69TH CONGRESS H. R. 12269 **1st Session**

IN THE HOUSE OF REPRESENTATIVES

MAY 18, 1926

Mr. DAVILA introduced the following bill; which was referred to the Committee on Insular Affairs and ordered to be printed

A BILL

- To amend and reenact sections 3, 20, 31, 33, and 38 of the Act of March 2, 1917, entitled "An Act to provide a civil government for Porto Rico, and for other purposes," as amended by an Act approved June 7, 1924, and for the insertion of three new sections in said Act between sections 5 and 6, sections 20 and 21, and sections 41 and 42 of said Act, to be designated as "5a" and "20a" and "41a" of said Act.
 - Be it enacted by the Senate and House of Representaŀ
 - tives of the United States of America in Congress assembled. 2
- That section 3 of an Act entitled "An Act to provide 3 a civil government for Porto Rico, and for other purposes,
- approved March 2, 1917, as amended by an Act approved 5
- February 3, 1921, be, and the same is hereby, amended to 2011 **6**
 - read as follows: 7

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SEC. 3. That no export duties shall be levied or col-1 lected on exports from Porto Rico, but taxes and assess-2 ments on property, income taxes, internal revenue, and 3 license fees, and royalties for franchises, privileges, and 4 concessions may be imposed for the purposes of the insular 5 and municipal governments, respectively, as may be pro-6 vided and defined by the Legislature of Porto Rico; and 7 when necessary to anticipate taxes and revenues, bonds 8 and other obligations may be issued by Porto Rico or any 9 municipal government therein as may be provided by law, 10 and to protect the public credit: Provided, however, That 11 no public indebtedness of Porto Rico or of any subdivision 12 or municipality thereof shall be authorized or allowed in 13 14 excess of 10 per centum of the aggregate tax valuation of its property, and all bonds issued by the government of 15 Porto Rico, or by its authority, shall be exempt from taxa-16 17 tion by the Government of the United States, or by the 18 government of Porto Rico or of any political or municipal subdivision thereof, or by any State, or by any county, 19 municipality, or other municipal subdivision of any State 20 or Territory of the United States, or by the District of 21 Columbia. In computing the indebtedness of the people of 22 Porto Rico municipal bonds for the payment of interest 23'and principal of which the good faith of the people of Porto 24 Rico is pledged and bonds issued by the people of Porto 25

Rico secured by an equivalent amount of bonds of munic ipal corporations or school boards of Porto Rico shall not
 be counted.

"And it is further provided, That the internal-revenue 4 taxes levied by the Legislature of Porto Rico in pursuance of 5 the authority granted by this Act on articles, goods, wares, 6 or merchandise may be levied and collected as such legis-7 lature may direct, on the articles subject to said tax, as soon 8 9 as the same are manufactured, sold, used, or brought into 10 the island: *Provided*, That no discrimination in rates be 11 made between the articles imported from the United States or foreign countries and similar articles produced or manu-12factured in Porto Rico. 13 The officials of the Customs and. Postal Services of the United States are hereby directed to 14 assist the appropriate officials of the Porto Rican govern-15 ment in the collection of these taxes." 16

17 That a new section is hereby inserted between sections 5
18 and 6 of the Act entitled "An Act to provide a civil govern19 ment for Porto Rico, and for other purposes," approved
20 March 2, 1917, as amended, as follows:

"SEC. 5a. That citizens of the United States who shall
reside in the island for one year shall be citizens of Porto Rico: *Provided*, That persons born in Porto Rico of alien parents,
referred to in the last paragraph of said section, who did
not avail themselves of the privilege granted to them of

becoming citizens of the United States, shall have a period 1 of one year from the approval of this Act to make the decla-2 ration provided for in section 5: And provided further, 3 That persons who elected to retain the political status of citi-4 zens of Porto Rico may become citizens of the United States 5 upon the same terms and in the same manner as is pro-6 vided for the naturalization of native Porto Ricans born of 1 foreign parents." 8

9 SEC. 2. That section 20 of the said Act be, and the 10 same is hereby, amended to read as follows:

"SEC. 20. That there shall be appointed by the Presi-11 dent an auditor, at an annual salary of \$7,200, for a term of 12four years and until his successor is appointed and qualifies. 13 There shall be an assistant auditor to be appointed by the 14 15 auditor and such other employees as may be prescribed by The assistant auditor shall sign such official papers and law. 16 perform such other duties as the auditor may prescribe. 17 In the event of the death, resignation, or permanent dis-18 ability from whatever cause of the auditor, the assistant 19 auditor shall act as auditor and shall have charge of such 20office until a successor to such auditor is appointed and 21 qualifies. $\mathbf{22}$

23 "The office of the auditor shall be under the general24 supervision of the governor.

