

# Calendar No. 798

71ST CONGRESS }  
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SENATE

} REPORT  
No. 785

## ESTABLISHMENT OF A BUREAU OF NARCOTICS IN THE TREASURY DEPARTMENT

MAY 29 (calendar day, JUNE 3), 1930.—Ordered to be printed

Mr. SMOOT, from the Committee on Finance, submitted the following

### R E P O R T

[To accompany H. R. 11143]

The Committee on Finance, to whom was referred the bill (H. R. 11143) to create in the Treasury Department a bureau of narcotics, and for other purposes, having had the same under consideration, report it back to the Senate with amendments and recommend that the bill do pass.

On page 6, line 20, strike out all following down to and including line 7, page 7, and substitute therefor the following:

SEC. 6. In addition to the amount of coca leaves which may be imported under section 2 (b) of the narcotic drugs import and export act, the commissioner of narcotics is authorized to permit, in accordance with regulations issued by him, the importation of additional amounts of coca leaves: *Provided*, That after the entry thereof into the United States all cocaine, ecgonine, and all salts, derivatives, and preparations from which cocaine or ecgonine may be synthesized or made, contained in such additional amounts of coca leaves, shall be destroyed under the supervision of an authorized representative of the commissioner of narcotics. All coca leaves imported under this section shall be subject to the duties which are now or may hereafter be imposed upon such coca leaves when imported.

Following is a letter from the Acting Secretary of State in explanation of the above amendment:

DEPARTMENT OF STATE,  
Washington, April 24, 1930.

Hon. REED SMOOT,  
*Chairman Committee on Finance, United States Senate.*

SIR: At the request of Hon. Stephen G. Porter, a representative of this department appeared before the Committee on Ways and Means of the House of Representatives on March 8, 1930, and expressed this department's approval of H. R. 10561, a bill introduced by Mr. Porter, on March 6, 1930, entitled "A bill to create in the Treasury Department a bureau of narcotics, and for other purposes." Subsequently, H. R. 10561 was replaced by H. R. 11143, which was introduced by Mr. Porter on March 26, 1930, passed by the House of Representatives, and referred to your committee on April 8, 1930. It is noted that in

section 6 of H. R. 11143 there is a provision which did not appear in H. R. 10561, and which removes the present control over the importation and exportation of—

“(1) Coca leaves which do not contain cocaine, ecgonine, or any salt, derivative, or preparation from which cocaine or ecgonine may be synthesized or made; or (2) any salt, derivative, or preparation of coca leaves which does not contain cocaine, ecgonine, or any ingredient or ingredients from which cocaine or ecgonine may be synthesized or made.”

The author of the bill has already been informed orally that the department is unable to approve this provision and it is the purpose of this letter to record that disapproval with your committee.

It is understood that the purpose of section 6 is to make available an increased quantity of certain extracts derived from coca leaves and entering into the manufacture of a certain beverage widely used in the United States and foreign countries. This department is, of course, sympathetic with the natural desire of the manufacturer of the beverage under reference to effect the legitimate expansion of his business but it is of the opinion that the proposed provision would be inconsistent with the advanced position which the United States has taken in all international movements looking to the suppression of the evils resulting from narcotic drug addiction. The Hague convention of 1912, to which this Government is party, states specifically that one of the reasons for bringing it into being was—

“\* \* \* to pursue progressive suppression of the abuse of opium, morphine, cocaine, as well as drugs prepared or derived from these substances, giving rise or which may give rise to analogous abuses \* \* \*.”

This department is convinced that any considerable increase in the demand for any coca-leaf derivative must necessarily result in some increase in the manufacture of cocaine, with consequent danger of increase of drug addiction. It is an admitted fact that there are now produced in the world larger quantities of cocaine than are required for legitimate purposes. The department is unable to escape the conclusion that the adoption of section 6 of the proposed bill would operate to increase further this excess supply available for the illicit traffic.

Under existing laws no coca leaves may be imported into the United States except under an import permit duly issued by the Federal Narcotics Control Board. The importation of coca-leaf derivatives or preparations is absolutely prohibited. Even under this system of strict control there is great difficulty in preventing the illegal entry of narcotic drugs into the United States and large quantities of these drugs are smuggled into the country.

