

## REGISTRATION OF PERSONS DEALING IN OPIUM.

FEBRUARY 18, 1914.—Ordered to be printed.

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

### REPORT.

[To accompany H. R. 6282.]

The Committee on Finance, to whom was referred the bill (H. R. 6282) to provide for the registration of, with collectors of internal revenue, and to impose a special tax upon all persons who produce, import, manufacture, compound, deal in, dispense, sell, distribute, or give away opium or cocoa leaves, their salts, derivatives, or preparations, and for other purposes, which has passed the House of Representatives, recommend its passage by the Senate with an amendment, to wit:

At the end of line 26, page 4, after the word "country" and before the period, add the following language: ", regulating their entry in accordance with such regulations for importation thereof into such foreign country as are prescribed by said country, such regulations to be promulgated from time to time by the Secretary of State of the United States."

The reasons for this amendment are twofold: First, to bring it into accord with the provision in H. R. 1966; and, second, because the committee think that our regulations of exports ought to be controlled by the regulations of imports of the country to which we send the drugs in all cases where such countries have undertaken to regulate importations; they think the comity of nations recommends this course. As to countries which are so backward as to make no regulations, we could not export to them at all under the provisions of this bill, with or without the amendment.

The committee also suggests an amendment with the object of including within the scope of the operations of the bill hypodermic needles and syringes. Many victims of the drug habit can trace the beginning of their trouble to the abuse of the use of those instruments. This amendment will be found on page 1, line 7, after the word "thereof," insert the words "or hypodermic syringes or needles adapted to administer any of the above drugs."

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Also an amendment on line 15, page 2, after the word "section," and before the period insert a colon, to be followed by this language:

*Provided further,* That the officers of the United States Government or of the State governments who are lawfully engaged in making purchases of the above-named drugs or articles for the various departments of the Army and Navy and for Government or State hospitals shall not be required to pay the special tax as herein required.

Also an amendment on page 4, lines 9 and 10, after the word "shall" in line 9, to strike out the words "personally attend upon such patient" and insert in lieu thereof the following language:

have been specially employed to prescribe for the particular patient receiving such drug: *And provided further,* That such drug shall be dispensed in good faith and not for the purpose of avoiding the provisions of this act.

Also an amendment on page 7, line 5, after the word "Act" strike out down to and including the word "surgeons" on line 7, and insert in lieu thereof the words "for the use of whom such physician, dentist, or veterinary surgeon had been specially employed."

Also an amendment on page 9, line 8, to strike out the period after the word "act" and insert in lieu thereof a colon, to be followed by the following language:

*Provided,* That the amount of any drugs herein mentioned shall be shown upon the label of the container of such remedy or preparation.

The other amendments are of a verbal character or else are rendered necessary as a consequence of amendments already referred to in this report.

The committee suggests that on page 2, lines 6 and 18, after the word "drugs" the words "or articles" be inserted.

On page 3, lines 8, 14, and 21, after the word "drugs" the words "or articles" be inserted; and on line 18, same page, before the word "municipal" the word "and" be stricken out; and on line 19, same page, before the word "officials" the words "and insular" be inserted.

On page 4, line 8, after the comma following the word "Provided," to strike out the word "however" and the comma following.

On page 4, line 26, after the word "America" insert the words "or any Territory or the District of Columbia or any of the insular possessions of the United States of America."

On page 5, line 23, and on page 6, lines 1, 2, 21, and 25, after the word "drugs," insert the words "or articles," and in line 11, page 6, after the word "drugs," insert the words "and articles."

On page 6, in lines 22 and 23, and on page 7, line 16, after the word "Columbia," insert the following language: "or any insular possession of the United States of America"; in line 3, after the word "or," strike out the word "to" and insert in lieu thereof the words "in pursuance of"; and in line 12, same page, after the word "section," strike out the word "four" and insert the word "three" in lieu thereof.

On page 7, line 23, and on page 8, line 7, after the word "Columbia," insert the words "or any insular possession of the United States of America," and on page 7, line 19, and in line 10, page 8, after the word "drugs," insert the words "or articles."

And on page 9, line 22, after the word "drugs," insert the words "or articles."

Your committee adopts Report No. 23 of the House of Representatives, Sixty-third Congress, first session, as its report upon the bill.

