

BILL  
H.R. 9783

DATE  
May 27, 1920

PAGE(S)  
7721-7722

ACTION Conference Report Agreed to

## NATIONAL BUDGET SYSTEM—CONFERENCE REPORT.

Mr. JONES of Washington. I ask that the unfinished business be laid before the Senate.

Mr. McCORMICK. May I presume on the good nature of the Senator from Washington to permit me now to attempt to secure consideration for the unanimous report of the committee of conference on the bill (H. R. 9783) to provide a national budget system and an independent audit of Government accounts, and for other purposes?

Mr. JONES of Washington. If the Senator from Illinois can have the report disposed of without discussion, I will ask that the unfinished business be temporarily laid aside.

The VICE PRESIDENT. Without objection, it is so ordered. The Chair lays before the Senate the conference report on House Bill 9783, called up by the Senator from Illinois, which will be read.

The Assistant Secretary proceeded to read the report.

[For report see Senate proceedings of May 26, pp. 7660-7663.]

During the reading of the conference report,

Mr. KING. Mr. President, if the Senator from Illinois will make a brief explanation of the points in disagreement and of the changes which have been made in the Senate bill, it seems to me that would answer the purpose. I therefore ask unanimous consent that the further reading of the conference report be dispensed with, and that the Senator from Illinois make a brief explanation of the points of difference and of the action of the conferees.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. McCORMICK. Mr. President, it would be inexact as it would be ungenerous to our colleagues on the conference committee to say that, although the report embodies some changes in the form of the bill as it passed the Senate, it represents substantially no modification of the substance of that bill. The text of the report, as the Senator will learn, if he will turn to page 3, section 207, provides for the creation of a bureau of the budget; that the Secretary of the Treasury shall be the director thereof; and that there shall be an assistant director appointed by the President. The Senate bill provided that there should be in the Treasury a bureau of the budget and the commissioner thereof appointed by the President.

The bill reported by the conferees includes, in section 205, the provision that for the service of the fiscal year ending June 30, 1923, and for the service of that year only, there shall be presented an alternative budget, incorporating therefor an important provision of the House bill which was not included in the Senate bill.

Those are the sole radical departures from the substance of the Senate bill.

Under Title III, creating the general accounting office, the report of the conferees includes all of the substantive provisions of the Senate bill, but does not create by statute.

Mr. SIMMONS. Mr. President, before the Senator leaves the second change to which he has just referred, I think it would be very well for him to explain what he means by the alternative.

Mr. McCORMICK. Mr. President, it was felt by the conferees for the House that possibly some good might accrue from the presentation of a budget classified in detail according to the kind of service proposed to be supported by appropriations rather than classified according to departments and establishments of government.

I may illustrate by pointing out that to-day there are a number of map-making services scattered through the several departments and that there are a number of health services distributed through the several departments. If I understand the purpose of the conferees of the House, they intend to vest in the President the power to present for the fiscal year 1923, and for this year only, the budget in two forms, the first following in general terms the present Book of Estimates and classified by departments and divisions, the second or alternative budget presenting the estimates aggregated and correlated as to the kind of service. Thus, for example, the estimates for these several map-making services or health services would be presented under the general head of maps or of health rather than classified by departments and establishments of the Government, as under the Book of Estimates with which Senators are familiar.

If I have answered the query of the Senator from North Carolina as it touched the alternative budget, I shall proceed to a very brief consideration of the general accounting office.

The Senate bill provided that there should be three assistants to the comptroller general, each charged with specific

responsibilities, to be carried out under the direction of the comptroller general and with his approval—an assistant comptroller, discharging the duties of the present auditors; a second, who would be an expert accountant; and a third, who would be the general bookkeeper of the Government. The conferees of the House held that it would be a mistake rigidly to confer upon three statutory subordinates of the comptroller general the responsibilities fixed by the Senate bill, for reasons of general administration, but especially because the responsibilities of the comptroller general were to be few, and that to departmentize too rigidly would hamper in the organization of his department. They held that especially it would inhibit an effort to rid the department of about 20 per cent of the employees now engaged in the work for which the comptroller general would be responsible. The conferees of the Senate were brought to agree with the conferees of the House by their argument. The conferees of the House, on the other hand, accepted the general additional powers of the comptroller's office, upon which the committee of the Senate had insisted from the beginning. Finally, that provision of the Senate bill of the value of which the members of the Senate committee were the least certain, the provision creating the board of appeals, we struck out. There was none of the members of the Senate Committee on the Budget who was clearly convinced of the wisdom of this provision; and in the face of the insistence of the House conferees, and conscious of our own want of confidence in our provision, we yielded.