It is believed that that difficulty would be increased by permitting the importation of certain forms of coca leaves and certain derivatives or preparations of coca leaves. The enforcement officers of the Government would then have the additional burden of properly identifying various preparations or derivatives of narcotic drugs upon their entry into this country, with the probable result of increasing the quantities of drugs entered into the United States for the purposes of the illicit trade.

This department would be reluctant to see enacted into law a measure which, in its opinion, carries with it the possibility, if not the likelihood, of increasing the danger of drug addiction among the people of the United States and of the world in general.

This department suggests that, if it be deemed advisable to include a provision to accomplish the object of section 6, consideration be given to the possibility of substituting a section reading somewhat as follows:

“In addition to the amount of coca leaves which may be imported under section 2 (b) of the narcotic drugs import and export act, the commissioner of narcotics is authorized to permit, in accordance with regulations issued by him, the importation of additional amounts of coca leaves, provided that after the entry thereof into the United States, all cocaine, ecgonine, and all salts, derivatives, and preparations from which cocaine or ecgonine may be synthesized or made, contained in such additional amounts of coca leaves, shall be destroyed under the supervision of an authorized representative of the commissioner of narcotics.

“All coca leaves imported under this section shall be subject to the duties which are now or may hereafter be imposed upon such coca leaves when imported.”

A copy of this letter is being sent to Hon. Stephen G. Porter for his information.

Very truly yours,

J. P. COTTON,  
*Acting Secretary of State.*

On page 7, after line 11, insert a new section as follows:

SEC. 8. That the Secretary of the Treasury shall cooperate with the several States in the suppression of the abuse of narcotic drugs in their respective jurisdictions, and to that end he is authorized (1) to cooperate in the drafting of such legislation as may be needed, if any, to effect the end named, and (2) to arrange for the exchange of information concerning the use and abuse of narcotic drugs in said States and for cooperation in the institution and prosecution of cases in the courts of the United States and before the licensing boards and courts of the several States. The Secretary of the Treasury is hereby authorized to make such regulations as may be necessary to carry this section into effect.

Following is a statement by Olin West, M. D., secretary of the American Medical Association, in explanation of the above amendment:

The amendment proposed is designed to procure the effective enforcement of Federal and State narcotic laws, without any attempted trespass by the Federal Government on the right of the States to regulate the practice of medicine within their borders. Federal narcotic officers now refuse to cooperate with the States in the enforcement of State laws designed to prevent narcotic drugs from coming under the control of physicians who are narcotic addicts and physicians who have been convicted of offenses against narcotic laws.

Federal narcotic officers grossly exaggerate, it is believed, the prevalence of narcotic addiction among physicians and the number of physicians who have been convicted of violations of narcotic laws. Such officers complain that under the Harrison Narcotic Act physicians of the classes named above can not be denied registration under that act, and, therefore, they claim, such physicians can not be denied the right professionally to control drugs. It is true that physicians of the classes named can not be denied registration under the Harrison Narcotic Act so long as they are authorized and permitted by the States in which they practice to continue in practice under State licenses. On the other hand, if Federal narcotic officers really have the evidence that they pretend to have, showing the narcotic addiction of particular physicians and the conviction of particular physicians of violations of narcotic laws, they can, by submitting such evidence to the licensing boards of most of the States, procure the revocation of the licenses of such physicians to practice medicine. Citations to the laws of the several States, showing authority for such action, are appended, marked "Exhibit A." In those States in which such laws are not in force, the presentation of such evidence to the proper officers of a State would doubtless lead to the prompt enactment of remedial legislation. Federal officers hold aloof, and complain of the situation which they make no effort to remedy.

Instead of utilizing the resources that are at hand to prevent narcotic drugs from coming into the hands of physicians who are narcotic addicts and of physicians who have been shown to be unfit to be trusted with such drugs, through convictions of violations of narcotic laws, Federal narcotic officers support pending narcotic legislation which proposes to divest the several States of all vestige of right to control the professional use of narcotic drugs by physicians and to grant to a Federal officer the supreme right to control the situation. That purpose does not appear on the face of the pending bill. This bill, however, is but a part of what was originally a single bill, in which the provision for the establishment of a narcotic dictatorship appeared. The original bill was divided into two parts, and from one of them the legislation pending before your committee is derived. That this very legislation still has underlying it the establishment of a narcotic dictatorship was made manifest, however, by testimony offered before the Committee on Ways and Means of the House of Representatives. For that reason, and with a view to clarifying the entire situation without waiting for it to arise under H. R. 9054, if it comes up for consideration, this amendment is proposed.