That report reads as follows:

The Committee on Ways and Means, to whom was referred the bill (H. R. 6282) to provide for the registration of, with collectors of internal revenue, and to impose a special tax upon all persons who produce, import, manufacture, compound, deal in, dispense, sell, distribute, or give away opium or coca leaves, their salts, derivatives, or preparations, 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.

The part which the United States Government has played in the modern international movement for the control of the opium and allied traffics, the obligations by which it is bound as the result of the International Opium Commission, and the obligations by which it is bound by virtue of the international opium convention signed at The Hague January 23, 1912, should be sufficient evidence of the necessity for the passage of Federal legislation to control our foreign and interstate traffic in opium, coca leaves, their salts, derivatives, and preparations. Even though there were no real domestic need for such legislation, it would seem, to be logical and to justify its intervention for the settlement of the far eastern opium traffic, that this Government is bound to enact legislation to carry out its humanitarian, moral, and international obligations.

But there is a real and, one might say, even desperate need of Federal legislation to control our foreign and interstate traffic in habit-forming drugs, and to aid both directly and indirectly the States more effectually to enforce their police laws designed to restrict narcotics to legitimate medical channels.

There is probably no one who does not know that during the last 25 years opium, morphine, coca leaves, and cocaine, have been rashly imported, manufactured, and placed upon the general market in such forms as to be available to anyone who desires them or who desires to trade on the addiction of his fellow creatures to them. Quite apart from the general evidence in this regard, there is abundant definite and particular evidence to the same effect now before the Congress. This may be seen by reference to the Report on the Opium Problem in the United States and on the International Opium Commission transmitted by the President to the Congress on February 21, 1910, and ordered to be printed (S. Doc. No. 377, 61st Cong., 2d sess.).

That report analyzes in a very particular manner the immense increase in the importation of opium and coca leaves during the last 25 years, their manufacture into morphine and cocaine, and the spread and consumption of these drugs amongst all classes of the community.

The gist of that report is that Italy, with a population of about 33,000,000, imports and consumes only six thousand and odd pounds of medicinal opium per annum; that Spain, with a population of 19,000,000, imports and uses so little that it is not separately entered in customs or other returns; that Austria-Hungary, with a population of 46,000,000, imports and consumes between 3,000 and 4,000 pounds per annum; that Germany, with a population of about 60,000,000, imports about 17,000 pounds for home consumption; and that Holland, with a population of about 6,000,000, uses about 3,000 pounds per annum; that is, these five European countries, with a total population of about 164,000,000, import and consume less than 50,000 pounds of opium annually; while the United States, with a population of 90,000,000, imports and consumes over 400,000 pounds of opium per annum.

In these European countries there is but a small importation of coca leaves and manufacture of cocaine for home consumption.

It has been claimed that the importation of opium and morphine into the United States during the last 50 years has not been excessive, but has simply grown pari passu with the increase in population. But this is not so. Our total population in 1870 was about 38,000,000, and in 1909 about 90,000,000, showing an increase in population from 1870-1909 of 133 per cent. The importation of opium during the decade of 1860-1869 was 1,425,196 pounds, as against an importation of 6,435,623 pounds for the decade 1900-1909—an increase of 351 per cent. This has not taken into account opium smuggled during this period—a so common practice at one time. Thus, as against a 133 per cent increase in our total population in the five decades, there was an increase in the importation and consumption of opium of 351 per cent.

This enormous increase in the importation of and consumption of opium in the United States is startling and is directly due to the facility with which opium may

be imported, manufactured into its various derivatives and preparations, and placed within the reach of the individual. There has been in this country an almost shameless traffic in these drugs. Criminal classes have been created, and the use of the drugs, with much accompanying moral and economic degradation, is widespread among the upper classes of society. We are an opium-consuming nation to-day.

A wide canvass of the medical profession has determined that between 50,000 and 75,000 pounds of opium are sufficient to satisfy the medicinal needs of the American people, and that 15,000 ounces of cocaine only are necessary. We import, manufacture, and consume over 150,000 ounces of the latter.