Mr. KING. Mr. President—

The PRESIDING OFFICER (Mr. CURTIS in the chair). Does the Senator from Illinois yield to the Senator from Utah?

Mr. McCORMICK. Certainly.

Mr. KING. May I inquire of the Senator if there is any reviewing board or any appellate power that takes the place of the provision that was stricken out?

Mr. McCORMICK. The comptroller, for certain purposes, may vest specified responsibilities in his subordinates in order that they may make settlements. Provision is made that settlements so determined by his subordinates may be appealed to the comptroller himself.

Mr. President, like all agreements upon measures of this general character, like the agreement between the House and Senate on the railroad bill, there has been concession on the part of the conferees for the Senate and on the part of the conferees for the House. As I suggested at the beginning of my remarks, in my judgment, in substance, the conferees for the House yielded the greater part.

Mr. KING. Mr. President—

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

Mr. McCORMICK. I do.

Mr. KING. Does the Senator think, now, that with the arrangement made the bill is entirely congruous?

Mr. McCORMICK. It is that. It is devoid of any incongruity.

Mr. KING. It articulates in such a way as that there will be proper functioning of the various departments and agencies created?

Mr. McCORMICK. It does. It was the long labor necessary to contrive articulation which delayed our report.

I have only trespassed upon the generosity of the Senator from Washington [Mr. Jones] because the members of the House Budget Committee have urged, and insistently urged, first, that we act to-day in order that they might act, and, secondly, in order that under the new law the President of the United States may make the necessary appointments before the Senate goes into recess. The very important appointments of the comptroller general and the assistant comptroller general must be submitted to the Senate for confirmation before the new law takes effect on July 1. I hope that the Senate may adopt this report to-day.

Mr. SIMMONS. Mr. President, I merely want to say one or two words.

It is very well known that the Senate committee charged with the duty of framing legislation for the purpose of establishing a budget gave most mature consideration to the House bill, and as a result that committee, of which I was a member, materially changed the House plan. Of course, it was expected when the matter went to conference that there would be stubborn contention on the part of the conferees representing both bodies for their views. The conference report does not, in my judgment, materially change the measure as it passed the Senate, and practically all of the changes that are made are with reference to matters about which there was controversy in the Senate committee framing the bill.

There were two courses of procedure with reference to the establishment of the budget system. Both of those methods met approval on the part of certain members of the Senate committee. We finally selected the one which was different from that proposed by the House. Now, the conferees have compromised these matters of difference, retaining a part of the Senate plan, and the Senate has yielded to a part of the House plan.

In my judgment the result of the conference has not materially weakened the bill as framed by the Senate committee. It has merely changed the form of the procedure and shifted slightly the responsibility of final action; but, in my judgment, the general result has been not to weaken the system which it is sought to establish.

This matter of a budget system is one that has been very much discussed in the country. As I took occasion to say once before, both parties have thoroughly committed themselves to a budget system. I do not believe it is possible for the two branches of Congress to have worked out and finally come to an agreement upon a system that will more effectually accomplish the purpose which the Congress has in mind and which the country has in mind in the establishment of a budget than this conference report, and I trust that we may have practically a unanimous vote in support of the conference report.

Mr. KING. Mr. President—

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

Mr. SIMMONS. I do.

Mr. KING. During the consideration of the bill in the Senate an amendment was offered which created an organization or agency that might go into the department and make an examination with a view to securing efficiency. The amendment was offered by my colleague, the senior Senator from Utah [Mr. SMOOT]. I understand that that provision has been materially modified. Does the Senator state that the bill as now presented contains any of the terms of that provision?

Mr. SIMMONS. I understand that the conference report gives authority which will be amply sufficient to accomplish that purpose.

Mr. McCORMICK. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Illinois?

Mr. SIMMONS. I yield.

Mr. McCORMICK. If the Senator from Utah will turn to the provisions touching the relation between the budget bureau on the one hand and the comptroller's office on the other with Congress, he will find that both are in large measure either responsible to Congress or required to afford Congress such information as it seeks.

Mr. SIMMONS. He will find also that the accounting department has the right to make investigations to enlighten itself with reference to expenditures, and that for that purpose they may call for the books of every bureau, department, or establishment of the Government.

