

EXEMPTING HAWAII AND ALASKA FROM CARGO MANIFEST LAWS

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

REPORT

[To accompany H. R. 3229]

The Committee on Finance, to whom was referred the bill (H. R. 3229) to exempt Hawaii and Alaska from the requirements of the act of April 29, 1902, relating to the procurement of statistics of trade between the United States and its noncontiguous territory, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

The bill provides that cargo manifests need not be filed for vessels traveling between the continental United States and Hawaii and Alaska. These cargo manifests were originally required in order to obtain statistics on trade with Hawaii and Alaska. Other sources are now available for statistics on commerce with these Territories. Therefore your committee feels that it no longer is necessary to subject shippers to the burdens and costs of filing such manifests.

The report of the Committee on Ways and Means of the House of Representatives is as follows:

GENERAL STATEMENT

This bill repeals, with respect to the Territories of Alaska and Hawaii, a 46-year-old law requiring the filing of cargo manifests covering shipments of goods between such Territories and continental United States. In recent years, with the growth and development of trade and commerce between the mainland and these outlying possessions, the existing law has become a source of irritation to all who engage in or depend upon such trade. Your committee feels that as applied to Alaska and Hawaii the existing law has long since outlived its usefulness and cannot now be justified. The law will remain in effect, however, with respect to Puerto Rico and other noncontiguous territory.

Under existing law (46 U. S. C., secs. 91-96, inclusive) masters of all vessels bound for a foreign port are required to file, with appropriate customs collectors, cargo manifests showing the amount and value of the cargo aboard such vessels. The law also requires the owners, shippers, or consignors of the goods making up such cargoes to file similar manifests covering such items, no matter how insignificant these items may be.

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By the act of April 29, 1902, all these requirements were made applicable to cargoes destined to and from the United States and Hawaii, Puerto Rico, Alaska, and the Philippines. This was justified at that time because these Territories were then newly acquired and they were held to have been necessary to provide a reliable statistical measure of the flow of commerce between them and the mainland based upon such documents. Today, however, statistics based upon these manifests do not accurately measure such commerce. Parcel-post shipments, for example, which form a substantial segment of such trade are not included. In any event your committee feels there is no more need or justification for the Government to collect, from day to day, such statistics of commerce between the United States and Hawaii and Alaska than there is to collect similar figures on trade between the several States. It is simply a waste of the taxpayers' money to do so, since there are other adequate sources available to the Government as well as private interests, for ascertaining the volume, value, and character of trade between the United States and its Territories, if and when the necessity for them arises. These sources can be employed without burdening either the taxpayer or the shipping trade.

In hearings held on the bill Hon. Joseph R. Farrington, Delegate from Hawaii, presented a large number of complaints from businessmen in Hawaii of which the following are typical:

"The manager of one of the largest seed companies in Honolulu reported the 'shipping documents on one consignment valued at \$100' cost a total of \$9.

"The manager of a company dealing in office equipment said that 'each shipment, no matter how small,' required \$1.50 for export declaration alone, to say nothing of the cost involved in clerical work necessary to file this report.

"The manager of the largest company in photographic supplies discovered that the statistics compiled by this method showed that the importations of photographic equipment recorded in these statistics showed a total less than that imported by his firm alone, despite the fact that the latter did, at the very outside, not more than 75 percent of the business in this field."

Hon. E. L. Bartlett, Delegate from Alaska, too, has informed the committee as follows:

"It is now necessary in making shipments to Alaska other than by parcel post to file export declarations exactly as are required for shipment to foreign countries. The only useful purpose served by this requirement is that Government agencies can compile trade statistics. However, such statistics are relatively valueless because so much is shipped to Alaska both by individuals and merchants by parcel post. Therefore, the publication of figures obtained under the act of April 29, 1902, cannot possibly reflect the true state of trade and, in fact, may lead to entirely erroneous conclusions. Since Alaska is an integral part of the United States I do not think the red tape encountered in complying with the provisions of the 1902 act should be longer continued and I hope the committee will approve H. R. 3229."

CHANGES IN EXISTING LAW

In compliance with paragraph 2a of rule XIII of the Rules of the House of Representatives, the act proposed to be repealed by the bill, as introduced, is set forth below enclosed in black brackets:

ACT OF APRIL 29, 1902

"[AN ACT To facilitate the procurement of statistics of trade between the United States and its non-contiguous territory .

"[Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the provisions of sections four thousand one hundred and ninety-seven to four thousand two hundred, inclusive, of the Revised Statutes of the United States, requiring statements of quantity and value of goods carried by vessels clearing from the United States to foreign ports, shall be extended to and govern, under such regulations as the Secretary of Commerce shall prescribe, in the trade between the United States and Hawaii, Puerto Rico, Alaska, the Philippine Islands, Guam, and its other noncontiguous territory, and shall also govern in the trade conducted between said islands and territory, and in shipments from said islands or territory to other parts of the United States: *Provided*, That this law shall not apply in the Philippine Islands during such time as the collectors of customs of those islands are under the jurisdiction of the War Department.]"