County, N. C., in full satisfaction of all damages sustained on account of the death of his minor child, Mary Douglas Rhyne, who was killed on the 10th day of November 1938 by Earl Johnson, an employee of the United States Government, who at that time was working on Works Progress Administration project No. 2792 and was operating for the Government a truck, not properly equipped with brakes, in a careless, reckless, and negligent manner, thereby running over and killing the said Mary Douglas Rhyne.

With the following committee amendments:

Line 5, strike out the sign and figures "$5,000" and insert in lieu thereof "$3,000."

Line 7, after the word "all", insert "claims against the United States, of any employee thereof, for."

Strike out lines 10 and 11 on page 1, and all the language on page 2 and insert in lieu thereof "as a result of being struck by a truck owned by the Works Progress Administration and operated by one of its employees: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMMA J. HALL

The Clark called the next bill, H. R. 5951, for the relief of the heirs of Emma J. Hall.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the heirs of Emma J. Hall, the sum of $2,000. Such sum shall be in full settlement of all claims against the United States on account of fatal injuries sustained by the said Emma J. Hall as result of a fall down steps leading from the lobby of the Santa Monica Post Office.

With the following committee amendments:

Page 1, line 6, after the name "Hall", insert "formerly of Santa Monica, Calif."

Page 1, line 7, strike out "$2,000" and insert "$1,500."

Page 1, line 10, after "Monica", insert "(California)."

Page 1, line 11, after the words "post office", insert "on October 18, 1938: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JACK D. COLLINS

The Clerk called the next bill, H. R. 6259, for the relief of Jack D. Collins.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, the United States Employees' Compensation Commission is hereby authorized and directed to consider the claim of Jack D. Collins, filed with the United States Employees' Compensation Commission on January 10, 1939, for disability alleged to have been incurred by him May 3, 1935, when engaged in authorized activities while an enrollee of the Civilian Conservation Corps, and to determine said claim upon its merits under the provisions of said act: *Provided*, That no benefits shall accrue prior to the approval of this act.

With the following amendment:

Page 2, line 4, after the word "Act", insert "applicable to enrollees of the Civilian Conservation Corps: *Provided*,"

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

W. R. FUCHS, J. L. SUMMERS, AND G. F. ALLEN

The Clerk called the next bill, H. R. 6490, for the relief of W. R. Fuchs, former disbursing clerk, Department of Agriculture; J. L. Summers, former disbursing clerk; and G. F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 6 of the Classification Act of 1923 (42 Stat. 1490), as amended, the Comptroller General of the United States is hereby authorized and directed to allow credit in the accounts of W. R. Fuchs, former disbursing clerk, Department of Agriculture; J. L. Summers, former disbursing clerk, now deceased; and G. F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department; in the sums of $334.89, $64.20, and $77.66, respectively, for payments made to eight junior messengers who were appointed in the Agricultural Adjustment Administration at salaries in excess of the minimum of the classification grade during the period January 8, 1934, to April 2, 1934; and no amounts so paid and not heretofore recovered shall be charged against the payees on account of said payments.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROSCOE B. HUSTON AND SIMEON F. FELARCA

The Clerk called the next bill, H. R. 6491, for the relief of Roscoe B. Huston and Simeon F. Felarca.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to credit the account of Roscoe B. Huston, postmaster at Detroit, Mich., in the amount of $195.21, representing compensation in part paid, and in part to be paid, to Simeon F. Felarca and earned by the latter while employed as a substitute laborer in the post office at Detroit, disallowance of the amount having been based upon a legal prohibition resulting from lack of proof of citizenship.

SEC. 2. The postmaster at Detroit, Mich., is hereby authorized and directed to pay to Simeon F. Felarca the balance due him of $34.28 for services rendered, such amount being incorporated in the amount stated in section 1 of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN L. HICKS

The Clerk called the next bill, H. R. 6492, for the relief of John L. Hicks, rural rehabilitation supervisor, Farm Security Administration, Department of Agriculture, Santa Rosa, N. Mex.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $77.50 to John L. Hicks, rural rehabilitation supervisor, Farm Security Administration, Department of Agriculture, Santa Rosa, N. Mex., to compensate him for the amount expended by him in satisfying the judgment rendered in the Fourth Judicial District Court, New Mexico, in the case of Luis Gutierrez, plaintiff, against John L. Hicks, defendant (No. 2615), arising from said John L. Hicks' repossession, in good faith and upon reasonable cause, of certain horses mistakenly supposed to have been mortgaged to the former Resettlement Administration: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by an agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE E. MILLER

The Clerk called the next bill, H. R. 6804, for the relief of George E. Miller.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow credit in the account of George E. Miller, disbursing clerk, London, England, in the sum of $424.47, representing the amount disallowed by the Comptroller General in connection with the shipment of personal effects of Sam E. Woods, American commercial attaché, from Prague, Czechoslovakia, to Berlin, Germany, in steel moving vans which, although increasing the weight to an amount in excess of that allowed by the regulations, was considerably cheaper than any other method of packing and transportation. Said travel order for removal of personal effects being dated August 16, 1937.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SAM E. WOODS

The Clerk called the next bill, H. R. 6805, for the relief of Sam E. Woods.

The SPEAKER pro tempore. Is their objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Sam E. Woods, American commercial attaché, Berlin, Germany, the sum of $278.50, in full settlement of all claims against the Government of the United States for expenses incurred for ocean transportation and per diem while on board vessel in connection with official travel from Prague, Czechoslovakia, to Washington, District of Columbia, during the period February 8 to February 17, 1934, in accordance with cable instructions dated February 3, 1934, from the Director of the Bureau of Foreign and Domestic Commerce, the ocean portion of said travel having been performed on a vessel of foreign registry: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MATILDA LARNED

The Clerk called the next bill, H. R. 6808, for the relief of Matilda Larned.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Matilda Larned, of Middleburg, N. Y., the sum of $5,888.25, in full settlement of all claims against the United States for property damage and personal injuries received by her while riding in automobile driven and owned by Edwin L. Wade, of Schnectady, N. Y., and which automobile was forced from the Middleburg-Schoharie Highway near Schoharie, N. Y., on December 3, 1935, by a truck in the service of the Civilian Conservation Corps: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, after the name "Larned", insert the word "Bouck."

Page 1, line 6, strike out "$5,888.25" and insert "$2,500."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JESSE CLAUD BRANSON

The Clerk called the next bill, S. 1211, for the relief of Jesse Claud Branson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Jesse Claud Branson, of Kansas City, Mo., the sum of $3,000. Said sum shall be in full settlement of his claim against the United States on account of damages sustained by him when he was injured and his automobile damaged by a United States rural mail carrier's automobile in a collision at the intersection of a side road with United States route No. 50, about 2 miles east of Walton, Kans., on April 29, 1937: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ERNEST CLINTON AND FREDERICK P. DERAGISCH

The Clerk called the next bill, S. 1229, for the relief of Ernest Clinton and Frederick P. Deragisch.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ernest Clinton, of Portland, Oreg., the sum of $1,028.17, and to Frederick P. Deragisch, of Portland, Oreg., the sum of $175.56, such payments being in reimbursement of sums which they were required to pay from their personal funds on account of stamps which were stolen, without their neglect or malfeasance, from stamp stocks with which they were charged at the post office in Portland, Oreg.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH LOPEZ RAMOS

The Clerk called the next bill, S. 1527, for the relief of Joseph Lopez Ramos.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Joseph Lopez Ramos, of Naugatuck, Conn., the sum of $500, such sum representing the amount reimbursed by him to the Aetna Casualty & Surety Co. on account of the forfeiture of a bond for the appearance of Mario Augusto Lopez Ramos with respect to deportation proceedings, the warrant of deportation subsequently being canceled: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall de deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM E. COWEN

The Clerk called the next bill, S. 1823, for the relief of William E. Cowen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William E. Cowen, of Washington, D. C., an employee of the custodian's office, Senate Office Building, the sum of $265, in full settlement of his claim against the United States for medical and hospital expenses incurred as a result of injuries sustained on April 29, 1937, when his left foot was crushed between the loading platform and the subway car: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

C. L. HERREN

The Clerk called the next bill, S. 2023, for the relief of C. L. Herren.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States is authorized and directed to credit the postal-savings account of C. L. Herren, postmaster at Clarinda, Iowa, in the sum of $3,124.98, representing the amount due the United States on account of the embezzlement of postal-savings funds by Clarence P. Brown, formerly a clerk in the Clarinda, Iowa, post office.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said C. L. Herren a sum equal to the total sum of any amounts which have been paid by him to the United States in settlement of such amount: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH ALDER, E. G. ALLEN, AND E. G. ALLEN AND BY HANCHETT JOINTLY

The Clerk called the next bill, S. 2054, for the relief of Joseph Alder, E. G. Allen, and E. G. Allen and By Hanchett jointly.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $422.96 to Joseph Alder, the sum of $100 to E. G. Allen, and the sum of $124.75 to E. G. Allen and By Hanchett jointly, in full satisfaction of their claims against the United States arising out of the breaking of Cluff Reservoir Dam No. 3, near Safford, Ariz., on May 1, 1937, such dam having been constructed by the Department of Agriculture through the Soil Conservation Service: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BARNET WARREN

The Clerk called the next bill, S. 2271, for the relief of Barnet Warren.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Barnet Warren the sum of $2,459.34, and the additional sum of $100 per month in an amount not to exceed $5,000, in full settlement of all his claims against the United States growing out of any damages or personal injuries suffered by him when a Civilian Conservation Corps truck, operated at the time by the National Park Service, collided with the said Barnet Warren, who was riding a bicycle north on United States Highway No. 1 near Ojus, Fla., on March 17, 1939: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: On page 1, line 7, strike out "$5,000" and insert "$2,500."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BEN WHITE AND OTHERS

The Clerk called the next bill, H. R. 3566, to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of Ben White, Arch Robinson, Lee Wells, W. S. Wells, A. J. McLaren, A. D. Barkelew, Oscar Clayton, R. L. Culpepper, W. B. Edwards, the estate of John McLaren, the estate of C. E. Wells, and the estate of Theodore Bowen.

Mr. COSTELLO and Mr. HANCOCK objected, and, under the rule, the bill was recommitted to the Committee on Claims.

COLUMBUS IRON WORKS CO.

The Clerk called the next bill, H. R. 3689, for the relief of the Columbus Iron Works Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Columbus Iron Works Co., Columbus, Ga., the sum of $531.11, in full satisfaction of its claim against the United States for furnishing a quantity of cast-steel fittings to the War Department, United States Engineers Office, at Batesville, Miss., under unnumbered contract, dated December 2, 1937, and purchase order No. 10714, of the same date, issued pursuant thereto (General Accounting Office claim No. 0416015), covering the loss sustained through its clerical error in submitting bid on cast-iron fittings on lot No. 2 of invitation No. 1106-38-110 instead of on cast-steel fittings which the Columbus Iron Works Co. was required to furnish.

With the following committee amendments:

Page 1, line 6, strike out the sign and figures "$531.11" and insert in lieu thereof "$426.27."

Page 2, at the end of the bill add: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim,

and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM H. RADCLIFFE

The Clerk called the next bill, H. R. 4549, for the relief of William H. Radcliffe.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William H. Radcliffe, supervising superintendent of construction, Veterans' Administration, the sum of $155.56, in full settlement of his claim against the United States for reimbursement at the authorized rate of 4 cents per mile for official travel performed during the period from July 6, 1936, to August 20, 1936, in an automobile then registered under the laws of the State of California in the name of his wife.

With the following committee amendment:

At the end of the bill add "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MICHAEL M. COHEN

The Clerk called the next bill, H. R. 5775, for the relief of Michael M. Cohen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Michael M. Cohen, of Boston, Mass., the sum of $1,000, representing the amount of a United States bond posted by him as security for an immigration bond executed by him and conditioned upon the appearance before immigration authorities of Salvatore Marino, such immigration bond having been forfeited as a result of the nonappearance of said Salvatore Marino, who was subsequently apprehended and deported.

With the following committee amendments:

Line 3, strike out the word "is" and insert in lieu thereof "be, and he is hereby."

Line 8, after the word "him" insert "in April 1937."

At the end of the bill add "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CARLETON-MACE ENGINEERING CORPORATION

The Clerk called the next bill, H. R. 5857, to amend Private Act No. 286, approved June 18, 1934, entitled "An act for the relief of Carleton-Mace Engineering Corporation."

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Private Act No. 286, approved June 18, 1934, entitled "An act for the relief of Carleton-Mace Engineering Corporation," be, and the same is hereby, amended by inserting the word "primarily" after the word "occasioned" and before the word "by"; by repealing the word "the" appearing after the word "preventing" and before the word "completion" and inserting in lieu thereof the words "orderly prosecution and"; by repealing the phrase "such amount, not exceeding"; by repealing the provision "as the Comptroller General may find from the facts and the evidence submitted to him to be the actual amount of the extra cost occasioned by the said embargo" and inserting in lieu thereof the following: "as found and determined by a Navy board on June 9, 1920"; and by repealing the phrase "or so much thereof as may be necessary."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLAIMS OF CARDEN AND HERD

The Clerk called the next bill, H. R. 7230, to provide for an appeal to the Supreme Court of the United States from the decision of the Court of Claims in a suit instituted by George A. Carden and Anderson T. Herd.

Mr. COCHRAN and Mr. COSTELLO objected and, under the rule, the bill was recommitted to the Committee on the Judiciary.

REV. FRANCIS X. QUINN

The Clerk called the next bill, H. R. 7389, to provide for the presentation of a medal to Rev. Francis X. Quinn in recognition of his valor in saving the lives of two of his fellow citizens.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in recognition of the valor of Rev. Francis X. Quinn, pastor of the Church of the Guardian Angel, New York City, who risked his life by entering a room where an armed desperado held two elderly persons as hostages, and who by successfully disarming this criminal and saving the lives of two innocent persons distinguished himself conspicuously by gallantry and intrepidity at the risk of his life above and beyond the call of his duty, the Secretary of the Treasury is authorized and directed to cause to be struck, and the President is authorized to present to the said Rev. Francis X. Quinn, a gold medal of appropriate design with suitable emblems, devices, and inscriptions to be determined by the Secretary of the Treasury.

SEC. 2. There is hereby authorized to be appropriated such sum as may be necessary to carry out the provisions of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HOWARD HUGHES

The Clerk called the next bill, H. R. 7089, to provide for the presentation of a medal to Howard Hughes in recognition of his achievements in advancing the science of aviation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in recognition of the achievements of Howard Hughes in advancing the science of aviation and thus bringing great credit to his country throughout the world, the Secretary of the Treasury is authorized and directed to cause to be struck, and the President is authorized to present to the said Howard Hughes, a gold medal of appropriate design with suitable emblems, devices, and inscriptions to be determined by the Secretary of the Treasury.

SEC. 2. There is hereby authorized to be appropriated such sum as may be necessary to carry out the provisions of this act.

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

A motion to reconsider was laid on the table.

PLAYA DE FLOR LAND AND IMPROVEMENT CO.

The Clerk called the next bill, H. R. 7132, to amend an act entitled "An act for the relief of the Playa de Flor Land & Improvement Co.", approved May 21, 1934.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act for the relief of the Playa de Flor Land & Improvement Co., approved May 21, 1934", be, and the same is hereby, amended by adding the following:

"SEC. 2. All testimony, exhibits, or other evidence heretofore admitted in evidence in any proceeding heretofore had under authority of this act and all testimony, exhibits, or other evidence heretofore admitted in evidence in the cases docketed in said court as Nos. 1 and 3, and, respectively, entitled 'Playa de Flor Land & Improvement Co., a joint stock corporation, Plaintiff v. Eusebia Diaz, et al., and The Panama Railroad Co., a corporation, defendants', and 'The Panama Railroad Co., a corporation, Plaintiff v. J. H. Stilson, W. Andrews, and C. P. Fairman, as the successors in interest and estate to Eufracis C. de Villalobos, et al., defendants', shall be received in evidence for the same purpose as heretofore admitted in any suit brought or to be brought under authority of this act, as amended."

With the following committee amendments:

Page 1, line 7, after the word "All", insert the word "competent."

Page 1, line 9, after the word "all", insert the word "competent."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ZOOK PALM NURSERIES, INC.

The Clerk called the next bill, H. R. 808, for the relief of Zook Palm Nurseries, Inc., a Florida corporation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Zook Palm Nurseries, Inc., a Florida corporation, the sum of $162,768.48 in full settlement of all claims against the United States for damage done to its nursery gardens and property located along the east bank of the Intracoastal Waterway immediately south of Atlantic Avenue, Delray Beach, Palm Beach County, Fla., from October 2, 1933, to the date of this act, by the overflow with salt water from the Intracoastal Waterway, due to the widening and deepening of the waterway adjacent to and in the vicinity of said nursery gardens and property and the removal of the dikes along the said waterway by the War Department: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That jurisdiction is hereby conferred upon the District Court of the United States for the Southern District of Florida to hear, determine, and render judgment upon the claim of Zook Palm Nurseries, Inc., a Florida corporation, said claim arising out of damages done to its nursery gardens and property located along the east bank of the Intracoastal Waterway immediately south of Atlantic Avenue, Delray Beach, Palm Beach County, Fla., from October 2, 1933, to the date of the passage of this act, by their overflow with salt water from the Intracoastal Waterway, allegedly due to the widening and deepening of the waterway adjacent to and in the vicinity of said nursery gardens and property, and the removal of the dike along the said waterway by the War Department. Suit hereunder may be instituted at any time within 1 year from the date of the enactment of this act and proceedings therein, appeals therefrom, and payment of judgment thereon, if any, shall be had in the same manner as in the case of claims over which said court has jurisdiction under the provisions of the Judicial Code."

Amend the title.

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

A motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to confer jurisdiction upon the District Court of the United States for the Southern District of Florida to hear, determine, and render judgment upon the claim of Zook Palm Nurseries, Inc., a Florida corporation."

MIKE L. BLANK

The Clerk called the next bill, H. R. 809, for the relief of Mike L. Blank.

Mr. HALLECK and Mr. COSTELLO objected and, under the rule, the bill was recommitted to the Committee on Claims.

FIRST LT. SAMUEL E. WILLIAMS

The Clerk called the next bill, H. R. 1428, for the relief of First Lt. Samuel E. Williams.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to First Lt. Samuel E. Williams the sum of $178 to cover the loss of his personal property destroyed in a fire at Fort Benning, Ga., February 22, 1936.

With the following committee amendments:

Line 6, strike out the words "to cover" and insert in lieu thereof "in full settlement of all claims against the United States for."

At the end of the bill add: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OLIN C. RISINGER

The Clerk called the next bill, H. R. 2049, for the relief of Olin C. Risinger.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Clin C. Risinger the sum of $126 gratuity payment in the case of Fred C. Risinger (serial No. 6266309).

With the following committee amendments:

Line 5, after the name "Risinger" insert a comma, and add "Batesburg, S. C.".

Line 6, after the sign and figures "$126" insert "in full settlement of all claims against the United States for".

At the end of the bill add: ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALFRED JOSEPH WRIGHT

The Clerk called the bill (H. R. 2358) for the relief of Alfred Joseph Wright.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Rosetta Louise Tomkins, Richmond, Va., the sum of $700, in full settlement of all claims against the Government of the United States for personal injuries suffered by her infant son, Alfred Joseph Wright, caused by an automobile truck driven by John Mundy, attached to Civilian Conservation Corps Camp No. 1375, located at Fort Harrison, Va., on July 8, 1936.

With the following committee amendments:

Page 1, line 6, strike out "$700" and insert in lieu thereof "$650".

Page 1, line 12, strike out the period, insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendments were agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COSTAS DEMELLIS

The Clerk called the bill (H. R. 3159) for the relief of the estate of Costas Demellis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $20,000 to the administrator of the estate of Costas Demellis for injuries sustained as a result of being struck by a Government-owned truck (U. S. 42382) of the Department of Agriculture, which resulted in his death at the Metropolitan Hospital, New York City, N. Y., on August 11, 1936.

With the following committee amendments:

Page 1, line 5, strike out "$20,000" and insert in lieu thereof "$5,000."

Page 1, line 6, after the word "Demellis", insert "formerly of New York City, in full settlement of all claims against the United States", and in line 12, page 1, strike out the period, insert a colon

and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FISKE WARREN

The Clerk called the bill (H. R. 3172) for the relief of Fiske Warren.

The SPEAKER pro tempore. Is there objection?

Mr. COSTELLO. I object.

The SPEAKER pro tempore. One objection is heard. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Fiske Warren,——— ———, Mass., the sum of $10,000. The payment of such sum shall be in full settlement of all claims against the United States for losses sustained by the said Fiske Warren on account of damage to certain real property owned by him in the town of Harvard, Mass., such damage resulting from the occupation and use of such real property by the United States Army.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That jurisdiction is hereby conferred upon the Court of Claims to hear, determine, and render judgment upon the claim of Fiske Warren, Harvard, Mass., for damages alleged to have been sustained by him as a result of the leasing of his property, situated in the town of Harvard, Mass., to the United States Army, under contract No. W218qm-562, dated June 30, 1933, notwithstanding provisions in said lease which would bar recovery of such damages.

"SEC. 2. Such claim may be instituted at any time within 2 years after the passage of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings in any suit before the Court of Claims under this act, and appeals therefrom, and payment of any judgment thereon, shall be had as in the case of claims over which such court has jurisdiction under the Judicial Code."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. CASEY of Massachusetts. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. CASEY of Massachusetts: Page 2, line 2, after the words "claim of", insert the words "the estate of."

The amendment was agreed to.

Mr. HANCOCK. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. HANCOCK: Page 2, lines 7 and 8, strike out "notwithstanding provisions in said lease which would bar recovery of such damages" and insert a period.

The amendment was agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of Fiske Warren."

C. E. HENDRICKSON AND STEPHENVILLE HOSPITAL, STEPHENVILLE, TEX.

The Clerk called the bill (H. R. 3676) for the relief of C. E. Hendrickson and the Stephenville Hospital, Stephenville, Tex.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to C. E. Hendrickson, of Parsons, Kans., the sum of $1,500. The payment of such sum shall be in full settlement of all claims against the United States for damages on account of personal injuries received by the said C. E. Hendrickson when he was struck on November 13, 1937, by a United States Army motorcycle, on Texas State Highway No. 10, between Cresson and Granbury, Hood County, Tex.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Stephenville Hospital, Stephenville, Tex., the sum of $410. Such sum represents the value of hospital and medical services furnished by such hospital to the said C. E. Hendrickson in the treatment of personal injuries received by him in the manner set forth in section 1 of this act.

With the following committee amendments:

Page 1, line 6, strike out "$1,500" and insert "$1,200."

Page 2, line 6, strike out "$410. Such sum represents the value of" and insert "$410, in full settlement of all claims against the United States for."

Page 2, line 11, strike out the period, insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GRACE CAMPBELL

The Clerk called the bill (H. R. 3962) for the relief of Grace Campbell.

Mr. COSTELLO and Mr. HANCOCK objected, and the bill was recommitted to the Committee on Claims.

ALBERT R. RINKE

The Clerk called the bill (H. R. 4033) for the relief of Albert R. Rinke.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions and limitations of sections 15 and 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, the United States Employees' Compensation Commission be, and the same is hereby, authorized and directed to receive and consider, if filed within 6 months after the enactment of this act, the claim of Albert R. Rinke, of North Little Rock, Ark., for disability alleged to have been caused by injuries sustained by him on July 13, 1935, while in the performance of his duties in the employment of the Civilian Conservation Corps: *Provided*, That no benefits shall accrue prior to the approval of this act.

With the following committee amendments:

Page 1, line 4, strike out "and 20, both" and insert the word and figures "to 20."

Page 2, line 3, after the word "Corps", strike all the remainder of line 3 and all of line 4.

The committee amendments were agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMMITT COURTNEY

The Clerk called the bill (H. R. 4072) for the relief of Emmitt Courtney.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to J. W. Courtney, father and natural guardian of Emmitt Courtney, a minor, of Johnson County, Ark., the sum of $3,500, in full satisfaction of his claim against the United States for permanent personal injuries sustained by the said Emmitt Courtney on November 30, 1938, when struck by an automobile driven by C. O. Ising while on duty as an employee of the Department of Agriculture, assigned to the United States Forest Service, at Russellville, Ark.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 7, strike out "$3,500" and insert "$1,618."

The committee amendment was agreed to, and the bill as amended was ordered to be engrossed and read a third time,

was read the third time, and passed, and a motion to reconsider was laid on the table.

MAUDE SMITH

The Clerk called the next bill, H. R. 4261, for the relief of Maude Smith.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Maude Smith, of Kerens, Tex., the sum of $2,500, on account of the loss of her husband, Frank M. Smith, who was killed on January 5, 1939, as a result of a fall into an unguarded open drainage ditch of a Works Progress Administration project in the southwestern part of Kerens, in Navarro County, Tex.

With the following committee amendments:

Page 1, line 3, strike out "is hereby" and insert "be, and he is hereby."

Page 1, line 5, after the word "appropriated", strike out "to Maude Smith" and insert "to the estate of Frank M. Smith, deceased, formerly."

Page 1, line 7, after the word "the", strike out "loss of her husband" and insert "death of the said."

Page 1, line 12, after the word "Texas", insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

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

A motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of the estate of Frank M. Smith."

ANTON SAGANEY

The Clerk called the next bill, H. R. 4300, for the relief of Anton Saganey.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Anton Saganey, in full settlement of his claim against the United States for loss or destruction of, or damage to, personal property and effects as a result of the fire which occurred on Works Progress Administration official project No. 65-14-9415, July 15, 1936, in the sum of $145.60.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated to Anton Saganey, Boston, Mass., the sum of $145.60; John J. Beatty, South Boston, Mass., the sum of $10.14; Frederick J. Coppenrath, Roslindale, Mass., the sum of $15; Joseph R. Driscoll, Dorchester, Mass., the sum of $17; Edward A. Morash, Boston, Mass., the sum of $4; and Michael L. Siderowicz, Watertown, Mass., the sum of $12, in all, $203.74, in full settlement of their claims against the United States for the loss of, or damage to, tools and other personal property in a fire that occurred on Works Progress Administration official project No. 65-14-9415, on July 15, 1936: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

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

A motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Anton Saganey, John J. Beatty, Frederick J. Coppenrath, Joseph R. Driscoll, Edward A. Morash, and Michael L. Siderowicz."

LEWIS MARION GARRARD HALE

The Clerk called the next bill, H. R. 4349, for the relief of the estate of Lewis Marion Garrard Hale.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $15,000, to the estate of Lewis Marion Garrard Hale; said sum to be in full settlement of all claims for damages against the Government of the United States on account of the death of said Hale on December 29, 1938, through and by the negligence and carelessness of one Ed Hammond who at the time was an enrollee of the United States Civilian Conservation Corps and operating said Civilian Conservation Corps truck for and on behalf of the United States Civilian Conservation Corps, in that the said Ed Hammond was operating said truck on a public highway in a reckless, negligent, and careless manner by driving said truck at an unlawful and excessive rate of speed and on the wrong side of the public highway and at a time when said truck was worn, defective, and in a bad state of repair, and ran same into and over the said Hale on December 27, 1938, and from which injuries received in said accident said Hale died December 29, 1938. All of said injuries and death of said Hale were caused solely and only on account of the negligence and carelessness aforesaid of the said Ed Hammond.

With the following committee amendments:

Page 1, line 5, strike out "$15,000" and insert "$5,000."

Page 1, line 6, after the word "Hale", strike out "said sum to be."

Page 1, line 7, after the claims, strike out "for damages."