"The auditor shall examine, audit, adjust, decide, and 1 settle all accounts and claims for or against the government 2 of Porto Rico, pertaining to, or growing out of, the revenues 3 and receipts from whatever source of such government and 4 for or against its municipal governments or dependencies. 5 including public trust funds and funds derived from bond 6 issues; and shall examine, audit, adjust, decide, and settle, 7 in accordance with law and administrative regulations, all 8 accounts and claims for or against the government of Porto 9 Rico growing out of the expenditure of funds or property 10pertaining to or held in trust by the government or muni-11 cipalities thereof; and shall perform like duties in respect of 12 all accounts and claims for or against all government 13 branches. 14

"All such adjustments, decisions, and settlements of 15the auditor shall be final and conclusive, except as specifi-16 cally provided in this Act. The auditor shall, except as 17 provided in this Act, have like authority as is now or may 18 hereafter be conferred by law upon the Comptroller General 19 of the United States, and is authorized to communicate 20directly with any person having claims before him for 21 settlement, or with any department, officer, or person 22having official relations, with his office. He shall keep 23the general accounts of the government and preserve the 24 vouchers and other papers pertaining thereto. 25

"It shall be the duty of the auditor to bring to the
attention of the proper administrative officers expenditures
of funds or property which, in his opinion, are irregular,
unnecessary, excessive, or extravagant.

"The administrative jurisdiction of the auditor over 5 accounts, whether of funds or property, and over all vouchers 6 and records pertaining thereto, shall be exclusive. With 7 the approval of the governor he shall from time to time 8 make and promulgate general or special rules and regula-9 tions not inconsistent with law prescribing the method of 10 accounting for public funds and property, and funds and 11 property held in trust by the government or any of its 12branches. 13

14 "Any officer accountable for public funds or property
15 may require such reports or returns from his subordinates
16 or others as he may deem necessary for his own information
17 and protection.

18 "As soon after the close of each fiscal year as the 19 accounts of said year may be examined and adjusted the 20 auditor shall submit to the governor and the Secretary of 21 War an annual report of the fiscal concerns of the govern-22 ment showing the receipts and disbursements of the various 25 departments and bureaus of the government and of the 24 various municipalities, and make such other reports as 1 may be required of him by the governor or the Secretary
2 of War.

" In the execution of his duties the auditor is authorized to summon witnesses, administer oaths, and to take evidence and, in the pursuance of these provisions, may issue subpœnas and enforce the attendance of witnesses, and compel witnesses to produce books, letters, documents, papers, records, and all other articles deemed essential to a full understanding of the matter under investigation."

SEC. 3. That a new section is hereby inserted between
sections 20 and 21 of the Act entitled "An Act to provide
a civil government for Porto Rico, and for other purposes,"
approved March 2, 1917, as amended, as follows:

"SEC. 20a. There is hereby conferred upon the insu-14 lar district courts in Porto Rico with right of appeal as 15 in other cases the same jurisdiction to hear and determine 16 claims against the government of Porto Rico as that now 17 or which may hereafter be conferred on the Court of Claims 18 to hear and determine claims against the United States: 19 Provided, That no suit shall be brought against the gov-20ernment of Porto Rico on any claim which shall not have 21been presented to the insular auditor at least three months 22prior to the date of institution of such suit: Provided 23further, That no judgment against the government of 24 Porto Rico shall be paid until it shall have been reported 25

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by the Porto Rican treasurer to the Porto Rican Legisla ture and a specific appropriation to pay same shall have
 been made."