It is universally conceded, it is believed, that the Federal Government can not regulate the practice of medicine in the several States. Any attempt to do so, even under the guise of exercising its treaty-making power, is with practical certainty doomed to failure, because of unconstitutionality. To undertake, as the proponents of this legislation are undertaking, to vest in the Federal Government the supreme control over a part of the practice of medicine in the several States—namely, so much as relates to the use of narcotic drugs—is objectionable not only because of its unconstitutionality but for other reasons.

If physicians are to be made responsible to a Federal narcotic officer in Washington for the professional use of narcotic drugs, they will be deprived of the usual opportunities for the adjustment of narcotic problems with people of their own States in the various departments of the State government and in the State courts. They will be forced to deal with Federal officers who may be imported from anywhere and everywhere in the United States, as local narcotic inspectors, and will be driven to Federal courts for protection and for defense. Incidentally the Federal Government will have to establish a larger force of narcotic inspectors, and presumably will have to add to its force of prosecuting officers and to its courts if it takes over the present functions of the States with respect to this matter.

The proposed assumption by the Federal Government of control over the professional use of narcotic drugs in the several States is objectionable further for the reason that it would tend to create in every State a class of physicians capable of using narcotic drugs professionally, and yet denied by a Federal officer the right to use them. Obviously, these physicians, although licensed by their respective States to practice medicine, could not do justice to their patients. The proposed legislation would not cure of their addiction narcotic addicts in the medical profession, but such of them as do not already obtain their supplies from narcotic peddlers—an admittedly easily accessible source of supply—would resort to such peddlers for the desired drugs and continue the practice of medicine, notwithstanding their addiction. By the simple expedient of turning over to the proper officers of the States evidence of addiction, the Federal Government could ordinarily prevent such physicians from practicing at all.

What has been said with respect to the proposed establishment of a narcotic dictator, with authority to deny to physicians who are narcotic addicts the right to use narcotic drugs professionally, instead of furnishing to the officers of the several States evidence that would enable them to accomplish that end, applies with equal force to the proposed vesting in a narcotic dictator of authority to deny the right to use narcotic drugs professionally to physicians who have been convicted of any offense whatever under any narcotic law. If the Federal Government has evidence of such convictions, it can and should submit such evidence to State officers and allow them to take proper action, instead of undertaking to supersede State officers with respect to such matters.

It is for the reasons named above that the American Medical Association desires the amendment to the pending bill so as to insure cooperation by Federal officers with the officers of the several States in the enforcement of narcotic laws. As against that amendment, it has been urged that it is unnecessary because Federal officers can cooperate now. While it is admitted that they probably can cooperate, it is confidently asserted that they will not do so. The desirability of such cooperation was brought to their attention in 1926, but cooperation is even yet refused. Moreover, the very fact that Federal narcotic officers seem to be opposed to the enactment of this amendment, is the best of evidence that they do not desire to cooperate and will not do so unless compelled by law.

Respectfully,

OLIN WEST.

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#### EXHIBIT A

##### SUMMARY OF STATE LAWS GOVERNING THE REVOCATION OF LICENSES TO PRACTICE MEDICINE BECAUSE OF NARCOTIC ADDICTION AND PANDERING TO THE NARCOTIC HABIT

The following statement shows the provisions of the medical-practice acts of the several States under which licenses to practice medicine may be revoked on the specific ground that the licentiate is a narcotic addict or panders to narcotic addiction. It does not take into consideration the provisions in State laws authorizing the revocation of such licenses on the ground of "unprofessional conduct," without defining that term, or on the ground of conviction of crime involving moral turpitude.

*Alabama.*—(1) For using morphine, opium, cocaine, or other narcotics to such an extent as to render the licentiate unsafe or unreliable as a practitioner. (2) For conviction in a court anywhere, while holding a certificate of qualification to practice medicine, of violating any Federal statute regulating the use or distribution of narcotics, whether committed under color of his professional duties or connected therewith or not. (Political Code of Ala., 1923, ch. 52, art. 1, sec. 2847, pars. 1 and 7.)