Page 1, line 9, after the figures, strike out the balance of line 9, all of lines 10, 11, and 12, and on page 2, down to and including the word "Hammond" in line 12, and insert: "from injuries received when struck by a Forest Service truck operated by an enrollee of the Civilian Conservation Corps: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceed $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAUL M'COY

The Clerk called the next bill, H. R. 4601, for the relief of Paul McCoy.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General is authorized and directed to credit the account of Paul W. McCoy, postmaster at Edison, Nebr., in the sum of $2,500. Such sum represents a shortage in said account caused by the accidental burning of that amount of United States currency on December 6, 1936.

With the following committee amendments:

Page 1, line 3, after the words "Comptroller General", insert "of the United States".

Page 1, line 4, after the word "the", insert "postal savings".

The committee amendments were agreed to.

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

A motion to reconsider was laid on the table.

The title was amended to read: "A bill for the relief of Paul W. McCoy."

M. F. GUBRUD

The Clerk called the next bill, H. R. 4616, to pay M. F. Gubrud, of Ambrose, N. Dak., $261.75, money erroneously collected under protest, as duty on frozen wheat imported from Canada as feed for livestock, under the Tariff Act.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to M. F. Gubrud, of Ambrose, N. Dak., the sum of $261.75 with interest at 6 percent from the 21st day of August 1935 in full settlement of all claims against the Government of the United States for money erroneously collected and paid under protest, as duty upon frozen wheat imported from Canada for feed for livestock in 1935, under the provisions of the Tariff Act.

With the following committee amendment:

Page 1, line 6, after the word "of", strike out the balance of line 6, all of lines 7, 8, and 9, and on page 2, strike out lines 1 and 2

and the word "act" in line 3 and insert the following: "$240.86 in full settlement of all claims against the Government of the United States for money paid in connection with two importations of frozen wheat from Canada, covered by entries filed at Ambrose, N. Dak., on April 27 and May 17, 1935: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

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

A motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of M. F. Gubrud."

JAMES N. HARWOOD

The Clerk called the next bill, H. R. 4885, to extend the benefits of the Employees' Compensation Act of September 7, 1916, to James N. Harwood.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the United States Employees' Compensation Commission be, and it is hereby, authorized and directed to extend to James N. Harwood, on account of injuries sustained by him on the 3d day of January 1929, said injury having occurred while he was working in his capacity as an employee in the dental clinic of the Veterans' Administration facility, Johnson City, Tenn., as ward attendant, the provisions of an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That the United States Employees' Compensation Commission be, and it is hereby, authorized and directed to determine the merits of the claim of James M. Harwood, Johnson City, Tenn., for disability alleged to have resulted from an injury sustained by him on January 3, 1929, while in the performance of his duties as a ward attendant in the dental clinic of the Veterans' Administration facility, Johnson City, Tenn., under the provisions of the act entitled 'An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes,' approved September 7, 1916, as amended, except that the time limitations in sections 15 to 20, inclusive, of said act shall be, and are hereby, waived: *Provided*, That no benefits shall accrue prior to the approval of this act: *And provided further*, That claim hereunder be filed within 6 months after the approval of this act."

The amendment was agreed to.

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

A motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of James M. Harwood."

MRS. CLINTON WARD AND ESTER WARD

The Clerk called the next bill, H. R. 5106, for the relief of Mrs. Clinton Ward and Ester Ward.

The SPEAKER pro tempore. Is there objection?

Mr. COSTELLO and Mr. HANCOCK objected, and the bill, under the rule, was recommitted to the Committee on Claims.

RUTH DORNSIFE

The Clerk called the next bill, H. R. 5491, to pay the salary of Ruth Dornsife.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, instructed to pay, from any funds not otherwise appropriated, the sum of $132 to Ruth Dornsife, this amount being due for services with the Farm Security Administration and unpaid because of acknowledged error by employee of regional office of Farm Security Administration.

With the following committee amendment:

Strike out all the language after the enacting clause, and insert in lieu thereof the following:

"That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $104.83 to Ruth Dornsife, Toledo, Ohio, in full settlement of all claims against the United States for annual leave not granted her while she was in the employ of the Farm Security Administration, from December 16, 1935, to August 10, 1937: *Provided*, That no part of of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

D. E. SWEINHART

The Clerk called the next bill, H. R. 5704, to amend Private Law No. 310, Seventy-fifth Congress, first session, an act for the relief of D. E. Sweinhart.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Private Law No. 310, Seventy-fifth Congress, first session, an act for the relief of D. E. Sweinhart, be, and it hereby is, amended as follows:

In section 1, after the words "pay to" and immediately preceding the words "D. E. Sweinhart", insert "Ernest D. Sweinhart, of Albuquerque, N. Mex., administrator of the estate of."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLYDE EQUIPMENT CO.

The Clerk called the next bill, H. R. 5803, for the relief of Clyde Equipment Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Clyde Equipment Co., of Portland, Oreg., the sum of $4,043.40. The payment of such sum shall be in full settlement of all claims against the United States for losses sustained by such company as a result of the destruction by fire of two caterpillar tractors, owned by said company, on August 6, 1936, while such tractors were being used on a Works Progress Administration project at the Portland, Oreg., super airport.

With the following committee amendments:

Line 6, strike out the sign and figures "$4,043.40" and insert in lieu thereof "$3,273.39."

Line 9, after the word "tractors" insert "and two bulldozers."

Line 10, after the word "tractors", insert "and bulldozers." At the end of the bill add: ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KATHERYN S. ANDERSON

The Clerk called the next bill, H. R. 6084, for the relief of Katheryn S. Anderson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That sections 17 and 20 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended (U. S. C., title 5, secs. 767 and 770), are hereby waived in favor of Katheryn S. Anderson, of Oakland, Calif., who sustained injuries to health while employed as a stenographer-clerk from April 29, 1929, to September 30, 1932, in the office of the United States Employees' Compensation Commission in San Francisco, Calif., which injury resulted in permanent physical disability, and her case is authorized to be considered and acted upon under the remaining provisions of such act, as amended, if she files a notice of such injury and claim for compensation with the United States Employees' Compensation Commission not later than 90 days after date of enactment of this act.

With the following committee amendment:

Page 2, line 7, after the word "Act" insert a colon and the following: "*Provided*, That no benefits shall accrue prior to the passage of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. S. F. SEWELL ET AL.

The Clerk called the next bill, H. R. 6099, for the relief of Mrs. S. F. Sewell, and the commissioners of roads and revenues of Dooly County, Ga.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. S. F. Sewell, of Vienna, Ga., the sum of $10,000 for the death of S. F. Sewell, husband of Mrs. S. F. Sewell, and to the commissioners of roads and revenues, of Dooly County, Vienna, Ga., the sum of $397, for expenses incurred in connection with the death of S. F. Sewell, in full satisfaction of all claims against the United States, sustained when S. F. Sewell, employed as bridge foreman by Dooly County in constructing a concrete culvert, was struck by a falling tree cut down by Works Progress Administration employees at a place known as Moccasin Branch on the Unadilla-Hawkinsville Highway, on January 19, 1939.

With the following committee amendments:

Line 6, strike out the sign and figures "$15,000" and insert in lieu thereof "$5,000."

Line 7, after the name "Mrs. S. F. Sewell" strike out the comma and all the language in lines 7, 8, and 9, and the name "Sewell" in line 10.

At the end of the bill add ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Mrs. S. F. Sewell."

ANNIE BEARDEN ET AL.

The Clerk called the next bill, H. R. 6362, for the relief of Annie Bearden, Ruth Bearden, Essie Burton, Beatrice Carter, Mary Cobb, Addie Graham, Annie Grant, Sallie Harris, Minerva Holbrooks, Omie Keese, Sallie Marett, Josie McDonald, Jessie Morris, Martha O'Shields, Mae Phillips, Leila H. Roach, Belva Surrett, and Shelley Turner.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $40 to Annie Bearden, Ruth Bearden $25, Essie Burton $35, Beatrice Carter $30, Mary Cobb $35, Addie Graham $45, Annie Grant $30, Sallie Harris $90, Minerva Holbrooks $30, Omie Keese $50, Sallie Marett $45, Jessie McDonald $30, Jessie Morris $110, Martha O'Shields $35, Mae Phillips $45, Leila H. Roach $30, Belva Surrett $65, and Shelley Turner $30, which sums represent full and final settlement for losses of personal property sustained November 30, 1937, when fire destroyed the Works Progress Administration sewing room at Westminster, Oconee County, S. C.

With the following committee amendment:

Line 6, after the name "Annie Bearden", strike out the remaining language of the bill and insert in lieu thereof the following: "the sum of $25 to Ruth Bearden, the sum of $35 to Essie Burton, the sum of $30 to Beatrice Carter, the sum of $35 to Mary Cobb, the sum of $45 to Addie Graham, the sum of $30 to Annie Grant, the sum of $90 to Sallie Harris, the sum of $30 to Minerva Holbrooks, the sum of $50 to Omie Keese, the sum of $45 to Sallie Marett, the sum of $30 to Josie McDonald, the sum of $110 to Jessie Morris, the sum of $35 to Martha O'Shields, the sum of $45 to Mae Phillips, the sum of $30 to Leila H. Roach, the sum of $65 to Belva Surrett, and the sum of $30 to Shelley Turner, in full settlement of all claims against the United States for loss of personal property sustained on November 30, 1937, when fire destroyed the Works Progress Administration sewing room at Westminster, Oconee County, S. C.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FLOYD H. ROBERTS

The Clerk called the next bill, H. R. 6513, for the relief of Floyd H. Roberts.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Floyd H. Roberts, of Bristol, Va., compensation at the rate provided by law for judges of district courts of the United States, for his services as district judge for the period August 1, 1938, to February 6, 1939, both dates inclusive.

With the following committee amendments:

Line 5, after the words "Bristol, Va.," insert "the sum of $5,166.66, representing."

Line 7, after the word "States" insert "in full settlement of all claims against the United States."

At the end of the bill add: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BUFORD LEE PRATT

The Clerk called the next bill, H. R. 6963, for the relief of Buford Lee Pratt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the limitations of time in sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended, are hereby waived in favor of Buford Lee Pratt, of Spencer, Va., and the United States Employees' Compensation Commission is authorized, under the remaining provisions of said act, to receive and consider his claim for compensation for disability resulting from an injury sustained on July 11, 1934, while employed as a tobacco committeeman in the tobacco-production-adjustment program of the United States Department of Agriculture: *Provided*, That claim hereunder shall be filed within six months from the date of the approval of this act: *Provided further*, That no benefits shall accrue prior to the approval of this act.

With the following committee amendment:

Page 2, line 6, strike out the colon following the word "act", and substitute therefor a period and strike out the balance of lines 6 and 7.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADDISON B. HAMPEL

The Clerk called the next bill, S. 555, for the relief of Addison B. Hampel.

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

Mr. COSTELLO. I object.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Addison B. Hampel, former postmaster at Greenville, Ind., such portion of the sum of $1,429.21 as the Comptroller General finds that the said Addison B. Hampel has paid to the United States on account of the claim of the United States against him arising out of the payment of salary to him as postmaster while he was also employed as a substitute railway postal clerk. The said Addison B. Hampel is hereby released from all liability to the United States arising out of payments to him for salaries during the period he was not employed as postmaster and as substitute railway postal clerk: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any

contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DAMAGES CAUSED BY AIRPLANE CRASHES

The Clerk called the next bill, S. 2513, for the relief of certain persons whose property was damaged or destroyed as a result of the crashes of two airplanes of the United States Navy at East Braintree, Mass., on April 4, 1939.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to Henry J. Madden, of East Braintree, Mass., the sum of $10,194.94; to Thomas Mallen, of East Braintree, Mass., the sum of $205; to Albert J. De Coste, of East Braintree, Mass., the sum of $695; to Mrs. Herbert E. Bess, of East Braintree, Mass., the sum of $124.50; to Anselm A. Bjornson, of East Braintree, Mass., the sum of $3,885.25; to Victoria B. Frazier, of East Braintree, Mass., the sum of $140.75; to the Mutual Federal Savings and Loan Association, of Whitman, Mass., the sum of $50; to Mrs. Edward R. Osborne, of East Braintree, Mass., the sum of $25; to the water department of the town of Braintree, Mass., the sum of $106.24; to William Mac Faun, of South Weymouth, Mass., the sum of $198.75; and to Mary Marshall, of South Braintree, Mass., the sum of $105; said sums to be in full settlement of all claims against the United States for damage to the properties of the said Henry J. Madden, Thomas Mallen, Albert J. De Coste, Mrs. Herbert E. Bess, Anselm A. Bjornson, Victoria B. Frazier, Mutual Federal Savings and Loan Association, of Whitman, Mass., Mrs. Edward R. Osborne, water department, town of Braintree, William Mac Faun, and Mary Marshall, sustained on April 4, 1939, by reason of the crashes of two airplanes of the United States Navy at East Braintree, Mass.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary ontwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHANNES OR JOHN, JULIA, MICHAEL, WILLIAM, AND ANNA KOSTIUK

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent to return to the consideration of the bill, S. 1394, for the relief of Johannes or John, Julia, Michael, William, and Anna Kostiuk, No. 377 on the Private Calendar.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. COSTELLO]?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that the proceedings whereby the bill was passed be vacated and that the bill be again reported.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. COSTELLO]?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Secretary of Labor is hereby authorized and directed to cancel the warrant of arrest and the order of deportation heretofore issued against Johannes or John, Julia, Michael, William, and Anna Kostiuk. Hereafter, for the purposes of the immigration and naturalization laws, such aliens shall be deemed to have been lawfully admitted for all purposes to the United States for permanent residence on April 15, 1925.

Mr. COSTELLO. Mr. Speaker, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 1, line 9, after the word "been", strike out "unlawfully"; in line 11, change the period to a colon and insert: "*Provided*, That the said Johannes or John, Julia, William, and Anna Kostiuk shall never be eligible to become citizens of the United States."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSTRUCTION, REPAIR, AND PRESERVATION OF CERTAIN PUBLIC WORKS ON RIVERS AND HARBORS

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7411) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, No. 489 on the Consent Calendar. A similar request was made an hour or two ago, but was objected to by the gentleman from Mississippi [Mr. RANKIN], who was under a misapprehension as to the facts. He authorizes me to state to the House that he wants to withdraw his objection.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. MANSFIELD]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is hereby authorized and directed to cause preliminary examinations and surveys to be made at the following-named localities, the cost thereof to be paid from appropriations heretofore or hereafter made for such purposes: *Provided*, That no preliminary examination, survey, project, or estimate for new works other than those designated in this or some prior act or joint resolution shall be made: *Provided further*, That after the regular or formal reports made as required by law on any examination, survey, project, or work under way or proposed are submitted no supplemental or additional report or estimate shall be made unless authorized by law: *And provided further*, That the Government shall not be deemed to have entered upon any project for the improvement of any waterway or harbor mentioned in this act until the project for the proposed work shall have been adopted by law:

Beals Harbor, Maine.

Blue Hill Harbor, Maine.

Bunganuc Creek, Maquoite Bay, Maine.

Cathance River, Maine.

Winterport Harbor, Maine.

Waterway from Plum Island Sound to the Annisquam River, Essex County, Mass.

Provincetown Harbor, Mass.

Eightmile River, Conn.

Norwalk Harbor, Conn.

Centerport Harbor, Long Island, N. Y.

Shinnecock Inlet, Long Island, N. Y.

Hudson River at the mouth of Endikill Creek, N. Y., with a view to constructing a small-boat anchorage basin.

Salem River, Salem County, N. J.

Cheesequake Creek, N. J.

Toms River, N. J., from the bridges at Toms River to a connection with the Intracoastal Waterway.

Broadkill River, Del.

Nanticoke River, Del.

Broad Creek, Del.

Waterway from Indian River Inlet to Rehoboth Bay, Del.

Potomac River and tributaries, at and below Washington, D. C., with a view to elimination of the water chestnut.

St. Patricks Creek, Md.

Ross Cove (Magothy River), Md.

Hellens Creek, Calvert County, Md.

Taylors Landing, Worcester County, Md.

Channel from Ocean City to Chincoteague Bay and Harbor at Public Landing, Worcester County, Md.

Finneys Creek, Accomac County, Va., and the channel connecting said creek with Wachapreague Inlet and the Atlantic Ocean.

Browns Bay, Gloucester County, Va., and the channel connecting said bay with Mobjack Bay.

The Hague (Smith Creek), Va.

Southern Branch of Elizabeth River, Norfolk Harbor, Va.

Chuckatuck Creek, Nansemond and Isle of Wight Counties, Va.

Parrotts Creek, Middlesex County, Va.

Purviance Creek, New Hanover County, N. C.

Edisto River and tributaries, South Carolina, with a view to its improvement in the interest of navigation and the development of hydroelectric power.

Jeffers Creek, Florence County, S. C.

Savannah Harbor, Ga.

Channel from the Intracoastal Waterway to, and harbor at, Titusville, Fla.

Intracoastal Waterway from Jacksonville, Fla., to Miami, Fla., including all appropriate side channels and spur channels with a view to increasing the navigable capacity and commercial utility of the existing project.

Channel from the Intracoastal Waterway to, and harbor at, New Smyrna, Fla.

St. Lucie Inlet, Fla.

Intracoastal Waterway from Jacksonville, Fla., to Miami, Fla., with a view to providing an auxiliary side channel from the Intracoastal Waterway near Titusville through, and easterly of, Merritt Island via Banana Creek and River, to, or near, Eau Gallie, Fla.

Channel leading from the Intracoastal Waterway across Indian River to the Lighthouse Service depot at Taylor Creek, adjacent to Fort Pierce Harbor, Fla.

Channel and harbor at Everglades, Collier County, Fla.

Jupiter Inlet, Fla.

Intracoastal Waterway from Jacksonville, Fla., to Miami, Fla., with a view to determining whether the existing project should be modified in any way at the present time, including rectification of alinement, increase in width or depth, either or both, and provision of appropriate side channels and spur channels leading to the various communities on or near the banks of said waterway—all with a view to increasing the navigable capacity and commercial utility of the existing project.

Channel from the Intracoastal Waterway to, and a turning basin at, Fort Pierce, Fla.

Kissimmee River, Fla., with a view to improvement for navigation, flood control, conservation of water, and increase of low-water flows.

Channel to Pahokee, on Lake Okeechobee, Fla.

Lake Okeechobee and its tributary streams, Florida, with a view to removing the water hyacinth.

Channel, turning basin, and improvements at Horseshoe, Dixie County, Fla.

Channel from the deep water in St. Joseph Sound, to and turning basin at, Ozona, Fla.

Chassahowitzka River, Fla.

Intracoastal Waterway from the St. Marks River, Fla., to the Anclote River.

Sarasota Bay, Fla.: Channel from Caseys Pass (Venice Inlet), through Dona Bay to the bridge on United States Highway No. 41, including a turning basin at the eastern terminus of the channel.

Oklawaha River, Fla., from Lake Eustis to Lake Griffin, and thence from Lake Griffin to Silver Springs Run.

Oklawaha River, Fla., from Lake Apopka through Lake Dora to Lake Eustis and adjoining waterways.

St. Marks River, Fla.

Entrance to Perdido Bay, Ala. and Fla., from the Gulf of Mexico to deep water in Perdido Bay, via the most practicable route.

Waterway from the Escambia River to the Alabama River, Fla. and Ala.

Big Sand Creek, Miss., with a view to determining the advisability of undertaking measures for the prevention of bank caving in the vicinity of North Carrollton, Miss.

Grand Bayou, connecting Bayou Boeuf and Bayou Chevreuil, La.

Bayou Boeuf, La Fourche Parish, La.

Lake Pontchartrain, La., with a view to the construction of a seaplane or Army Air Corps base in the vicinity of New Orleans.

Barataria Bay and connecting channels to provide a continuous waterway from the Gulf of Mexico to the Intracoastal Waterway, La.

Bayou Schofield, La., from the Gulf of Mexico to Buras and Empire.

Grand Bayou Pass, La., from the Gulf of Mexico to Buras and Empire.

Bayou Lafourche, La., from the Gulf of Mexico to Leeville or to Golden Meadow.

Mermentau River, La., from the Gulf of Mexico to Grand Chenier.

Vermilion Bay and Bayous Petit Anse, Carlin, and Tigre, from the Gulf of Mexico to Erath and to Jefferson Island, La.

Pine Island Bayou, Tex.

Little Bay, Tex.

Cypress Creek, Tex.

Waterway from the Neches River, by way of Pine Island Bayou and extension, to Trinity River, Tex.

Mississippi River: Davenport (Iowa) harbor of refuge.

Mississippi River at Cassville, Wis.

Mississippi River at Prairie du Chien, Wis.

Mississsippi River at Alma, Wis.

Mississippi River at Maiden Rock, Wis.

Red River of the North Drainage Basin, Minn., S. Dak., and N. Dak., with a view to improvement for navigation, flood control, power development, irrigation, conservation of water, and increase of low-water flows for domestic and sanitary purposes.

Missouri River in South Dakota with a view to improvement to make power available to develop deposits of manganese and other strategic minerals, and for pumping and other uses.

West Fork River and its tributaries, West Virginia, with a view to determining the advisability of constructing a system of several multiple-use reservoirs in the West Fork River Basin instead of the proposed West Fork Reservoir.

Tofte Harbor, Minn.

Algoma Harbor, Wis.

Harbor at mouth of Au Train River, Mich.

Shelldrake Harbor, Mich.

Galien River, Mich.

Pinconning River, Mich.

Pine River, Mich.

St. Marys River, Ohio and Ind.

Harbor at Ballast Island, Ohio.

Rocky River, Ohio.

Little River (branch of Niagara River), at Cayuga Island, Niagara Falls, N. Y.

Chaumont River, N. Y

Harbor in Hamburg Township, N. Y.

At and in the vicinity of Henderson, N. Y., with a view to constructing a harbor.

Point Dume, Calif.

Moss Landing, Monterey Bay, Calif.

Pillar Point, Half Moon Bay, San Mateo County, Calif.

Nelscott, Oreg., with a view to protection of the beach.

Channel at Charleston, South Slough, Oreg.

Grays Harbor, Wash., with a view to constructing a channel into Bay City.

Gastineau Channel, Alaska, with a view to its improvement for navigation, both water and air, and flood control, both tidal and run-off.

Neva Strait and Olga Strait, Alaska.

Kodiak Harbor, Alaska.

Kalaupapa Landing, Island of Molokai, T. H.

Kalepolepo Boat Harbor, Island of Maui, T. H.

Humacao Playa, Punta Santiago, P. R.

SEC. 2. That the following works of improvement of rivers, harbors, and other waterways are hereby adopted and authorized, to be prosecuted under the direction of the Secretary of War and supervision of the Chief of Engineers, in accordance with the plans recommended in the respective reports hereinafter designated and subject to the conditions set forth in such documents; and that hereafter all duties performed by the Chief of Engineers under the direction of the Secretary of War shall be functions of the Engineer Corps, United States Army, and its head to be administered under the direction of the Secretary of War and the supervision of the Chief of Engineers, except as otherwise specifically provided by act of Congress:

Passaic River, N. J.; House Document No. 430, Seventy-sixth Congress;

Onancock River, Va.; House Document No. 358, Seventy-sixth Congress;

Buffalo Bayou and its tributaries, Texas; the project set forth in House Document No. 456, Seventy-fifth Congress and authorized by Public Law No. 685, Seventy-fifth Congress, is hereby modified in accordance with the provisions of section 2 of Public Law No. 761, Seventy-fifth Congress, and all requirements of local cooperation inconsistent with said section 2 are hereby eliminated;

Ouachita and Black Rivers, Ark. and La.; House Document No. 104, Seventy-sixth Congress;

Mississippi River between Missouri River and Minneapolis: The construction of lock and dam No. 26 at Alton, Ill., is hereby declared to be in accord with the project authorized by the River and Harbor Act of August 30, 1935;

Mississippi River between Missouri River and Minneapolis: The existing project is hereby modified to provide for remedial works in accordance with the recommendation of the district engineer in the report submitted in House Document No. 137, Seventy-sixth Congress; and for remedial works in levee and drainage districts in lieu of the annual payments of increased cost of operating and maintaining such districts authorized by the River and Harbor Act of August 26, 1937, when deemed advisable by the Chief of Engineers;

Oswego Harbor, N. Y.; in accordance with the plans recommended in House Document No. 96, Seventy-sixth Congress, and subject to the conditions set forth in such document.

SEC. 3. The second proviso in section 2 of the act of August 26, 1937 (50 Stat. 844, 850), authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, is hereby amended to read as follows: "*Provided further*, That the entire Central Valley project, California, heretofore authorized and established under the provisions of the Emergency Relief Appropriation Act of 1935 (49 Stat. 115) and the First Deficiency Appropriation Act, fiscal year 1936 (49 Stat. 1622), is hereby reauthorized and declared to be for the purposes of improving navigation, regulating the flow of the San Joaquin River and the Sacramento River, controlling floods, providing for storage and for the delivery of the stored waters thereof, for construction under the provisions of the Federal reclamation laws of such distribution systems as the Secretary of the Interior deems necessary in connection with lands for which said stored waters are to be delivered, for the reclamation of arid and semiarid lands and lands of Indian reservations, and other beneficial uses, and for the generation and sale of electric energy as a means of financially aiding and assisting such undertakings, and in order to permit the full utilization of the works constructed to accomplish the aforesaid purposes."

SEC. 4. That the paragraph in section 1 of the River and Harbor Act, approved July 25, 1912, authorizing the removal of temporary obstructions from tributaries of waterways under Federal improvement (37 Stat. L. 722), as amended in section 3 of the act entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved July 3, 1930, is hereby amended to read as follows:

"The Chief of Engineers, in his discretion, and after approval by the Secretary of War, is hereby authorized to make preliminary examinations and minor surveys preliminary thereto and to remove snags and other temporary or readily removable obstructions from tributaries of waterways already under Federal improvement or in general use by navigation, to be paid from funds appropriated for the maintenance and improvement of rivers and harbors: *Provided*, That the cost of such work in any single year shall not exceed $3,000 per tributary."

SEC. 5. That (a) the consent, permission, and authority granted to the Commissioners of Lincoln Park, now superseded by the Chicago Park District, a municipal corporation organized and existing under the laws of the State of Illinois to exercise jurisdiction over the navigable waters of Lake Michigan which lie within the following-described boundaries:

Beginning at a point at the intersection of the existing bulkhead along Lake Shore Drive in Chicago, Ill., with the existing pier which is parallel to and north of Ohio Street extended and south of Ontario Street extended; thence easterly along said pier to a point in a line parallel to and 350 feet easterly of said bulkhead along the Lake Shore Drive; thence northwesterly along said last-described line to a point in a curve of 200 feet radius and tangent both to said last-described line and to a line 350 feet southerly from the southerly side of and parallel to the shore arm extension breakwater extending into Lake Michigan from a point near the intersection of Oak Street and Lake Shore Drive; thence along said curve to a point in said line last described; thence easterly along said line to a point in a line at right angles with said shore arm extension breakwater at the eastern extremity thereof; thence northward along said last-described line to said shore arm extension breakwater; thence westward along said shore arm extension breakwater to the shore line; and (b) the right granted to said the Commissioners of Lincoln Park, now superseded by the Chicago Park District, to destroy the navigability of the above-described waters altogether; and (c) the right granted to said the Commissioners of Lincoln Park, now superseded by the Chicago Park District, to erect an additional breakwater to connect the said shore arm extension breakwater near the intersection of Oak Street and Lake Shore Drive with the shore line; and (d) the transfer of possession of said shore arm extension breakwater to said the Commissioners of Lincoln Park, now superseded by the Chicago Park District, and the obligation for the permanent care, custody, and maintenance of said shore arm extension breakwater by the Commissioners of Lincoln Park, now superseded by the Chicago Park District, all as provided for by the act entitled "An Act granting to the Commissioners of Lincoln Park the right to erect a breakwater in the navigable waters of Lake Michigan, and transferring jurisdiction over certain navigable waters of Lake Michigan to the Commissioners of Lincoln Park," approved March 3, 1931, be rescinded.

