amendment did not contravene article I, section 7, clause 1 of the Constitution. . . .

MR. GROSS: Mr. Speaker, I move the previous question on the resolution.

MR. MILLS: Mr. Speaker, I move to lay the resolution offered by the gentleman from Iowa on the table.

THE SPEAKER PRO TEMPORE: The question is on the motion offered by the gentleman from Arkansas.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

MR. MILLS: Mr. Speaker, on that question I demand the yeas and nays. The yeas and nays were ordered.

MR. [HALE] BOGGS [of Louisiana]: Mr. Speaker, a parliamentary inquiry.

THE SPEAKER PRO TEMPORE: The gentleman will state it.

MR. BOGGS: Am I correct in understanding that a vote "yea" is in favor of the motion offered by the gentleman from Arkansas, which would mean we would go back to orderly debate on this conference report?

THE SPEAKER PRO TEMPORE: The gentleman is correct. The motion is to lay the resolution on the table.

The question was taken; and there were—yeas 257, nays 162, not voting 14 . . . .

So the motion to table the resolution was agreed to. . . .

A motion to reconsider was laid on the table.

MR. MILLS: Mr. Speaker, I renew my request that the statement of the managers on the part of the House be read in lieu of the report.

THE SPEAKER:[4] Is there objection to the request of the gentleman from Arkansas?

There was no objection.

## § 17. Referring Objection to Committee

### *Senate Authorization to Use Securities Proceeds as Debt Transaction*

**§ 17.1 The House agreed to refer to the Committee on the Judiciary a resolution which alleged that a Senate joint resolution "authorizing the Secretary of the Treasury to use as a public-debt transaction certain proceeds of securities hereafter issued under authority of the Second Liberty Loan Act . . . to effectuate [an Anglo-American debt agreement]" infringed upon the constitutional powers of the House in the matter of revenue.**

On May 14, 1946,[5] the House by voice vote agreed to a motion to refer to the Committee on the Judiciary a resolution alleging that Senate Joint Resolution 138 infringed upon the constitutional prerogative of the House to originate revenue-raising bills.

MR. [HAROLD] KNUTSON [of Minnesota]: Mr. Speaker, I rise to present

4. John W. McCormack (Mass.).

5. 92 CONG. REC. 5000–12, 79th Cong. 2d Sess.

a question of the privilege of the House. . . .

THE SPEAKER:[6] The gentleman from Minnesota is recognized. . . .

MR. KNUTSON: Mr. Speaker, the question of the privilege of the House is set forth in a resolution, which I send to the Clerk's desk; and on that I ask for recognition.

The Clerk read as follows:

Resolution offered by Mr. Knutson:

"*Resolved*, That Senate Joint Resolution 138, authorizing the Secretary of the Treasury to use as a public-debt transaction certain proceeds of securities hereafter issued under authority of the Second Liberty Loan Act, as amended, to effectuate a certain debt agreement between the United States and the United Kingdom of Great Britain, extending the purposes for which securities may be issued under that act and requiring payments of interest to the United States to be covered into the Treasury as miscellaneous receipts, is a bill to raise revenue within the meaning and intent of article I, section 7, of the Constitution of the United States requiring all such bills to originate in the House of Representatives;

"That Senate Joint Resolution 138 therefore is an infringement of the prerogatives and privileges of this House and that said bill be taken from the Speaker's table and respectfully returned to the Senate with a message communicating this resolution."

THE SPEAKER: The gentleman from Minnesota is recognized.

MR. KNUTSON: . . . In this case the Senate has not proposed or concurred in amendments to a revenue measure, but on the contrary it has initiated a bill the sole purpose of which is the raising of revenue through the issuance of bonds or notes of the United States. . . .

. . . The rates of duty on goods imported from Great Britain in the future will be fixed in an amount which the State Department determines to be consistent with the terms of the financial agreement which this bill brings into existence.

The Senate report, on page 17, says:

> The proposed credit is to enable Britain to participate in world trade without currency and trade discrimination, while she reconverts her industries to peacetime production and resumes her place in world trade.

Tariff duties are, in their very nature, trade discriminations.

The bill amends the Second Liberty Loan Act by adding to and expanding the purposes for which securities may be issued under the authority of that act. It does not merely refer to similar authority contained in some other act of Congress but explicitly authorizes bonds to be issued under authority of that act and expressly extends the scope of that act to include such bonds. The purposes for which bonds may be issued, and the authority for issuing them are strictly revenue matters.