*Alaska.*—(1) For addiction to the use of morphine, cocaine, or other drugs having a similar effect. (2) For committing any acts respecting giving or prescribing narcotics which are prohibited by the Harrison Narcotic Act. (Laws of Alaska, 1917, ch. 8, sec. 8, pars. 2 and 7.)

*Arizona.*—For habitual intemperance in the use of narcotic drugs.—(Rev. Stats. of Ariz., Civil Code, 1913, title 48, ch. 1, sec. 4744, par. 6.)

*Arkansas.*—Indulgence in opium, cocaine, or any such agent to such an extent as to render himself incapable of exercising proper skill and judgment. (Digest of Stats. of Ark., 1921, ch. 141, sec. 8243.)

*California.*—(1) For excessive use of cocaine, opium, morphine, codeine, heroin, alpha eucaine, beta eucaine, novocaine, or chloral hydrate, or any of the salts, derivatives, or compounds of them. (2) For prescribing, selling, furnishing, or giving away any such substances to an habitu  who is not under the direct personal and continuous treatment and care of a physician for the cure of the above-mentioned drugs. (3) For unprofessional conduct, which includes conviction or a cash compromise of a charge of violating the narcotic act. (Deering's Gen. Laws of Calif., 1923, title 355, act 4807, sec. 14, par. 6: Stats. of 1929, ch. 311.)

*Colorado.*—For habitual intemperance in the use of narcotics or stimulants. (Comp. Laws of Colo., 1921, Title XV, ch. 81, sec. 4536.)

*Connecticut.*—For addiction to the use of any drug to such an extent as to render the licentiate incapable of performing his duties. (Gen. Stat. of Conn., 1918, title 24, ch. 148, sec. 2862.)

*District of Columbia.*—If licentiate has been guilty of misconduct or is professionally incapacitated. (Public Law, No. 831, 70th Cong., sec. 27, approved Feb. 27, 1929.)

*Florida.*—(1) For conviction in a court of competent jurisdiction of a felony. (2) For habitual intemperance in the use of narcotics and stimulants to an extent sufficient to incapacitate the licentiate for the performance of his professional duties. (3) For a second conviction of a violation of the State narcotic law. (Comp. Gen. Laws of Fla., 1927, first div., Title XI, Ch. XVII, sec. 3415, pars. (a) and (d); and, fifth div., part 1, Title II, Ch. IX, sec. 7699.)

*Georgia.*—(1) For conviction of any penal provision of the Harrison narcotic law. (2) For habitual intemperance in the use of narcotics or stimulants to such an extent as to incapacitate the licentiate for the performance of his professional duties. (Park's Ann. Code of Ga., Supp. of 1922, vol. 8, 12th title, ch. 9, art. 2, sec. 1697.)

*Idaho.*—For habitual intemperance in the use of narcotics or stimulants. (Idaho Comp. Stats., 1919, sec. 2111.)

*Illinois.*—(1) For conviction of a felony.<sup>1</sup> (2) For habitual intemperance in the use of narcotics to such an extent as to incapacitate the licentiate for the performance of his professional duties. (Smith-Hurd's Ill. Rev. Stat., 1929, ch. 91, sec. 16a, pars. 2 and 5.)

*Indiana.*—For addiction to the drug habit to such a degree as to render the licentiate unfit to practice medicine or surgery. (Burns' Ann. Ind. Stats., 1926, Watson's Revision, ch. 90, art 1, sec. 12239.)

*Iowa.*—(1) For addiction to the use of drugs. (2) For the distribution of drugs for any other than lawful purposes. (3) For the conviction of the licentiate in a Federal court, of the violation of any Federal statute or regulations relating to the sale of intoxicating liquors or narcotics. (Code of Iowa, 1927, title 8, ch. 115, sec. 2492, pars. 4 and 8; Laws of 1929, ch. 62.)

*Kansas.*—For addiction to the drug habit to such a degree as to render the licentiate unfit to practice medicine or surgery. (Rev. Stats. of Kan., 1923, sec. 65-1001.)

*Kentucky.*—For addiction to a drug habit disqualifying the licentiate to practice with safety to the people. (Carroll's Ky. Stats., Baldwin's Rev. 1930, sec. 2615, par. 5.)