The United States of America hereby resumes jurisdiction over the above-described waters and the above-described shore-arm extension breakwater, and hereby discharges the Chicago Park District, successor to the superseded the Commissioners of Lincoln Park, from its liability for the permanent care, custody, and maintenance of said shore-arm extension breakwater.

Said Chicago Park District shall signify its acceptance of this act by written notice to the Secretary of War within 60 days after the passage of this act, and this section shall become effective immediately upon its acceptance by said Chicago Park District. In the event of nonacceptance within 60 days this section shall become null and void.

SEC. 6. Amounts hereafter collected from private parties or other agencies for any services rendered; for the use of any facility or property; for the sale of any property or for the exchange value of any property traded in on new property, when the cost of such services, facilities, and property is borne by funds appropriated for the maintenance or improvement of rivers and harbors, or flood-control work, excluding any amounts received for the sale or rental of land with or without buildings thereon, shall be deposited in the Treasury to the credit of the appropriation to which the cost of such services, facilities, or property has been charged.

SEC. 7. The Chief of Engineers is authorized, with the approval of the Secretary of War, in the prosecution of river and harbor, flood control, or other civil works under his supervision, to provide such facilities as are determined by him to be necessary for the health or welfare of the employees engaged in the prosecution of the work, on projects located at isolated points where such facilities are not otherwise available, and to pay for the same from funds allotted or appropriated for the projects. Payments heretofore made for such facilities on projects of the character specified in this section are approved.

SEC. 8. That the Secretary of War is authorized and directed to require the Chief of Engineers to make surveys of such portions of the North Atlantic coast line as were damaged by the flood and hurricane of September 21, 1938: *Provided*, That such surveys shall be made for the purpose of determining the nature and cost of the work which will be necessary in order to (1) restore such coast line to its condition prior to such hurricane and flood, (2) stabilize the beach along such coast line: *Provided further*, That notwithstanding the provisions of the act entitled "An act for the improvement and protection of the beaches along the shores of the United States," approved June 26, 1936, all costs of the surveys authorized by this section and by the second section of that act as well as by a River and Harbor Authorization Act, shall be borne by the United States and paid from appropriations heretofore or hereafter made for the maintenance and improvement of rivers and harbors, and such surveys shall be functions of the Engineer Corps, United States Army, and its head to be administered under the direction of the Secretary of War and the supervision of the Chief of Engineers: *And provided further*, That reports of surveys on beach erosion and shore protection shall include an estimate of the public interests involved, and such plan of improvement as is found justified, together with the equitable distribution of costs in each case.

SEC. 9. That the times for commencing and completing the construction of a dam and dike for preventing the flow of tidal waters into North Slough in Coos County, Oreg., in township 24 south, range 13 west, Willamette meridian, authorized to be constructed by the State of Oregon, acting through its highway department, the North Slough Drainage District, and the North Slough Diking District by an act of Congress approved August 26, 1937, is extended 1 and 3 years, respectively, from August 26, 1939. The right to alter, amend, or repeal this section is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MARTIN of Colorado. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks on the tourist travel bill under consideration this afternoon and to include a letter on the bill from the Secretary of the Interior.

The SPEAKER. Is three objection to the request of the gentleman from Colorado [Mr. MARTIN]?

There was no objection.

GDYNIA AMERICA LINE, INC.

Mr. KEOGH. Mr. Speaker, I ask unanimous consent to return to the consideration of the bill H. R. 3087, for the relief of the Gdynia America Line, Inc., of New York City, N. Y., No. 307 on the Private Calendar.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. KEOGH]?

There was no objection.

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

Mr. RICH. Mr. Speaker, reserving the right to object, may I ask the gentleman if that bill was objected to by a Member and is that Member now on the floor?

Mr. KEOGH. It was objected to by the gentleman from California [Mr. COSTELLO]. I have taken the matter up with him. I am informed that the objection on the other side came as the result of the objection of the gentleman from California [Mr. COSTELLO].

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Gdynia America Line, Inc., of New York City, N. Y., the sum of $2,520, in full payment for duplicate revenue stamps required to be attached to the manifests of the motorship *Batory* belonging to said corporation, the original revenue stamps having been lost or destroyed in some unknown manner: *Provided*, That the Secretary of the Treasury shall require the said corporation to give a surety bond to the United States in the amount of $2,520 to indemnify the Government in the event said original revenue stamps are recovered, such bond to run for such period of time as the Secretary of the Treasury shall prescribe.

With the following committee amendments:

Page 1, line 7, strike out the word "payment" and insert "in full settlement of all claims against United States."

Page 2, line 6, after "prescribe", insert "*Provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PRIVILEGE OF RETIREMENT FOR DISABILITY TO CERTAIN JUDGES

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill S. 1282, to extend the privilege of retirement for disability to judges appointed to hold office during good behavior, No. 425 on the Consent Calendar.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. WALTER]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I understand this is agreeable to the gentleman from Michigan [Mr. WOLCOTT], who was in charge of the Consent Calendar?

Mr. WALTER. This bill was passed over without prejudice. Since that time I have talked with the gentleman from Michigan [Mr. WOLCOTT]. As a matter of fact, he instructed me to advise you he did not object to the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. WALTER]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That any judge or justice of any court of the United States, appointed to hold office during good behavior, who becomes unable because of permanent disability to perform the duties of his office, may retire from regular active service on the bench and the President shall thereupon be authorized to appoint a successor.

SEC. 2. Any district or circuit judge, other than a senior circuit judge, who desires to retire under the provisions of this act shall certify his disability in writing and shall furnish a like certificate made by the senior circuit judge of the judicial circuit in which the court of which he is a member is situated. Any Justice of the Supreme Court of the United States, other than the Chief Justice of the United States, who desires to retire under the provisions of this act shall certify his disability in writing and shall furnish a like certificate made by the Chief Justice of the United States. If the Chief Justice of the United States retires under the provisions of this act he need not furnish any certificate in addition to his own. Any judge of the Court of Claims, other than the chief justice, any judge of the United States Customs Court, or any judge of the United States Court of Customs and Patent Appeals, other than the presiding judge of the United States Court of Customs and Patent Appeals, who desires to retire under the provisions of this act shall certify his disability in writing and shall furnish a like certificate made by the chief justice of the Court of Claims, if he be a judge of the Court of Claims, or by the presiding judge of the United States Court of Customs and Patent Appeals, if he be a judge of the United States Customs Court or the United States Court of Customs and Patent Appeals. Any other judge or justice who desires to retire under the provisions of this act shall certify his disability in writing and shall furnish a like certificate made by the Chief Justice of the United States.

SEC. 3. Any judge or justice who retires under the provisions of this act, after he has served less than 10 years, shall receive annually, in equal monthly installments, during the remainder of his life, a sum equal to one-half of the annual salary he is receiving at the date of retirement; and any judge or justice who retires under the provisions of this act, after he has served 10 years or more, shall receive in like manner during the remainder of his life the salary he is receiving at the date of retirement.

SEC. 4. The term "senior circuit judge," as used in this act, includes the chief justice of the United States Court of Appeals for the District of Columbia. The term "judicial circuit," as used in this act, includes the District of Columbia.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REFUNDING OF NEGOTIABLE BONDED INDEBTEDNESS OF MUNICIPAL CORPORATIONS IN ALASKA

Mr. DIMOND. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5919) to provide for the refunding of the negotiable bonded indebtedness of municipal corporations and public-utility districts in the Territory of Alaska.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the Delegate from Alaska?

Mr. RICH. Mr. Speaker, reserving the right to object, I understand that some Members of Congress have presented a bill whereby municipalities can go into bankruptcy, thereby cutting down their indebtedness. Does this bill do anything of that kind?

Mr. DIMOND. No. This permits cities in Alaska to refund their bonded indebtedness, thereby saving some interest charges.

Mr. RICH. There is no intent or purpose of any of the municipalities to try to get rid of their obligations?

Mr. DIMOND. No; indeed it is just the opposite. Not a single bond of any Alaska city has been in default, to my knowledge.

The purpose of the bill is to provide for the refunding of the bonds of municipal corporations and public-utility districts in the Territory of Alaska, and to validate bonds which have heretofore been issued by any municipal corporation or any public-utility district in the Territory.

Under the provisions of the act approved August 24, 1912, commonly called the Organic Act of Alaska, municipal corporations of the Territory were forbidden to incur any bonded indebtedness without the express consent or authority of Congress. Thereafter, from time to time, by special acts, Congress authorized several cities of Alaska to incur bonded indebtedness in order to undertake the construction of schoolhouses, the purchase or installation of waterworks, the pavement of streets, or other kindred projects for the public use and benefit. Bonds were accordingly issued by the cities so authorized to incur indebtedness, and some of those bonds are still outstanding; and some of the bonds, by modern standards, bear exceptionally high rates of interest.

By an act approved May 28, 1936, Congress authorized any municipal corporation in Alaska to incur bonded indebtedness and issue negotiable bonds for necessary and useful public works, in amount not to exceed 10 percent of the aggregate taxable value of the real and personal property of the city subject to taxation. Provision was made in this act, as was the case with respect to most of the prior acts, that before any such bonded indebtedness could be incurred it must be approved by at least 65 percent of the taxpayers of the city, who should vote at a special election to be called for the purpose of determining whether or not the indebtedness should be incurred and the bonds issued. In fact, all municipal bonds heretofore issued in Alaska have been authorized by more than a majority vote of the taxpayers of the city of issuance, or the voting residents of a city. By a subsequent act, approved May 31, 1938, like powers with respect to bonded indebtedness were conferred upon Alaska public-utility districts, to be exercised under like circumstances. Bonds have been issued under the provisions of these acts and are now outstanding.

To the best of my knowledge and belief, none of the bonds so issued by Alaska cities or public-utility districts is in default, but the interest charges thereon are in some cases, under present conditions, excessive. It would, therefore, be much to the financial advantage of some of the municipalities of Alaska, where the terms of the bonds permit, to refund the outstanding bonds through the issue of bonds at lower rates of interest. By such refunding operations considerable savings in interest charges can be made by several Alaska cities. I have recently received a telegram from Mr. Harry I. Lucas, mayor of Juneau, the capital city of Alaska, stating that if this bill is enacted the city of Juneau will be able to save approximately $3,000 per year in interest on its bonded indebtedness. There is in this no suggestion, or thought, or inference of default, or bankruptcy, or failure or refusal to comply with the terms and provisions of the outstanding bonds. In every instance every promise made in the bonds will be faithfully kept. But if the cities and public-utility districts of Alaska may justly and legally pay off the outstanding bonds through the issue of bonds bearing a lower rate of interest, they should be accorded that right. An act of Congress is necessary. In most if not all of the States such refunding is authorized as a matter of course.

The bill contains another provision for the validation of outstanding bonds. Such legislation has been enacted in a large number of States in order to cure technical omissions or defects with respect to the municipal bonds of the State. No such defect is known to exist as concerns any municipal or public-utility district bonds in Alaska, but it is possible that errors may have been made, or a full and complete record not kept, with respect to the calling of a bond election, or in some other purely technical matter, relating to an issue of bonds. The validation of bonds as proposed in this bill would aid in obtaining a low rate of interest in refunding operations.

The SPEAKER. Is there objection to the request of the Delegate from Alaska?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That whenever any municipal corporation or any public-utility district in the Territory of Alaska shall have outstanding any negotiable bonded indebtedness, which indebtedness is subject at the option of the municipal corporation or public-utility district to be paid or redeemed, it shall be lawful for said municipal corporation or public-utility district through its common council or board of directors, or other governing body, as the case may be, to issue its negotiable bonds and to sell such bonds and apply the proceeds of the sale in payment of the bonded indebtedness for the payment of which such refunding bonds are issued. No election shall be required to authorize the issuance and sale of such refunding bonds and the issuance and sale thereof may be authorized, and all proceedings with reference thereto prescribed, by ordinance or resolution of the common council, or the board of directors, or other governing body, of the municipal corporation or public-utility district, as the case may be, at any legally called meeting thereof. Such refunding bonds shall not be subject to the limitations of bonded indebtedness prescribed by Public Law No. 626, Seventy-fourth Congress (49 Stat. 1388), as amended, or by the provisions of Public Law No. 563, Seventy-fifth Congress (52 Stat. 589), or by any other debt-limitations law applicable to municipal corporations or public-utility districts in the Territory of Alaska: *Provided*, That the total debt of the municipal corporation or public-utility district shall not be increased by such refunding operations.

SEC. 2. Bonds issued pursuant to this act shall bear such date or dates, may be in such denominations, may mature in such amounts at such time or times, not exceeding 30 years from the date thereof, may be payable at such place or places, may be sold at either public or private sale, may be redeemable (either with or without premium) or nonredeemable, may carry such registration privileges as to either principal and interest, or principal only, and may be executed by such officers and in such manner, as shall be prescribed by the common council or board of directors or other governing body of the municipality or public-utility district issuing the bonds. In case any of the officers whose signatures appear on the bonds or coupons shall cease to be such officers before delivery of such bonds, such signatures, whether manual or facsimile, shall, nevertheless, be valid and sufficient for all purposes, the same as if such officers had remained in office until such delivery. The bonds so issued shall bear interest at a rate to be fixed by the governing body of the municipality issuing the same, not to exceed, however, 6 percent per annum payable semiannually, and in no event to exceed the rate of interest paid on the bonded indebtedness to be so refunded. All such bonds shall be sold for not less than the principal amount thereof plus accrued interest.

SEC. 3. It shall be the duty of the governing body of every municipal corporation or public-utility district which incurs such bonded indebtedness under the authority of this act to levy or to cause to be levied each year during the life of such outstanding bonds, taxes in amounts sufficient to seasonably provide for payment of and to pay all interest on and the principal of such obligations as they respectively accrue and mature: *Provided, however*, That the provisions of this section shall not apply to bonds which by their terms are to be paid from the revenues of a public utility owned or operated by such municipal corporation or public-utility district and are not general obligations of the municipal corporation or public-utility district.

SEC. 4. All bonds which have heretofore been issued by any municipal corporation or any public-utility district in the Territory of Alaska, and all proceedings for the authorization and issuance of such bonds and the sale, execution, and delivery thereof, hereby are validated, ratified, approved, and confirmed, notwithstanding any defects or irreguarities in such proceedings. Said bonds heretofore issued and sold are declared to be and shall be, in the actual form in which such bonds have been issued, the binding and legal obligations of the municipal corporation or public-utility district issuing the same.

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

"That whenever any municipal corporation or any public-utility district in the Territory of Alaska shall have outstanding any bonded indebtedness or bonds payable from the revenues from any municipal or public utility, it shall be lawful for said municipal corporation or public-utility district through its common council or board of directors, or other governing body, as the case may be, to issue its bonds and to sell such bonds and apply the proceeds of the sale in payment of the bonds for the payment of which such refunding bonds are issued, or to exchange same for such outstanding bonds constituting said indebtedness, or, as the case may be, for such outstanding bonds payable from the revenues of a municipal or public utility. Said refunding bonds may be exchanged privately for and in payment and discharge of any outstanding bonds of a municipal or public-utility district. Refunding bonds payable from the revenues of a municipal or public utility may be exchanged for a like or greater amount of outstanding bonds payable from the revenues of such municipal or public utility, and the principal amount of such refunding bonds may exceed the principal amount of such outstanding bonds to the extent necessary or advisable to fund interest in arrears or about to become due on such oustanding bonds. The holder or holders of any outstanding bonds need not pay accrued interest on the refunding bonds to be delivered in exchange therefor if, and to the extent that interest is due or accrued and unpaid on the outstanding bonds to be surrendered. No election shall be required to authorize the issuance and sale of such refunding bonds and the issuance and sale thereof may be authorized, and all proceedings with reference thereto prescribed, by ordinance or resolution of the common council, or the board of directors, or other governing body, of the municipal corporation or public-utility district, as the case may be, at any legally called meeting thereof. Such refunding bonds shall not be subject to the limitations of bonded indebtedness prescribed by Public Law No. 626, Seventy-fourth Congress (49 Stat. 1388), as amended, or by the provisions of Public Law No. 563, Seventy-fifth Congress (52 Stat. 589), or by any other debt-limitations law applicable to municipal corporations or public-utility districts in the Territory of Alaska: *Provided*, That the total debt of the municipal corporation or public-utility district shall not be increased by such refunding operations.

"SEC. 2. Bonds issued pursuant to this act shall bear such date or dates, may be in such denominations, may mature in such amounts at such time or times, not exceeding 30 years from the date thereof, may be payable at such place or places, may be sold at either public or private sale, or exchanged as above provided, may be redeemable (either with or without premium) or nonredeemable, may carry such registration privileges as to either principal and interest, or principal only, and may be executed by such officers and in such manner, as shall be prescribed by the common council or board of directors or other governing body of the municipality or public-utility district issuing the bonds. In case any of the officers whose signatures appear on the bonds or coupons shall cease to be such officers before delivery of such bonds, such signatures, whether manual or facsimile, shall, nevertheless, be valid and sufficient for all purposes, the same as if such officers had remained in office until such delivery. The bonds so issued shall bear interest at a rate to be fixed by the governing body of the municipality issuing the same, not to exceed, however, 6 percent per annum payable semiannually, and in no event to exceed the rate of interest paid on the bonds to be so refunded. Such bonds shall at all times be, and shall be, treated as negotiable instruments for all purposes. In case such bonds are sold rather than exchanged the purchase price thereof shall be not less than par plus accrued interest.

"SEC. 3. It shall be the duty of the governing body of every municipal corporation or public-utility district which issues such bonds under the authority of this act to levy or to cause to be levied each year during the life of such bonds taxes in amounts sufficient seasonably to provide for payment of and to pay all interest on and the principal of such obligations as they respectively accrue and mature: *Provided, however*, That the provisions of this section shall not apply to bonds which by their terms are to be paid from the revenues of a public utility owned or operated by such municipal corporation or public-utility district and are not general obligations of the municipal corporation or public-utility district. Such refunding bonds which are to be paid from the revenues of a municipal or public utility shall be secured by the same lien on or pledge of the revenues of said utility as the outstanding bonds to be refunded.

"SEC. 4. (a) All bonds which have heretofore been issued by any municipal corporation or any public-utility district in the Territory of Alaska, and all proceedings for the authorization and issuance of such bonds and the sale, execution, and delivery thereof, hereby are validated, ratified, approved, and confirmed, notwithstanding any defects or irregularities in such proceedings. Said bonds heretofore issued and sold are declared to be, and shall be, in the actual form in which such bonds have been issued, the binding and legal obligations of the municipal corporation or public-utility district issuing the same.

"(b) All proceedings heretofore taken by any municipal corporation or any public-utility district in the Territory of Alaska in connection with proposals to incur bonded indebtedness or to issue negotiable bonds pursuant to the provisions of the act of May 28, 1936 (49 Stat. 1388), as amended, or of the act of May 31, 1938 (52 Stat. 589), which may have been heretofore submitted to those of the qualified electors of the municipal corporation or public-utility district whose names appeared upon the tax-assessment roll of such corporation or district last completed prior to the holding of the election, are hereby validated, ratified, and confirmed, notwithstanding any defects or irregularities in such proceedings; and the fact that the indebtedness heretofore authorized by the electors at the time of the submission to them of the proposal to incur a bonded indebtedness or to issue negotiable bonds may have exceeded the limit of indebtedness which may have been applicable at the time of such authorization under the terms of either of said acts shall not serve to prevent the issuance of negotiable bonds, at any time or times, in any amount or amounts which, at the time or times of such issuance, will not cause the aforesaid limitations to be exceeded."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to provide for the refunding of the bonds of municipal corporations and public-utility districts in the Territory of Alaska, to validate

bonds which have heretofore been issued by a municipal corporation or any public-utility district in the Territory of Alaska, and for other purposes."

INTERNATIONAL EXHIBITION OF POLAR EXPLORATION

Mr. BLOOM. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (S. J. Res. 137) authorizing and requesting the President to accept the invitation of the Government of Norway to the Government of the United States to participate in an International Exhibition of Polar Exploration, which will be held at Bergen, Norway, in 1940; and authorizing an appropriation to cover the expenses of such participation.

The Clerk read the title of the joint resolution.

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

Mr. RICH. Reserving the right to object, Mr. Speaker, what will be the cost to the Federal Government of participation in this exhibition in Norway?

Mr. BLOOM. The participation of this Government in the exhibition will cost $35,000. The exhibit that will be used there will be a permanent one and will be used in other places after it is used in the exhibition in Norway. This is the first exhibition of its kind ever held in the world. This resolution is endorsed by the President of the United States, the Secretary of the Navy, and all the interested departments. It would mean a great deal to this country to participate in the exhibition.

Mr. RICH. Why not include in this a celebration of Byrd's South Pole expedition? Then we will be conducting two celebrations at one time.

Mr. BLOOM. The expedition of Admiral Byrd is included in this exhibition.

Mr. RICH. Then next year we will not have another resolution before us asking for another celebration?

Mr. BLOOM. No; we will not.

Mr. TABER. Reserving the right to object, Mr. Speaker, it seems to me that an expenditure of $35,000 for such an exhibition as this is out of line; $5,000 or $2,500 would not be so bad. I shall feel obliged to object to spending $35,000 for participation in this sort of an exhibition.

Mr. BLOOM. I may say to the gentleman from New York that estimates have been made on what participation in this exhibition will cost, and this figure does not include salaries of commissioners or attachés who may participate in this exhibition. Such persons will receive the salaries they are now getting, and no extra salaries will be paid. We could not participate in this exhibition for less than $35,000, and that is the estimate made by the different departments that will participate. I hope the gentleman will not object.

Mr. TABER. For the time being, Mr. Speaker, I shall have to object.

UNITED STATES-PHILIPPINE TRADE AND RELATED MATTERS

Mr. KOCIALKOWSKI. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 7096) to amend an act entitled "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes."

The Clerk read the bill as follows:

Be it enacted, etc., That section 6 of the act of March 24, 1934, entitled "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes" (48 Stat. 456), is hereby amended to read as follows:

"SEC. 6. During the period beginning January 1, 1940, and ending July 3, 1946, trade relations between the United States and the Philippines shall be as now provided by law, subject to the following exceptions:

"(a) On and after January 1, 1941, the Philippine government shall impose and collect an export tax on every Philippine article shipped from the Philippines to the United States, except as otherwise specifically provided in this section. Said tax shall be computed in the manner hereinafter set forth in this subsection and in subsection (c) of this section. During the period January 1, 1941, through December 31, 1941, the export tax on every such article shall be 5 percent of the United States duty; on each succeeding January 1 thereafter the export tax shall be increased progressively by an additional 5 percent of the United States duty, except that during the period January 1, 1946, through July 3, 1946, the export tax shall remain at 25 percent of the United States duty.

"(b) (1) No export tax described in subsection (a) of this section shall be imposed or collected upon any Philippine article of a class or kind in respect of which a quota is established by subdivision (3) of this subsection, nor upon copra or manila (abaca) fiber not dressed or manufactured in any manner.

"(2) The United States duty shall be levied, collected, and paid in the United States upon every article which is of a class or kind in respect of which a quota is established by subdivision (3) of this subsection and which is entered, or withdrawn from warehouse, for consumption after December 31, 1939, in excess of its respective quota: *Provided, however*, That nothing in this section or any subsection thereof shall be construed to exempt the quota of coconut oil therein provided for from the excise taxes provided for in section 2470 of the Internal Revenue Code (I. R. C., ch. 21, sec. 2470).

"(3) For the purposes indicated in subdivisions (1) and (2) of this subsection, there are hereby established the following quotas of the designated Philippine articles: For the calendar year 1940, the quotas, hereafter called original quotas, shall be as follows:

"a. Cigars (exclusive of cigarettes, cheroots of all kinds, and paper cigars and cigarettes including wrappers), 200,000,000 cigars;

"b. Scrap tobacco, and stemmed and unstemmed filler tobacco described in paragraph 602 of the Tariff Act of 1930, 4,500,000 pounds;

"c. Coconut oil, 200,000 long tons;

"d. Buttons of pearl or shell, 850,000 gross.

"For each calendar year thereafter through the calendar year 1945, each of the said quotas shall be the same as the corresponding quota for the immediately preceding calendar year, less 5 percent of the corresponding original quota.

"For the period January 1, 1946, through July 3, 1946, each of said quotas shall be one-half of the corresponding quota specified for the calendar year 1945.

"(c) The Philippine government, in imposing and collecting export taxes on Philippine embroideries, shall compute the tax in accordance with the formulas specified in subsection (a) of this section, except that in determining the taxable value of any such article, an allowance shall be made equal to the cost—cost, insurance, and freight the Philippines—of any cloth of United States origin used in the production thereof.

"(d) The United States duty shall be levied, collected, and paid, in the United States, upon all Philippine sugars, which are entered, or withdrawn from warehouse, for consumption in any calendar year after 1939, in excess of 850,000 long tons, of which not more than 50,000 long tons may be refined sugars: *Provided, however*, That for the period January 1, 1946, through July 3, 1946, the quota of Philippine sugars, not subject to the United States duty, shall be 425,000 long tons, of which not more than 25,000 long tons may be refined sugars. Any export tax imposed and collected on Philippine sugars entered or withdrawn from warehouse for consumption in excess of the quotas established by this subsection shall be refunded by the Philippine government.

"(e) Upon the expiration of the act of June 14, 1935 (49 Stat. 340), as extended to May 1, 1941, by proclamation of the President, dated January 26, 1938, the total amount of all Philippine cordage coming into the United States which may be entered or withdrawn from warehouse, for consumption during the remainder of the calendar year 1941, shall not exceed 4,000,000 pounds and in any calendar year after 1941 shall not exceed 6,000,000 pounds: *Provided, however*, That for the period January 1, 1946, through July 3, 1946, the total amount of Philippine cordage which may be entered, or withdrawn from warehouse, for consumption shall not exceed 3,000,000 pounds.

"(f) (1) The quotas for sugars established by subsection (d) of this section shall be allocated annually as prescribed in section 6 (d) of the act of March 24, 1934 (48 Stat. 456), which section in this respect is not repealed by this amendatory act.

"(2) The quotas for cordage, established by subsection (e) of this section, and by the act of June 14, 1935, shall be allocated by authorities of the Philippine government among the manufacturers of such commodities proportionately upon the basis of the shipment of each such manufacturer to the United States during the 12 months immediately preceding the inauguration of the Commonwealth of the Philippines.

"(3) The quotas for all articles for which quotas are established by this section, except sugars and cordage, shall in each instance be allocated by authorities of the Philippine government among the manufacturers who products were shipped to the United States during the calendar year 1937, on the basis of the proportion which each manufacturer's maximum production shipped to the United States, directly or through other persons, in any calendar year during the 5-year period, 1933 through 1937, bears to the total of such maximum shipments of all such manufacturers.

"(4) If, after the first 9 months of any quota year, the holder of any allotment under any of the quotas established by this act or by the act of June 14, 1935, is or will be unable for any reason to ship to the United States by the end of the quota year the total amount of his allocation for that year, the Philippine government shall apportion that amount of such allocation which it is established by sufficient evidence cannot be shipped to the United States during the remainder of the quota year in such manner and in accordance with such rules and regulations as it may prescribe.

