

obscenity passed while it was on its route through the mails. Thus, wherever sufficient and legally admissible evidence could be gathered, there the purveyor could be prosecuted. The practical advantages to such a law appear obvious to all of us, particularly if we bear in mind that most of these smut dealers are fly-by-night operators, here today, gone tomorrow, disappearing as fast as they appear, changing their names as rapidly as a chameleon changes its colors, and hence, difficult to track down.

But, Mr. Speaker, as H. R. 6239 was torpedoed in the Senate, the broadened venue provision is absent. If insufficient evidence could be gathered to support a prosecution in the Federal district of mailing or receipt, or if an overworked grand jury could not attend to the matter in time, or if for any other reason an indictment and prosecution could not be speedily secured in one of those Federal districts, the smut dealer would be perfectly free to continue his operations, notwithstanding that other evidence in another Federal district might be readily available to support an indictment and prosecution. Furthermore, the absence of a criminal penalty applicable to carriage of the mails introduces the possibility of doubt that deposit, carriage, and delivery of the mails are one continuous offense.

Thus, Mr. Speaker, it is clear that the venue provisions of our bill, which the Senate struck out completely, are of great significance. I hope my colleagues who are not lawyers will understand the basis for my concern, and will not think I am merely attempting to be legalistic or pedantic.

Mr. Speaker, on July 27, 1956, I first introduced House Resolution 652, 84th Congress, 2d session, to create a select committee "to conduct a full and complete investigation and study (1) to determine the extent to which pornographic materials are being furnished to members of the armed services of the United States; (2) to determine the extent to which pornographic materials are being imported into the United States from foreign countries; (3) to determine the extent of traffic of pornographic materials through the United States mails and by other transportation methods; (4) to determine the adequacy of existing laws to prevent publication, dissemination and distribution of pornographic materials; (5) to make such recommendations as the select committee shall deem advisable, and (6) to prepare such legislation as may be considered appropriate to carry out such recommendations."

On January 3, 1957, I reintroduced my resolution as House Resolution 38, 85th Congress, 1st session. From these resolutions, and from the efforts of some of my colleagues, there developed several bills which were referred to Subcommittee No. 1, Committee on the Judiciary, upon which I served as the senior Republican member. The testimony which we held proved conclusively that tremendous amounts of pornography are being daily transmitted through the mails, directed mostly to boys and girls whose young minds must

inevitably be corrupted as a result of their regularly reading and viewing such vile material.

Mr. Speaker, on several occasions I have gone down to the Post Office Department, and I have talked about this growing problem with the General Counsel and with attorneys and investigators on the headquarters staff of the Post Office Department. I can tell you now, Mr. Speaker, that as the father of three children I could not be more indignant when I peruse such obscenity, and I may say, as one who has served in the Army and who has traveled over a good part of the world, that I have never seen anything more shocking than some of the pictures and motion pictures which the General Counsel of the Post Office Department has shown to me.

It is no wonder, Mr. Speaker, that church groups, civic associations, and private citizens from all over California and some other States have communicated with me in support of our efforts to curb the flow of obscenity in the mails. I take pride in pointing out that Post Office Department personnel, under Postmaster General Summerfield's leadership, are strongly behind these efforts. As an example of these cooperative efforts let me read a resolution which was passed by chapter 4 of the National Association of Postmasters, representing postmasters in Santa Barbara, Ventura, Los Angeles, Imperial, Orange, Riverside, San Bernardino, and San Diego Counties of California:

Whereas the National Association of Postmasters of the United States has officially requested the Congress of the United States to take the strongest possible action against the growing evil of obscene mail in the country; and

Whereas Congressman PATRICK J. HILLINGS, of Arcadia, the only Californian on the House Judiciary Committee, has courageously led the fight in his committee to develop legislation to wipe out this cancerous growth from our society; there be it

Resolved, That we members of California Chapter No. 4, National Association of Postmasters, heartily commend and congratulate Congressman HILLINGS on his efforts to preserve the morals of our citizens of tomorrow by stamping out the flow of obscenity in the United States mails.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries may be permitted to sit during the session of the House during general debate today.

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

There was no objection.

