

Calendar No. 583

68TH CONGRESS }
1st Session }

SENATE

} REPORT
No. 550

URGENT DEFICIENCY BILL, 1924

MAY 14 (calendar day, MAY 16), 1924.—Ordered to be printed

Mr. WARREN, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. 9192]

The Committee on Appropriations, to which was referred the bill (H. R. 9192) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes, reports the same to the Senate and recommends its passage with the following amendment:

On page 2, after line 2, add the following:

SMITHSONIAN INSTITUTION

That additional taxes amounting to \$74,657.70, together with all penalties and other charges thereon, assessed by the Treasury Department against the estate of Charles L. Freer, deceased, late of Detroit, Michigan, which estate has been closed, the executors discharged, and the residue paid over to the Smithsonian Institution as an endowment for the Freer Gallery of Art, presented to the Nation by the said Charles L. Freer, are hereby canceled, and the Treasury Department is hereby authorized and directed to remit any further taxes, penalties, or charges which may hereafter be found due from the said estate.

The report of the House Committee on Appropriations on this bill is as follows:

[House Report No. 718, Sixty-eighth Congress, first session]

The Committee on Appropriations, in presenting the accompanying bill making appropriations to supply urgent deficiencies in appropriations for the fiscal year 1924, submits the following in explanation thereof:

The scope of the bill includes one item for the Senate, one for the Department of State, and nine for the Department of Justice, all of which are emergent. The estimates upon which the bill is based were submitted by the President in House Documents Nos. 253, 254, and 264 of the present session, aggregating \$2,317,000, and this amount is recommended to be appropriated in the bill.

The sum of \$100,000 is recommended for expenses of inquiries and investigations ordered by the Senate. This amount passed the Senate in Senate Joint Resolution 119, which is now on the Union Calendar, having been reported favorably to the House by the Committee on Appropriations on May 6 last. The report accompanying the resolution (H. Rept. No. 664) contains a statement showing the expenditures made in connection with the principal and more extensive investigations conducted by the Senate from March 4, 1923, to April 16, 1924.

The sum of \$30,000 is recommended for defraying the expenses of the representation of the United States at the meeting of the inter-American committee on electrical communications to be held in Mexico City, Mexico, commencing May 27 next. Representation of the United States at this meeting was authorized in the sum of \$33,000 by the joint resolution approved April 28, 1924. The meeting is an important one dealing with the problems relating to radio, cable, and telegraph. The meeting starts in two weeks and the urgency of the appropriation is apparent. The appropriation of \$30,000, while \$3,000 less than the amount authorized to be appropriated, will be ample to defray the cost of representation of the United States for a period of 90 days, which is the authorized maximum duration of the meeting.

The items recommended for the Department of Justice are as follows:

Investigation and prosecution of war frauds.....	\$200, 000
United States courts:	
Salaries, fees, and expenses of United States marshals and their deputies.....	530, 000
Salaries and expenses of district attorneys and their offices.....	210, 000
Salaries and expenses of clerks of courts.....	35, 000
Fees of United States commissioners.....	125, 000
Fees of jurors.....	250, 000
Fees of witnesses.....	200, 000
Miscellaneous expenses, United States courts.....	35, 000
Support of United States prisoners in jails and State penitentiaries.....	602, 000
Total.....	2, 187, 000

All of the preceding items with the exception of the item for the prosecution of war frauds relate to the expenses of United States courts, and are incapable of the control which can be exercised over a large majority of appropriations for the executive departments. They depend almost wholly on the amount of business transacted by the Federal courts, and these activities are so widespread and different in the various jurisdictions as to make an accurate estimate for a long period in advance quite difficult. When the regular annual appropriations for the fiscal year 1924 were made for court expenses it was recognized by the Congress, the Bureau of the Budget, and the Department of Justice, that the sums then requested would be insufficient for the entire fiscal year. The situation was further accentuated by the enactment in March last of a law authorizing the readjustment of salaries of marshals and district attorneys, which added approximately \$130,000 to the annual court expense.

Deducting from the \$2,187,000 the sum of \$130,000 on account of the revision of salaries and \$200,000 for war frauds, there remains \$1,857,000 for purely court expenses and expenses growing out of the court action. This sum fairly approximates the portion of court expenses which has annually been carried in deficiency bills to supplement the insufficient regular annual appropriations. It is only larger to the extent necessary to provide the usual additional expenses incident to the growth of court business. The practice of providing part of the court expenses in the regular annual appropriation bill and supplementing those amounts at a later date when more complete data has been available by sums carried in deficiency bills has been abandoned in the regular bill for the fiscal year 1925 by the increase of approximately \$2,000,000 in the regular annual appropriations for the fiscal year 1924. The growth of court business in recent years has been quite unusual. The following tabulation will show at a glance the number of cases and the percentage of increase.

	Fiscal year 1921	Fiscal year 1922	Fiscal year 1923	Increase, 1922 over 1921	Increase, 1923 over 1922
Actions commenced.....	109, 474	130, 632	143, 095	Per cent 19.33	Per cent 9.54
Actions terminated.....	85, 686	101, 838	131, 469	18.85	29.10
Actions pending.....	142, 402	167, 445	179, 346	17.60	7.11

Present funds for court expenses will be exhausted within a few days, and it is urgently necessary to make the appropriations contained in this act available at the earliest possible date.

The appropriation of \$200,000 for the prosecution of war frauds is to supplement the appropriation of \$500,000 made in the regular appropriation act for this purpose. The sum of \$420,000 had been disbursed to April 25 last, leaving a balance of \$80,000, which would be insufficient to pay outstanding obligations and carry the present organization during the month of May. Of the \$200,000 requested approximately \$66,800 is for work in connection with cantonment contracts, and the remainder is needed to carry the regular organization of the war-frauds section until June 30 on the present basis.

The war frauds transactions section has been in existence for nearly two years. During that period there has been recovered by the section the sum of \$6,188,371.60. In addition to this amount settlements have been practically agreed upon which the department has every reason to believe will bring the recoveries to approximately \$9,000,000 within a short time. Actions have been commenced on claims involving approximately \$69,000,000, of which \$60,500,000 is for damages growing out of the construction of 12 National Army cantonments.

The committee is of the opinion that the \$200,000 should be granted in order to prevent a slowing down of the present activities of the war-frauds section and to provide funds for the immediate initiation of the work on the cantonment cases.