4 SEC. 4. That section 31 of the said Act be, and the 5 same is hereby, amended to read as follows:

"SEC. 31. That members of the Senate and House of 6 Representatives of Porto Rico shall receive compensation at 7 the rate of \$7 per day for the first sixty days of each regular 8 9 seession and for fourteen days of each special session while in 10 session and mileage for each regular session and each special 11 session at the rate of 10 cents per kilometer for each kilometer 12actually and necessarily traveled in going from their place 13 of residence in their legislative districts to the capital and 14 returning therefrom to their place of residence in their 15 legislative districts by the usual routes of travel: *Provded*, 16That mileage for only one trip in going to and from each regular session and each special session shall be allowed: 17And provided further, That the members of the Senate and 18House of Representatives of Porto Rico shall not be entitled 19 to nor receive any emoluments, remuneration, compensation, 20or payment for services or expenses other than the said \$7 21per day compensation for services and 10 cents per kilo-22meter for travel expense in this section authorized." $\overline{23}$

24 SEC. 5. That section 33 of the said Act be, and the 25 same is hereby, amended to read as follows:

"SEC. 33. That regular sessions of the legislature shall 1 be held annually hereafter, convening on the second Monday 2 in February of each year. The governor may call special 3 sessions of the legislature, or of the senate, at any time when 4 in his opinion the public interest may require it, but no 5 special session shall continue longer than fourteen days, not 6 including Sundays and holidays, and no legislation shall be 7 considered at such session other than that specified in the 8 call therefor or in any special message by the governor to 9 10the legislature while in such session."

SEC. 6. That section 38 of the said Act be, and the
same is hereby, amended to read as follows:

13 "SEC. 38. That all grants of franchises, rights, privileges. and concessions of a public or quasi public nature shall be made 14 by a public service commission consisting of a public service 15 commissioner, who shall be the president of the said commis-16 sion, and two associated commissioners to be appointed by 17 the governor, with the advice and consent of the senate, for 18 a term of four years and until their successors shall be 19 appointed and shall have qualified: Provided, That the 20 present elective members of the said commission shall con-21 tinue to be members of said commission until their term of 22 office expires as now provided by law and shall form the $\mathbf{23}$ commission together with the three members appointed by 24 the governor as aforesaid, until the expiration of such period 25H. R. 12269-2

of their services and not thereafter. The salary of the 1 commissioner shall be \$6,000 a year, and the said commis-2 sioner shall devote his entire time to his duties as such 3 commissioner. The compensation of the associated mem-4 bers, both those elected and appointed, shall be \$10 for $\mathbf{5}$ each day's attendance at the sessions of the commission; 6 but in no case shall they receive more than \$1,000 during 7 any one year. The said commission is empowered and 8 directed to discharge all the executive functions relating to 9 public service corporations heretofore conferred by law upon 10 11 the executive council and such additional duties and func-12tions as may be conferred upon said commission by the Franchises, rights, and privileges granted by 13 legislature. the said commission shall not be effective until approved by 14 15 the governor and shall be reported to Congress, which hereby reserves the power to annul or modify the same. 16

"The Interstate Commerce Act and the several amend-17 ments made or to be made thereto, the Safety Appliance 18 Acts and the several amendments made or to be made 19 thereto, and the Act of Congress entitled 'An Act to amend 20 an Act entitled "An Act to regulate commerce," approved 21 February 4, 1887, and all Acts amendatory thereof, by 22providing for a valuation of the several classes of property 23of carriers subject thereto and securing information concern-, 24 ing their stocks, bonds, and other securities,' approved 25March 1, 1913, shall not apply to Porto Rico. 26

"The legislative assembly of Porto Rico is hereby
 authorized to enact laws relating to the regulation of the
 rates, tariffs, and service of all public carriers in Porto Rico,
 and the public service commission hereby created shall have
 power to enforce such laws under appropriate regulation."