"(g) (1) The Philippine government shall pay to the Secretary of the Treasury of the United States, at the end of each calendar quarter, all of the moneys received during such quarter from export

taxes (less refunds), imposed and collected in accordance with the provisions of this section, and said moneys shall be deposited in an account with the Treasurer of the United States and shall constitute a supplementary sinking fund for the payment of bonds of the Philippines, its Provinces, cities, and municipalities, issued prior to May 1, 1934, under authority of acts of Congress: *Provided, however,* That moneys received from any export tax imposed on any article which is shipped from the Philippines to the United States prior to July 4, 1946, and which is entered, or withdrawn from warehouse for consumption, on or after July 4, 1946, shall be refunded by the independent government of the Philippines.

"(2) The said Secretary of the Treasury is authorized to accept the deposits of the proceeds of the export taxes referred to in subdivision (1) of this subsection in accordance with the act of June 11, 1934 (48 Stat. 929).

"(3) The Secretary of the Treasury of the United States, with the approval of the Philippine government, is authorized to purchase with such supplementary sinking-fund bonds of the Philippines, its Provinces, cities, and municipalities, issued prior to May 1, 1934, under authority of acts of Congress and to invest such fund in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. Whenever the Secretary of the Treasury finds that such fund is in excess of an amount adequate to meet future interest and principal payments on all such bonds, he may, with the approval of the Philippine government, purchase with such excess any other bonds of the Philippines, its Provinces, cities, municipalities, and instrumentalities. For the purpose of this subsection obligations may be acquired on original issue at par, or by purchase of outstanding obligations at the market price. Any obligations acquired by the fund may, with the approval of the Philippine government, be sold by the Secretary of the Treasury at the market price and the proceeds of such sale and the proceeds of the payment upon maturity or redemption of any obligations held in the supplementary sinking fund, as well as all moneys in any manner earned by such fund or on any obligations acquired by said fund, shall be paid into the said fund.

"(4) During the 3 months preceding July 4, 1946, the Philippine government and the Secretary of the Treasury of the United States shall confer to ascertain that portion of the bonds of the Philippines, its Provinces, cities, and municipalities, issued prior to May 1, 1934, under authority of acts of Congress, which will remain outstanding on July 4, 1946; and the Philippine government shall turn over to the Secretary of the Treasury of the United States for destruction all such bonds that are then held, canceled, or uncanceled, in any of the sinking funds maintained for the payment of such bonds. After such outstanding portion of this indebtedness is thus determined, and before July 4, 1946, (i) there shall be set up with the Treasurer of the United States a special trust account in the name of the Secretary of the Treasury of the United States to pay future interest and principal payments on such bonds; (ii) the Philippine government shall pay to the Secretary of the Treasury of the United States for deposit in this special trust account all of the sinking funds maintained for the payment of such bonds; and (iii) the Secretary of the Treasury of the United States shall transfer into this special trust account all of the proceeds of the supplementary sinking fund referred to in subdivision (1) of this subsection. Any portion of such special trust account found by the Secretary of the Treasury of the United States on July 4, 1946, to be in excess of an amount adequate to meet future interest and principal payments on all such outstanding bonds shall be turned over to the Treasury of the independent government of the Philippines to be set up as an additional sinking fund to be used for the purpose of liquidating and paying all other obligations of the Philippines, its Provinces, cities, municipalities, and instrumentalities. To the extent that such special trust account is determined by the Secretary of the Treasury of the United States to be insufficient to pay interest and principal on the outstanding bonds of the Philippines, its Provinces, cities, and municipalities, issued prior to May 1, 1934, under authority of acts of Congress, the Philippine government shall, on or before July 3, 1946, pay to the Secretary of the Treasury of the United States for deposit in such special trust account an amount which said Secretary of the Treasury determines is required to assure payment of principal and interest on such bonds: *Provided, however,* That if the Secretary of the Treasury of the United States finds that this requirement would impose an undue hardship upon the Philippines, then the Philippine government shall continue to provide annually the necessary funds for the payment of interest and principal on such bonds until such time as the Secretary of the Treasury of the United States determines that the amount in the special trust account is adequate to meet interest and principal payments on such bonds.

"(5) On and after July 4, 1946, the Secretary of the Treasury of the United States is authorized, with the approval of the independent government of the Philippines, to purchase at the market price for the special trust account bonds of the Philippines, its Provinces, cities, and municipalities, issued prior to May 1, 1934, under authority of acts of Congress. The Secretary of the Treasury of the United States is also authorized, with the approval of the independent government of the Philippines, to invest all or any part of such special trust account in any interest-bearing obligations of the United States or in any obligations guaranteed as to both principal and interest by the United States. Such obligations may be acquired on original issue at par or by purchase of outstanding obligations at the market price, and any obligations acquired by the special trust account may, with the approval of the independent government of the Philippines, be sold by the Secretary of the Treasury at the market price, and the proceeds of the payment upon maturity or redemption of such obligations shall be held as a part of such special trust account. Whenever the special trust account is determined by the Secretary of the Treasury of the United States to be adequate to meet interest and principal payments on all outstanding bonds of the Philippines, its Provinces, cities, and municipalities, issued prior to May 1, 1934, under authority of acts of Congress, the Secretary of the Treasury is authorized to pay from such trust account the principal of such outstanding bonds and to pay all interest due and owing on such bonds. All such bonds and interest coupons paid or purchased by the special trust account shall be canceled and destroyed by the Secretary of the Treasury of the United States. From time to time after July 4, 1946, any moneys in such special trust account found by the Secretary of the Treasury of the United States to be in excess of an amount adequate to meet interest and principal payments on all such bonds shall be turned over to the treasurer of the independent government of the Philippines.

"(h) No article shipped from the Philippines to the United States on or after January 1, 1941, subject to an export tax provided for in this section, shall be admitted to entry in the United States until the importer of such article shall present to the United States collector of customs a certificate, signed by a competent authority of the Philippine government, setting forth the value and quantity of the article and the rate and amount of the export tax paid, or shall give a bond for the production of such certificate within 6 months from the date of entry."

SEC. 2. Section 8 of the said act of March 24, 1934, is hereby amended by adding thereto a new subsection as follows:

"(d) Pending the final and complete withdrawal of the sovereignty of the United States over the Phillipine Islands, except as otherwise provided by this act, citizens and corporations of the Philippine Islands shall enjoy in the United States and all places subject to its jurisdiction all of the rights and privileges which they respectively shall have enjoyed therein under the laws of the United States in force at the time of the inauguration of the government of the Commonwealth of the Philippine Islands."

SEC. 3. Section 10 of the said act of March 24, 1934, is hereby amended by adding the following subsection thereto:

"(c) (1) Whenever the President of the United States shall find that any properties in the Philippines, owned by the Philippine government or by private persons, would be suitable for diplomatic or consular establishments of the United States after the inauguration of the independent government, he may, with the approval of the Philippine government, and in exchange for the conveyance of title to the United States, transfer to the said government or private persons any properties of the United States in the Philippines. Title to any properties so transferred to private persons, and title to any properties so acquired by the United States, shall be vested in fee simple in such persons and the United States, respectively, notwithstanding the provisions contained in subsection (a) of this section.

"(2) Whenever, prior to July 4, 1946, the President of the United States shall find that any properties of the United States in the Philippines would be suitable for diplomatic and consular establishments of the United States after the inauguration of the independent government, he shall designate the same by the issuance of a proclamation or proclamations, and title to any properties so designated shall continue to be vested in fee simple in the United States notwithstanding the provisions contained in subsection (a) of this section.

"(3) Title to the lands and buildings pertaining to the official residences of the United States High Commissioner to the Philippine Islands in the cities of Manila and Baguio, together with all fixtures and movable objects, shall continue to be vested in the United States after July 4, 1946, notwithstanding the provisions contained in subsection (a) of this section.

"(4) Administrative supervision and control over any properties acquired or designated by the President of the United States pursuant to this subsection, and over the official residences in the Philippines of the High Commissioner, shall, on and after July 4, 1946, be exercised by the Secretary of State, in accordance with acts of Congress relating to property held by the United States in foreign countries for official establishments."

SEC. 4. Section 13 of the said act of March 24, 1934, is hereby amended by striking out the proviso and inserting in lieu thereof the following: *"Provided,* That at least 2 years prior to the date fixed in this act for the independence of the Philippine Islands, there shall be held a conference of representatives of the Government of the United States and the government of the Commonwealth of the Philippine Islands, such representatives, on the part of the United States, to consist of three United States Senators appointed by the President of the Senate, three Members of the House of Representatives appointed by the Speaker of the House, and three persons appointed by the President of the United States, and, on the part of the Philippines, to consist of nine representatives to be appointed by the President of the Commonwealth of the Philippines, with the consent of the Commission on Appointments of the National Assembly, for the purpose of formulating recommendations as to future trade relations between the United States and the independent Philippine republic, the time, place, and manner of holding such conference to be determined by the President of the United States; but nothing in this proviso shall be construed to modify or affect in any way any provision of this act

relating to the procedure leading up to Philippine independence or the date upon which the Philippine Islands shall become independent.

"In the event any vacancy occurs in the Commission by reason of the death, resignation, or retirement of any member thereof, such vacancy may be filled by the authority appointing the member whose death, resignation, or retirement caused the vacancy."

SEC. 5. The said act of March 24, 1934, is further amended by the addition of the following new section:

"SEC. 18. (a) As used in sections 6 and 10 of this act—

"(1) The term 'United States,' when used in a geographical sense, but not the term 'continental United States,' includes all Territories and possessions of the United States, other than the Philippines.

"(2) The term 'cordage' includes yarns, twines (including binding twine described in paragraph 1622 of the Tariff Act of 1930 (46 Stat. 675)), cords, cordage, rope and cable, tarred or untarred, wholly or in chief value of manila (abaca) or other hard fiber.

"(3) The term 'Philippine government' means the government of the Commonwealth of the Philippines.

"(4) The term 'United States duty,' when used in connection with the computation of export taxes, means the lowest rate of ordinary customs duty in effect at the time of the shipment of the article concerned from the Philippines and applicable to like articles imported into the continental United States from any foreign country, except Cuba, or when more than one rate of ordinary customs duty is applicable to such like articles, the aggregate of such rates.

"(5) The term 'refined sugars' possesses the same meaning as the term 'direct-consumption sugar' as defined in section 101 of the Sugar Act of 1937.

"(6) The term 'Philippine article' means an article the growth, produce, or manufacture of the Philippines, in the production of which no material of other than Philippine or United States origin valued in excess of 20 percent of the total value of such article was used and which is brought into the United States from the Philippines.

"(7) The term 'American article' means an article the growth, produce, or manufacture of the United States, in the production of which no materials of other than Philippine or United States origin valued in excess of 20 percent of the total value of such article was used and which is brought into the Philippines from the United States.

"(8) The term 'Philippine import duty' means the lowest rate of ordinary customs duty applicable at the port of arrival, at the time of entry, or withdrawal from warehouse, for consumption of the article concerned, to like articles imported into the Philippines from any other foreign country, or when more than one rate of ordinary customs duty is applicable to such like articles, the aggregate of such rates.

"(b) As used in subsection (a) of this section:

"(1) The terms 'includes' and 'including' shall not be deemed to exclude other things otherwise within the meaning of the term defined.

"(2) The term 'ordinary customs duty' shall not include any import duty or charge which is imposed to compensate for an internal tax imposed in respect of a like domestic product or in respect of a commodity from which the imported product has been manufactured or produced in whole or in part."

SEC. 6. The said act of March 24, 1934, is further amended by the addition of the following new section:

"SEC. 19. (a) The proceeds of the excise taxes imposed by section 2470 of the Internal Revenue Code (I. R. C., ch. 21, sec. 2470), and of the import taxes imposed by sections 2490 and 2491 of the Internal Revenue Code (I. R. C., ch. 22, secs. 2490, 2491), collected on or after January 1, 1939, and accrued prior to July 4, 1946, and required to be held in separate or special funds and paid into the treasury of the Philippines, together with any moneys hereafter appropriated in accordance with the authorization contained in section 503 of the Sugar Act of 1937 (50 Stat. 915) by virtue of accruals of excise and import taxes prior to July 4, 1946, shall be held as separate funds and paid into the treasury of the Philippines to be used for the purpose of meeting new or additional expenditures which will be necessary in adjusting Philippine economy to a position independent of trade preferences in the United States and in preparing the Philippines for the assumption of the responsibilities of an independent state: *Provided, however,* That the portion of such funds expended by the government of the Commonwealth of the Philippines shall be budgeted, appropriated, and accounted for separately from other moneys of that government.

"(b) If the President of the United States finds that the government of the Commonwealth of the Philippines has failed or is about to fail to comply with any requirement of subsections (a) and (c) of this section, he shall direct the Secretary of the Treasury of the United States to withhold or discontinue, during any period or periods of time specified by the President of the United States further payments in whole or in part.

"(c) The provisions contained in section 2476 of the Internal Revenue Code (I. R. C., ch. 21, sec. 2476), prohibiting further payments in the event that the government of the Commonwealth of the Philippines should provide by law for the subsidization of producers of copra, coconut oil, or allied products, and the provisions contained in the Sugar Act of 1937, specifying the purpose for which such appropriations could be used by the said government and the manner and condition of transfer, shall not apply to any moneys collected or appropriated pursuant to said acts on or after January 1, 1939, and to this extent are hereby repealed: *Provided, however,* That the restriction contained in the proviso to section 503 of the Sugar Act of 1937 shall continue in full force and effect: *And provided further,* That no part of the proceeds of the excise taxes herein referred to shall be paid directly or indirectly as a subsidy to the producers or processors of copra, coconut oil or allied products, except that this provision shall not be construed as prohibiting the use of a portion of said funds for facilities for better curing of copra, or for bona fide production loans to Philippine copra producers.

"(d) Nothing contained herein shall be construed as obligating the United States to continue for any period of time any or all of the excise and import taxes imposed by sections 2470, 2490, 2491 of the Internal Revenue Code or by sections 3490, 3500, 3501 of the Internal Revenue Code (I. R. C., ch. 32, secs. 3490, 3500, 3501).

"(e) Notwithstanding the provisions of section 4 of the act of March 8, 1902 (32 Stat. 54), or of any other provision of law, on or after the first day of the second month following the passage of this amendatory act, except as otherwise provided in this section, all customs duties collected in accordance with sections 6 and 13 of this act, on any article the growth, produce, or manufacture of the Philippines, in the production of which no materials of other than Philippine or United States origin valued in excess of 20 percent of the total value of such article, was used and which is brought into the United States from the Philippines, and all customs duties collected on any other article brought into the United States from the Philippines, shall be covered into the general fund of the Treasury of the United States and shall not be paid into the treasury of the Philippines."

SEC. 7 (a) Sections 1 to 5, inclusive, of this amendatory act shall become effective on January 1, 1940, if before that date—

(1) Subsection 5 of section 1 of the ordinance appended to the Constitution of the Philippines shall have been amended in the manner now provided by law, by changing the final period of said subsection to a comma, and by adding thereto the words: "as amended by the act of Congress of the United States approved (followed by the date of the approval of this amendatory act)", and section 3 of the said ordinance shall have been amended by inserting immediately after the words "approved March 24, 1934", the same amendatory language mentioned above.

(2) The President of the United States shall have found and proclaimed that the Philippine government has enacted, subsequent to the adoption of the amendments to the Constitution of the Philippines (as provided in subdivision (1) of this subsection), a law relating to export taxes (as provided in section 1), and has retained those Philippine laws relating to sinking-fund and currency matters which were in effect on May 20, 1938.

(b) Section 1 of this amendatory act shall remain in full force and effect from the effective date thereof until July 4, 1946, unless the President of the United States shall, prior to July 4, 1946, have found and proclaimed that the Philippine government has, in any substantial respect, repealed or amended, or failed or refused to enforce or administer any Philippine law referred to in subdivision (2) of subsection (a) of this section. In the event of such a finding and proclamation, section 1 shall immediately become ineffective and the trade relations between the United States and the Philippines shall be as provided by section 6 of the act of March 24, 1934, prior to the enactment of this amendatory act and by section 13 of the said act.

(c) Sections 6 and 7 of this amendatory act shall become effective upon its enactment.

SEC. 8. Notwithstanding the provisions contained in section 8 (a) (3) of the act of March 24, 1934 (48 Stat. 456), entitled "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes," Foreign Service officers may, under commissions as diplomatic and consular officers, be assigned to the Philippine Islands, during which assignments such officers shall be considered as stationed in a foreign country, for such periods of time and under such regulations as the Secretary of State may prescribe for the performance of any of the duties customarily performed by Foreign Service officers stationed in foreign countries and of additional duties in connection with advising and assisting the United States High Commissioner to the Philippine Islands in the supervision and control of the foreign affairs of the Commonwealth of the Philippines in accordance with section 2 (a) (10) of the act approved March 24, 1934, and section 1 (10) of the ordinance appended to the Constitution of the Philippines adopted February 8, 1935.

This section shall become effective upon its enactment.

The SPEAKER. Is a second demanded?

Mr. WELCH. Mr. Speaker, I demand a second.

Mr. KOCIALKOWSKI. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

CALL OF THE HOUSE

Mr. DOWELL. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. KOCIALKOWSKI. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 149]

Allen, La.	Cummings	Johnson, Lyndon	Powers
Austin	Curley	Johnson, W. Va.	Rabaut
Ball	Dies	Kennedy, Martin	Reed, N. Y.
Barton	Dingell	Kennedy, Michael	Rockefeller
Bates, Mass.	Ditter	Lea	Sacks
Bolles	Douglas	Lemke	Schiffler
Bolton	Drewry	Lesinski	Secrest
Boren	Duncan	McGranery	Seger
Bradley, Pa.	Dunn	McLaughlin	Short
Buckley, N. Y.	Eaton, Calif.	McLean	Sirovich
Bulwinkle	Eaton, N. J.	McLeod	Smith, Conn.
Burdick	Eberharter	McMillan, John L.	Somers, N. Y.
Caldwell	Evans	McMillan, Thos. S.	Stearns, N. H.
Chapman	Fay	Maciejewski	Stefan
Clark	Ferguson	Magnuson	Sumners, Tex.
Claypool	Fernandez	Maloney	Sweeney
Clevenger	Fish	Massingale	Taylor, Colo.
Cluett	Fitzpatrick	Mitchell	Tibbott
Cole, Md.	Ford, Thomas F.	Murdock, Ariz.	Tinkham
Collins	Gamble	Myers	Weaver
Connery	Gavagan	Nichols	Winter
Cooley	Hart	Oliver	Wood
Corbett	Hartley	Osmers	Woodruff, Mich.
Courtney	Hennings	O'Toole	
Creal	Holmes	Patman	
Crowther	Hook	Pierce, N. Y.	

The SPEAKER. Three hundred and twenty-six Members have answered to their names, a quorum.

Further proceedings under the call were dispensed with.

UNITED STATES-PHILIPPINE TRADE AND RELATED MATTERS

The SPEAKER. Is there objection to the request of the gentleman from Illinois that a second be considered as ordered?

There was no objection.

The SPEAKER. The gentleman from Illinois is recognized for 20 minutes, and the gentleman from California [Mr. WELCH] will be recognized for 20 minutes.

Mr. KOCIALKOWSKI. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. McGEHEE].

Mr. McGEHEE. Mr. Speaker, the bill we are considering today has nothing whatever to do with any political issue between the United States and the Philippine government, these issues being taken care of in the original Tydings-McDuffie Act passed in March 1934. This bill is confined entirely to economic and commercial matters that will affect the Philippine Islands and our country after November 15, 1940, relative to the exportation of certain basic articles from the Philippines to the United States.

The membership will recall that the Tydings-McDuffie Act and subsequent acts passed by the Congress insofar as they concerned Philippine products coming into the United States provided for limitations on duty-free shipments of the basic articles of sugar, coconut oil, and cordage. It provides for the elimination during the period from November 15, 1940, to July 4, 1946, while the Philippine Islands are still under our sovereignty, of a 25-percent tariff preference which all the Philippine products enjoy in the United States. This elimination is to be effective gradually by the imposition on November 15, 1940, of the export taxes collectible in the Philippines, beginning at a rate equal to 5 percent of the United States import duty and increased an additional 5 percent annually until July 4, 1946.

The Tydings-McDuffie Act provides further that the proceeds of this tax are to be used in the payment of principal and interest on the bonded indebtedness of the Philippine Islands, its provinces, municipalities, and instrumentalities, until such indebtedness has been discharged in full.

Our economic experts, as well as the Tariff Commission, after giving many months of thought and study to the probable effects of the application of this export tax on these products, have found that the imposition of such a tax on these commodities, even during this early stage of preparing the Philippine Islands for independence, would result not only in serious injury but in most cases in the absolute destruction of the Philippine industries producing these commodities.

These articles enumerated are principally prepared for exportation to the United States and constitute about 40 percent of the total value of all Philippine exports to the United States, excluding sugar. Should this condition be continued and no relief given by this Congress, it would reduce the purchasing power of the Philippines in the United States to the extent that it would be most detrimental to our export trade.

I may call the attention of the Congress to the fact that the Philippine Islands stand seventh on the list of our customers to whom we export our manufactured products. The total exports to the Philippine Islands for the year 1937 of all manufactured goods amounting to around $475,000,000.

To avoid a condition that would be most unfortunate, not only to the Philippines but to business, manufacturers, and labor of our country, this bill has been introduced with a view of not enforcing the export duty by the Philippine government on the commodities named in this bill that are to be shipped to the United States, but to gradually reduce the quotas of 5 percent per year from 1940 to 1946, rather than charge the export duty on this basis.

Will you permit me to add in addition to the preference remarks already made on this bill that, in my opinion, our country has a moral obligation to the Philippine Islands which is mandatory at this time and, especially, after their absolute independence is gained in giving them every aid and assistance possible to reach a secure economic state as one of the nations of the world. The Philippine Islands are our adopted children. We have reared and nurtured them until, evidently, in the opinion of the Congress they have reached the age of maturity. During that period of growth since infancy they have known only to lean on the arm of their foster parents. Rather than to turn them loose, with world conditions as unsettled as they are today and the leadership of several of the principal nations manifesting a course of imperialism, should we not continue a policy of advancement and aid? You can readily visualize that certain conditions could exist immediately on the Philippines acquiring their independence whereby in a short period of a few months they would be absorbed by one of the major powers.

[Here the gavel fell.]

Mr. KOCIALKOWSKI. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. McGEHEE. Mr. Speaker, this bill is one that would help effectuate the Philippine Islands in acquiring a status they are entitled to in the commercial world. Not only this, but as stated in the beginning, statistics show they are one of our leading export markets and that relationship we want to continue; not only continue but place them in a position whereby they can take more commodities, manufactured or raw.

Mr. Speaker, I must now hasten along and explain some of the provisions of this bill.

Under the Tydings-McDuffie Act the date for beginning the charge of the export duty on these products is November 15, 1940. This bill moves the date up to January 1, 1941. Our Treasury Department is asking for this change for fiscal reasons, as our fiscal year begins on January 1.

Under the Tydings-McDuffie Act there were no quotas established as is provided in section 6, subsection 3 of this bill. It was provided in the Tydings-McDuffie Act that 5 percent of the duty collectible by the United States was to be collected as export duty by the Philippine government; and if this 50-percent export tax were imposed by the Philippine government it would amount to about 30 percent of the entire value of the products on the basis calculated by our Government in the collection of tariff duties.

Mr. JOHNSON of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. McGEHEE. I wish I could yield, but I have not the time.

We establish in this bill a quota of 200,000,000 cigars and, were the Philippine exporters to this country compelled to pay the 5-percent export duty to the Philippine government, it would destroy that industry within 2 years and most of the capital which is invested in that industry is American capital. It would put out of employment over 60,000 people, according to my information.

So you can see how destructive that would be and can appreciate the obligation that devolves on this Congress which has, through the Tydings-McDuffie Act, granted independence to the Philippine Islands which takes effect in 1946 to help these people along in an economic way and we must do this in such a way that they can eventually get on their feet and take their place as one of the nations of the world. They can only do this by our changing the provisions of the Tydings-McDuffie Act providing for the collection of the 5-percent export duty to a 5-percent reduction in quota allowance thereby allowing them to gradually work out this economic problem during the transition period from January 1, 1941, to July 4, 1946.

I wish I had more time, Mr. Speaker, to explain in detail the provisions of this bill.

[Here the gavel fell.]

Mr. KOCIALKOWSKI. Mr. Speaker, I yield 8 minutes to the gentleman from South Carolina [Mr. HARE].

Mr. HARE. Mr. Speaker, I do not know that I will need 8 minutes to explain my understanding of this bill. I believe we all know that in 1898, and the few years following, the United States unselfishly acquired the Philippine Islands and undertook their administration, and also undertook to teach the Filipino people the principles of democracy, assuring them at the time that when they were prepared to establish a stable form of government we would withdraw our sovereignty and provide for their independence. In 1932, the Congress of the United States was convinced that the people of ethe Philippine Islands had complied with the terms fixed by Congress and proceeded to enact legislation whereby they would gain their independence in 10 years. This act was not accepted by the Filipino people until 1934, when a similar law was enacted and the people of the Philippines accepted it.

Under the provisions of that act it provided that beginning with November 15, 1940, all exports from the Philippine Islands to the United States should pay 5 percent of the then-existing American tariff duty, increasing 5 percent per annum until 1946, when they would be paying 25 percent of the American duty on all exports from the Philippine Islands to the United States. Under the act the export duty collected by the Philippine government was for the purpose of creating a sinking fund for care of outstanding bonded indebtedness of the islands, which this Government has underwritten.

It was found by an investigating committee last year, previously appointed by the President of the United States and President of the Philippine Commonwealth, that if the application of the tariff should begin in November 1940, together with the export tax, it would practically prohibit the exportation of the leading products of the islands and therefore destroy the possibility of economic adjustment prior to the transition period when we were to withdraw our sovereignty in 1946. Consequently it has been recommended to the Congress by the committee appointed that instead of applying the tariff duty beginning November 1940 there should be an application of a reduction in the quotas of the principal products to this country, particular reference being made to sugar, cordage, coconut oil, pearl buttons, tobacco, cigars, and so forth, and that is what this bill does. It provides for the repeal of the tariff duty applying to certain Philippine products from 1940 to 1946 and provides in the place thereof the reduction of 5 percent of the quota already allocated under the existing law, such quota reduction to increase at the rate of 5 percent per annum until 1946.

Mr. Speaker, I think this is a practical solution of the situation, because in this way the Filipino people will be able to carry on for another 5 or 6 years, and at the same time there will be no increase—but in reality a decrease—in competition with American products, particularly sugar, cottonseed oil, peanut oil, and dairy products.

And, Mr. Speaker, I stop long enough here to suggest that at the conclusion of the existing relationship between the United States and the Philippine Islands we should then have a trade agreement between the two countries, provided for in this bill. There are three things in the Philippine Islands that are indispensable to the continued life, growth, and the development of the islands. One is clothing. The other two are food made up of wheat flour and dairy products.

The Philippine Islands will never be able to produce dairy products sufficient to meet the needs of the people, and they will never be able to supply themselves with wheat flour. They will not be able to supply themselves with textiles or goods with which to cover their backs. Consequently we can easily afford to make an agreement whereby we might maintain a trade relation in the future so that they may have a continued quota of their leading products to the United States, and in consideration therefor they obligate themselves to take a sufficient amount of textiles, wheat, and dairy products in order that we may have reciprocal trade policy that will prove to be to the mutual benefit of both countries.

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

Mr. HARE. Yes.

Mr. HOBBS. As I understand the very illuminating statement the gentleman is making, this bill does not affect in the slightest degree the excise tax now levied on coconut oil.

Mr. HARE. That is correct. It makes no change whatever.

Mr. HOBBS. Nor does it prevent the importation of any other fats or oils, except to reduce their quota by 5 percent per annum until 1946, when they will pay the full duty.

