

by extension or other adjustment of the time for any payments of principal or interest or other indebtedness, or otherwise: *Provided*, That it shall be unlawful for any person to charge a fee for the purpose of preparing or assisting in the preparation of any papers of an applicant for the composition or adjustment of a loan under the provisions of this Act, and any person receiving or agreeing to receive a fee for any such purpose in violation of this proviso shall be guilty of a misdemeanor, and shall upon conviction thereof be punished by a fine not exceeding \$1,000 or by imprisonment not exceeding six months, or both.

Proviso.
Fees.

SEC. 2. That the Commission or its successor is further authorized to acquire title, either by voluntary conveyance as the result of a composition or an agreement with a debtor or in satisfaction of judgments or decrees¹ of foreclosure of mortgages or at sales under such judgments or decrees, to parcels of land or other property, real or personal, in the name of the United States or in its own name for and on behalf of the United States and also to take possession and occupy and hold and administer and to lease, sell, or otherwise dispose of as in the judgment of the Commission or its successor is consistent with the best interests of the United States any land or other property, real or personal, so acquired by it; and in the exercise of these powers may execute deeds or other necessary or appropriate instruments in the name of the United States or in its own name for and on behalf of the United States.

Acquisition and disposal of land when foreclosure necessary.

SEC. 3. The Commission or its successor is further authorized, in any case when in the judgment of the Commission or its successor it is consistent with the best interests of the United States, to subordinate the lien securing any loan heretofore made by the Commission to the lien securing any loan or loans hereafter made by the Federal Land Bank of Baltimore, or by the Land Bank Commissioner on behalf of the Federal Farm Mortgage Corporation.

Liens may be subordinated to those designated.

Approved, August 27, 1935.

[CHAPTER 778.]

JOINT RESOLUTION

Authorizing the Federal Trade Commission to make an investigation with respect to agricultural income and the financial and economic condition of agricultural producers generally.

August 27, 1935.
[S. J. Res. 9.]

[Pub. Res., No. 61.]

Whereas the decline in agricultural income and the unsatisfactory condition of agriculture and of those engaged therein is a matter of increasing concern to the Congress, and affects the general welfare of the Nation and its citizens; and

Agricultural income, etc., investigation.
Preamble.

Whereas in recent years the agricultural income has decreased while the earnings and profits of concerns processing or dealing in certain lines of farm products have increased or declined only moderately; and

Whereas there has developed an increasingly large proportionate spread between the prices received by the farmer for his products and the prices paid therefor by the consumer; and

Whereas, according to the latest statistics of income published by the Bureau of Internal Revenue, twenty-two large corporations reported making over 45 per centum of the gross sales of all corporations engaged in the processing and manufacture of food products in 1931, and one hundred and two large corporations reported making 60 per centum of the gross sales of such corporations; and

¹ So in original.

Whereas it is charged that monopolistic, oppressive, and unfair methods and practices of various middlemen, warehousemen, processors, manufacturers, packers, and handlers are in whole or in part responsible for the conditions above described, and that wasteful and uneconomic methods have contributed toward bringing about these conditions; and

Whereas it is charged that said various middlemen, warehousemen, processors, manufacturers, packers, handlers, and others have violated the various antitrust laws of the United States, that they have burdened, restricted and restrained interstate and foreign commerce and adversely affected the volume and price of farm products moving in intrastate and foreign commerce; and

Whereas it is charged that many lines of processing, warehousing, and/or dealing in farm products are so dominated by a handful of large concerns as to impede the free flow of interstate and foreign commerce to the detriment of both the farmer and the consumer; and

Whereas it is charged that through the payment of high and excessive salaries and other devices said middlemen, warehousemen, processors, manufacturers, packers, and others escape just taxation by the United States, that said salaries tend unduly to diminish the tax revenues of the United States and tend to burden and restrain interstate and foreign commerce in farm products, and to divert and conceal the earnings and profits of the concerns paying said salaries, and that by various devices those receiving said salaries escape their just share of Federal taxation; and

Whereas it is believed that the Congress should consider whether new legislation should be enacted or existing legislation amended on any of the subjects hereinbefore described and in aid thereof should be informed on all of said subjects: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Trade Commission is hereby authorized and directed to investigate and report, at the next session of Congress—

Federal Trade Commission to investigate and report upon designated subjects.