6 SEO. 7. That'a new section is hereby inserted between 7 sections 41 and 42 of the Act entitled "An Act to provide 8 a civil government for Porto Rico, and for other purposes," 9 approved March 2, 1917, as amended, as follows:

"SEC. 41a. That no interlocutory or preliminary 10 to injunction suspending or restraining the enforcement or exe-11 cution of any law or statute of Porto Rico by restraining 12 the action of any officer of said island in the enforcement or 13 execution of such statute, or in putting it into effect or in 14 executing any order made by any administrative depart-15 ment, board, or commission acting under and pursuant to 16 any statute of said island, shall be issued or granted by the 17 judge of the United States District Court of Porto Rico 18 upon the ground of the unconstitutionality of such law or 19 statute, unless the application for such injunction shall be 20 presented to said United States district judge, and said appli-21cation shall be heard by said Federal judge and by two 22 judges of the Supreme Court of Porto Rico, to be designated 23by the chief justice of said court, and shall not be granted 24 unless a majority of said three judges shall concur in granting 25such application. 26

"Whenever such an application as aforesaid, is pre-1 sented to said Federal judge, he shall immediately call to $\mathbf{2}$ his assistance to hear and determine such application two 3 judges of the Supreme Court of Porto Rico. Said applica-4 5 tion shall not be heard before at least five days' notice of the hearing has been given to the governor and to the 6 attorney general of Porto Rico and to such persons or 7 parties as may be defendants in the suit. 8 The hearing shall be given precedence on the calendar of said Federal 9 10 court, and the cause shall be assigned for hearing at the 11 earliest practicable day after the expiration of the five days' notice hereinbefore provided for. An appeal may be taken 12 directly to the Supreme Court of the United States from 13 any order granting or denying an interlocutory injunction 14 in such cases." 15

A BILL

To amend and reenact sections 3, 20, 31, 33, and 38 of the Act of March 2, 1917, entitled "An Act to provide a civil government for Porto Rico, and for other purposes," as amended by an Act approved June 7, 1924, and for the insertion of three new sections in said Act between sections 5 and 6, sections 20 and 21, and sections 41 and 42 of said Act, to be designated as "5a" and "20a" and "41a" of said Act.

By Mr. DAVILA

May 18, 1926

Referred to the Committee on Insular Affairs and ordered to be printed

Union Calendar No. 483 ^{69TH CONGRESS} IST SESSION H. R. 12269

[Report No. 1370]

IN THE HOUSE OF REPRESENTATIVES

MAY 18, 1926

Mr. DAVILA introduced the following bill; which was referred to the Committee on Insular Affairs and ordered to be printed

JUNE 3, 1926

Reported with amendments, committed to the Committee of the Whole House on the state of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in italic]

A BILL

- To amend and reenact sections 3, 20, 31, 33, and 38 of the Act of March 2, 1917, entitled "An Act to provide a civil government for Porto Rico, and for other purposes," as amended by an Act approved June 7, 1924, and for the insertion of three new sections in said Act between sections 5 and 6, sections 20 and 21, and sections 41 and 42 of said Act, to be designated as "5a" and "20a" and "41a" of said Act.
- 1 Be it enacted by the Senate and House of Representa-2 tives of the United States of America in Congress assembled, 3 That section 3 of an Act entitled "An Act to provide 4 a civil government for Porto Rico, and for other purposes, 5 approved March 2, 1917, as amended by an Act approved 6 February 3, 1921, be, and the same is hereby, amended to 7 read as follows:

SEC. 3. That no export duties shall be levied or col-1 lected on exports from Porto Rico, but taxes and assess-2 ments on property, income taxes, internal revenue, and 3 license fees, and royalties for franchises, privileges, and 4 5 concessions may be imposed for the purposes of the insular and municipal governments, respectively, as may be pro-6 vided and defined by the Legislature of Porto Rico; and 7 8 when necessary to anticipate taxes and revenues, bonds 9 and other obligations may be issued by Porto Rico or any 10 municipal government therein as may be provided by law, 11 and to protect the public credit: *Provided*, however, That 12 no public indebtedness of Porto Rico or of any subdivision 13 or municipality thereof shall be authorized or allowed in 14 excess of 10 per centum of the aggregate tax valuation of 15 its property, and all bonds issued by the government of 16 Porto Rico, or by its authority, shall be exempt from taxa-17 tion by the Government of the United States, or by the government of Porto Rico or of any political or municipal 18 subdivision thereof, or by any State, or by any county, 19 municipality, or other municipal subdivision of any State 20 or Territory of the United States, or by the District of 21 Columbia. In computing the indebtedness of the people of **22** Porto Rico municipal bonds for the payment of interest $\mathbf{23}$ and principal of which the good faith of the people of Porto 24 Rico is pledged and bonds issued by the people of Porto 25

Rico secured by an equivalent amount of bonds of munic ipal corporations or school boards of Porto Rico shall not
 be counted.

