to $4,750, with no indication as to how this sum was arrived at.

From the foregoing, it seems to me, that the record in this case is incomplete both with respect to the merits of the beneficiary's claim and as to the damages which he may have sustained. These uncertainties compel me to withhold my approval of the instant bill.

I would, however, be willing to approve legislation which would permit adjudication of the case by the appropriate courts whenever the legal representatives made to him by the Navy representative I believe that only by such means can the rather obscure elements of this case be considered and resolved in a manner fair to both the Government and the beneficiary.

Dwight D. Eisenhower.
The White House, September 1, 1954.

ELEPHANT BUTTE DAM

S. 417. I have withheld my approval from S. 417, a bill conferring jurisdiction upon the United States District Court for the District of New Mexico, to hear, determine, and render judgment upon certain claims arising as a result of the construction by the United States of Elephant Butte Dam on the Rio Grande.

Under S. 417, jurisdiction would be vested, notwithstanding any statute of limitations or lapse of time, in the United States District Court for the District of New Mexico, "to hear, determine, and render judgment upon any claim against the United States for compensation for the taking of or for damage to real or personal property as a result of the construction by the United States of Elephant Butte Dam on the Rio Grande."

The bill does not identify the persons to whom it would open the doors of the district court. It does not identify the date or dates on which the alleged taking of property or damage occurred. It does not identify the events which might be alleged to have caused the damage or that the time requirement is that suit be filed within 2 years from the date of enactment of the bill.

Construction of Elephant Butte Dam was commenced by the Interior Department in 1912. Approval of the bill would thus be an open invitation to anyone who believes that he has, at any time over the last 42 years, been injured in his taking of even a single acre of land by the construction of this dam to bring the United States into court, no matter how stale his claim may be.

It appears that the cases around which the hearings on the bill principally turn are those of a number of persons who believe that the existence of the dam, taken in conjunction with the severe floods that descended on the Grande Valley in 1929, resulted in the permanent seeping or swamping, from and after that year, of their lands in the neighborhood of the now abandoned town of San Marcial. I am aware of no showing, however, that these landowners did not have an adequate opportunity to pursue their legal remedies within the period prescribed by general law or that they were not, for their failure to do so. Still less am I aware of any reasons for including within the coverage of the bill not only these landowners, but all others who, regardless of time, attribute a damaging or destruction of their property to the construction of Elephant Butte Dam.

The very purpose of a statute of limitations in the United States is to protect the Government and all other beneficiaries from suits between private citizens or to suits brought against the Government—"to avoid stale claims and to procure a reasonably prompt initiation of judicial action before the limitations period has run and witnesses die or become unavailable. To say this is not to say that compliance with the statute must be insisted upon in cases where its waiver would avoid a clear inequity. The instant bill, however, is not in this exceptional category. On the contrary, the controversies with which it deals necessarily involve the resolution of questions of fact, of which there would re- quire oral testimony from persons familiar with conditions as they were at the time when the claims originally arose. Those claims here involved emphasize the justice and wisdom of the general rule. Against this background, nothing in the terms or history of S. 417 of which I am informed urges that the taxpayer was denied a fair opportunity to confirm a conversation" with a representative of the Bureau that further conferences on the year 1917 were to be had.

The overall effect of the legislation would be to direct the Court of Claims to determine the 1917 liability of the taxpayer by applying the invested capital method used in settling the years 1918, 1919, and 1920, before the Board of Tax Appeals (even though sec. 3 of the enrolled enactment states that nothing in the instant bill is to be deemed an inference of liability on the part of the United States) since, as the committee report indicates, there is no question but that the decision was made on March 14, 1933. Since the bill grants relief from the operation of the statute of limitation, special equitable circumstances should appear which require that this taxpayer be treated better than the taxpayer involved in the case of Elephant Butte Dam.

Construction of Elephant Butte Dam on the Rio Grande."
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Finally, the bill requires the Court of Claims to use a specific method of computing invested capital—assuming the taxpayer has overpaid his taxes—to be based upon the amount arising at the termination of the controversy before the Board of Tax Appeals for the years 1918 through 1920. The year 1917 was not involved in that settlement, nor, as the Court of Claims indicated in its 1939 decision, "does the action taken with respect to subsequent years constitute conclusive proof as to 1917." Even assuming the desirability of granting jurisdiction to the Court of Claims for this year, it does not seem desirable to preclude the court from determining the correct tax liability for the year.

Since the proposed legislation would be retroactive, it would single out a particular taxpayer for relief from the statute of limitations without adequate reason therefor, and since it would preclude the Court of Claims from determining the true tax liability, I feel constrained to withhold my approval of S. 3304.

Dwight D. Eisenhower.

The White House, September 1, 1954.