Mr. HARE. Beginning with January 1, 1940.

Mr. HOBBS. Is there any provision for an upward scale of the quota or a downward scaling?

Mr. HARE. The quota will be reduced 5 percent annually; that is, 5 percent in 1941, 10 percent the next year, 15 percent the third, and 20 to 25, so that in 1946 the quota provided for under the original act will be reduced by 25 percent.

Mr. CULKIN. Does the bill change the character of the import tax?

Mr. HARE. None whatever. It will not interfere with the import tax provided in the Revenue Act of 1934. This is also made clear in the bill.

Of course, the United States Government and the Congress so far have dealt unselfishly with the Philippine Islands from the beginning; but I have to admit that the idea I have advanced relative to future trade relations between the United States and the islands after 1946 carries with it a certain amount of selfishness, for, while the arrangement suggested may be to the interest of the islands, I am also interested in what it will mean to the cotton growers, wheat producers, and those engaged in the dairy industry in the United States. As one who is particularly interested in the cotton producers, I can see where we can afford to allow a certain amount of coconut oil to come to the United States, even in competition with cottonseed oil, provided we can ship to them a certain amount of cotton goods and cotton fabrics. I can see, further, that if we do not make such an arrangement and the existing tariff law continues, we might shut out coconut oil, but this will not prevent the shipping of copra to the United States, which is nothing more or less than the dried coconut, and this can be converted into the coconut oil here, and we will then have the coconut oil in competition with our cottonseed oil and we will have in addition the coconut meal in competition with our cottonseed meal. It must be remembered that under the existing tariff law there is no tariff on copra, which, as I have already said, is dried coconut. In case there is no future agreement relative to coconut oil and the existing tariff law is not changed, copra, or the dried coconut, can be shipped into the United States free of duty and in any quantity without limitation. Therefore, unless there is some other arrangement made before 1946, there will be more coconut oil in the United States in competition with cottonseed oil and peanut oil and at the same time we will have an increased amount of coconut meal in competition with cottonseed meal. I am, therefore, in favor of this amendment, and I sincerely trust that there can be a trade agreement perfected before 1946 that may prove to the mutual benefit of both countries. With the rapidly increasing population of the islands, I can see an ever-increasing market there for our textile products, particularly cotton, because they are great consumers of cotton goods,

and if we can have wisdom and foresight enough to arrange a trade policy with them they will be the best and largest customers the cotton producer and cotton manufacturer in the United States can find in the entire world.

The SPEAKER. The time of the gentleman from South Carolina has expired.

Mr. WELCH. Mr. Speaker, I yield 10 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Speaker, this bill was taken up in committee and reported without public hearings, which were not permitted. The bill was not read in executive session. The interests which I represent, so far as I am authorized to speak, were not permitted to state their position on the bill, and I am making this statement today primarily for the purpose of letting the record speak as to what happened. In reference to the statement just made by the gentleman from South Carolina [Mr. HARE], this bill sets aside export taxes as originally provided in the economic provisions of the Philippine Independence Act.

Instead of paying the export tax they reduce the amount of their free-of-duty export quota 5 percent per annum. The export taxes were originally to be collected and set aside in a fund to guarantee the bonded obligations of the Philippine Islands, for which the United States appears morally responsible. This bill prevents the building up of an export tax fund, guaranteeing the Treasury of the United States some protection. This is clearly set forth in the changes in the bill, if you will read the committee report.

Under the Philippine Independence Act and other acts since approved, we had up to June 30, 1939, made available some $82,573,000 for the Philippine treasury. We are providing for the Philippine treasury on the coconut-oil excise tax and the sugar excise tax, in round figures, from twenty-two to twenty-seven million dollars annually. If you will read the bill carefully you will find language to the effect that when this money is made available over there they shall use it for the purpose of entrenching Philippine economy to meet world conditions after they have received their independence. When Dr. Sayre was before the committee—and he was the only witness we heard and of course he supported the bill—I asked him for certain figures, and a statement covering certain acts taken by the Philippine Legislature looking to the disposition of these funds. If you want an eye opener, read the extension of remarks where I shall include this statement I hold, furnished me by the State Department and which I received directly from Mr. Jacobs. Read what is being done with this excise-tax fund. Then make up your mind as to whether or not the funds are being used for the purpose of constructively recasting Philippine economy to meet conditions after independence is granted.

Mr. Speaker, I ask unanimous consent to insert the statement in the RECORD at this point.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Disposition of the coconut-oil excise tax funds by the Philippine authorities

1. To replenish "the current surplus of the general fund proper by transferring thereto from the coconut-oil excise tax the sum of ₱26,840,000, which is the total of the extraordinary appropriations that have been authorized from the general fund proper," from President Quezon's budget message, dated October 30, 1937, page 5, Philippine budget for 1938	₱26,840,000.00
2. Subscriptions to the stock of the Manila Railroad (owned by the Philippine Government) and restoration and replacement of sinking-fund investment in the Manila Railroad Co. and in Philippine Railway Co. bonds, as indicated in the seventh endorsement, dated December 3, 1937, by the President of the Philippines on Philippine Act No. 3116, in the fifth and sixth endorsements, dated December 16, 1937, on Philippine Act No. 3227, and in the monthly report of the auditor general of the Philippines for January 1938	3,369,522.50

Disposition of the coconut-oil excise tax funds by the Philippine authorities—Continued

3. For the construction, reconstruction, improvement, alteration, repair, extension, and/or completion of elementary-school buildings in the Philippines, Commonwealth Act No. 240, approved Dec. 8, 1937, pp. 377–407 of Official Gazette, dated Feb. 19, 1938	₱5,050,000.00
4. Annual grant to the city of Manila for the construction of public improvements, Commonwealth Act No. 242, shown as "payable from the coconut-oil excise-tax fund" in the monthly report of the Philippine auditor general for January 1938	1,000,000.00
5. Various items relating to reforestation, division of public lands, research activities, and public health, General Appropriation Act for 1938, No. 245, approved Dec. 17, 1937, sec. 6, p. 631, Official Gazette, dated Mar. 3, 1938	1,037,748.00
6. Appropriation for acquisition of home sites in large landed estates, Commonwealth Act No. 260, approved Apr. 18, 1938, p. 1267, Official Gazette, dated May 21, 1938	2,000,000.00
7. Various items relating to reforestation, survey of public lands, research activities, and public health, General Appropriation Act for 1939, No. 300, sec. 5, approved June 9, 1938, pp. 3319–3442, Official Gazette, dated Dec. 17, 1938	1,035,925.00
8. Reforestation and afforestation, Commonwealth Act No. 304, approved June 9, 1938, pp. 2426–2427, Official Gazette, dated Sept. 20, 1938	1,000,000.00
9. Certain public works, consisting chiefly of the construction of public buildings, drainage, and sanitation for the city of Manila, national and city roads, flood control, sea-protection works, bridges, etc., Commonwealth Act No. 330, approved June 18, 1938, pp. 2533–2585, Official Gazette, dated Sept. 29, 1938	88,688,100.00
10. For reimbursement of amount appropriated under Act No. 3932, passed Nov. 29, 1932, from irrigation bond funds under Act No. 2940, approved Aug. 23, 1938, by Commonwealth Act No. 369, p. 2909, Official Gazette, dated Nov 1, 1938	4,800,000.00
11. For leasing landed estates, Commonwealth Act No. 378, approved Aug. 23, 1938, p. 2982, Official Gazette, dated Nov. 8, 1938	1,500,000.00
12. Revolving fund for loans to provinces, municipalities, and cities, for building markets and waterworks, Commonwealth Act No. 403, approved Sept. 13, 1938, p. 2163, Official Gazette, dated Nov. 26, 1938	10,000,000.00
13. For an agronomical survey of the Philippines, Commonwealth Act No. 418, approved May 22, 1939 [1]	250,000.00
14. To provide for reforestation and afforestation, Commonwealth Act No. 436, approved May 31, 1939 [1]	1,000,000.00
15. To provide for the transfer of the University of the Philippines to a site outside the city of Manila, Commonwealth Act No. 442, approved June 3, 1939	17,500,000.00
Total	[2] 165,071,295.50

[1] In all cases where there are no citations to the Official Gazette, the source of information has been some report of the United States High Commissioner to the Philippine Islands. Printed copies of the Official Gazette have only been received up to June 13, 1939.

[2] Copies of the acts passed by the National Assembly in 1939 have not been received so that it is impossible to prepare an accurate list of all those appropriations the payment of which might be authorized out of the excise-tax proceeds.

Although the total amount of the excise-tax proceeds known to have been appropriated is approximately ₱165,000,000, or $82,500,000, the actual amount which the Philippine authorities have had set up in demand deposits in the United States to cover these appropriations is only ₱76,000,000, or $38,000,000, out of total collections from August 1934 through June 30, 1939, available for remittance to the commonwealth government, amounting to ₱165,147,931.40, or $82,573,965.70. The actual amount spent, therefore, does not exceed $38,000,000 and must be less than this, as some of these demand deposits and all of the time deposits are still in the United States.

Mr. CRAWFORD. Mr. Speaker, I am further advised by Mr. Jacobs, of the State Department, that, roughly, $3,000,000 have been loaned to the National Development Co. of Manila for the purchase of the steamship *Mayon* from the Dollar Steamship Co. representatives and two sugar refineries

located in the city of Manila. If this be true, it is certainly in order to assume that these Government-owned refineries will in the future compete with the fields and mills owned by the people here in the United States. These are additional reasons for a thorough inquiry into the use of all of these funds.

You will also find—you people who are interested in the sugar-beet and sugarcane areas of this country—that there is a distinct tie-up between this bill and the Sugar Quota Act of 1937 and the Philippine Independence Act of 1934 and the Sugar Act which you will be called upon to deal with next January to June when you come back for the second session. It was dovetailing and conflicting elements of this kind which I desired to bring out in committee. We have legislated carelessly in connection with Philippine-American affairs. I think it is time, in the interest of the Filipinos and the American people—and I have no grudge against the Filipinos—I think it is time we began to give more serious consideration to legislation of this type which so directly affects our far eastern relationships.

Here is a bill dealing with the economic relations of the Filipinos and our own people. These relations are directly involved in our Far Eastern problems. We bring the bill here with 20 minutes debate on a side; with 10 minutes, you might say, in opposition to the bill and with 30 minutes in favor of the bill, because I assume I am the only one who is going to speak at all in a questioning manner. Certainly I am not in favor of doing anything that will destroy the Filipinos or their country, because I am wise enough to know that the United States Treasury will have to take the Filipinos out of the ditch, and I am interested in doing the job, if it must be done, in a constructive manner. But I detest this manner of legislating, when a bill is so far-reaching and you cannot get hearings in the committee; when you cannot even get the bill read in executive session—and I protested against the procedure in committee. I yield to the gentleman from Mississippi to correct me if I am wrong.

Mr. McGEHEE. Were not hearings held by the Senate and were not those hearings before the House committee—335 pages of them?

Mr. CRAWFORD. Here are the Senate hearings. I have them before me. Those hearings were not on this bill, and the gentleman knows they were not. They were on the bill S. 1028, and subsequently another bill was introduced in the Senate. A great many of the original provisions were eliminated. The only hearings held in the House committee were in executive session, and Dr. Sayre, who is now High Commissioner of the Philippines, came up and spoke in the interest of the bill.

Mr. Osmena, Vice President of the Philippine Islands, was supposed to have been heard. He came up, and we had no chance to examine him with reference to the bill except one or two questions. There were many inquiries I desired to make pertaining to matters not covered in the Senate hearings. I yield to the gentleman if he wants to correct me on this statement.

Mr. McGEHEE. The hearings before the Senate were before the House committee, were they not?

Mr. CRAWFORD. The hearings were not on the House bill. There is not any use arguing about that. Take the hearings on the House bill and the two bills of the Senate and decide that for yourself.

Mr. McGEHEE. Did not the House have the benefit of the Joint Preparatory Committee on Philippine Affairs, six appointees by the President and six by the Philippine government?

Mr. CRAWFORD. Oh, yes; but what has that got to do with this bill?

Mr. COLE of New York. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. COLE of New York. Would the gentleman explain to the House what reason was given for all this hurry and rush and insisting on this bill being passed so hurriedly?

Mr. CRAWFORD. The reason that was given—and I stand corrected if I am in error—was to the effect that this legislation must now go to the Philippine Assembly; that it must go to the people of the Philippine Islands; that there must be amendments made to the Philippine constitution, and that all of that must be brought into accord with this bill. Therefore it should be enacted now, so that it may go into effect November 15, 1940.

Mr. COLE of New York. The gentleman might explain that there have been three modifications of the Philippine Independence Act, and that not a single one of them was submitted to the Philippine Assembly.

Mr. CRAWFORD. The gentleman is correct. We changed the Philippine Independence Act in a way in the case of the Sugar Quota Act of 1937, in the case of the excise tax on coconut oil, and in the case of amendments affecting the cordage industry, rope, and twine coming into this country; and, so far as I know, none of those was submitted to the Philippine Legislature for confirmation, and certainly there was no plebiscite held on them in connection with amendments to the Philippine Constitution.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. AUGUST H. ANDRESEN. Is there any need for haste in passing this legislation?

Mr. CRAWFORD. I take the position that this should not be considered until next January, when it should be made the first order of business of the Insular Affairs Committee of the House, and that in the meantime the different industries involved and the sugar people who were denied the privilege of coming up and being heard on this bill should be heard. I am talking about the sugarcane industry of the South and the sugar-beet industry of the West and the North—they were entitled to have their say on this House bill. They were not given that say because hearings were not held. There was too big a rush to get the bill through. Next January we shall be forced to again consider Philippine-American sugar relations. The State Department may be inclined to use the approval of this bill as an excuse to prevent reopening the sugar quotas in the new sugar legislation. The committee and Mr. Osmena were given warning on this phase of the problems touched upon by the bill. In the absence of printed hearings, I think it is appropriate to make this record at this time. I hope the State Department and the Department of Agriculture will not attach a great moral responsibility respecting fixed sugar quotas and thereby stand on this bill. That is a poor way to legislate on Filipino-American affairs, I care not how friendly you may be to the Filipinos.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield further?

Mr. CRAWFORD. I yield.

Mr. AUGUST H. ANDRESEN. That should be done because of the importance of measures of this type to the Philippine people and also to the American people. We should at least have hearings and due consideration of it before passage.

Mr. CRAWFORD. We certainly should; otherwise they will be back here asking for other concessions; and if one studies the Senate hearings one will find the question asked time and time again, "Are you coming back again for a further revision of the economic provisions of the act?"

[Here the gavel fell.]

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein certain excerpts from documents from the State Department and from hearings on the Senate bill.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. KOCIALKOWSKI. Mr. Speaker, I yield 3 minutes to the Resident Commissioner from the Philippine Islands [Mr. ELIZALDE].

AMENDING THE PHILIPPINE INDEPENDENCE ACT

Mr. ELIZALDE. Mr. Speaker and Members of the House, In rising to support the bill now pending, may I express my appreciation of the courtesies and privileges that are extended to me as the representative of the Filipino people by this gracious body. I wish to voice our deep gratitude for this new evidence of your interest in our welfare.

The Filipino people, Mr. Speaker, want very much to see the passage of H. R. 7096, which is now before you.

The report of the Committee on Insular Affairs explains the salient points contained in this bill, such as trade and economic matters, Philippine bonded indebtedness, rights and privileges of Filipinos in the United States, retention of properties for diplomatic and consular establishments, future conference on trade relations between the United States and the Philippines after the coming into effect of the new law, and assignment of Foreign Service officers to the Philippines.

Members of that committee on both sides of the House, who have worked so hard and so conscientiously to present this measure today, have well explained the significance of the various provisions. At this point, I thank the distinguished chairman of the committee, the gentleman from Illinois, for the continuous and sympathetic interest he has maintained in our problem.

I may add that the conditions which this legislation seeks to ameliorate were intensively studied for over a year by a joint committee of competent experts both in Manila and Washington. Let me emphasize that the bill before you deals in no way with the political status of the Philippines. The political aspects of Philippine-American relations were settled by the Independence Act of March 24. 1934.

This pending piece of legislation is an emergency measure. It is designed primarily to bring some opportunity of adjustment during the commonwealth period to four of our important industries—coconut oil, cigar, pearl button, and embroidery.

This legislation should help to prevent the threatened disruption of those particular industries that have been built up on the basis of America's traditionally generous trade policy toward the Philippines. It will afford these industries a reasonable opportunity for orderly adjustment over the next 7 years.

Let me call the attention of my friends in the House to the fact that there remain 7 years more during which the Philippines continue as a ward of the United States under the American flag. During this period it is intended that we make the necessary economic preparations to bring about an orderly shift from our present dependent trade status.

Mr. Speaker, I must repeat that what we ask here is, to us, emergency legislation, which will benefit not only the Filipinos but the Americans in the Philippines who, over the past 40 years, have devoted their energies, in partnership with us, to build up a flourishing Philippine-American trade.

I respectfully stress the urgency of enacting this legislation at this session of Congress since several constitutional processes must be attended to in the Philippines before these provisions can go into effect.

In closing I wish gratefully to acknowledge the attention given this measure by the House. I am grateful in the name of the Filipino people, whose fate has been inextricably linked with that of the United States for over 40 years. In asking for sympathetic consideration, Mr. Speaker, we are confident that we can rest our welfare in your hands.

SUMMARY OF PROVISIONS OF H. R. 7096

The full title of the measure under consideration is, "A bill to amend an act entitled 'An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes.' "

The bill contains eight sections, divided into subsections and subdivisions.

Section 1 provides for the continuation of trade relations between the United States and the Philippines during the period from January 1, 1940, to July 3, 1946, as now provided by law subject to the exceptions in subsections (a), (b), (c), (d), (e), (f), (g), and (h).

Subsection (a) provides that export taxes shall be 5 percent in 1941, the rate to be progressively increased by an additional 5 percent each year, but that during the period January 1, 1946, through July 3, 1946, the export tax shall remain at 25 percent of the United States duty.

Subsection (b) has three subdivisions: Subdivision (1) provides that no export tax shall be collected upon any Philippine article with quota in subdivision (3) of this subsection, nor upon copra or manila (abaca) fiber; subdivision (2) provides that the United States tariff duties are to be collected on articles in excess of quotas, with a proviso that declares that this section shall not be construed to exempt coconut oil from excise taxes imposed by the Internal Revenue Act; subdivision (3) provides for the following quotas for the calendar year 1940: (a) Cigars (exclusive of cigarettes, cheroots of all kinds, and paper cigars and cigarettes, including wrappers), 200,000,000 cigars; (b) scrap tobacco, and stemmed and unstemmed filler tobacco described in paragraph 602 of the Tariff Act of 1930, 4,500,000 pounds; (c) coconut oil, 200,000 long tons; (d) buttons of pearl or shell, 850,000 gross. The duty-free quotas are to decrease by 5 percent each year through 1945, but that during the period from January 1, 1946, through July 3, 1946, the quotas shall be one-half of those for 1945.

Subsection (c) provides that in computing export taxes on Philippine embroideries, the value of the cloth used, if of United States origin, shall be deducted.

Subsection (d) provides that United States duty shall be collected from Philippine sugars in excess of 850,000 long tons, of which not more than 50,000 long tons may be refined sugars.

It further provides that from January 1, 1946, through July 3, 1946, the quota not subject to United States duty shall be 425,000 long tons, of which not more than 25,000 long tons may be refined, and that export taxes on sugars in excess of quotas established by this subsection shall be refunded by the Philippine government.

Subsection (e) provides that after the expiration of the Cordage Act as extended to May 1, 1941, the total amount of all Philippine cordage coming into the United States shall not exceed 4,000,000 pounds during the remainder of the calendar year 1941. Thereafter the absolute quota shall not exceed 6,000,000 pounds every year; and from January 1, 1946, through July 3, 1946, the quota shall not exceed 3,000,000 pounds.

Subsection (f) subdivision (1) relates to the procedure in which the quotas for sugars established by subsection (d) of this section shall be allocated annually as prescribed in section 6 (d) of the act of March 24, 1934. Subdivision (2) empowers the authorities of the Philippine government to allocate the quotas for cordage established by subsection (e) of this section and by the act of June 14, 1935, among the manufacturers of such commodities and provides for the basis of shipment of each such manufacturer to the United States; subdivision (3) provides that quotas for all articles except sugars and cordage shall be allocated on the basis of maximum shipment to the United States in any year during the 5-year period 1933 through 1937; subdivision (4) provides that if, after the first 9 months of any quota year, there is evidence that the entire quota will not be used, the Philippine government shall apportion the amount that the quota holder cannot ship to the United States.

Subsection (g), subdivision (1), relates to the payment by the Philippine government to the Secretary of the Treasury of the United States at the end of every quarter proceeds from export taxes, and such moneys shall be deposited with the Treasurer of the United States and shall constitute a supplementary sinking fund for the payment of Philippine bonds issued before May 1, 1934; and that moneys received from any export tax on any article shipped from the Philippines to the United States prior to July 4, 1946, and which is entered or

withdrawn from warehouse for consumption on or after said date shall be refunded by the independent Philippine government. Subdivision (2) authorizes the Secretary of the Treasury to accept the deposits of the proceeds of the export taxes referred to above. Subdivision (3) also authorizes the Secretary of the Treasury, with the approval of the Philippine government, to purchase with such supplementary sinking fund Philippine bonds issued before May 1, 1934, and may invest such fund in interest-bearing obligations of the United States or obligations guaranteed by the United States. If the Secretary of the Treasury finds that the supplementary sinking fund is more than adequate to meet future interest and principal payments on such bonds, he may, with the approval of the Philippine government, purchase with such excess other bonds of the Philippines. Obligations may be acquired on original issue at par or by purchase of outstanding obligations at the market price. This subdivision further provides that the Secretary of the Treasury may, with the approval of the Philippine government, sell at the market price any obligation acquired by the fund and the proceeds of the sale and the proceeds of the payment upon maturity or the redemption of any obligations as well as any money earned by the fund or on any obligations acquired by said fund, shall be paid into the said fund. Subdivision (4) relates to a conference to be held during the 3 months preceding July 4, 1946, between the Philippine government and the Secretary of the Treasury of the United States, the purpose of which is to ascertain the portion of Philippine bonds issued before May 1, 1934, which will remain outstanding on July 4, 1946; and that the Philippine government shall turn over to the Secretary of the Treasury of the United States for destruction all such bonds then held, in any of the sinking funds maintained for the payment of such bonds.

This subdivision also provides for the creation of a special trust account in the name of the Secretary of the Treasury of the United States after the outstanding portion of the indebtedness is determined, and before July 4, 1946; the provisions with regard to this special trust account are as follows: First, the special trust account takes care of paying future interest and principal payments on such bonds; second, the Philippine government shall pay the Secretary of the Treasury of the United States for deposit in this special trust account all of the sinking funds maintained for the payment of such bonds; and, third, the Secretary of the Treasury of the United States shall transfer to this special trust account all of the proceeds of the supplementary sinking fund. If the Secretary of the Treasury of the United States finds this special trust account more than adequate to meet future payments on the outstanding bonds, the excess shall be turned over to the Treasury of the independent Philippine government to be set up as an additional sinking fund for the payment of other obligations of the Philippines. If the special trust account is determined by the Secretary of the Treasury to be insufficient for future payments on the outstanding bonds issued before May 1, 1934, the Philippine government shall pay on or before July 3, 1946, to the Secretary of the Treasury for deposit in the special trust account an amount which he deems necessary to assure such payments on the outstanding bonds. If the Secretary of the Treasury finds this requirement would impose undue hardship on the Philippines, the Philippine government shall continue to provide annually for the payment of interest and principal on such bonds until the Secretary of the Treasury determines that the special trust account is sufficient to meet future payments on the bonds; subdivision (5) authorizes the Secretary of the Treasury of the United States, with the approval of the independent Philippine government, to purchase, on and after July 4, 1946, at the market price for the special trust account, bonds of the Philippines issued prior to May 1, 1934; he may also, with the approval of the independent Philippine government, invest the funds in the special trust account in interest-bearing obligations of the United States or obligations guaranteed by the United States and such obligations may be acquired on original issue at par or by purchase at the market price.

Any obligations acquired by the special trust account may, with the approval of the independent Philippine government, be sold by the Secretary of the Treasury at the market price and the proceeds of the payment upon maturity or redemption of such obligations shall be held as a part of such special trust account. When the Secretary of the Treasury determines that the special trust account is adequate to meet payments on Philippine bonds issued before May 1, 1934, he may pay the principal and interest on the outstanding bonds. Any money in the special trust account in excess of the amount necessary to meet interest and principal payments of outstanding bonds shall be turned over to the treasurer of the independent Philippine government.

Subsection (h) provides that importers of articles into the United States after January 1, 1941, should present to the United States collector of customs a certificate signed by a competent authority of the Philippine government containing a statement of the value and quantity of the article, the rate and amount of the export tax paid, or shall give a bond for the production of such certificate within 6 months from date of entry.

Section 2 amends section 8 of the said act of March 24, 1934, by adding thereto a new subsection (d) which provides that citizens and corporations of the Philippines—pending the final and complete withdrawal of United States sovereignty over the islands—shall enjoy in the United States and all places under its jurisdiction the rights and privileges they enjoyed under the laws of the United States at the time of the inauguration of the Philippine Commonwealth.

Section 3 amends section 10 of said act of March 24, 1934, by adding thereto another subsection (c) with four subdivisions. Subdivision (1) authorizes the President of the United States to exchange property of the United States in the Philippines, with the approval of the Philippine government, for property owned by the Philippine government or by private persons suitable for diplomatic or consular establishments of the United States, and that title to transferred property shall be vested in fee simple in such persons and the United States, respectively; subdivision (2) provides that any property of the United States in the Philippines suitable for diplomatic and consular establishments may be designated by the President of the United States prior to July 4, 1946, for such purpose, and after that date title to such property shall remain with the United States; subdivision (3) provides that title to lands, buildings, and fixtures and movable objects belonging to the official residences of the United States High Commissioner in Manila and Baguio shall continue to be vested in the United States after July 4, 1946; subdivision (4) vests in the Secretary of State administrative supervision and control over property of the United States in the Philippines and the residences in the Philippines of the High Commissioner on and after July 4, 1946.

Section 4 amends section 13 of the said act of March 24, 1934, which provides for a trade conference. The present section 4 introduces several minor changes: First, it changes the date by which said trade conference must be called, namely, at least 2 years prior to July 4, 1946; second, it fixes the membership of this committee at 18 and prescribes the manner in which the members are appointed; 9 members to represent the United States and 9 to represent the Philippine Commonwealth, with a further provision that the American membership shall consist of 3 Members of the Senate, 3 Members of the House of Representatives, and 3 persons appointed by the President of the United States; and, third, it provides for the filling of vacancies by reason of death, resignation, or retirement of any of the members.

Section 5 further amends said act of March 24, 1934, by adding thereto a new section—section 18—setting forth and defining the following terms under subsection (a): (1) "United States," (2) "cordage," (3) "Philippine government," (4) "United States duty," (5) "refined sugars," (6) "Philippine

article," (7) "American article," and (8) "Philippine import duty." Subsection (b) further makes clear the meaning of the terms (1) "includes" and "including," and (2) "ordinary customs duty."