The different States of the Union have, by pharmacy laws, made most strenuous efforts to prevent the indiscriminate sales of narcotics—most of the States requiring that these drugs be sold only upon the prescription of physicians. But these laws have been ineffective because of the failure of the Federal Government to control the importation and interstate traffic in the drugs. It is the unanimous view of State, Territorial, and municipal officials charged with police laws aimed at the traffic in narcotics that these laws will remain ineffective to a large extent until the Federal Government acts in support of them.

It may be said that no individual has ever represented to the Committee on Ways and Means that the present extensive traffic in narcotics should be allowed to continue. The opinion of in fact every one except illicit dealers is that the traffic ought to be greatly diminished, and that narcotics should be confined to legitimate medical channels. The only question at issue has been how best to do it. During the past five years the United States Opium Commission has made a thorough canvass of importers, manufacturers, physicians, and State officials, as well as of consumers, and as a result and in conjunction with a committee of representatives of the Department of State, the Treasury Department, and the Department of Justice, it has been decided by them that only by customs law and by the exertion of the Federal taxing power can the desired end be accomplished. In that opinion your committee concur.

Approaching the question from this point of view, a series of bills has been designed. One of these is already on the statute books—the opium-exclusion act, approved February 9, 1909—and it would now seem to need amendment, in order to secure more certain Federal control of the importation and interstate traffic in narcotics.

The bill H. R. 6282 provides for that situation.

The first section of the bill requires every person who produces, imports, manufactures, compounds, deals in, dispenses, sells, distributes, or gives away any opium or coca leaves or any of their derivatives to register their name, etc., with the collector of internal revenue of the district where they carry on their business; and also to pay a tax of \$1 per annum. It further provides that it shall be unlawful for any person to do business of this nature without having registered and paid the special tax.

Section 2 provides that it shall be unlawful for any person to sell, barter, exchange, or give away any of these drugs, except in pursuance of a written order of the purchaser or person to whom such article is given on a form to be issued in blank for that purpose by the Commissioner of Internal Revenue, and requires them to keep such order for a period of two years, so that it may be accessible for inspection by Federal and State officials. The purchaser who makes out this order blank must keep a duplicate. This method of duplicate order blanks, however, is expressly made not to apply to the dispensing of the drugs by a physician, dentist, or veterinary surgeon registered under this act in the course of his professional practice, provided they shall be in personal attendance upon their patient; nor to the dispensing of the drugs by a pharmacist to a consumer upon a written prescription of a physician; nor to the exportation of drugs. The duplicate order blanks are to be prepared and sold by the Internal Revenue Department for a nominal sum, and explicit provisions made as to how the blanks shall be filled out, etc.

Section 3 provides that any person registered under this act may be required by the collector of internal revenue for his district to disclose to him his records.

Section 4 makes it unlawful for any person who shall not have registered and paid the special tax to transport any of these drugs from State to State, and in this section common carriers are excepted, as well as the written prescriptions of physicians, etc.

Section 5 makes accessible to the Federal and State officials the duplicate-order forms in the files of individuals; also permits the collector of internal revenue to furnish certified copies of these returns to any State officials. It further provides that the collectors of internal revenue shall furnish upon written request to any person a certified copy of the names of any or all persons who may be listed in their respective collection districts as special-tax payers under the provisions of this act upon payment of a fee of \$1 for each 100 names or fraction thereof in the copy so requested.

Section 6 exempts from the provisions of this act preparations and remedies which contain so small a proportion of narcotics as to render it impossible that they should become habit-forming drugs.

Section 7 makes applicable laws relating to the collection of internal-revenue taxes, and especially section 3229 of the Revised Statutes permitting compromises and remission of fines by the Commissioner of Internal Revenue upon the advice of the Secretary of the Treasury and the Attorney General.

Section 8 makes it unlawful for any person not registered and who has not paid the tax to have any of these drugs in his possession and such possession the presumptive violation of the act. Exceptions are again made for drugs which have been prescribed by physicians, etc., or which are held by warehousemen or public officials or common carriers.

Section 9 is the penal section, the penalties being a \$2,000 fine or imprisonment for not more than five years, or both.

Section 10 authorizes the employment of the officials to put the act into effect.

Section 11 appropriates the sum of \$150,000 to carry the act into effect.

Section 12 makes clear that nothing in this act is to interfere with the pure-food law and with the opium-exclusion act.