*Louisiana.*—(1) For habitual use of morphine, cocaine, opium, or other drugs having a similar effect. (2) For prescribing cocaine, morphine, or other habit-forming drugs in other than a legal or legitimate manner. (Marr's Ann. Rev. Stats. of La., 1915, 4495, par. 4 and 5.)

*Maine.*—After conviction of a crime in the course of professional business. (Rev. Stats. of Me., 1916, sec. 14.)

*Massachusetts.*—(1) For conviction of a felony or any crime in the course of professional practice. (2) A license may be revoked and registration canceled

<sup>1</sup> Conviction under the Harrison Narcotic Act is a felony. (United States v. Gaag, 237 Fed. 728.)

for a period not exceeding one year for the use of narcotic drugs in any way other than for therapeutic purposes. (Gen. Laws of Mass., 1921, ch. 112, sec. 2.)

*Michigan*.—(1) For habitual addiction to the use of morphine, opium, cocaine, or any other drugs having a similar effect. (2) For prescribing or giving away any substance or compound containing a drug for other than legal and legitimate therapeutic purposes. (Com. Laws of Mich., 1915, ch. 130, sec. 6726, par. 6 (1).)

*Mississippi*.—(1) For violating the Federal narcotic laws. (2) For narcotic addiction to such an extent as to render the licentiate incompetent and unfit to discharge the duties of his profession. (Hemingway's Ann. Miss. Code, 1926, ch. 165, sec. 7459.)

*Missouri*.—For the drug habit or excessive use of narcotics. (Rev. Stats. of Mo., 1919, ch. 65, sec. 7336.)

*Nebraska*.—For habitual intemperance in the use of narcotics. (Comp. Stats. of Nebr., 1922, Pt. III, Title VI, sec. 8165.)

*New Hampshire*.—For personal habits such as unfit the licentiate for the practice of medicine. (Pub. Laws of N. H., 1926, Title XXI, ch. 204, sec. 14.)

*New York*.—For addiction to the use of morphine, cocaine, or other drug having a similar effect. (2) For conviction of a crime or misdemeanor. (Cahill's Cons. Laws of N. Y., 1927, Ann. Supp., ch. 15, sec. 1264, par. 2 (b) and (c).)

*North Carolina*.—For habitual addiction to the use of morphine, cocaine, or other narcotic drugs. (N. C. Code, 1927, Anno., ch. 110, par. 6618.)

*North Dakota*.—(1) For habitual intemperance in the use of narcotics or stimulants to such an extent as to incapacitate the licentiate for the performance of professional duties. (2) For the conviction of a felony. (Comp. Laws of N. Dak., Political Code, 1913, ch. 5, art. 14, sec. 468.)

*Ohio*.—For addiction to the drug habit to such a degree as to render the licentiate unfit to practice medicine or surgery. (Throckmorton's Annotated Code of Ohio, 1929, ch. 20, sec. 1275.)

*Oklahoma*.—For the habitual use of habit-forming drugs. (Comp. Okla. Stat., 1921, ch. 79, sec. 8818-7, par. 5.)

*Oregon*.—For habitual intemperance in the use of narcotic drugs. (Oreg. Laws, 1921, ch. 19, sec. 8553, as amended Laws 1927, ch. 452.)

*Pennsylvania*.—For habitual intemperance in the use of narcotics or any other substance or condition which impairs intellect and judgment to such an extent as to incapacitate the licentiate for the performance of his professional duties. (Pa. Stat. 1920, sec. 16794.)

*Philippine Islands*.—For addiction to the use of morphine, opium, cocaine, or other drugs having a similar effect. (Public Laws of the P. I., vol. 18, 1923, act 3111, sec. 780 (3).)

*Porto Rico*.—For habitual addiction to the use of narcotic drugs. (Laws of P. R.) 1924, ch. 15.)

*Rhode Island*.—For violation of any of the laws of the State. (Gen. Laws of R. I., 1923, ch. 159, sec. 5.)

A physician may not prescribe, dispense, administer, sell, give away, or deliver any narcotic drug to any person except when the drug is obviously and in good faith needed for the treatment and care of a disease or ailment, and not for any condition or disease directly due to any drug habit or resulting solely from the failure of an habitual user of narcotic drugs to procure the particular narcotic drug or drugs, to which he is addicted. (Gen. Laws of R. I., 1923, ch. 108, sec. 2259.)