Post, pp. 1256, 1566.
Extent of recent agricultural income decline.

First. (1) The extent of the decline in agricultural income in recent years, including the amount and percentage of such decline;

(2) The extent of the increases or decreases in recent years in the income of the principal corporations engaged in the sale, manufacturing, warehousing and/or processing of the principal farm products, and of the other principal sellers, manufacturers, warehousemen, and/or processors of the principal farm products, as compared with the decline in agricultural income, including the amount and percentage of such changes; and

(3) The proportion of total consumer cost of representative products manufactured or processed from the principal farm products which is represented by the proceeds received by (a) the farmer, (b) the manufacturers, processors, and warehousemen, and (c) the distributors and such principal farm products and such representative products manufactured therefrom.

Financial position of principal marketing, etc., corporations.

Second. The financial position of the principal corporations engaged in the manufacturing, processing warehousing, distribution, and marketing of the representative major products manufactured from such principal farm products, including—

(1) The capitalization and assets of such corporations and the means and sources of the growth of such capitalization and assets;

(2) The investment, costs, profits, and rates of return of such corporations;

(3) The salaries of the officers of such companies; and

(4) The extent to which said corporations avoid income taxes, if at all, and the extent to which officers receiving such salaries paid income taxes thereon.

Third. The extent of concentration of control and of monopoly in the manufacturing, processing, warehousing, distribution, and marketing of representative major farm products which is maintained or has been obtained by any corporation or other organization, including—

Extent of control and monopoly in processing, etc., farm products.

(1) Methods and devices used by such corporations for obtaining and maintaining their control or monopoly of the manufacturing, marketing, processing, warehousing, and distribution of such commodities, and the proportion of any such major farm commodity handled by each of the large units involved; and

(2) The extent to which fraudulent, dishonest, unfair, and injurious methods are employed in the grading, warehousing, and transportation of such farm products, including combinations, monopolies, price fixing, and manipulation of prices on the commodity exchanges.

Fourth. The extent to which the cooperative agencies have entered into the processing, warehousing, and marketing of representative major farm products and the general effects of such cooperative agencies upon the producer and consumer.

Extent of cooperative agencies.

Fifth. The extent to which other countries have adopted or promoted processing, warehousing, and marketing agencies of a public, quasi-public, or cooperative sort for the simplification and cheapening of the processing, warehousing, and marketing of agricultural products, and other administrative agencies which may have been set up for the protection of the farmer-producer and the consumer.

Studies of foreign policies.

Sixth. Any conclusions and/or recommendations with regard to increasing the income of farm producers or other recommendations with regard to the improvement of the economic position of farmers or consumers growing out of the inquiry.

Recommendations.

SEC. 2. The Department of Agriculture, the National Recovery Administration, the Department of Justice, and other agencies of the Government are directed to cooperate with the Commission in such inquiry to the fullest extent possible.

Agencies to cooperate.

SEC. 3. For the purposes of this resolution the Federal Trade Commission shall have the same right to obtain data and to inspect income-tax returns as the Committee on Ways and Means of the House of Representatives or the Committee on Finance of the Senate, and to submit any relevant or useful information thus obtained to the Congress or to either House thereof.

Power to obtain data, etc.

SEC. 4. For the purpose of carrying out this resolution the Federal Trade Commission, the Attorney General, and the courts of the United States shall have and may exercise all of the powers and jurisdiction severally conferred upon them by the Act entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 28, 1914.

Jurisdiction extended.
Vol. 38, p. 717.
U. S. C., p. 514.

SEC. 5. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$150,000 which shall be available for expenditure, as the Federal Trade Commission may direct, for expenses and all necessary disbursements, including salaries, in carrying out this resolution and prosecuting litigation necessary in aid of the powers conferred hereunder.

Sum authorized for salaries and expenses.
Post, p. 1257.

SEC. 6. The Federal Trade Commission is directed to present an interim report to the Congress on January 1, 1936, describing the progress made and the status of its work hereunder, and a final report with recommendations for legislation not later than July 1, 1936.

Preliminary and final reports.

Approved, August 27, 1935.