Mr. SMOOT. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the senior Senator from Utah?

Mr. SIMMONS. I yield.

Mr. SMOOT. I was simply going to add to what the Senator said that it also provides that Congress shall have the right and power to request this bureau to make an examination and report the facts to Congress on any item found in the budget. I recognize the fact that it is not exactly in conformity with the amendment which was offered by me and agreed to by the Senate, but perhaps it will work out as nearly through the agency created in the budget bill, as now reported, as it could possibly be without the adoption of the plan originally offered by me. I would prefer, of course, to have had the other provision, but I am quite confident that the compromise will work out along the lines which some of us had in mind, namely, that Congress would have some agency at their command to make a thorough investigation on any estimate calling for money from the Treasury of the United States and report their findings direct to Congress and not through some other source.

Mr. SIMMONS. Mr. President, I entirely concur in the statement made by the Senator from Utah [Mr. SMOOT]. I think the bill provides ample authority to enable Congress to secure such information as it may need. I think it also confers upon the accounting bureau ample authority to make investigations in the departments, that all the facts will be available to them, and that they will have full authority to examine the books and obtain the information in order to advise Congress.

The PRESIDING OFFICER. The question is upon the adoption of the conference report.

The report was agreed to.

#### TUNGSTEN ORES.

Mr. JONES of Washington. Mr. President—

Mr. PHIPPS. Will the Senator yield to me for a moment or two only to make a statement?

Mr. JONES of Washington. I yield.

Mr. PHIPPS. Mr. President, I am very much interested in securing consideration for the bill (H. R. 4437) to provide revenue for the Government and to promote the production of tungsten ores and manufactures thereof in the United States. During the past week I have been absent on account of illness, and I realize that as the time of the Senate has been taken up with other measures, that bill has not been reached. I wondered if it would be possible to agree upon a time when consideration of that measure might be had, and whether it might be agreeable to take it up during the morning hour of Saturday next. In order to test the question, I ask unanimous consent that it be taken up in the morning hour on Saturday next.

Mr. THOMAS. Mr. President, I object.

The PRESIDING OFFICER. There is objection.

#### HAWAIIAN HOMES COMMISSION.

Mr. NEW. I move that the Committee on Pacific Islands, Porto Rico, and the Virgin Islands be discharged from the further consideration of the bill (H. R. 13500) to amend an act entitled "An act to provide a government for the Territory of Hawaii," approved April 30, 1900, as amended, to establish a Hawaiian homes commission, and for other purposes, and that it be referred to the Senate Committee on Territories. The reason for the motion is simply that House bill 13500 is the same as the Senate bill on the same subject. The bills are identical. They were introduced concurrently in the two Houses. The one in the Senate was referred to the Committee on Territories, which has had hearings on the bill and is about ready to submit a report. The House bill when it came over to the Senate was referred to the Committee on the Pacific Islands, Porto Rico, and the Virgin Islands. I talked with the Senator from New Mexico [Mr. FALL], chairman of that committee, about this change of reference, and he thoroughly understands it. The purpose is simply to avoid complications.

The PRESIDING OFFICER. Without objection, the change of reference will be made.

#### MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House disagrees to the amendments of the Senate to the bill (H. R. 13870) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes; requests a conference with the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. Good, Mr. VARE, and Mr. BYANS of Tennessee managers at the conference on the part of the House.

The message also announced that the Speaker of the House had signed the following enrolled bills:

S. 4163. An act to incorporate the Roosevelt Memorial Association; and

H. R. 4493. An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment.

#### SUNDRY CIVIL APPROPRIATIONS.

The PRESIDING OFFICER laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 13870) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. WARREN. I move that the Senate insist upon its amendments, agree to the conference asked for by the House, and that the conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to; and the Presiding Officer appointed Mr. WARREN, Mr. SMOOT, and Mr. OVERMAN conferees on the part of the Senate.

#### WATER-POWER DEVELOPMENT—CONFERENCE REPORT.

Mr. JONES of Washington. Mr. President, I call up the unfinished business and ask for the adoption of the conference report on the water-power bill.

The Senate proceeded to consider the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3184) to create a Federal power commission and to define its powers and duties, to provide for the improvement of navigation, for the development of water-power, for the use of lands of the United States in relation thereto, to repeal section 18 of "An act mak-