COMMITTEE ON BANKING AND CURRENCY

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may sit this afternoon during general debate.

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

There was no objection.

LEGISLATIVE PROGRAM FOR TODAY

Mr. McCORMACK. 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 Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I desire to make a brief announcement, that the bill H. R. 9020, relating to the Packers and Stockyards Act, will not come up today, inasmuch as the gentleman from North Carolina [Mr. COOLEY] has to be away because of the illness of his wife.

Mr. MARTIN. Can the gentleman tell us when the bill will come up?

Mr. McCORMACK. It is not coming up this week. I cannot promise when I will program it again, but I will try to program it before the end of the session.

CONTINENTAL HOSIERY MILLS, INC.—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 428)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H. R. 4229, entitled "An act for the relief of Continental Hosiery Mills, Inc., of Henderson, N. C., successor to Continental Hosiery Co., of Henderson, N. C."

The bill would direct the Secretary of the Treasury to pay the sum of \$21,670.11 to Continental Hosiery Mills, Inc., of Henderson, N. C., successor to Continental Hosiery Co., of Henderson, N. C., in full settlement of all claims against the United States. The bill states that this sum represents a refund of income tax erroneously collected from said corporation on April 19, 1947, by the Bureau of Internal Revenue.

An examination by the Treasury Department discloses that the amount here involved resulted from deficiencies in income and excess profits taxes for the taxable years ending April 30, 1942, through April 30, 1945, arising from the disallowance of excessive salaries to the president and to the vice president and treasurer of the corporation. The taxpayer, after a conference with a representative of the Internal Revenue Service at which the taxpayer was represented by one of its principal officers and by an attorney and an accountant, executed a waiver of restrictions on assessment and collection of these deficiencies on October 3, 1946. Thereafter, the taxes were assessed and were paid in 1947.

Several years later, during 1952, the taxpayer requested a reopening of the case but this request was denied by the Internal Revenue Service because the

period of limitations for claiming a refund had expired in 1949, 2 years after the taxes were paid.

The taxpayer now appears to rely upon the fact that, in 1943, it had obtained the approval of the Salary Stabilization Unit of the Treasury Department concerning its compensation arrangement with its officers, which was based upon a percentage of the taxpayer's profits. This fact, which presumably was known to the taxpayer in 1947 when the taxes were paid, was not raised by the taxpayer in any appeal either within the Internal Revenue Service or to the courts within the statutory period of limitations. The record in this case discloses no special circumstances justifying the taxpayer's failure to appeal this matter until 5 years after the tax was paid at which time the expiration of the period of limitations prevented any redetermination of its tax liabilities for the years in question.

The granting of special relief in this case, where a refund was not claimed in the time and manner required by law, would constitute a discrimination against others similarly situated and would create an undesirable precedent.

Under the circumstances, therefore, I am constrained to withhold my approval of the bill.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, July 30, 1958.

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Without objection, the bill and message and accompanying papers are referred to the Committee on the Judiciary and ordered to be printed.

There was no objection.

DISTRICT OF COLUMBIA TAXICAB INSURANCE ACT OF 1958

The SPEAKER. The unfinished business is the question on the passage of the bill, H. R. 13531, to amend the act of June 29, 1938, as amended, to increase the insurance coverage required to be carried by cabs for hire in the District of Columbia for the protection of passengers and others, and for other purposes, which the Clerk will report by title.

The Clerk read the title of the bill.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

Mr. EVINS. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record at this point.

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

There was no objection.

Mr. EVINS. Mr. Speaker, when I arose on Monday, last, in connection with the bill just passed to increase insurance for taxicabs, I did so as a matter of information. Members of the committee were unable to provide information at the time, which to me seemed pertinent and important in consideration of the bill. I have, subsequently,

carefully examined the hearings on this legislation, and although extensive hearings were held on the overall problems relating to taxicabs in the District of Columbia, very little time was devoted specifically to the insurance problem.

With respect to information relating to insurance obtained by the committee I have found that our colleague, Congressman TEAGUE, on several occasions requested and sought the very information which I had requested, but the committee was unable to secure this information; namely, the cost of insurance under the present law and the increased cost and payments to the insurance companies that would result from the pending legislation.