Section 6 further amends said act of March 24, 1934, by adding thereto a new section—section 19—dealing with excise and import taxes. Subsection (a) provides that excise taxes on coconut oil and sugar shall be held as separate funds and paid into the treasury of the Philippines to be used for the purpose of meeting new or additional expenditures necessary in adjusting Philippine economy to a position independent of United States trade preferences and in preparing the Philippines for independence, and that the portion of such funds expended by the Commonwealth government shall be budgeted, appropriated, and accounted for separately from other moneys of said government; subsection (b) authorizes the President of the United States to withhold or discontinue payments to the Philippines if he finds that the Commonwealth government has failed, or is about to fail, to comply with any requirement of subsections (a) and (c) of this section; subsection (c) repeals the provisions in the Internal Revenue Act prohibiting further payments if the Commonwealth government subsidizes producers of copra, coconut oil, or allied products and of the provisions in the Sugar Act of 1937 specifying the purpose for which such appropriations could be used by said government and the manner and condition of transfer. This subsection, however, provides that the restriction contained in the proviso to section 503 of the Sugar Act of 1937 shall continue in full force and effect, and provides further that the excise taxes shall not be paid directly or indirectly as a subsidy to producers of copra, coconut oil, or allied products, except in the establishment of facilities for better curing of copra or for bona fide production loans to Philippine copra producers; subsection (d) provides that the United States is not obligated to continue any or all of the excise and import taxes; subsection (e) provides that all customs duties collected on Philippine products brought into the United States shall be covered into the general fund of the Treasury of the United States and shall not be paid into the treasury of the Philippines.

Section 7, which contains three subsections, relates to the procedure and dates for the coming into effect of this amendatory act. Subsection (a) provides that sections 1 to 5, inclusive, of this amendatory act shall become effective on January 1, 1940, if before that date—

First. Subsection 5 of section 1 of the ordinance appended to the constitution of the Philippines shall have been amended accordingly.

Second. The President of the United States shall have found and proclaimed that the Philippine government has enacted a law relating to export taxes and has retained the laws relating to sinking fund and currency in force and effect May 20, 1938.

Subsection (b) provides that section 1 of this amendatory act shall remain in force and effect after its effective date until July 4, 1946, unless the President of the United States finds and proclaims that the Philippine government has repealed or amended or failed or refused to enforce or administer any Philippine law referred to in subdivision (2) of subsection (a) of this section. In the event of such finding and proclamation, section 1 becomes ineffective and American-Philippine trade relations shall be governed by section 6 of the act of March 24, 1934. Subsection (c) provides that section 6 (relating to excise and import taxes) and section 7 of this amendatory act shall become effective upon enactment.

Section 8 makes provisions regarding Foreign Service. It provides that officers—Foreign Service—may be assigned to the Philippines, and during such assignments they shall be considered as stationed in a foreign country subject to regulations prescribed by the Secretary of State. Said Foreign Service officers may also advise and assist the United States High Commissioner to the Philippines in accordance with the act of March 24, 1934, and the ordinance appended to the constitution of the Philippines.

This section shall become effective upon its enactment.

Mr. WELCH. Mr. Speaker, I yield the balance of my time to myself.

Mr. Speaker, the main purpose of this bill is to prevent the destruction of four Philippine industries, which cannot survive the imposition of certain taxes in accordance with the Tydings-McDuffie Act, which will be collected beginning November 1940.

No opposition appeared against giving relief to these four industries in the hearings conducted by the Senate Committee on Territories and Insular Affairs. The bill was unanimously passed by the Senate.

While the House committee did not hold public hearings because of lack of time, it did, however, consider the subject very thoroughly in several executive sessions, with practically every member of the committee taking part in a detailed consideration of the bill and in the deliberations of the committee.

This bill contains very important amendments with reference to cordage manufactured in the Philippine Islands. There are four cordage companies in Manila, one of which is the Manila Cordage Co., an American-owned company.

Out of the 3,000,000 pounds of duty-free cordage shipped to the United States from the Philippine Islands, the American-owned company—although producing 33 percent of the cordage produced in the Philippine Islands—was only allocated less than 1½ percent, or a total of 86,400 pounds, of the quota of 6,000,000 pounds.

The bill under consideration changes this quota as follows:

(2) The quotas for cordage, established by subsection (e) of this section, and by the act of June 14, 1935, shall be allocated by authorities of the Philippine government among the manufacturers of such commodities proportionately upon the basis of the shipment of each such manufacturer to the United States during the 12 months immediately preceding the inauguration of the Commonwealth of the Philippines.

This amendment does justice to the American companies and was approved by the United States Cordage Institute.

In order to remove any doubt or fear that this bill either directly or indirectly changes the provisions of the Revenue Act of 1934, I will refer you to page 20 of the bill, which reads as follows:

And provided further, That no part of the proceeds of the excise taxes herein referred to shall be paid directly or indirectly as a subsidy to the producers or processors of copra, coconut oil, or allied products, except that this provision shall not be construed as prohibiting the use of a portion of said funds for facilities for better curing of copra or for bona fide production loans to Philippine copra producers.

Mr. Speaker, the other amendments referred to are very necessary for the future of the Philippine Islands, and the enactment of this bill into law will be another evidence of the good will and friendship of the American people toward the Philippines.

May I say in conclusion that the time has arrived when this country needs friends in the Orient. We all know what has transpired within the last week with reference to our trade relations with a large eastern power. I refer to Japan. The people of the Philippine Islands are decidedly friendly. They have been our wards since this country took possession of them during the Spanish-American War. It is only just that they receive fair and impartial treatment. That is all this minor bill—I might call it that—provides for; and I sincerely hope, regardless of the fears of my good friend from Michigan [Mr. CRAWFORD], that the bill will pass and that the people of the Philippine Islands will be given the relief they are entitled to under its provisions. [Applause.]

Mr. KOCIALKOWSKI. Mr. Speaker, I yield the balance of my time to the gentleman from Mississippi [Mr. MCGEHEE].

Mr. MCGEHEE. Mr. Speaker, in answer to the gentleman from Michigan, who stated there had been no hearings on this bill before the House committee, I want to inform the membership of the House that the Senate held hearings for some

45 days on this bill, and those hearings were before the committee. In April 1937 a committee was appointed by the President of the United States, which held hearings in both the Philippine Islands and this country for some 14 months. We had those hearings also before us.

The gentleman from Michigan said there was no necessity for the passage of this legislation at this session, intimating that it should be passed over until next session and hearings held on it at that time. May I say to the membership that unless this legislation is passed at this session and were we to delay consideration of the bill for hearings at the next session we know all too well it would be April or May probably before the two branches of Congress could act upon it. Then it would have to be transmitted to the Philippine Islands, which would take some 20 or 25 days. They would have to call their assembly together, call and hold an election, then call the assembly back to adopt it. This would take 200 or 240 days. All this could not be done by the expiration date, November 15, 1940. That is why it is necessary for the passage of this legislation at this session.

Mr. Speaker, I have placed an amendment in this bill, suggested by the cottonseed oil, soy bean, peanut oil, and fat associations, and they have no objection to its passage. We have placed in it an amendment suggested by the cordage institute. We inserted amendments to take care of every industry that is enumerated in this bill and suggested by them, and it should be satisfactory.

[Here the gavel fell.]

The SPEAKER. All time has expired. The question is on suspending the rules and passing the bill.

Two-thirds having voted in favor thereof, the rules were suspended and the bill was passed, and a motion to reconsider was laid on the table.

The SPEAKER. Without objection, House Resolution 268, making in order the Philippine bill just passed, will be laid upon the table.

MESSAGE FROM THE PRESIDENT—CUT-OVER REGIONS IN MICHIGAN, MINNESOTA, AND WISCONSIN (H. DOC. NO. 458)

The SPEAKER laid before the House the following message from the President of the United States, which was read and referred to the Committee of the Whole House on the state of the Union and ordered printed:

To the Congress of the United States:

Exploitation of our resources has created many problems, but none more pressing than in those areas of the United States where a basic resource has been mismanaged and the principal industry has moved or waned, leaving the working population stranded.

The cut-over region in the northern part of the States of Michigan, Minnesota, and Wisconsin was once the scene of a flourishing lumber industry. Today a large section of the population in that area depends for its very existence on public aids, work relief, and security payments. The large expenditures for these purposes in the area have enabled these people to survive, but could not provide a satisfactory permanent solution to their problem.

Members of Congress representing the region appealed some time ago for aid in developing a program to assist the people in the area to find a way of life that would provide opportunity and reasonable security. The problem is now to make the best use of the natural and human resources of the area.

Over a year ago the National Resources Committee began a study of the region, establishing large local committees in order to insure accurate representation and true understanding of the local point of view. Individual reports were prepared by groups representing the cut-over areas in the three States. From these individual reports a summarized version of what is thought to be a feasible program has been developed. This summary constitutes the most recent in the series of regional reports by the National Resources Committee and is entitled "Regional Planning, Part VIII—the Report of the Northern Lakes States Regional Committee."

I am asking that the National Resources Planning Board keep in touch with the regional committee, which sponsored this report, to assist the regional committee in promoting correlation of activities of Federal, State, and local agencies concerned with bringing about the accomplishments desired. I commend the report to your careful study for whatever action may be appropriate.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *July 31, 1939.*

CONTRIBUTIONS OF TENNESSEE VALLEY AUTHORITY IN LIEU OF TAXATION

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. SPARKMAN]?

There was no objection.

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include certain tables, and so forth.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. SPARKMAN]?

There was no objection.

Mr. SPARKMAN. Mr. Speaker, some time ago when the T. V. A. bill was being considered, I stated that at the proper time I would introduce legislation to provide for the replacement of taxes lost in connection with the purchase of certain properties; that that matter was awaiting conference to be held by the T. V. A., the various States concerned, and groups representing those respective States. This conference has been held. A bill has been prepared that carries out generally the wishes of those closely connected with the problem. I have introduced that bill today. I am placing in the RECORD certain statements pertaining to that bill and may I say in this connection that I do not mean the bill suits me absolutely, but it does afford a basis upon which action may be started.

The joint statement, letters, etc., follows:

JOINT STATEMENT OF REPRESENTATIVE SPARKMAN, OF ALABAMA, AND SENATOR NORRIS, OF NEBRASKA, RELATING TO THE BILL INTRODUCED TO AMEND SECTION 13 OF THE TENNESSEE VALLEY AUTHORITY ACT OF 1933, WITH REFERENCE TO CONTRIBUTIONS OF THE TENNESSEE VALLEY AUTHORITY IN LIEU OF TAXATION

JULY 31, 1939.

We have today introduced in the House and the Senate identical bills, the purpose of which is to amend section 13 of the Tennessee Valley Authority Act to provide for payments to the States by the Tennessee Valley Authority in lieu of taxation.

The bill provides that a fund shall be created for this purpose by a levy upon the gross receipts from power sales in the fiscal year 1940 of 10 percent of such sales. This percentage shall gradually be reduced during succeeding fiscal years until the fiscal year 1948 and thereafter, when such percentage shall be 5 percent. It is estimated that on account of increased sales practically the same amount of money will be raised during each of these years.

This fund so created shall be divided among the States where the properties of the T. V. A. are located, as follows: One-half of said fund shall be apportioned by paying to each State the percentage thereof of which the gross proceeds of the power sales by the Corporation within such State during the preceding fiscal year bears to the total gross proceeds from all sales of power. The other one-half of said fund shall be apportioned by paying to each State the percentage thereof which the book value of the power property held by the Corporation within said State bears to the total book value of all property held by the T. V. A. on the same date. The book value of the power property includes that portion of the investment allocated to power. It is provided that the minimum annual payment to each State under this division shall not be less than the 2-year average of State and local ad valorem property taxes levied against said property purchased and operated by the T. V. A. in said State, plus that portion of reservoir lands related to dams constructed by the Government of the United States and allocated to power. The 2-year average is calculated for the last 2 years during which said property was privately owned and operated.

The bill we have introduced is tentative in its nature. We do not intend to attempt to secure the passage of the bill at this session. We introduce it now for the purpose of inviting criticism from all interested parties. We expect further studies to be made of the subject matter by the T. V. A., the tax representatives of the various States affected, and other experts representing the Government of the United States between now and the beginning of the next session of Congress, at which time it is also our expectation that such studies will be completed and that hearings shall be held upon

the bill with a view of changing or correcting anything that appears to be wrong as a result of such studies, that Congress may be informed of all the facts relating to the subject, so that legislation can be had at the beginning of the next session of Congress.

We desire, also, to call attention to the fact that the money to be raised by the provisions of this bill is not the only contribution made in lieu of taxes. When the T. V. A. contracts with a municipality to sell power, it is provided in said contract there shall be paid out of revenues received from the sale of power a sum equal to what the distribution system would pay in taxes if such system were privately owned. The various sums thus raised should be added to the fund created by the bill in order to get a true picture as to what the entire T. V. A. system would pay in lieu of taxes if this is enacted into law.

We have also had printed in the CONGRESSIONAL RECORD a letter from the Chairman of the Board of the Tennessee Valley Authority, with accompanying tables and statistics, showing the study which has thus far been made by the T. V. A. and the various State representatives of this very perplexing question.

TENNESSEE VALLEY AUTHORITY,
Knoxville, Tenn., July 28, 1939.

The Honorable JOHN J. SPARKMAN,
House Office Building, Washington, D. C.

DEAR MR. SPARKMAN: Some weeks ago during the course of public hearings before the Committee on Military Affairs on the bill to amend the bond-issuing powers of the Tennessee Valley Authority, you stated that you would introduce in this session of the Congress a bill revising section 13 of the T. V. A. Act which deals with payment in lieu of taxes by T. V. A. to the States. You urged that this subject should not be dealt with in the bond legislation because, among other things, it was advisable that conferences be held between the T. V. A. and the States concerned, and that further study be given to the matter. The conferences were proposed for the purpose of seeking agreement on the amount of tax losses that would arise from the transfer of private property to tax-exempt public ownership, and the fiscal effects to be anticipated from such transfers. It was proposed, in addition, that there be an exchange of views between the T. V. A. and the various States on the complicated problem of T. V. A. contributions to the cost of State and local government.

These conferences have proceeded with due diligence. In Tennessee Governor Cooper appointed a State committee consisting of Mr. George Fort Milton, publisher of the Chattanooga News; Mr. Lon McFarland, general counsel for the Tennessee Railroad and Public Utilities Commission; and Mr. Will Gerber, city attorney of the city of Memphis. A number of conferences were held between representatives of the T. V. A. and this State committee. In Alabama such conferences were had with Governor Dixon, Mr. John W. Lapsley, counsel for the State department of revenue, the Commissioner and representatives of the Department of Revenue, and also with an interim committee of the State legislature appointed for the purpose of considering this subject. In Georgia conferences were had with Governor Rivers and other State officials. In Kentucky the conferences included Governor Chandler and Acting Commissioner of Revenue Reeves. In Mississippi the meeting was with Governor White and Attorney General Rice; and in North Carolina with Governor Hoey.

After consideration of the findings growing out of studies made within the T. V. A. and the points of view of the States, and after extended discussion, the Board has agreed to send the enclosed material to you and to Senator NORRIS, who also indicated that he would offer a bill on the subject. Included are a draft of a recommended bill to replace section 13 of the T. V. A. statute and preliminary estimates of the payments under the proposed bill and their distribution among the several States during the fiscal years (beginning July 1) 1940–44. Although a reading of this draft will indicate clearly its content, some additional comments may be useful.

1. The in-lieu-payment problem involves fundamental policy considerations as well as public-finance issues that are more technical in character. There was considerable difference of opinion on the issues involved within the T. V. A. staff itself and among the able tax consultants who considered the problem. Differing and conflicting interests were found among the States and between the Authority and the various States.

2. The draft of the recommended bill provides that the payment by the T. V. A. to the States as a contribution to the cost of State and local government be 10 percent of gross proceeds from the sale of power for the first year and that it be graduated downward over a period of years to 5 percent. Due to the expanding gross revenues of the T. V. A. from the same service area and without any expansion of its market area the declining percentages are estimated to yield substantially a constant amount until 1949. After that date the amount payable to the States under the constant 5 percent would increase in proportion to revenue expansions.

3. The enclosed statistical tables show that the total estimated annual payments to the States will be approximately $1,200,000. The percentages of gross proceeds from power sales provide about $1,100,000 of this annual payment. The remaining $100,000 is added because of a proviso that the minimum annual payment shall be equal to the former State and local ad valorem property taxes levied on property acquired from utility companies and on that share of the purchased reservoir lands properly allocated to power.

4. An important feature of this recommended bill is a formula for the allocation among the several States of the total payment set aside by T. V. A. for tax equivalents. This formula gives equal weight to (a) T. V. A. power property investment in the State and (b) T. V. A. power revenues derived in the State. Estimates of the percentage distribution by States of power sales and power property are given in the accompanying tables for the fiscal years (beginning July 1), 1940–44.

5. The minimum payment of $10,000 a year to each State means that prior to an allocation of properties in process of construction in North Carolina (Hiwassee) and Kentucky (Gilbertsville, now known as the Kentucky Dam) these States will receive some revenue in recognition of the tax problem which certain of their counties in the reservoirs will experience.

6. The payments to the States under the proposed bill are less than the total of State and local taxes formerly collected on the purchased property and operations of privately owned utilities and private landowners. We consider the 10-percent payment for the first year to be a fair State and local tax equivalent. Since the power program of the Authority is conferring valuable benefits in the area and is producing and marketing a volume of power greatly in excess of the operations that could have been expected under private ownership, it appears equitable that a portion of this tax equivalent be retained by the Authority for the Federal Treasury. The report required on January 1, 1945, should indicate whether or not the allowance for such benefits conforms to sound and desirable fiscal policy.

The only subject dealt with in this recommended draft of bill is the Federal Government's contribution on property which it owns; the contribution to the State and local subdivisions by municipalities and other public agencies owning their own electric facilities is, of course, not included in these computations nor covered by this proposed bill. We have reason to believe that the States—certainly the State of Tennessee, which is most extensively affected—will enact State legislation providing for such payments by municipalities to the State and other local agencies.

As you know, the T. V. A. Board has committed itself to indicate to the States and other interested parties the results of its investigations of the facts and its recommendations respecting tax adjustment. Such a report, directed to the agencies with whom we have been conferring, will be made sometime next week.

Drafts of this letter and the proposed amendment to section 13 have been submitted to the Bureau of the Budget, which has advised that there would be no objection to their transmission with the understanding that no commitment would thereby be made with respect to the relationship of the proposed legislation to the program of the President.

Sincerely yours,

TENNESSEE VALLEY AUTHORITY.
HARCOURT A. MORGAN,
Chairman of the Board.

JULY 28, 1939.

RECOMMENDED DRAFT OF PROPOSED SUBSTITUTE FOR SECTION 13 OF THE T. V. A. STATUTE

In order to render financial assistance to those States and local governments in which the power operations of the Corporation are carried on and in which the Corporation has acquired properties previously subject to State and local taxation, the Board is authorized and directed to pay to the States, for each fiscal year, beginning July 1, 1940, the following percentages of the gross proceeds derived from the sale of power by the Corporation for the preceding fiscal year as hereinafter provided, together with such additional amounts as may be payable pursuant to the provisos in the paragraph next succeeding, said payments to be in lieu of taxes and to constitute a charge against the power operations of the Corporation for the fiscal year then beginning and to be made upon condition that no State, county, or local taxes shall be assessed or levied against the property, operations, or business of the Corporation: For the fiscal year (beginning July 1) 1940, 10 percent; 1941, 9 percent; 1942, 8 percent; 1943, 7½ percent; 1944, 7 percent; 1945, 6½ percent; 1946, 6 percent; 1947, 5½ percent; 1948 and each fiscal year thereafter, 5 percent. Gross proceeds, as used in this section, is defined as the total gross proceeds derived by the Corporation from the sale of power for the preceding fiscal year, excluding power used by the Corporation or sold or delivered to any other department or agency of the Government of the United States.

The payment for each year shall be apportioned among the several States in the following manner: One-half of said payment shall be apportioned by paying to each State the percentage thereof which the gross proceeds of the power sales by the Corporation within said State during the preceding fiscal year bears to the total gross proceeds from all power sales by the Corporation during the preceding fiscal year; the remaining one-half of said payment shall be apportioned by paying to each State the percentage thereof which the book value of power property held by the Corporation within said State at the end of the preceding fiscal year bears to the total book value of all

such property held by the Corporation on the same date. The book value of power property shall include that portion of the investment allocated or estimated to be allocable to power: *Provided*, That the minimum annual payment to each State shall not be less than the 2-year average of the State and local ad valorem property taxes levied against power property purchased and operated by the Corporation in said State plus that portion of reservoir lands related to dams constructed by or on behalf of the United States Government and allocated or estimated to be allocable to power. The said 2-year average shall be calculated for the last 2 tax years during which said property was privately owned and operated: *Provided further*, That the minimum annual payment to each State in which the Corporation owns and operates power property shall not be less than $10,000 in any case. The determination of the board of the amounts due hereunder to the respective States shall be final.

The payments above provided shall in each case be made to the State not later than July 31 of each year, and it is the intention of the Congress that each State shall redistribute said payments or a portion thereof to counties and other local taxing districts affected by the program of the Corporation.

The Corporation shall, not later than January 1, 1945, submit to the Congress a report on the operation of the provisions of this section, including a statement of the distribution to the various States hereunder and the redistribution by the States of the amounts paid to them; the effect of the operation of the provisions of this section on State and local finances; an appraisal of the benefits of the program of the Corporation to the States receiving payments hereunder and to the local subdivisions thereof, and the effect of such benefits in increasing taxable values within such States and local subdivisions; and such other data, information, and recommendations as may be pertinent to future legislation.

Preliminary estimates of payments to the States under the recommended draft of the proposed amendment to replace section 13, fiscal years (beginning July 1) 1940–44

State	Amount of percentage payment allocated by formula [1]	Amount added by proviso [2]	Total payment
	1940, rate 10 percent		
Alabama	$238,710		$238,710
Georgia	19,480	$41,874	61,354
Kentucky	103	9,897	10,000
Mississippi	40,610	29,472	70,082
North Carolina	309	9,691	10,000
Tennessee	731,488	115,614	847,102
Total	1,030,700	206,548	1,237,248
	1941, rate 9 percent		
Alabama	$239,025		$239,025
Georgia	19,118	$42,236	61,354
Kentucky	226	9,774	10,000
Mississippi	43,235	26,757	70,082
North Carolina	25,678		25,678
Tennessee	803,838	43,264	847,102
Total	1,131,210	122,031	1,253,241
	1942, rate 8 percent		
Alabama	$243,023		$243,023
Georgia	15,837	$45,517	61,354
Kentucky	765	9,235	10,000
Mississippi	40,741	29,341	70,082
North Carolina	29,709		29,709
Tennessee	762,165	84,937	847,102
Total	1,092,240	169,030	1,261,270
	1943, rate 7½ percent		
Alabama	$234,383		$234,383
Georgia	14,848	$46,506	61,354
Kentucky	770	9,230	10,000
Mississippi	41,575	28,507	70,082
North Carolina	29,367		29,367
Tennessee	778,932	68,170	847,102
Total	1,099,875	152,413	1,252,288

[1] Allocation: ½ according to location of power property, including the portion of multipurpose investment allocated or estimated to be allocable to power; ½ according to power sales.

[2] The minimum payment is the ad valorem property taxes on power property purchased from utility companies plus ad valorem property taxes on the portion of reservoir lands of multipurpose projects allocated or estimated to be allocable to power or $10,000, whichever is higher.

Preliminary estimates of payments to the States under the recommended draft of the proposed amendment to replace sec. 13, fiscal years (beginning July 1) 1940–44—Continued

State	Amount of percentage payment allocated by formula	Amount added by proviso	Total payment
	1944, rate 7 percent		
Alabama	$220,485		$220,485
Georgia	13,842	$47,512	61,354
Kentucky	1,428	8,572	10,000
Mississippi	41,856	28,226	70,082
North Carolina	27,684		27,684
Tennessee	793,285	53,817	847,102
Total	1,098,580	138,127	1,236,707

Distribution of estimated payment in lieu of taxes on the basis of 10 percent of gross in 1940, 9 percent in 1941, 8 percent in 1942, 7½ percent in 1943, and 7 percent in 1944, apportioned according to formula giving equal weight to power property and power sales

State	Amount				
	1940	1941	1942	1943	1944
Alabama	$238,710	$239,025	$243,023	$234,383	$220,485
Georgia	19,480	19,118	15,837	14,848	13,842
Kentucky	103	226	765	770	1,428
Mississippi	40,610	43,325	40,741	41,575	41,856
North Carolina	309	25,678	29,709	29,367	27,684
Tennessee	731,488	803,838	762,165	778,932	793,285
Total	1,030,700	1,131,210	1,092,240	1,099,875	1,098,580
	Percentage				
Alabama	23.16	21.13	22.25	21.31	20.07
Georgia	1.89	1.69	1.45	1.35	1.26
Kentucky	.01	.02	.07	.07	.13
Mississippi	3.94	3.83	3.73	3.78	3.81
North Carolina	.03	2.27	2.72	2.67	2.52
Tennessee	70.97	71.06	69.78	70.82	72.21
Total	100.00	100.00	100.00	100.00	100.00

Preliminary estimate [1] of State and local property tax losses resulting from completed and proposed Tennessee Valley Authority purchase of electric utility properties and reservoir lands, July 13, 1939

State	Former ad valorum tax levies on property purchased or proposed for purchase by Tennessee Valley Authority			
	Utility-company properties	Reservoir land		Total utility company plus 40 percent reservoir land
		All	40 percent (tentative allocation for power purposes)	
Alabama	[2] $53,261	[3] $65,841	$25,936	$79,197
Georgia	61,354			61,354
Kentucky		[4] 10,000	4,000	4,000
Mississippi	69,029	2,632	1,053	70,082
North Carolina		6,320	2,528	2,528
Tennessee	803,382	[5] 109,300	43,720	847,102
Total	987,026	193,093	77,237	1,064,263

[1] In general, estimates are calculated on basis of tax levy for year preceding date of Tennessee Valley Authority acquisition of properties. Data are not available for computing tax losses on basis of a 3-year average.

[2] Minimum payment to States guaranteed under proposed amendment to sec. 13. Drafted July 13, 1939.

[3] Includes $1,725 State and local property taxes estimated to have been lost through War Department land purchases for Wilson Dam, Reservoir, and a small amount of reservation located north of the Tennessee River.

[4] Estimate based upon probable Tennessee Valley Authority land acquisition through fiscal year 1940. Preliminary data indicate that the ultimate tax-revenue loss as a result of Tennessee Valley Authority purchase of reservoir lands in Kentucky may approximate $15,000.

[5] Includes total computed tax losses resulting from Pickwick, Guntersville, Chickamauga, and Norris Reservoirs, plus estimate of $10,000 for Gilbertsville and $5,000 for Watts Bar Reservoir. Preliminary data indicate that the ultimate tax-revenue loss as a result of Tennessee Valley Authority purchase of reservoir lands for the Gilbertsville project in Tennessee may approximate $50,000, and for the Watts Bar project, $30,000.

Preliminary estimated gross receipts [1] from Tennessee Valley Authority power sales, by States, for the fiscal years 1940–44 [2]

[Gross sales in thousands of dollars]

State	1940 [3]		1941		1942		1943		1944	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Alabama	930	9.02	1,340	10.66	1,775	13.00	1,880	12.82	2,000	12.74
Georgia	50	.49	60	.48	66	.49	73	.50	80	.51
Kentucky	2	.02	4	.03	6	.04	6	.04	7	.05
Mississippi	390	3.78	460	3.66	500	3.66	550	3.75	600	3.82
North Carolina	5	.05	5	.04	6	.04	6	.04	7	.05
Tennessee	8,930	86.64	10,700	85.13	11,300	82.77	12,150	82.85	13,000	82.83
Total	10,307	100.00	12,569	100.00	13,653	100.00	14,665	100.00	15,694	100.00

[1] Excluding power used by the Authority or sold or delivered to any other department or agency of the Government of the United States.
[2] The sales estimates for each year have been reduced by about $775,000 to allow for contingencies such as the curtailment in delivery of interruptible and secondary power to industry.
[3] Revenue estimates assume transfer of Tennessee Electric Power, Alabama and Mississippi properties by Aug. 15, 1939.