On September 2, 1954:

CONTRACTIONS BETWEEN GOVERNMENT AND COMMON CARRIERS

S. 906. I have withheld my approval of S. 906, to establish the finality of contracts between the Government and common carriers of passengers and freight subject to the Interstate Commerce Act.

This legislation provides that rates established under the provisions of section 22 of the Interstate Commerce Act, when accepted or agreed to by the Secretary of Defense, the Secretary of Agriculture, or the Administrator of General Services, or by any official or employee to whom the authority is delegated by the act, shall be conclusively presumed to be just, reasonable, and otherwise lawful, and shall not be subject to attack, or reparation, after 180 days, or 2 years in the case of contracts entered into during a national emergency declared by Congress, after the date of acceptance or agreement upon any grounds except actual fraud or deceit, or clerical mistake.

The determination of what is a just, reasonable, or otherwise lawful rate on interstate shipments is now vested in the Interstate Commerce Commission. All shippers, including the Government, are bound as a matter of contract in determining the rate to be paid the agreed rate, whether it be in the form of a tariff rate or a section 22 quotation. This contractual obligation is subject, however, to an overriding right to appeal to the Interstate Commerce Commission to determine whether the agreed rate is lawful. The statute of limitations for such a contract in the present law is 2 years. This act would require the Government to determine the lawfulness of the rate, with finality, and through agencies other than the Interstate Commerce Commission, within 180 days at ordinary times, or within 2 years during a national emergency declared by Congress. Whereas the commercial shipper could contest the rate while it is in effect, the Government would apparently be required to cancel or refuse the rate and pay higher charges during any test of the lawfulness of the rate.

I am therefore unable to approve this legislation, which relegates the Government in its role as a user of transportation services to a position inferior to that of general shipping public and restricts its access to the Interstate Commerce Commission, the body of experts authorized by Congress to determine the reasonableness of rates. I see no reason why the Government should not be subject to the same limitations as other carriers. This result could be accomplished equitably by an amendment to section 16 (3) of the Interstate Commerce Act specifying that the Government shall be subject to the 2-year limitation presently applicable to commercial shippers. The Government would then be on exactly the same basis under that section as all other shippers, and existing inequities in the present ratemaking relationship between Government and the common carriers would be removed. I recommend that such legislation be enacted at the next session of the Congress.

Dwight D. Eisenhower.

The White House, September 2, 1954.

T. C. Elliott

S. 1687. I am withholding my approval from S. 1687, "For the relief of T. C. Elliott."

The purpose of this enactment is to establish a new method by which an individual may be compensated for his services in preparing and furnishing information to the Congress, after the date of acceptance or agreement upon any grounds except actual fraud or deceit, or clerical mistake.

The claimant, T. C. Elliott, was an employee of the Federal Government from January 1, 1917. During this period of employment, Mr. Elliott rendered valuable service to Members of Congress. His efforts undoubtedly contributed to a saving to the Government of large sums of money, but the record is also clear that these services were rendered by Mr. Elliott voluntarily, after office hours, on his own time, or on his leave time, and were completely aside from his official duties or the requirements of his office. Mr. Elliott, like thousands of other devoted Government employees, is to be commended for the selfless manner in which he made his knowledge of freight rates available to others.

Each year there accrue to the Government the benefits resulting from extraordinary services rendered by individuals in various capacities. Such services are to be on a regular or recurring or even a sporadic basis, formal arrangements for employment should be made. There are numerous alternatives. A regular full-time or part-time appointment, appointment as a consultant at a per diem or an hourly rate, and performance of work by contract are the most common. If the service is performed outside of a formal employment relationship, whatever recognition may be given to it should not be considered compensation.

I do not want my action in withholding approval of this bill to be construed as derogation of Mr. Elliott's services or as criticism of recognition by the Congress of special services afforded to its Members. While I cannot approve the bill in its present form for the reasons given above, I shall be glad to approve a bill which is by its terms an extraordinary monetary award for special services and which removes the tax-free status of the award.

Dwight D. Eisenhower.

The White House, September 2, 1954.

FOREIGN-PRODUCED TROUT

S. 2033. I am withholding my approval from S. 2033, relating to the labeling of packages containing foreign-produced trout sold in the United States, and requiring certain information to appear in public eating places serving such trout. The bill would amend the Federal Food, Drug, and Cosmetic Act by making its criminal sanctions—imprisonment up to 3 years or a fine of $1,000 or both—and certain civil sanctions applicable to the sale, offering for sale, possessing for sale, or serving of foreign-produced trout in violation of special provisions which the bill would add to the act with respect to such trout, except a certain species of lake trout largely imported from Canada. These special requirements would be in addition to, any of the other requirements of the act and to any applicable requirements of State law.

These special requirements—none of which applicable to domestic trout—are as follows:

1. Foreign-produced trout would have to be packaged and, if the package is