It seems to me that a knowledge of the cost and rates is certainly pertinent. Especially so since I find that insurance in this field is not competitive. The major taxicab fleets here in the District carry their own insurance as self-insurers. One other company, namely, the Amalgamated Casualty Insurance Company of Washington, carries the insurance for 5,691 taxicabs, representing 47 taxicab companies. There are approximately 9,000 cabs in the District, and this one insurance company carries insurance for approximately 60 percent of all the taxicabs in the District. So, Mr. Speaker, this bill does, in fact, offer the possibility that a substantial bonanza may accrue to this one insurance company, which, in effect, has a monopoly on the taxicab-insurance business in the Nation's Capital.

I have made some inquiries concerning the probable increase in the costs under this bill. I am informed that the cost could very well be doubled. At present the insurance companies are collecting about \$1,750,000 annually on this type of insurance. That could be increased to more than \$3 million annually, and almost two-thirds of this amount could go to the one company mentioned.

General comment was made during the hearings that raising the limit of coverage would increase rates by about 35 percent. Since cabdrivers pay premiums on a weekly basis, this would probably mean an additional premium of \$1.25 a week—with the total number of cabs this would amount to more than a half a million dollars annually—a rather substantial benefit to this company.

In addition, I want to call to the attention of my colleagues the fact that, while raising the amount of coverage, this bill provides that the liability of the insured will be absolute, regardless of the stated coverage, when an accident occurs. This is a technical point, but I am advised by insurance experts that this would have two effects. In the first place, it would place every cabdriver in the position of having to buy the kind of insurance that only those who have been found guilty of serious crimes, such as driving while intoxicated, committing a homicide with a motor vehicle, leaving the scene of the accident, reckless driving involving a personal injury, and any felony involving a motor vehicle, are forced to buy under present law. In other words, under the terms of this bill, each and every taxicab

driver would be required to take out the most expensive kind of insurance, thus indicating that it is an insurance-company-benefit bill.

In the case of insurance for private vehicles, that type of insurance calls for an extra premium of 50 percent. If that will be the case in this instance, it would mean another additional cost of \$2.50 a week. In that event, the cost per week to all operators could be as high as \$7.25, which is more than twice as much as the present insurance premiums. The accident experience does not justify such a tremendous increase in cost.

In the case of the one insurance company mentioned that would mean an additional benefit of more than a million dollars a year. It certainly would be pertinent to consider whether we are justified in asking the public to pay so large an increase in cost to justify these increases in coverage.

The bill passed by the other body on this subject opens the possibility of breaking this near monopoly in insurance. It might be possible under its terms for drivers to obtain insurance from any of the 300 companies qualified to sell insurance to private owners. Under the bill just passed, the present near monopoly would be maintained.

While we may all recognize the desirability of having an increased protection to the public, my concern was with respect to the amount of benefit going to the insurance companies. It seems to me that the committee did not develop these facts fully. It was pointed out during debate by our colleague, Congressman TEAGUE, that there are a number of studies underway at the present time with respect to the overall taxicab problem in the District. These include studies by the National Capital Planning Commission, the Capital Regional Planning Council, and the Washington Metropolitan Regional Conference. Public Law 24 of the 85th Congress appropriated funds to enable these studies to be made. It certainly seems unwise to proceed on this matter prior to the time these studies have been completed and particularly in view of the fact that Congress has appropriated money to secure this information.

I want to state that I have the highest regard and affection for our esteemed colleague, the gentleman from Texas, Congressman TEAGUE. We all know he is a man of the highest character and integrity. He is a hard worker. However, his committee has, in this bill, touched upon only one part of the overall problem. This one places an additional cost and expense upon the taxicab operators and the public while not solving the overall cab transportation problems in the Nation's Capital.

ACQUISITION OF REMAINING PROPERTY IN SQUARE 725, DISTRICT OF COLUMBIA, AND CONSTRUCTION THEREON OF ADDITIONAL FACILITIES FOR THE UNITED STATES SENATE

The SPEAKER. The further unfinished business before the House is the question on the passage of the bill S.