"And it is further provided, That the internal-revenue 4 taxes levied by the Legislature of Porto Rico in pursuance of 5 the authority granted by this Act on articles, goods, wares, 6 or merchandise may be levied and collected as such legis-7 8 lature may direct, on the articles subject to said tax, as soon -9 as the same are manufactured, sold, used, or brought into 10 the island: *Provided*, That no discrimination in rates be 11 made between the articles imported from the United States 12or foreign countries and similar articles produced or manufactured in Porto Rico. The officials of the Customs and 13 Postal Services of the United States are hereby directed to 14 assist the appropriate officials of the Porto Rican govern-15ment in the collection of these taxes." 16

17 That a new section is hereby inserted between sections 5
18 and 6 of the Act entitled "An Act to provide a civil govern19 ment for Porto Rico, and for other purposes," approved
20 March 2, 1917, as amended, as follows:

"SEC. 5a. That citizens of the United States who shall
reside in the island for one year shall be citizens of Porto Rico: *Provided*, That persons born in Porto Rico of alien parents,
referred to in the last paragraph of said section 5, who did
not avail themselves of the privilege granted to them of

becoming citizens of the United States, shall have a period 1 of one year from the approval of this Act to make the decla-2 ration provided for in section 5: And provided further, 3 That persons who elected to retain the political status of citi-4 zens of Porto Rico may become citizens of the United States 5 upon the same terms and in the same manner as is pro-6 vided for the naturalization of native Porto Ricans born of 7 foreign parents." 8

9 SEC. 2. That section 20 of the said Act be, and the 10 same is hereby, amended to read as follows:

"SEC. 20. That there shall be appointed by the Presi-11 12 dent an auditor, at an annual salary of \$7,200, for a term of four years and until his successor is appointed and qualifies. 13 There shall be an assistant auditor to be appointed by the 14 auditor and such other employees as may be prescribed by 15 The assistant auditor shall sign such official papers and 16 law. perform such other duties as the auditor may prescribe. 17 In the event of the death, resignation, or permanent dis-18 ability from whatever cause of the auditor, the assistant 19 auditor shall act as auditor and shall have charge of such 20 office until a successor to such auditor is appointed and 21 qualifies. $\mathbf{22}$

23 "The office of the auditor shall be under the general24 supervision of the governor,

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"The auditor shall examine, audit, adjust, decide, and 1 settle all accounts and claims for or against the government 2 of Porto Rico, pertaining to, or growing out of, the revenues 3 and receipts from whatever source of such government and 4 for or against its municipal governments or dependencies, 5 including public trust funds and funds derived from bond 6 issues; and shall examine, audit, adjust, decide, and settle, 7 in accordance with law and administrative regulations, all 8 accounts and claims for or against the government of Porto 9 Rico growing out of the expenditure of funds or property 10 pertaining to or held in trust by the government or muni-11 cipalities thereof; and shall perform like duties in respect of 12 all accounts and claims for or against all government 13 branches. 14

"All such adjustments, decisions, and settlements of 15 the auditor shall be final and conclusive, except as specifi-16 cally provided in this Act. The auditor shall, except as 17 provided in this Act, have like authority as is now or may 18 hereafter be conferred by law upon the Comptroller General 19 of the United States, and is authorized to communicate 20directly with any person having claims before him for 21settlement, or with any department, officer, or person. $\mathbf{22}$ having official relations with his office. He shall keep 23the general accounts of the government and preserve the 24 vouchers and other papers pertaining thereto. 25

"It shall be the duty of the auditor to bring to the
attention of the proper administrative officers expenditures
of funds or property which, in his opinion, are irregular,
unnecessary, excessive, or extravagant.

"The administrative jurisdiction of the auditor over $\mathbf{5}$ accounts, whether of funds or property, and over all vouchers ü and records pertaining thereto, shall be exclusive. With 7 the approval of the governor he shall from time to time 8 make and promulgate general or special rules and regula-9 tions not inconsistent with law prescribing the method of 10 accounting for public funds and property, and funds and 11 property held in trust by the government or any of its 12 branches. 13

14 "Any officer accountable for public funds or property
15 may require such reports or returns from his subordinates
16 or others as he may deem necessary for his own information
17 and protection.