*South Carolina*.—(1) For addiction to the drug habit to such a degree as to render the licentiate unworthy or unfit to practice medicine. (2) For conviction in a court of competent jurisdiction of illegal practice. (3) For being guilty of felony. (Code of Laws of S. C., 1922, Title VIII, ch. 23, art. 2, sec. 6.)

*South Dakota*.—For conviction of a felony. (Rev. Code of S. Dak., 1919, title 6, pt. 14, sec. 7710.)

*Tennessee*.—(1) For excessive use of narcotics. (2) For dispensing or distributing any opium, cocoa (sic) leaves, or any compound, manufacture, salt, derivative, or preparation thereof, not in the course of professional practice only, or not in good faith to relieve pain and suffering, or to cure an ailment, physical infirmity, or disease. (3) For dispensing, prescribing, or distributing to any patient opium, cocoa (sic) leaves, or any compound, manufacture, salt, derivative, or preparation thereof, if such patient is addicted to the habit of using said drugs, without making a bona fide effort to cure such patient of such habit. (4) For dispensing, prescribing, or distributing any opium, cocoa (sic) leaves, or

any compound, manufacture, salt, derivative, or preparation thereof to any person in violation of any law of the State of Tennessee or of the United States. (Ann. Code of Tenn., 1917, title 15, secs. 3609a29, 3609a30, pars. 7, 9, 10, 11.)

*Texas.*—(1) For conviction of a crime of the grade of a felony. (2) For drug addiction calculated to endanger the lives of patients. (Rev. Civ. Stats. of Tex., 1925, ch. 6, art 4505.)

*Utah.*—For prescribing morphine, cocaine, or other narcotics, with intent that the same shall be used otherwise than medicinally or with intent to evade any law in relation to the sale, use, or disposition of such drugs. (Laws of Utah, 1921, ch. 19, sec. 17, par. 13.)

*Virginia.*—For habitual addiction to the use of morphine, opium, cocaine, or other drugs having a similar effect. (Va. Code of 1924, ch. 68, sec. 1614, par. (b).)

*Wisconsin.*—For indulging in the drug habit. (Wis. Stats., 1925, ch. 147, sec. 147.20, par. (e).)

*Wyoming.*—For conviction of "penal offenses" before any court in the State of Wyoming or elsewhere. (Wyo. Com. Stats., 1920, ch. 216, sec. 3524.)

On page 7, line 12, change "Sec. 8." to "Sec. 9."

Following is a copy of the House report on the bill:

[House Report No. 1031, Seventy-first Congress, second session]

The Committee on Ways and Means, to whom was referred the bill (H. R. 11143) to create in the Treasury Department a bureau of narcotics, and for other purposes, having had the same under consideration, report it back to the House without amendment and recommend that the bill do pass.

In recognition of the importance, both from the international and the domestic standpoints, of the efficient enforcement of the Federal narcotic drug laws, the bill provides for the transfer of the important functions under those laws heretofore performed under the direction of a subordinate officer of the Bureau of Prohibition to a new bureau under the direction of a commissioner appointed by the President by and with the advice and consent of the Senate. To this new bureau it also transfers the functions performed under the narcotics drugs import and export act by the Federal Narcotics Control Board. Therefore the major enforcement and permissive features of the Federal narcotic laws will be administered by the proposed new bureau and centralized responsibility in narcotic law enforcement will be imposed upon the commissioner of narcotics.

Since the enactment of the narcotic drugs import and export act on May 26, 1922, the Federal Narcotics Control Board has been charged with certain very important duties. Although the board has discharged these duties as well as was possible with the facilities at its command, and has controlled the imports and exports of narcotic drugs with commendable strictness, it has been demonstrated that there are difficulties and delays inherent in the performance by such a board of the duties assigned to it under the act.

From an administrative point of view, it would be advantageous to have the work now performed by the board done in one administrative office, in which there would be collected all of the statistics and other data required for such work and where decisions could be made promptly regarding matters which at present have to be referred to three departments. It should be possible to perform the work of the board with greater efficiency if it were done by one official in possession of all available information, including that which he would have by virtue of his administration of the Harrison Act. There should be also an advantage resulting from the centralization of authority and responsibility, such as would result from the appointment of a commissioner of narcotics and the transfer to him of the duties of the Federal Narcotics Control Board which is provided for by section 2 of the bill under consideration. This centralization of authority and information under a commissioner of narcotics would greatly assist the international exchange of information and cooperation recognized as essential in dealing with narcotic problems, and would facilitate the preparation of data for use in making representations to foreign governments.