Preliminary estimates of the percentage distribution of the book value of power property [1] by States for years 1940–44

State	1940	1941	1942	1943	1944
Alabama	37.3	31.6	31.5	29.8	27.4
Georgia	3.3	2.9	2.4	2.2	2.0
Kentucky	0	0	.1	.1	.2
Mississippi	4.1	4.0	3.8	3.8	3.8
North Carolina	0	4.5	5.4	5.3	5.0
Tennessee	55.3	57.0	56.8	58.8	61.6
Total	100.0	100.0	100.0	100.0	100.0

[1] Property devoted exclusively to electric purposes plus common property allocated to electric purposes.

Mr. RICH. Will the gentleman yield?

Mr. SPARKMAN. I yield to the gentleman from Pennsylvania.

Mr. RICH. Will the taxes be collected from the United States or from people in the T. V. A. valley?

Mr. SPARKMAN. It will be an amendment of section 13 if this bill is passed.

[Here the gavel fell.]

THE LATE RALPH GILBERT, OF SHELBYVILLE, KY.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky [Mr. SPENCE]?

There was no objection.

Mr. SPENCE. Mr. Speaker, his former colleagues from Kentucky have heard with sorrow of the death on yesterday morning at Louisville of Hon. Ralph Gilbert, of Shelbyville, Ky., former Member of the House of Representatives from the Eighth District, now the Fourth District, of Kentucky.

Ralph Gilbert was born in Spencer County, Ky., the son of G. G. Gilbert, who represented the same district in the Congress of the United States from 1899 to 1907.

He was a graduate of the public schools, University of Virginia, and at law from the University of Louisville.

He held the office of county judge of Shelby County, Ky., from 1910 to 1917.

He was elected to the Sixty-seventh, Sixty-eighth, Sixty-ninth, Seventieth, and Seventy-second Congresses.

Since retirement from Congress he has been engaged in the practice of law at Shelbyville, and at the time of his death was a member of the State Senate of Kentucky and was the Democratic floor leader of that body.

He was a candidate for the nomination for Lieutenant Governor in the primary election to be held next Saturday, with splendid chances for success.

During his service in the House his legal attainments and his fine ability were generally recognized by his colleagues.

In his death the State and Nation have lost an able, conscientious, and faithful public servant.

EXTENSION OF REMARKS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my own remarks on the subject of the Home Owners' Loan Corporation and to include a brief letter from Mr. Fahey, its Director.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. CELLER]?

Mr. CHURCH. Mr. Speaker, reserving the right to object, is that in reply to inquiry from the gentleman from New York and with reference to an inquiry I made some time ago with reference to the H. O. L. C.?

Mr. CELLER. No; it is with reference to the number of loans made by that agency in New York City.

Mr. CHURCH. Mr. Speaker, I object. I understand the gentleman has not replied to a letter I addressed to him, and until I receive that reply I shall have to object for the present.

The SPEAKER. Objection is heard.

Mr. CASEY of Massachusetts asked and was given permission to extend his own remarks in the RECORD.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article by W. F. Wiley, chairman, State Commission on Stream Pollution in the Ohio River Valley, which is of great interest to the people in my section of the country.

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

There was no objection.

Mr. RICHARDS asked and was given permission to extend his own remarks in the RECORD.

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I make in the House today with reference to the bill H. R. 5919.

The SPEAKER. Is there objection to the request of the Delegate from Alaska?

There was no objection.

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address I made before the Washington Chapter of the Descendants of the American Revolution.

The SPEAKER. Is their objection to the request of the gentleman from California?

There was no objection.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on two topics, in one to include a radio address delivered by myself, and in the other to insert a letter written by me to the gentleman from Maryland [Mr. COLE].

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

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. VOORHIS of California asked and was given permission to revise and extend his own remarks in the RECORD.

Mr. VOORHIS of California. Mr. Speaker, no one, however optimistic, who has studied the economic problem of the United States believes that under our present monetary system private industry can ever absorb the total volume

of surplus savings which are currently being set aside out of the national income. The importance of housing legislation and the lending bill lies in the fact that in these pieces of legislation we are attempting to work out a way in which sound public investment can be made to supplement private investment when it fails.

There can be no question that America needs, above all things, an injection of additional blood into her economic body. That blood is money—real, honest money—circulating in the arteries and veins of trade and commerce.

The housing and lending bills are aimed to accomplish this, among other things. I shall vote and work for the passage of both these bills. Both of them are in line with the clear necessity for increased public investment in fields where private investment cannot be profitable, where the national wealth can be increased and through activity by which the standard of living of the people can be raised.

I must, however, say with as much emphasis as I can possibly say it that in one most important respect both these bills fall short of their objective. Neither bill in its present form proposes to add to the volume of debt-free money in circulation. Both propose further expansion of either public or private debt.

The time has come when one simple truth ought to be heralded throughout this country by every earnest, thoughtful Member of Congress and every citizen who is concerned about the future welfare of his country. It is this: Whenever the economic conditions of a nation require that an additional volume of money, either in the form of currency or of demand deposits, be placed in circulation, then that money should always be put into circulation by that nation's congress without any addition, direct or indirect, to the nation's debt. Nations should borrow money only when there is already a sufficient volume of real money in circulation and when for some reason it is desirable that the spending of this preexisting money be carried on by an agency of government rather than by those currently possessing it. And furthermore—again speaking generally—government should pay, not lend, money into circulation except in cases where it is loaned to local or State public bodies, or loaned for the deliberate purpose of effecting a reduction in the rate of interest generally or on a certain type of loan such as farm mortgage loans, for example. I confess freely that I have compromised this principle many times. I have done so because I was willing, as I still am willing to do the best I can under existing circumstances to improve the conditions of the people.

The existence of "excess reserves" in the banks today simply means that the banks have a capacity to loan demand deposits into circulation equal to five times the amount of these excess reserves. This is a very different thing from money or national credit put directly into circulation by an agency of Congress through the payment of old-age pensions or a retirement of national debt. In the first case we have an instance of private usurpation of the money-creating power. In the second case we would have an instance of the proper exercise of the constitutional power of a sovereign government. The time has come, I think, to speak plainly about some of these things.

WHAT IDLE MONEY MEANS

When people speak of "idle money in the banks" today they may mean deposits which are not being drawn against by depositors or they may refer to the synthetic "money" that could be created by the banks on the basis of their excess reserves, but which as a matter of fact is not now being so created.

AMERICA NEEDS CONSTITUTIONAL MONEY

What is really needed in the Nation is an observance of the Constitution with regard to money, an observance of the truth set forth in a previous paragraph in this speech. We need to start putting money into circulation, debt-free, by the action of the people's Government instead of paying the banks a premium for creating it for us.

Because I believe these things I shall offer amendments to both bills, which amendments are designed to make the United States Government the original source of money for these enterprises and to lift from the shoulders of the people generally the interest burden which otherwise will fall upon them if the bonds of the Housing Authority or of the R. F. C. are sold to private money creators who then, of course, will collect the interest thereon.

OBJECTIONS TO HOUSING BILL ANSWERED

Objections which have been raised to the housing bill are mostly upon the ground of the "great long-continued obligation" which will be incurred by the United States in connection with the annual subsidies. But suppose that instead of the bonds of the Housing Authority being sold to banks for privately created credit they were bought by the Treasury with an extension of national credit and the interest thereon paid to the Treasury. Then the payment of the annual subsidies would be counterbalanced by the receipt by the Treasury of the interest on the bonds of the Housing Authority and the "burden on future generations" would largely disappear. The bonds of the Housing Authority are secured, in turn, by obligations of local housing authorities; and, furthermore, the local housing authorities obtain a large part of the wherewithal to make payments to the United States Housing Authority out of appropriations of Congress.

In other words the United States Government not only directly guarantees the bonds of the United States Housing Authority, but also provides annual subsidies to the local housing authorities to enable them to discharge their obligations to the United States Housing Authority. Evidently there is no sense in paying banks a rate of interest to induce them to create deposits with which to buy the bonds of the United States Housing Authority in the first place. To do so is only to subsidize the bankers, because the security all the way through is the security of the Nation's credit. Yet unless my amendment is adopted we will be paying private money merchants for the use of credit which costs them nothing to create and which is doubly guaranteed by the United States Government. The Government can certainly guarantee its own credit quite as well as it can guarantee the credit of private banks.

My amendment to the Housing bill reads as follows:

Page 2, line 7, after "hereby", strike out the period and insert a colon and the following: "*Provided, however,* That all such additional obligations issued by the United States Housing Authority under the authorization contained in this section shall be sold to and purchased by the Secretary of the Treasury for the United States. The Secretary of the Treasury shall make payment for such obligations of the United States Housing Authority in the following manner: He shall deposit in the Federal Reserve banks non-interest-bearing obligations of the United States in a total amount equal to the total face value of the obligations of the United States Housing Authority which have been purchased; and in payment for such obligations of the United States, the Federal Reserve banks shall establish deposits in favor of the United States Housing Authority in an equivalent total amount."

In other words, under the amendment the Federal Reserve banks would be compelled for the first time in history to exercise their power of creating money in the interest of the Nation instead of in the interest of the private-banking system. This amendment is, in itself, no fundamental reform in our banking system. It is merely an assertion of sound basic principle in this one case. The non-interest-bearing obligations would, of course, be retired as the Housing Authority retired its bonds by repaying the Treasury. Any interest on those bonds would be net income, not to the private Federal Reserve banks, but to the Treasury itself.

To abbreviate all the bookkeeping and intermediaries what my amendment proposes is that: The United States Treasury lend national credit to the local housing authorities for the construction of the houses and that this national credit be paid off and retired by the local authorities, partly out of rents and partly out of subsidies supplied by Congress. Again I ask why pay interest to any private banker to

obtain funds to make a loan that the Government is going to pay back to itself? My amendment would avoid that ridiculous situation.

AMENDMENT TO LENDING BILL

The amendment to the lending bill is in such form as to offer at least partial answer to the criticisms that have been made against the gold- and silver-purchase programs. I do not think a metallic base for national currency is at all necessary, and I would fight to the last ditch to prevent any attempt to return to the gold standard. But the American people have bought and paid for certain gold and silver bullion and I see no reason why that metal should not be used now for the people's benefit and to once again avoid the necessity of the sale of bonds by a Government agency—the R. F. C.

This amendment to H. R. 7120 reads as follows:

Page 2, line 25, add a new subsection as follows:

"(c) The Secretary of the Treasury shall purchase and shall hold and receive for the United States such interest as may be paid upon a total amount of $1,800,000,000 of such notes, debentures, bonds, or other obligation of the Corporation and shall make payment as follows: (1) By the issue of silver certificates in the amount of $1,400,000,000 pursuant to section 5 of the Silver Purchase Act of 1934; (2) by the transfer to the Corporation of gold certificate credits in the amount of $400,000,000, representing part of the value of gold now held in the general fund of the Treasury."

Adoption of that amendment would mean, first, that we would have put $1,800,000,000 of now idle gold and silver to use. Second, that, once again, the principle of the United States Government creating its own money would have been asserted. Third, that a portion of the interest on the loans would accrue to the Treasury of the United States, as the R. F. C. paid interest on its bonds that would otherwise be privately held.

As I said in the beginning, I should prefer to see this needed "blood" injected directly into the economic body of the Nation instead of being loaned into circulation even by a Government agency. I should welcome the day when everyday lending and borrowing of real pre-existing money could and would be handled by private agencies instead of governmental ones—provided always that the rate of interest were kept low. But if we are to have a lending bill let us at least lend credit based on the idle gold and silver which belongs to the people—credit which will be the exact equivalent of national currency, except more convenient to handle. Let us not leave that gold and silver idle and have the R. F. C. go out and sell bonds and debentures—at however low a rate of interest—for privately created credit on the books of the banks.

My amendment is a very conservative one, I think. It proposes only that we use available silver seigniorage and so-called free gold, against which no claim of any sort whatsoever is now outstanding. It does not even propose to touch the stabilization fund which is, it seems to me, probably larger than we need for that purpose. It does not involve any of the gold against which gold certificates have been issued to the Federal Reserve banks. That problem must, I believe, be dealt with by the purchase of the stock of the Federal Reserve banks by the Government, as proposed in several bills now before the Congress.

PRESENT NECESSITY OF PUBLIC INVESTMENT TO COMPENSATE FOR FAILURE OF PRIVATE INVESTMENT

The principle of Government investment is, I believe, a sound and necessary one under present economic circumstances. Under our present money and banking system I do not believe it is even remotely possible for private investment to absorb the huge volume of surplus savings which are annually withdrawn from the stream of purchasing power. I think the only place expansion can take place on a large scale in this day is in the field of a higher standard of living for the people of America. And that in turn must mean many types of activity such as hospital construction, slum clearance, and the like where private investment cannot possibly be profitable. Furthermore, I believe most earneastly that we can wait no longer to make a frontal attack on the problem of preserving the family-sized farm in America. Therefore, I am greatly interested in the farm-loan section of the lending bill and hope it will provide not only for enabling tenants to become farm owners but for saving from foreclosure the farms now owned by those who work them and for a reduction in the rates of interest they now must pay.

These are the basic reasons I am for the housing and lending bills. But I am equally concerned that, in enacting them, we do not violate once again the principle that the sovereign Government of this Nation and it alone has a constitutional right to bring money or credit originally into circulation.

[Here the gavel fell.]

COMMITTEE ON BANKING AND CURRENCY—MINORITY VIEWS

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that the minority on the Committee on Banking and Currency may have until midnight tonight to file minority views on the bill (H. R. 7120) to provide for the construction and financing of self-liquidating projects, and for other purposes, and that these minority views may be incorporated with the majority report.

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

There was no objection.

STOCKS OF STRATEGIC AND CRITICAL MATERIALS

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 2697) to facilitate the execution of arrangements for the exchange of surplus agricultural commodities produced in the United States for reserve stocks of strategic and critical materials produced abroad, with a House amendment, insist on the House amendment, and consent to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama? [After a pause.] The Chair hears none and appoints the following conferees: Mr. STEAGALL, Mr. WILLIAMS of Missouri, Mr. SPENCE, Mr. WOLCOTT, and Mr. GIFFORD.

GRACE CAMPBELL

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to return for immediate consideration to Private Calendar No. 496, the bill (H. R. 3962) for the relief of Grace Campbell.

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

Mr. RICH. Reserving the right to object, Mr. Speaker, may I ask the gentleman if the Member who previously objected to the consideration of this bill has withdrawn his objection?

Mr. ALEXANDER. I have talked to both the objectors.

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

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Grace Campbell, the sum of $95.73, in full settlement of all claims against the United States for reimbursement of damages paid by the claimant as a result of a collision of her automobile with United States mail truck No. X-17388 on October 30, 1934: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Line 5, after the name "Campbell", insert "of Minneapolis, Minn."

Line 6, strike out the sign and figures "$95.73" and insert in lieu thereof "$47.86."

Line 10, after the date "1934", strike out the remaining language of the bill and insert in lieu thereof: "*Provided*, That no part of

the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from a perfectly good Republican newspaper, the New York Herald Tribune, of today's date, on the subject of the antialien bill.

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

There was no objection.

Mr. IGLESIAS asked and was given permission to extend his own remarks in the RECORD.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted, as follows:

Mr. COLLINS, indefinitely, on account of illness.

To Mr. BARNES, for the remainder of the session, account of important official business.

To Mr. THILL, indefinitely, on account of important official business.

COMMITTEE ON RULES

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until 12 o'clock tonight to file a rule.

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, and I shall not object, will the gentleman tell the House if we are going to call up the spending bill tomorrow?

Mr. RAYBURN. The lending bill.

Mr. MARTIN of Massachusetts. Spending?

Mr. RAYBURN. Lending.

Mr. MARTIN of Massachusetts. I have no objection, Mr. Speaker.

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

There was no objection.

ANNOUNCEMENT

The SPEAKER. Before adjournment, the Chair thinks it may be pertinent to call attention to the fact that on this day, after having complied with the earnest request of all Members of the House for the consideration of the Consent and Private Calendars, the House has passed more bills than have ever been passed before in 1 day in the House of Representatives, to the number of 244 bills.

PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman from Pennsylvania rise?

Mr. RICH. I just want to make an inquiry.

The SPEAKER. Does the gentleman submit a parliamentary inquiry?

Mr. RICH. I could not say it was a parliamentary inquiry.

The SPEAKER. For what purpose does the gentleman rise?

Mr. RICH. To ask the Speaker a question.

The SPEAKER. The Chair cannot recognize the gentleman to satisfy his curiosity.

Mr. RICH. Mr. Speaker, I want to speak for 1 minute.

The SPEAKER. Without objection, so ordered.

There was no objection.

Mr. RICH. In that minute, Mr. Speaker, I would just like to know whether the taxpayers of the country will be able to withstand the shock when they find out what these 244 bills cost.

Mr. RAYBURN. Mr. Speaker, all these bills passed by unanimous consent. The gentleman from Pennsylvania happens to be a Member of the House with a voice, and he can say "I object" or not, as he chooses.

Mr. RICH. A point of order, Mr. Speaker. Has my time expired?

Mr. RAYBURN. Furthermore, Mr. Speaker, if you look through the RECORD of this and other sessions of Congress you will probably find that when the roll was called on bills that appropriated money——

Mr. RICH. Regular order, Mr. Speaker; regular order.

Mr. RAYBURN. The gentleman from Pennsylvania voted for them.

[Here the gavel fell.]

FIVE YEARS OF THE TRADE-AGREEMENTS PROGRAM

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

DEMOCRATIC TARIFF MAKING

Mr. COX. Mr. Speaker, recently I took occasion to set forth some of the reasons why it was necessary for the Nation to initiate some form of recriprocal-trade arrangements with foreign countries. The mere mention of the names Blaine, McKinley, Taft, Hughes, and Stimson is enough to dispel any idea that reciprocity as it has developed in the United States is alone a project of the Democratic Party.

For at least half a century the best efforts of the forward-looking leadership of both the Democratic and the Republican Parties have been devoted to the task of taking the tariff out of politics and politics out of the tariff—which is and of right ought to be a strictly economic and nonpartisan field. The culminating and, I believe, the most effective accomplishment in that direction during those 50 years has been the enactment by Congress of the Trade Agreements Act of 1934, the extension by Congress of that act in 1937, and the prosecution of the trade-agreements program under that act.

Examined under every fair and sound test that can be applied, I am convinced that the trade-agreements program has demonstrated itself to be an effective approach to a scientific, practical, and successful application of a sound national-tariff policy. We recognize that our tariff program must produce revenue, adequately protect American industry, labor, and agriculture, and conform to certain principles of international relations—friendship, equality of treatment, and encouragment of advantageous international commerce—which have been the basic principles of the foreign policy of this Government from its inception.

THE TARIFF IS A POLITICAL "NATURAL"

It has been proved in the past half century that taking politics out of the tariff is no small task. There are important reasons why the tariff is a political issue. Politicians discovered that fact far more than a century ago. The effects of the United States tariff touch one way or another every group and every individual in this country. The producer finds the tariff a factor in his business. The consumer finds the tariff influencing his standard of living. The tariff projects into the foreign relations of the United States some of the most complex and difficult problems in that field.

Whatever touches so deeply the interests and the welfare of all the citizens of the country tends to be considered from an emotional viewpoint rather than from one of objective analysis. That emotional reaction has not been overlooked by partisan politicians or by others with special advantages to gain.

For still another reason, emotional public reaction to the tariff has dominated scientific consideration. Tariffs and their applications involve economic and industrial questions

that are highly technical, questions whose answers depend upon information that can be obtained only through patient, long, and technical research. Faced with these questions, the average citizen is not to be blamed if his attitudes are determined by his emotions or by what may be told to him in convincing words, clothed in elegant rhetoric, and delivered with resounding oratorical effect.

A former Republican member of the United States Tariff Commission and a diplomatic representative of this country, William S. Culbertson, in a book published in 1937, says:

The tariff, however, as a campaign issue, has produced a mass of irrelevant and misleading ideas which are deeply embedded in the prejudices of the American people. Undue emphasis has been given to the noneconomic phases of the problem. Campaigners, party spokesmen, and the press have claimed for the tariff advantages, on the one hand, and evils, on the other, far from reality. Protagonists in political debates have followed the time-worn but not time-honored practice of presenting half-truths, ascribing to the tariff results arising primarily from other causes and inflaming uninformed citizens by an appeal to their prejudice against things foreign. The tariff issue has been, and still is, to a lessening extent, a favorite device for confusing and misleading the American voter. Conclusions are often reached quickly and on less evidence than is demanded by the citizens in probably any other field of policy (Reciprocity, William S. Culbertson, McGraw-Hill Book Co., New York, N. Y., 1937).

Under the old methods of administering the foreign-trade policy of the country primarily through the tariff, emotion and selfishness rather than scientific knowledge were the most powerful stimuli directing action on tariff matters. The United States tariff schedules contain literally thousands of items, each of which exerts its economic effect upon the citizens of the United States and upon their welfare. This is true regardless of the policy framework into which the tariff items may be fitted. To expect any large group to adjust and adapt, on a scientific basis, all these thousands of items, is to expect the impossible.

LOG ROLLING IN ITS MOST PERNICIOUS FORM

On this subject, a Republican Member of the other body made a most pertinent and accurate statement on the floor of the Senate in 1934, when the original Trade Agreements Act was being considered. This Member said, in part:

Mr. President, as I said before, the traditional way to rewrite the tariff laws is for Congress to revise the tariff schedules. But if reciprocal-trade agreements are to be negotiated it does not look as if Congress, from the practical viewpoint, is qualified, or even able, to undertake the task. These agreements will have to be negotiated by some agency of Government with certain bargaining power, and after canvassing the situation in my own mind, the executive branch of the Government seems to be the only logical agency.

As a matter of fact, if the job is only to revise the tariff schedules, if bargaining with other nations is left out of the picture, our experience in writing tariff legislation, particularly in the post-war era, has been discouraging. Trading between groups and sections is inevitable. Log rolling is inevitable, and in its most pernicious form. We do not write a national tariff law. We jam together, through various unholy alliances and combinations, a potpourri or hodgepodge, sectional, and local tariff rates which often add to our troubles and increase world misery. For myself, I see no reason to believe that another attempt would result in a more happy ending (Senator CAPPER, CONGRESSIONAL RECORD, June 4, 1934, pp. 10718–10720).

A STEP IN THE RIGHT DIRECTION

At least as far back as 1890 the Congress recognized the impossibility of moving quickly and scientifically to meet developments in the field of foreign commerce wholly by legislative enactment. It made this recognition when, in passing the McKinley tariff bill of that year, it authorized the President, under certain stipulated conditions and limitations, to suspend from the free list the imports of certain specified commodities from countries which might discriminate against the trade of this country. The McKinley Act provided that under such conditions the President by proclamation should cause to be applied to these imports certain tariff rates that were also specified in the act.

In itself this was not a great change from the traditional process of tariff making by legislation, but it signalized a most significant recognition by Congress of the necessity of flexibility in making tariff adjustments to meet certain new conditions as they developed, and the party responsible for this step deserves due credit.

The next step, which followed in 1897, was the Dingley bill, which authorized the President to make tariff reductions on the products of nations which granted to this country concessions on its exports. As it turned out the part of the legislation which called for ratification of certain of the arrangements was unwise because nothing definite was accomplished under the act. This lack of accomplishment was a disappointment to President McKinley, who in his last public utterance strongly expressed himself in favor of reciprocity which would accomplish something. The Dingley Act also unwisely embodied the so-called conditional most-favored-nation principle, under which the benefits of tariff reductions by the United States were restricted to the products of foreign countries which made direct concessions on their imports of the products of this country.

THE COST-OF-PRODUCTION FORMULA

As early as 1904 Republican platforms stated that the measure of tariff protection should be the equalization of costs at home and abroad. Little, however, was said of this new principle during the political campaign of that year. But in 1908 the same formula was characterized as the "true principle of tariff protection." This so-called true principle was to be the definitive solution to the whole tariff question; the tariff was to be taken out of politics through the cost formula. Carried to anything like its logical conclusion, in spite of its engaging appearance, this principle would mean a stoppage of foreign trade. Could not sugarcane be raised under glass in Maine if the tariff were high enough to offset nature of the Tropics? This step, however, was possibly worth while as an experiment, particularly from a constitutional standpoint. I shall have something more to say regarding the results of the so-called true principle shortly.

During the campaign of 1908 the Democrats spoke of a competitive tariff, which on its face would seem to be about the same as the Republican true principle. The true principle was, of course, to include reasonable profits for American producers in addition to the costs. The Democrats recognized that monopolies had grown up in part as a result of high tariffs and believed in something more competitive than costs plus a profits guaranty.

Up to 1909 the Congress made tariff rates primarily on the basis of the information and data gathered for itself and furnished by interested parties. In that year the Taft Tariff Board was established for the purpose of compiling data and information for the guidance of Congress in tariff legislation. In 1917 President Wilson established the Tariff Commission, and for about the first 5 years of its existence it likewise had the function of compiling information largely for the use of Congress itself in tariff making.

THE RECIPROCITY ARRANGEMENT OF 1911 WITH CANADA

A discussion of the subject of reciprocity in relation to tariff making would be incomplete without at least mention of the reciprocity arrangement of 1911 with Canada, which was rejected by that country. It will be recalled that President Taft was willing to stake his political future on this far-reaching tariff treaty. He had promised a downward tariff revision in 1908, and apparently placed great store in this arrangement. This treaty, made under a Republican administration, went much further in reducing duties than the present agreement with that country.

As a matter of fact, in that arrangement most agricultural products and raw materials were placed on the free list in both countries. This is quite a contrast to the present position now taken by many members of Mr. Taft's party on tariff matters. Under that agreement milk, potatoes, cattle, cheese, wheat, and many other products were placed on the free list. Think of it. Free cheese, potatoes, milk, cattle, products whose duties have been reduced in the recent agreement and from the results of which one might gather that the country has been ruined several times over by the importations, if one is to believe all he reads in the CONGRESSIONAL RECORD. It is not a sufficient answer to say that the former treaty with Canada was based upon the conditional most-favored-nation clause. The chief complaint has been against the imports of these products from Canada, the chief sup-

plier. In the 1911 arrangement, duties were reduced on many manufactured and semimanufactured products, in addition to the long free lists between the two countries. Although this treaty was rejected by Canada, I think we may well consider the arrangement a step in the direction of reciprocity and in taking the tariff out of politics, and we can thank the Republican Party for this contribution.

In 1922 there were important further steps toward scientific tariff making. In the so-called "flexible tariff" provisions of the Tariff Act of 1922, the President was authorized to make changes in the tariffs, either upward or downward, in order to conform to differences in the costs of production of certain commodities in this country and in foreign countries. The so-called "true principle" in a modified form was given a trial. The changes in rates were limited to not more than 50 percent of the existing rates and were made only after the Tariff Commission had determined what the cost differences were and had specifically recommended the changes to the President. The President did not have to act upon the recommendations of the Commission. As a matter of fact, President Coolidge pigeonholed some reports calling for decreases in tariff rates under this act. Such action, or inaction was a prime reason for criticism of the "true principle." Some of those advocating the "true principle" were untrue to it when it called for reductions in duty.

The most important development in 1922 was the adoption by the United States of the "unconditional most-favored-nation policy." Under that policy foreign countries were not required to make any concessions to this country in order to obtain the benefit of tariff reductions; they automatically received those benefits; they gave us no concessions for the few and inconsequential reductions made under the act of 1922.