"As soon after the close of each fiscal year as the accounts of said year may be examined and adjusted the auditor shall submit to the governor and the Secretary of War an annual report of the fiscal concerns of the government showing the receipts and disbursements of the various departments and bureaus of the government and of the various municipalities, and make such other reports as

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 $1 \cdot 1$ may be required of him by the governor or the Secretary $2 \cdot 1$ of War.

3 "In the execution of his duties the auditor is authorized
4 to summon witnesses, administer oaths, and to take evidence
5 and, in the pursuance of these provisions, may issue sub6 pœnas and enforce the attendance of witnesses, and compel
7 witnesses to produce books, letters, documents, papers,
8 records, and all other articles deemed essential to a full under9 standing of the matter under investigation."

SEC. 3. That a new section is hereby inserted between
sections 20 and 21 of the Act entitled "An Act to provide
a civil government for Porto Rico, and for other purposes,"
approved March 2, 1917, as amended, as follows:

"SEC. 20a. There is hereby conferred upon the insu-14 lar district courts in of Porto Rico with right of appeal as 15 in other cases the same jurisdiction to hear and determine 16 claims against the government of Porto Rico as that now 17 or which may hereafter be conferred on the Court of Claims ¹18 to hear and determine claims against the United States: 19 Provided, That no suit shall be brought against the gov- 20° ernment of Porto Rico on any claim which shall not have 21been presented to the insular auditor at least three months 22 prior to the date of institution of such suit: Provided 23 further, That no judgment against the government of 24 Porto Rico shall be paid until it shall have been reported 25

by the Porto Rican treasurer to the Porto Rican Legisla ture and a specific appropriation to pay same shall have
 been made."

4 SEC. 4. That section 31 of the said Act be, and the
5 same is hereby, amended to read as follows:

"SEC. 31. That members of the Senate and House of 6 Representatives of Porto Rico shall receive compensation at 7 the rate of \$7 per day for the first sixty days of each regular 8 seession and for fourteen days of each special session while in 9 session and mileage for each regular session and each special 10 session at the rate of 10 cents per kilometer for each kilometer 11 12actually and necessarily traveled in going from their place of residence in their legislative districts to the capital and 13 returning therefrom to their place of residence in their 14 legislative districts by the usual routes of travel: Provided, 15 16 That mileage for only one trip in going to and from each 17 regular session and each special session shall be allowed: And provided further, That the members of the Senate and 18 House of Representatives of Porto Rico shall not be entitled 19 to nor receive any emoluments, remuneration, compensation, 20 or payment for services or expenses other than the said \$7 $\mathbf{21}$ per day compensation for services and 10 cents per kilo- $\mathbf{22}$ meter for travel expense in this section authorized." 23

SEC. 5. That section 33 of the said Act be, and the same is hereby, amended to read as follows:

"SEC. 33. That regular sessions of the legislature shall 1 be held annually hereafter, convening on the second Monday 2 in February of each year. The governor may call special 3 sessions of the legislature, or of the senate, at any time when 4. in his opinion the public interest may require it, but no 5 special session shall continue longer than fourteen days, not 6 including Sundays and holidays, and no legislation shall be 7 considered at such session other than that specified in the 8 call therefor or in any special message by the governor to 9 the legislature while in such session." 10

11 SEC. 6. That section 38 of the said Act be, and the 12 same is hereby, amended to read as follows:

"SEC. 38. That all grants of franchises, rights, privileges, 13 and concessions of a public or quasi public nature shall be made 14 by a public service commission consisting of a public service 15 commissioner, who shall be the president of the said commis-16 sion, and two associated commissioners to be appointed by 17 the governor, with the advice and consent of the senate, for 18 a term of four years and until their successors shall be 19 appointed and shall have qualified: Provided, That the 20 present elective members of the said commission shall con- $\mathbf{21}$ tinue to be members of said commission until their term of $\mathbf{22}$ office expires as now provided by law and shall form the $\mathbf{23}$ commission together with the three members appointed by 24 the governor as aforesaid, until the expiration of such period 25H. R. 12269-2

of their services and not thereafter. The salary of the 1 commissioner shall be \$6,000 a year, and the said commis-2 sioner shall devote his entire time to his duties as such 3 The compensation of the associated mem-4 commissioner. bers, both those elected and appointed, shall be \$10 for 5 each day's attendance at the sessions of the commission; 6 but in no case shall they receive more than \$1,000 during 7 The said commission is empowered and 8 any one year. 9 directed to discharge all the executive functions relating to 10 public service corporations heretofore conferred by law upon 11 the executive council and such additional duties and func-12tions as may be conferred upon said commission by the 13legislature. Franchises, rights, and privileges granted by the said commission shall not be effective until approved by 14 the governor and shall be reported to Congress, which 15hereby reserves the power to annul or modify the same. 16