The provisions of section 4 of this bill should remedy an even more important lack in our present system. In the discharge of its duties, the Federal Narcotics Control Board has constantly realized the need of such expert advice and reliable data as will be made available to the commissioner of narcotics by section 4 of this bill, which provides that the Surgeon General of the Public Health Service shall make certain studies and investigations regarding the medical and scientific requirements for narcotic drugs in the United States. Such studies should produce

information of first importance to all who are engaged in the study of the narcotic problem, and would be of the very greatest value to the commissioner of narcotics in connection with the determination of the amounts of crude opium and coca leaves to be imported into the United States under the narcotic drugs import and export act.

As a means of bringing about closer cooperation between customs officers and narcotic field officers of the proposed new bureau it is provided that certain of the latter, under appropriate regulations, may be given the authority and power of customs officers to establish a definite liaison between the two services, which is considered an important step forward in the effort to solve the major narcotic enforcement problem confronting the Government to-day; i. e., that of preventing the unlawful importation of narcotic drugs from abroad.

The bill furthermore includes an amendment to the narcotic drugs import and export act to permit the importation of decocainized coca leaves which is widely used in the United States as a flavoring for soft drinks. The amendment provides safeguards against importation of extracts containing habit-forming derivatives of coca leaves.

Although the domestic legislation regarding the control of narcotic drugs in the United States is considered to be superior to that of any other country, it is, nevertheless, essential that this domestic legislation should be improved whenever possible, not only because of the better control over narcotic drugs which may be exercised in the United States, but also in order to strengthen the position of the United States Government in continuing to press for the adoption of adequate measures of control by other governments.

#### ANALYSIS OF THE BILL

The details of the bill are more particularly explained in a summary of its provisions as follows:

Section 1 creates a new bureau in the Treasury Department to be known as the bureau of narcotics and the office of commissioner of narcotics. The commissioner will be appointed by the President, by and with the advice and consent of the Senate, and will receive a salary of \$9,000 per annum. The commissioner is required to make an annual report to Congress.

Section 2 authorizes the Secretary of the Treasury to appoint one deputy commissioner without regard to the civil service laws and, under the civil service laws, such officers and employees as are necessary to perform the duties vested in the bureau. The salaries of the deputy commissioner and of all officers and employees shall be fixed in accordance with the classification act of 1923. The number of officers and employees appointed, of course, will be limited by the appropriations made available by Congress. In case of the absence or disability of the commissioner of narcotics or if there is a vacancy in the office of commissioner, the deputy commissioner shall act as commissioner. In the case of the absence or disability of the commissioner and deputy commissioner, or if there is a vacancy in the offices of commissioner and deputy commissioner, the Secretary is authorized to designate an officer or employee of the Treasury Department to act as commissioner, in order that there will be at all times an officer having power to perform the functions of the commissioner.

Subdivision (b) of section 2 authorizes the commissioner of narcotics, subject to regulations by the Secretary of the Treasury, to confer or impose upon officers or employees of the bureau of narcotics any of the rights, privileges, powers, or duties of customs officers. Some testimony was given at the hearings to the effect that customs officers could not adequately enforce all laws relating to the importation and transshipment of narcotic drugs. Your committee believes that officers and employees of the bureau of narcotics if given certain powers of customs officers will aid materially in enforcing the narcotic drug laws of the United States.

Under subdivision (a) of section 3 the Federal Narcotics Control Board established by the narcotic drugs import and export act is abolished, and all of the authority, powers, and functions of the board are vested in the commissioner of narcotics. The Federal Narcotics Control Board as now established is composed of the Secretary of State, the Secretary of the Treasury, and the Secretary of Commerce, and it is believed that a better administration of the narcotic drugs import and export act will be effected by placing the responsibility upon one man, namely, the commissioner of narcotics.