Responding to Mr. Knutson, Mr. John W. McCormack, of Massachusetts, cited 2 Hinds' Precedents § 1490, in which the House rejected a motion to return to the Senate a bill fixing the maximum amount of United States notes and providing for issuance of an

**6.** Sam Rayburn (Tex.).

additional amount in circulation in national banks. Mr. McCormack inserted a memorandum supporting his position that the pending bill did not infringe upon the prerogatives of the House.[7]

MEMORANDUM

Senate Joint Resolution 138, "to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes," has originated in the Senate. The question arises, therefore, whether there is reasonable ground for sustaining a question of privilege which might be raised under article I, section 7, clause l of the Constitution which states: "All bills for raising revenue shall originate in the House of Representatives; but the Senate may propose or concur with amendments as on other bills." An examination of the judicial decisions, congressional decisions, and precedents in the form of similar bills leads to the conclusion that there is not sufficient basis for sustaining a question of privilege.

. . . [I]t appears to be clear that a bill to raise funds through the sale of Government obligations does not violate the privilege of the House as set forth in article I, section 7, clause 1 of the Constitution. Even if it should be concluded, however, that a bill to raise funds by selling Government bonds violates the privilege of the House, it would be necessary for the House to reach the additional conclusion that Senate Joint Resolution 138 does provide for the raising of funds through the sale of Government obligations. Such a conclusion would be illogical. Under the Second Liberty Bond Act, as amended, the Secretary of the Treasury is already authorized for certain purposes to issue public debt obligations of the United States up to a specified maximum. Senate Joint Resolution 138 merely instructs the Secretary of the Treasury how to use funds which he is already authorized to raise under the Second Liberty Bond Act, as amended. The resolution would not increase the limit of public-debt issues, it would not authorize the Secretary of the Treasury to issue any securities not already provided for by the Second Liberty Bond Act, as amended, and it would not vary in any way the type of security which may be issued at the present time under existing law. . . .

Senate Joint Resolution 138 is not a bill providing for the raising of revenue within the meaning of article I, section 7, clause 1, of the Constitution. But even if it did provide for the raising of revenue it would fall within the class of legislation where revenue-raising provisions are only incidental to broader general purposes.[8] The primary purpose of Senate Joint Resolution 138 is to authorize the execution of the financial agreement between the United States and the United Kingdom dated December 6, 1945. It is, accordingly,

**7.** 92 CONG. REC. 5004, 5005, 79th Cong. 2d Sess.

**8.** See § 13, supra, for discussion of the distinction between bills which primarily raise revenue and would therefore infringe on the prerogative if they originated in the Senate, and those which incidentally raise revenue and do not so infringe.

legislation to make effective agreements between the two Governments regarding exchange controls, monetary policies, import controls, participation in the International Monetary Fund and the International Bank for Reconstruction and Development and participation in efforts to bring into being an international trade organization for the purpose of eliminating restrictive practices detrimental to world trade.. . .

In view of the fact that Senate Joint Resolution 138 authorizes the expenditure of funds by the Secretary of the Treasury, an examination has also been made of the practice of Congress with respect to appropriation bills. This purpose is stated in Cannon's Procedure in the House of Representatives (4th ed. 1945), as follows: [9]

"Under immemorial custom the general appropriation bills (as distinguished from special bills appropriating for single, specific purposes) originate in the House of Representatives and there has been no deviation from that practice since the establishment of the Constitution.". . .

He also states that: [10]

[B]ills providing special appropriations for specific purposes are not general appropriation bills. . . ."

It is clear, therefore, that a resolution appropriating funds for the extension of a line of credit to the United Kingdom is not a general appropriation and can originate either in the House or in the Senate. . . .

MR. MCCORMACK: Mr. Speaker, I offer a motion.

Thc Clerk read as follows:

Mr. McCormack moves to refer the resolution to the Committee on the Judiciary.

MR. KNUTSON: Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

THE SPEAKER: The question is on the motion offered by the gentleman from Massachusetts [Mr. McCormack].

The motion was agreed to.

*Parliamentarian's Note:* The unnumbered House resolution was not reported back to the House. Senate Joint Resolution 138, after referral to the Committee on Banking and Currency, eventually was passed by the House and approved by the President.

## § 18. Action on House Bill in Lieu of Senate Bill

### *Floor Approval*

**§ 18.1 The House amended a Senate bill to insert provisions of a similar House-passed bill which included a tax provision, but subsequently vacated proceedings whereby the House bill had been laid on the table and the Senate bill approved, passed the House bill again, and messaged it to the Senate.**

9. This passage appears on p. 20 of the 1959 edition of *Cannon's Procedure.*

10. This passage appears on p. 22 of the 1959 edition of *Cannon's Procedure.*