HAWLEY-SMOOT ACT A SET-BACK

The slow but steady movement toward nonpartisan, scientific methods of making tariffs was, from some points of view, continued in the act of 1930, because that act continued in effect the flexible tariff provisions of the act of 1922, still based upon the "true principle" of cost of production. It also continued the unconditional most-favored-nation policy which had been adopted in 1922, but it largely nullified and offset the advantages and possibilities of these features with an unprecedented raising of the level of tariff rates themselves. The consequence of so drastic a step backward in the rate structure was that the act turned out to be, in some respects, a reverse in the movement for taking the tariff out of politics. The United States turned its back on the elementary principles of commerce and business, in direct defiance of the solemn and clear-cut warning of more than 1,000 of the country's economists. The act of 1930 perpetrated by legislative action and with a complete disregard of scientific consideration and guidance the most disastrous piece of tariff making that we have seen in recent decades. Disregarding the fact that this country had changed from a debtor to a creditor nation as a result of the World War, the philosophy behind the Hawley-Smoot bill was to keep out of this country by excessive tariffs the goods and products with which, and only with which, foreign nations could pay their debts to us. Under the guise of "protecting" American producers, Hawley-Smootism destroyed the foreign markets of American producers and thereby cut the employment and the buying power of American consumers until the domestic market was a fraction of what it had been.

LOGROLLING AGAINST THE FARMER IN THE HAWLEY-SMOOT TARIFF

Nor was the fundamental philosophy of the Hawley-Smoot Tariff the only deplorable aspect of that unfortunate act. In the upsurge of enthusiasm for suicide by the tariff route, there was plenty of "selling down the river" of various groups at the expense of other groups. Probably the most wholesale betrayal was that of the agricultural interest of this country. It will be recalled that it started out to be a limited tariff revision for the benefit of agricultural interests. The trap for the farmers was baited crudely and clumsily, with promises of upward revision of the tariff on farm products and renewals of the old cry about giving the American market to the American farmer. In the Hawley-Smoot Act, tariff rates on farm products were raised, especially on such products as pork, cotton, and tobacco, which are some of the major exports of the American farmer and which he must export if he wants to make a living. The only effect of such tariff increases was to make it all the more difficult, if not impossible, for foreign countries, by selling some of their own goods in this country, to buy the American farmers' crops.

But the "pledge to agriculture" had been fulfilled—the farmer had been given a series of wholly ineffective harmful paper tariff increases; other interests got their share. Group after group, industry after industry put on the pressure. Scientific consideration of tariff changes was abandoned; logrolling, trading, and an indiscriminate riot of tariff boosts that applied to a large proportion of the imports into the United States was the order of the day. The increases had little relationship to the so-called true principle. Cost data from the Tariff Commission on various products was completely ignored; increases exceeded the differences in costs at home and abroad as found by the Tariff Commission—examples, flaxseed, straw hats. The high-tariff philosophy was put into effect by methods which were deliberately made the opposite of the scientific method; the act was a flat violation of the recommendation of trained and expert men. The true principle went overboard.

WHERE UNSCIENTIFIC TARIFF MAKING LED

The story is all too fresh in our memories of the consequences that followed the Hawley-Smoot tariff-boosting orgy of 1930. The foreign markets closed against our exports, the surpluses piled up in this country, the prices went down and down, the lines of unemployed lengthened and lengthened again. The effects of this wholly unscientific tariff-making adventure were by no means limited to agriculture. Total American exports dropped more than one-half from 1929 to 1932. Total national income, which is the key index of the American standard of living, went down from about $80,000,000,000 in 1929 to about $40,000,000,000 in 1932.

OPPOSITION TO SCIENTIFIC TARIFF MAKING

To every one of the advancing steps which I have enumerated there was opposition—opposition by groups with special interests, political or commercial. These groups found it vastly easier to obtain special advantages for themselves, more often than not at the direct expense of other groups in this country; they wanted tariff rates to be made by the old emotional, logrolling process, under which pressure, secret or open, could be brought to bear, and under which sound, fury, and oratory could be used to stir up prejudices and to becloud purely economic issues. Inequitable, unsound tariffs, special-privilege tariffs, are always easier to obtain in the heat of partisan debate and excitement than in the cold, clear light of informed and scientific investigation. That is why the leaders of both parties, the genuinely outstanding statesmen of the country, have waged this 50-year-long fight to take the tariff out of politics.

THE RETURN TOWARD SANITY

It will be recalled that tariff reform was called for by the Democratic Party during the campaign of 1932. It should not be forgotten that what is now taking place through trade agreements is a careful and cautious adjustment of the Hawley-Smoot Act; call it reform, repeal, or any other name you wish.

The country was sick of the tariff situation that had been brought about by political medicine dances and by deals with special interests. Congress was ready to turn, and did turn again in 1934 toward more intelligent, realistic, and scientific methods of dealing with one of the most complex and technical economic problems—tariff adjustment. The tariff, in spite of the advance steps already indicated, was still deep in politics. The resultant collapse of our markets, our living standards, and our whole economy was a most convincing argument for another effort to separate politics and the tariff.

To put Americans back to work, to reopen foreign markets for American crops and manufactures, to restore the buying

power of American citizens, and to reestablish the American standard of living which had deteriorated so sadly, Congress passed the Trade Agreements Act of 1934.

No such outlandish claims were made then or are made now for that act as were made for that astounding conglomeration, the Hawley-Smoot Act. The Trade Agreements Act was not guaranteed to heal all our economic ills in 30 days, 60 days, or even 6 months. But it was conceived and designed to remove some of the inequitable and unrealistic stumbling blocks and obstacles which were choking our foreign as well as domestic commerce.

In 5 years of operation the trade-agreements program has proved itself remarkably effective in making gains toward its objectives. But this success has not prevented the renewal of special-interest and partisan political attacks on the program. It has largely been subjected to the same type of opposition as were the earlier attempts to break away from political domination in a purely economic field. During this session of Congress we have more than once heard the program attacked with the same half-truths and misleading statements that Mr. Culbertson referred to in his book from which I quoted. We have heard, and we read in the daily press, statements calculated to inflame public prejudice and emotion. The tariff is still what Mr. Culbertson called "a favorite device for confusing and misleading the American voter."

TRADE-AGREEMENTS PROGRAM MEETS TWO TESTS

Any method of putting into effect a sound national tariff policy must conform to the requirements of the American philosophy of democracy in government and must pass the practical test—does it work?

I maintain that the Trade Agreements Act of 1934 and the trade-agreements program that has been based upon that act are in the best American tradition of democratic principles in the conduct of public affairs.

In the first place, Congress, as the legislative branch of the Government, initiates, regulates, and controls the program in its essential aspects. This is in accord with the constitutional provision that Congress shall control matters of interestate and foreign trade and our commercial relations with foreign countries. Congress examined this phase of the Trade Agreements Act most thoroughly in 1934 when the original act was passed, and reexamined it again in 1937 when the act was extended. By the provisions of the resolution extending the life of the act, Congress provided that the legislation should again come before it for review after 3 more years. Aside from the fact that under the Constitution the Congress has the power at any moment to modify or repeal any legislation which it has enacted, the original passage of the Trade Agreements Act and its extension demonstrate the conviction in the minds of Congress that this legislation is in line with the principles of the American way of Government.

CONGRESS MAKES ALL THE RULES

Congress, the legislative body elected by the people, went much further than merely assuring to itself the power of periodical review. Congress set the limits within which changes in United States tariffs may be made under an agreement, restricting those changes to not more than 50 percent of the tariff rates established in existing laws. This principle had already been passed upon by the Supreme Court (*Hampton & Co.* v. *United States*, 276 U. S. 394, 409) At the same time Congress provided that no commodity should be transferred from the free to the dutiable list or from the dutiable to the free list, under a trade agreement.

In view of the relatively high level of the tariff rates established under the Tariff Act of 1930, this provision alone would seem to be an adequate safeguard against any unwise impulse toward too sharp a reduction in United States tariffs. Judged from the technical and economic facts, there are few tariffs on the 1930 schedules which could not be reduced from one-fourth to one-half and still give entirely adequate protection to any efficient American productive enterprises which they may affect.

PUBLIC VIEWS AND OPINIONS REQUIRED

Congress in passing the Trade Agreements Act has gone further than merely retaining in its own hands the power to lay down the framework and write the rules.

Under the law public hearings must be held before any agreement is concluded and the views of any persons concerned who care to testify can be heard. In practice, the trade-agreement procedure goes even further than the law requires. The Committee for Reciprocity Information, made up of representatives of the Government agencies that are charged with carrying on the program, not only holds the required public hearings but continuously receives, studies, and analyzes letters, statements, and briefs from the public and from interests affected by proposed trade agreements. The information derived from this material is utilized by the interdepartmental committee of experts who work on the trade agreements.

UNWARRANTED CRITICISM OF HEARINGS

There has been a great deal of irresponsible talk about the alleged inadequacy of the public hearings under the Trade Agreements Act. A comparison of the provision for hearings under this act parallels rather closely the provisions for hearings under the Republican acts of 1922 and 1930 relative to the so-called true principle or flexible provisions. The late Thomas Walker Page, who served for a about a decade on the Tariff Commission, and who was appointed both under a Republican and Democratic administration, said of the hearings under reciprocity:

> In the preparation of these trade agreements there has been less secrecy and there has been more opportunity for interested parties to present their views than there has been in any tariff revision for more than a hundred years.

The criticism relative to hearings has been along the lines that the industries involved do not know what is going to happen to the rates of duty on their products until the agreements are signed. It must not have occurred to the critics that this followed the exact methods of the cost-of-production hearings and the announcement of results of the findings by the Tariff Commission by the President. After the public hearings under the acts of 1922 and 1930, the presumption was that the industry affected did not know whether the rates of duty would be increased or decreased until the President signed his proclamation. The Republicans should be flattered that so much of the trade-agreements program has been borrowed from them.

The Committee for Reciprocity Information publishes announcements, well in advance, of any intention to negotiate with a foreign country for a trade agreement, and then publishes a list of all the commodities on which the United States might consider making tariff or other concessions under the agreement when it is concluded. The right of a proper hearing is denied no one.

TECHNICAL ADVICE ON TECHNICAL QUESTIONS

In other ways, the act itself, as drawn by Congress, has guaranteed the democratic nature of the administration of the program. The act does not delegate authority to one man, or even to one governmental agency, to carry out the technical details that are to be fitted into the framework which has been drawn up by Congress itself. Under the statute, Government departments that are primarily concerned with the commercial policy of the United States and with the economic welfare of its citizens must be consulted on the agreements. The law requires that before any agreement is concluded the advice of the United States Tariff Commission, of the Departments of State, Agriculture, and Commerce, and of such other sources as the President may deem appropriate, must be obtained.

The effect of this provision in the law is far more important than might appear at a casual reading of the statute. It means that there are called into consultation, on each agreement, the best experts in the employ of the Government, with the various viewpoints of the agencies from which they are drawn. It means that every economic group

in the United States has representation and understanding in the process of framing an agreement, instead of only those groups able to exert pressure. It means that the provisions of the agreements are considered by men unswayed by political bias, relatively free from the pressure of special interests, able to see beyond the horizon of any single district or region; they examine and evaluate the significance to the whole national economy of any approval that may be made in connection with an agreement. This provision itself, perhaps more than any other feature of the entire program, tends to take politics out of the tariff and to establish that sound, expert, scientific method which has been the objective of both political parties for the past half century.

BASIC PRINCIPLES OF OUR FOREIGN RELATIONS

Fundamental to the foreign policy of this Government from its inception have been three principles—friendship with all nations, equal treatment of all nations, and cultivation of mutually profitable commerce with all nations. The trade-agreements program conforms to all three of these principles.

FRIENDSHIP

The trade-agreements program cultivates and furthers friendships by following the method of friendly, across-the-table discussion in the establishment of trade relations with foreign nations. It relies on no threats; it invokes no penalty tariffs and retaliatory restrictions; it involves no economic domination by strong-arm tactics in its dealings with foreign countries. The history of the past 5 years of negotiation for trade agreements is a history of friendly, fair, and straightforward bargaining around peaceful council tables. In its procedure of negotiation the trade-agreements program has been a definite demonstration of the very basic belief of the United States that international differences and international problems can best be settled by friendly arbitration and mutual concession.

It stands out clearly as a demonstration in contrast to the opposite tactics of some nations which have relied on economic force, backed by military might, to gain their ends in international commerce. It is in itself proof that international relations can be established and maintained on a friendly basis.

EQUAL TREATMENT FOR ALL NATIONS

The Trade Agreements Act not only writes into law the unconditional most-favored-nation policy which had been adopted in 1922, but extends that principle to practically all of our commercial relations. As before indicated, the administration that first embraced the principle of unconditional most-favored-nation treatment was a Republican administration. The Congress that wrote that policy into law so that it became more effective was a Democratic Congress. Both parties should have part of the credit for these progressive steps.

In spite of this the unconditional most-favored-nation treatment has been subjected to a considerable amount of partisan criticism. In principle, I repeat, the application of the most-favored-nation treatment under trade agreements does not differ from the Tariff Acts of 1922 and 1930. It will be remembered that these laws required that the United States determine the cost of production in the chief competing countries. Such costs were compared with the domestic costs and the changes in the rates of duty made on this difference. It so happened that practically all the changes under the Tariff Act of 1922 were increases. But all countries were treated exactly alike. Once the costs in the chief supplying country were determined the increased or decreased rates applied to all countries, just as do the changes—decreases—under the most-favored-nation clause under the Trade Agreements Act.

There is this main difference: In the reductions made under the trade agreements, the foreign countries give concessions on American products coming into their markets; under the cost-of-production formula such was not the case; the reductions made were granted to all countries without any specific benefits to our export trade.

This unconditional most-favored-nation policy embodies a positive and active principle for protecting our own exports from unfair treatment in the markets of all other countries. The benefits which we grant to one country through a trade agreement, and automatically extend to other countries through the most-favored-nation clause, may be withheld from the products of a third country, as has been done in the case of Germany, when that country is found to be discriminating against the exports from the United States. This gives every country in the world an incentive—and a strong incentive—to treat our trade fairly. It gives the United States a leverage on every country in the world, whether or not that country has entered into a trade agreement with us. Its effect has been to safeguard our export trade in many markets of the world.

FOR MORE AND BETTER INTERNATIONAL TRADE

Third among the principles of foreign-trade policy that I have enumerated as basic to the American philosophy in this field is the cultivation and stimulation of mutually profitable trade and commerce between the United States and other countries. No foreign-trade program which limits, obstructs, or diminishes that trade is in harmony with American principles. That is why American ideals were outraged by the narrow, restrictive, bilateral balancing trade policies which have been adopted by the dictatorships and which have held down their foreign trade to low levels, rather than expanding it.

The trade-agreements policy is the diametric opposite of such programs. Inherent in the method of making trade agreements is the necessity that through them trade opportunities for both parties shall be expanded. Neither the United States nor the other nation across the table is going to seek a concession, in negotiation, which does not give promise of expanding its trade opportunities. Neither the United States nor the other party is going to grant a concession which restricts or hampers its trade opportunities unless, in return, it obtains a concession which will, in the long run, more than offset any temporary check in the flow of its commerce.

The primary objective of the trade-agreements program, set down in the act itself, and effectively achieved in the carrying out of the program, is to break down the wall of arbitrary, uneconomic, and excessive barriers to trade among nations. The period immediately after 1929 saw a swift and world-wide unspringing of such barriers, with our own Hawley-Smoot tariff law making a notable contribution. Those barriers were designed to cripple, throttle, and kill world commerce, and were remarkably effective in doing so. Such choking of the channels of world trade, such iron-bound halting of international commerce, is the direct antithesis of the traditional and basic American philosophy of foreign commercial relations.

A COMMON SENSE CONCLUSION

Through the trade agreements that have been negotiated under our trade-agreements program, literally hundreds of these barriers have been lowered or removed entirely, through friendly discussion and careful negotiation, not through politics and logrolling. The very obvious common-sense conclusion—in fact, the only conclusion that can be reached through common sense—is that with these barriers out of the way there has been more foreign trade than there would have been had the barriers remained against the stream of commerce. The conclusion is just as sound as ever when it is freely admitted that there have been many other factors, and powerful factors, beside the trade agreements to cause the volume of world trade to move up, or to move down. Some of these factors have been so potent as to offset the net effect of the trade agreements, but that does not mean that the trade agreements have exerted no influence.

Heretofore I have shown how the foreign trade dropped from 1929 to 1933. I now want to indicate the increases in our foreign trade since 1932.

Increases in United States foreign trade since 1932

	Total exports	Percent of 1932	General imports	Percent of 1932
1932	$1,611,000,000		$1,323,000,000	
1933	1,675,000,000	104.0	1,450,000,000	109.6
1934	2,133,000,000	132.4	1,655,000,000	125.1
1935	2,283,000,000	141.7	2,047,000,000	154.7
1936	2,456,000,000	152.5	2,423,000,000	183.1
1937	3,349,000,000	207.9	3,084,000,000	233.1
1938	3,094,000,000	192.1	1,961,000,000	148.2

It is seen that the exports in 1938, though not as large as 1937, were 192 percent of the 1932 level. The imports for 1938 were 148 percent of 1932.

I claim that the volume of our exports and our imports has responded to the removal of artificial and excessive barriers to such trade through trade agreements negotiated with 20 countries, encompassing more than half of our total trade, and including some of the biggest trading countries of the world. I intend in the near future to show in a very definite way that the removal of those barriers has unquestionably exerted a steady upward influence on the volume of our foreign trade, in conformity with the American principle of more and better trade with foreign countries.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 188. An act to provide for the administration of the United States courts, and for other purposes; and

S. 1558. An act to provide for the acceptance of an easement with respect to certain lands in New Mexico, and for other purposes.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 48 minutes p. m.) the House adjourned until tomorrow, Tuesday, August 1, 1939, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. STEAGALL: Committee on Banking and Currency. H. R. 7120. A bill to provide for the construction and financing of self-liquidating projects, and for other purposes; with an amendment (Rept. No. 1421). Referred to the Committee of the Whole House on the state of the Union.

Mr. WALTER: Committee on the Judiciary. H. R. 4989. A bill to amend an act entitled "An act relating to the liability of common carriers by railroad to their employees in certain cases," approved April 22, 1908, as amended (U. S. C., title 45, ch. 2); with amendment (Rept. No. 1422). Referred to the House Calendar.

Mr. CELLAR: Committee on the Judiciary. H. R. 7294. A bill to provide for the establishment of terms of the District Court of the United States for the Southern District of New York at Poughkeepsie, N. Y.; without amendment (Rept. No. 1423). Referred to the Committee of the Whole House on the state of the Union.

Mr. SABATH: Committee on Rules. House Resolution 286. Resolution providing for the consideration of H. R. 7120, a bill to provide for the construction and financing of self-liquidating projects, and for other purposes; with amendment (Rept. No. 1424). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

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

By Mr. PETERSON of Florida:

H. R. 7423. A bill to amend the Emergency Relief Appropriation Act of 1939; to the Committee on Appropriations.

By Mr. SPARKMAN:

H. R. 7424. A bill to amend the Tennessee Valley Authority Act of 1933; to the Committee on Military Affairs.

By Mr. ANDREWS:

H. R. 7436. A bill to amend the River and Harbor Act of March 3, 1905, by eliminating Wilson Harbor, N. Y., from its provisions, and for other purposes; to the Committee on Rivers and Harbors.

H. R. 7437. A bill to amend the River and Harbor Act of March 3, 1905, by eliminating Wilson Harbor, N. Y., from its provisions; to the Committee on Rivers and Harbors.

H. R. 7438. A bill making an appropriation for reconditioning the east and west piers (Federal) at the entrance to Wilson Harbor, Niagara County, N. Y., and for dredging; to the Committee on Appropriations.

By Mr. COFFEE of Washington:

H. Res. 282. Resolution creating a special committee to investigate the effectiveness of production control as a means of conserving the supply of petroleum for the national defense, and the effect of conservation through production control on competition and the public interest; to the Committee on Rules.

By Mr. BOYKIN:

H. Res. 283. Resolution relating to the compensation of messenger in the House radio press gallery; to the Committee on Accounts.

By Mr. DEROUEN:

H. Res. 284. Resolution authorizing a survey and study of the national parks, national monuments, and national shrines; to the Committee on Rules.

H. Res. 285. Resolution providing for expenses in House Resolution 284; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. CARTWRIGHT:

H. R. 7425. A bill for the relief of the parents of Charldean Finch; to the Committee on Claims.

By Mr. CHANDLER:

H. R. 7426. A bill for the relief of the Dixie Margarine Co., a Tennessee corporation, of Memphis, Tenn.; to the Committee on Claims.

By Mr. MICHAEL J. KENNEDY:

H. R. 7427. A bill for the relief of Ivan and Anton Yederlinic; to the Committee on Immigration and Naturalization.

By Mr. LEMKE:

H. R. 7428. A bill for the relief of the Barlow Grain and Stock Exchange and the Farmers Union Oil Co.; to the Committee on Claims.

By Mr. LESINSKI:

H. R. 7429. A bill for the relief of Dymitro Kindrat; to the Committee on Immigration and Naturalization.

By Mr. McLEOD:

H. R. 7430. A bill for the relief of Hubert T. Duncombe; to the Committee on Naval Affairs.

By Mr. MAAS:

H. R. 7431. A bill for the relief of the present officer in charge of the Navy School of Music; to the Committee on Naval Affairs.

H. R. 7432. A bill for the relief of Lt. Thomas Edward Renaker, United States Navy; to the Committee on Naval Affairs.

By Mr. MOTT:

H. R. 7433. A bill granting a pension to Bjorn Paulsen; to the Committee on Invalid Pensions.

By Mr. ROMJUE:

H. R. 7434. A bill granting a pension to Guy Boster; to the Committee on Invalid Pensions.

By Mr. TIBBOTT:

H. R. 7435. A bill granting a pension to Anna C. Haley; to the Committee on Invalid Pensions.

PETITIONS, ETC.

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

5164. By Mr. ANGELL: Petition submitted by Lee Knipe, secretary, Oregon Workers Alliance, and signed by John W. Witty and sundry other citizens of Oregon, in support of the Murray bill (S. 2765); to the Committee on Ways and Means.

5165. By Mr. KEOGH: Petition of the United Cannery, Agricultural, Packing, and Allied Workers of America, opposing all pending amendments to the Wage Hour Act; to the Committee on Labor.

5166. Also, petition of the International Association of Machinists, Washington, D. C., opposing House bill 7133, the Barden bill, to amend the Wage and Hour Act; to the Committee on Labor.

5167. By Mr. PFEIFER: Petition of the International Association of Machinists, Washington, D. C., concerning the wage-and-hour provisions of the Fair Standards Act; to the Committee on Labor.

5168. Also, petition of the United Cannery, Agricultural, Packing, and Allied Workers of America, Washington, D. C., concerning the Wage and Hour Act; to the Committee on Labor.

5169. Also, petition of the New York State Farm Bureau Federation, Ithaca, N. Y., concerning House bill 7133; to the Committee on Agriculture.

5170. By the SPEAKER: Petition of the American Legion Post, No. 45, Kansas, Okla., petitioning consideration of their resolution with reference to providing a service pension for all veterans of the World War who fall under certain conditions; to the Committee on World War Veterans' Legislation.

SENATE

TUESDAY, AUGUST 1, 1939

The Reverend Duncan Fraser, assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

Accept, O God, our memories, our understanding, and our wills. All that we are and all that we possess Thou has bestowed upon us. Grant us only the love of Thee, together with Thy grace, to know and do what is right in Thine eyes, and we are rich enough; nor do we ask for aught besides. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, July 31, 1939, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

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

Adams	Davis	King	Schwartz
Andrews	Downey	La Follette	Schwellenbach
Austin	Ellender	Lee	Sheppard
Bailey	Frazier	Lucas	Shipstead
Bankhead	George	Lundeen	Slattery
Barkley	Gerry	McCarran	Smathers
Bilbo	Gibson	McKellar	Smith
Bone	Gillette	Maloney	Stewart
Borah	Guffey	Mead	Taft
Bridges	Gurney	Miller	Thomas, Okla.
Brown	Hale	Minton	Thomas, Utah
Bulow	Harrison	Murray	Tobey
Burke	Hatch	Neely	Townsend
Byrd	Hayden	Norris	Truman
Byrnes	Herring	Nye	Tydings
Capper	Hill	O'Mahoney	Vandenberg
Chavez	Holman	Pepper	Van Nuys
Clark, Idaho	Holt	Pittman	Wagner
Clark, Mo.	Hughes	Radcliffe	Walsh
Connally	Johnson Calif.	Reed	Wheeler
Danaher	Johnson, Colo.	Russell	White

Mr. MINTON. I announce that the Senator from North Carolina [Mr. REYNOLDS] is detained from the Senate because of a death in his family.

The Senator from Arkansas [Mrs. CARAWAY] and the Senator from Rhode Island [Mr. GREEN] are absent on important public business.

The Senator from Ohio [Mr. DONAHEY], the Senator from Virginia [Mr. GLASS], the Senator from Kentucky [Mr. LOGAN], and the Senator from Louisiana [Mr. OVERTON] are unavoidably detained.

The Senator from Arizona [Mr. ASHURST] is detained because of illness in his family.

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE

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

S. 5. An act to grant certain lands to the Arizona State Elks Association Hospital;

S. 68. An act for the relief of the San Francisco Mountain Scenic Boulevard Co.;

S. 185. An act to amend section 224 of the Criminal Code so as to penalize the making of false claims for the loss of insured mail matter;

S. 190. An act to authorize the temporary appointment of a special judge for the District Court of the Virgin Islands;

S. 432. An act to provide for the public auction of certain town lots within the city of Parker, Ariz.;

S. 555. An act for the relief of Addison B. Hampel;

S. 683. An act for the relief of Fae Banas;

S. 755. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Borg-Warner Corporation;

S. 765. An act for the relief of Hugh McGuire;

S. 1081. An act for the relief of John B. Jones;

S. 1156. An act to authorize the transfer to the jurisdiction of the Secretary of the Treasury of portions of the property within the military reservation known as the Morehead City Target Range, N. C., for the construction of improvements thereon, and for other purposes;

S. 1211. An act for the relief of Jesse Claud Branson;

S. 1229. An act for the relief of Ernest Clinton and Frederick P. Deragisch;

S. 1282. An act to extend the privilege of retirement for disability to judges appointed to hold office during good behavior;

S. 1322. An act for the relief of Dorothy Clair Hester, daughter of E. R. Hester;

S. 1339. An act for the relief of Grace S. Taylor;

S. 1414. An act for the relief of Allie Holsomback and Lonnie Taylor;

S. 1430. An act for the relief of the legal guardian of Dorothy Elizabeth Sisson, a minor;

S. 1467. An act for the relief of the Standard Oil Co., Inc., in Kentucky;

S. 1527. An act for the relief of Joseph Lopez Ramos;

S. 1688. An act for the relief of Joseph W. Parse;

S. 1722. An act for the relief of Hannis Hoven;

S. 1773. An act to provide that no statute of limitations shall apply to offenses punishable by death;

S. 1812. An act for the relief of A. E. Bostrom;

S. 1823. An act for the relief of William E. Cowen;

S. 1874. An act to amend the Criminal Code in regard to obtaining money by false pretenses on the high seas;

S. 1882. An act for the relief of Thomas A. Ross;

S. 1901. An act to extend to Sgt. Maj. Leonard E. Browning, United States Marine Corps, the benefits of the act of May 7, 1932, providing highest World War rank to retired enlisted men;

S. 1996. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oreg.;

S. 2023. An act for the relief of C. L. Herren;