"The Interstate Commerce Act and the several amend-17 ments made or to be made thereto, the Safety Appliance 18 Acts and the several amendments made or to be made 19 thereto, and the Act of Congress entitled 'An Act to amend 20an Act entitled "An Act to regulate commerce," approved 21 February 4, 1887, and all Acts amendatory thereof, by $\mathbf{22}$ providing for a valuation of the several classes of property 23of carriers subject thereto and securing information concern-24 ing their stocks, bonds, and other securities,' approved 25March 1, 1913, shall not apply to Porto Rico. $\mathbf{26}$

"The legislative assembly of Porto Rico is hereby
authorized to enact laws relating to the regulation of the
rates, tariffs, and service of all public carriers in Porto Rico,
and the public service commission hereby created shall have
power to enforce such laws under appropriate regulation."

6 SEC. 7. That a new section is hereby inserted between
7 sections 41 and 42 of the Act entitled "An Act to provide
8 a civil government for Porto Rico, and for other purposes,"
9 approved March 2, 1917, as amended, as follows:

"SEC. 41a. That no interlocutory or preliminary 10 injunction suspending or restraining the enforcement or exe-11 cution of any law or statute of Porto Rico by restraining 12 the action of any officer of said island in the enforcement or 13 execution of such statute, or in putting it into effect or in 14 executing any order made by any administrative depart-1. ment, board, or commission acting under and pursuant to 16 any statute of said island, shall be issued or granted by the 17 judge of the United States District Court of Porto Rico 18 upon the ground of the unconstitutionality of such law or 19 statute, unless the application for such injunction shall be 20 presented to said United States district judge, and said appli-21 eation shall be heard by said Federal judge and by two 22judges of the Supreme Court of Porto Rico, to be designated 23by the chief justice of said court, and shall not be granted 24 unless a majority of said three judges shall concur in granting 25such application solely upon the ground that such law or 26

statute is unconstitutional or in contravention of any Act of
 the Congress of the United States: Provided, however, That
 the foregoing shall not be construed to abridge the power of
 said court to issue interlocutory or preliminary injunctions
 in any case where it appears that irreparable injury is
 being done."

7 "Whenever such an application as aforesaid, is pre-8 sented to said Federal judge, he shall immediately call to 9 his assistance to hear and determine such application two 10 judges of the Supreme Court of Porto Rico. Said applica-11 tion shall not be heard before at least five days' notice of 12the hearing has been given to the governor and to the 13 attorney general of Porto Rico and to such persons or 14 parties as may be defendants in the suit. The hearing 15 shall be given precedence on the calendar of said Federal 16 court, and the cause shall be assigned for hearing at the 17 earliest practicable day after the expiration of the five days' notice hereinbefore provided for. An appeal may be taken 18 directly to the Supreme Court of the United States from 19 any order granting or denying an interlocutory injunction 20 21 in such cases."

UNION CALENDAR NO. 483

A DESTINATION OF

69TH CONGRESS H. R. 12269

[Report No. 1370]

A BILL

To amend and reenact sections 3, 20, 31, 33, and 38 of the Act of March 2, 1917, entitled "An Act to provide a civil government for Porto Rico, and for other purposes," as amended by an Act approved June 7, 1924, and for the insertion of three new sections in said Act between sections 5 and 6, sections 20 and 21, and sections 41 and 42 of said Act, to be designated as "5a" and "20a" and "41a" of said Act.

By Mr. Davila

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MAY 18, 1926

Referred to the Committee on Insular Affairs and ordered to be printed

JUNE 3, 1926

Reported with amendments, committed to the Committee of the Whole House on the state of the Union, and ordered to be printed