Under the act entitled "An act to create a Bureau of Customs and a Bureau of Prohibition in the Department of the Treasury," approved March 3, 1927, the



administration of all laws relating to narcotic drugs imposed upon the Commissioner of Internal Revenue, his officers, and agents, was imposed upon the Secretary of the Treasury. He in turn was authorized to delegate any of such rights, privileges, powers, and duties upon the Commissioner of Prohibition. Subdivision (b) of section 3 authorizes the Secretary to confer or impose any of such rights, privileges, powers, and duties upon the commissioner of narcotics or any officer or employee of the bureau of narcotics. Your committee believes that the Secretary should be charged with full responsibility in administering such laws, but that he should be relieved from the necessity of personal action. This section of the bill does not increase or diminish any of the rights, privileges, powers, or duties under existing law but merely permits the Secretary of the Treasury to designate the officers upon whom they are conferred or imposed. Consequently, the powers of any officer of the bureau of narcotics under this subdivision must be derived directly from the Secretary of the Treasury rather than from the statute. The Secretary of the Treasury, however, can not delegate greater power than is conferred upon him under the bill.

Under subdivision (c) of section 3 the office of deputy commissioner in charge of narcotics of the Bureau of Prohibition is abolished and the Secretary of the Treasury is authorized to transfer to the bureau of narcotics such personnel, except the Commissioner of Prohibition, the assistant commissioner, and the deputy commissioner in charge of prohibition, and such records and office equipment, as may be necessary for the exercise by the bureau of narcotics of the functions vested in it.

Subdivision (d) of section 3 authorizes the transfer of unexpended balances of appropriation from the Bureau of Prohibition to the bureau of narcotics. Subdivision (e) provides for the continuing in effect of orders, rules, and regulations with respect to laws relating to narcotic drugs issued by the Commissioner of Prohibition or the Federal Narcotics Control Board. Subdivision (f) provides for the transfer of pending proceedings, investigations, and other matters in the Bureau of Prohibition and the Federal Narcotics Control Board to the bureau of narcotics.

The effect of subdivision (a) of section 4 is to merely change the name of the narcotics division in the office of the Surgeon General of the United States Public Health Service to the division of mental hygiene and to provide that the medical officer in charge of such division shall have the rank and receive the pay and allowances of an Assistant Surgeon General.

Subdivision (b) authorizes the Surgeon General of the Public Health Service to make studies and investigations of the abusive use of all narcotic drugs and of the quantities of certain narcotic drugs which are necessary to supply the normal and emergency medical and scientific requirements of the United States and of the causes, prevalence, and means for the prevention and treatment of mental and nervous diseases. He is required to report to the Secretary of the Treasury on or before the first day of September in each year results of his investigations. Such results are to be made available to the commissioner of narcotics to be used by him in determining the amounts of crude opium and coca leaves to be imported under the narcotic drugs import and export act.

Subdivision (c) authorizes the appointment by the Secretary of the Treasury of such professional, technical, and clerical assistants as may be necessary to aid the Surgeon General in making such studies and investigations. The number of such personnel, of course, will be limited by appropriations made therefor.

Section 5 provides for an appeal from the commissioner of narcotics to the Secretary of the Treasury.

Section 6 amends the definition of "narcotic drug" for the purposes of the narcotic drugs import and export act in order to permit the importation into this country of decocainized coca leaves. The reasons for this provision are stated elsewhere in this report.

In order to aid the Secretary of State in discharging international obligations of the United States concerning the traffic in narcotic drugs, the Secretary of the Treasury, under section 7 of the bill, is authorized to cooperate with the Secretary of State.

Under section 8 the proposed bill, if it becomes a law, will not be effective until the expiration of 30 days after its enactment. This provision is intended to grant sufficient time to effect the various transfers.

In compliance with paragraph 2a of Rule XIII of the Rules of the House of Representatives, changes in existing law made by section 6 of the bill are shown as follows: Existing law proposed to be omitted is inclosed in black brackets; new

matter is printed in italics; existing law in which no change is proposed is shown in roman.

"(a) The term 'narcotic drug' means [opium, coca leaves, cocaine,] *opium or coca leaves, or any compound, manufacture, salt, derivative, or preparation [of opium, coca leaves, or cocaine] thereof, except that such term shall not include (1) coca leaves which do not contain cocaine, ecgonine, or any salt, derivative, or preparation from which cocaine or ecgonine may be synthesized or made; or (2) any salt, derivative, or preparation of coca leaves which does not contain cocaine, ecgonine, or any ingredient or ingredients from which cocaine or ecgonine may be synthesized or made.*"

