

Seventy-Third Congress

Mar.9, 1933 – June 18, 1934

First Administration of Franklin D. Roosevelt

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Historical Background

By Roosevelt’s inauguration day on March 4, 1933, it was estimated that almost one-fourth of the Nation’s labor force was out of work, and economic conditions had reached gravely critical proportions. Runs on banks increased alarmingly and hoarding of currency became a widespread practice. From 1930 through February 1933, a total of 5,504 banks had been shut down and by inauguration day it was estimated that almost every bank in the country was either closed or otherwise under the control of State authorities.

Upon taking office, President Roosevelt at once called a special session of Congress to which he proposed a raft of new legislation designed to intervene in the deepening economic crisis. A major feature of the initial phase of Roosevelt’s “New Deal” legislative program was the Emergency Banking Relief Act, which was introduced, passed, and approved during Franklin D. Roosevelt’s first week in the White House. During his first hundred days in office, with the cooperation of Congress, Roosevelt was able to gain approval for several major legislative initiatives aimed at reversing the country’s economic woes.

Included were laws relating to the budget, taxation, unemployment relief, Federal grants to the States, agriculture subsidies, Federal supervision of investment securities, public ownership of public utilities, refinancing of home mortgages, Federal bank deposit insurance, financial reorganization of the railroads, industrial self-regulation, widespread public works, and an industrial recovery program. Simultaneously, in his “fireside chats” over the radio, Roosevelt, speaking in a warm, intimate manner, worked to bolster the confidence and morale of the American people.

Roosevelt’s activist economic program continued into 1934, with Congress enacting eleven additional measures aimed at spurring economic recovery. Congress initially granted the President great latitude, generally approving



President Franklin D. Roosevelt

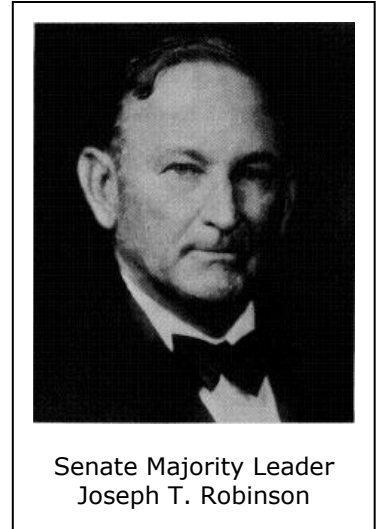
House	Senate
Majority Party: Democrat (313 seats)	Majority Party: Democrat (59 seats)
Minority Party: Republican (117 seats)	Minority Party: Republican (36 seats)
Other Parties: Farmer-Labor (5 seats)	Other Parties: Farmer-Labor (1 seat)
Speaker of the House: Henry T. Rainey	Majority Leader: Joseph T. Robinson

any legislation he requested, but he was handed his first defeat in March 1934 when the Congress overrode his veto of a bill to raise Government salaries and increase veterans' benefits. In June, congress created the Federal Communications Commission and the Securities and Exchange Commission to further Federal regulation in those two important areas.

Other notable acts passed in 1934 prepared the way for independence of Philippines, laid the foundation for a new policy towards Indians, made the National Guard a reserve component of the army, and empowered the Federal Government to control crime more strictly.

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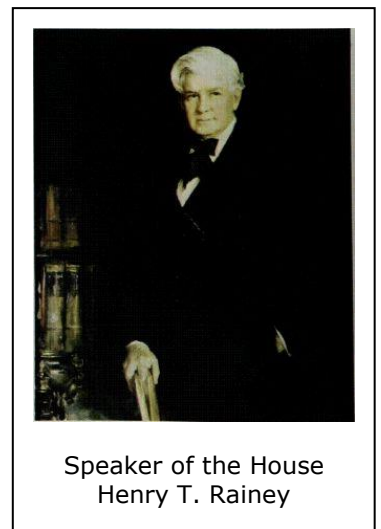
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War or Peace?

European Unrest and the Demise of the Weimar Republic

Overwhelmed by the domestic economic concerns, the U.S. was at peace throughout 1933 and 1934. Abroad, however, as civil unrest spread throughout central Europe, developments in Germany began to cast a dark shadow over the uneasy peace that had been cobbled together out of the ruins wrought by the First World War. In his 1934 State of the Union address, Roosevelt expressed concern over the continued buildup of armaments and the protectionist trade barriers being erected in Europe. He stated that while the U.S. could not “take part in political arrangements” it would “cooperate at any time in practical measures on a world basis looking to immediate reduction of armaments.”



On January 30, 1933, German President Paul von Hindenburg appointed Adolf Hitler Reich Chancellor of Germany. This decision came after Hitler's National Socialist German Workers' Party (Nazi Party) garnered 37% of the seats in the Reichstag (legislature) elections of July 1932 and 33% in the Reichstag election that November, making them the largest bloc in the parliamentary body in both elections. However, in the case of both elections, the next highest vote getter was the Communist Party, whose tally, combined with that of the Nazis, controlled a majority of seats. However, the deep ideological antipathy between these two parties made forming a coalition government impossible. As Hindenburg reasoned, since the various opposition parties seemed more concerned with defeating one another than with forming a collective opposition to the Nazis, giving Hitler the Chancellorship while giving the Nazi Party only a small minority of cabinet seats, Hitler's power and ambition could be kept in check. Hindenburg was wrong.

Immediately upon his confirmation as Chancellor, Hitler requested that Hindenburg call for new Reichstag elections, which were scheduled for March 5. Then, on the evening of February 27, a fire broke out in the

Reichstag building, destroying the structure. Though the identity of the person or persons responsible for setting the fire remains a matter of some controversy, the event was unquestionably a great boon for Hitler and the Nazi Party. On February 28, President Hindenburg issued the Reichstag Fire Decree at the request of Adolf Hitler. The decree declared a state of emergency in Germany and suspended many civil liberties, including freedom of expression and the press, freedom of assembly, and *habeas corpus*. Then, on March 23, the Reichstag, whose non-Nazi party members were physically intimidated by the Nazi Party's SA militia, passed an amendment to the Weimar Constitution known as the Enabling Act, which gave the cabinet, and therefore the Chancellor, the authority to enact laws by decree, circumventing the Reichstag altogether. In the ensuing months Hitler used his new, broad authority to outlaw most other political parties in Germany.

In October of 1933 Germany announced its withdrawal from the League of Nations and the World Disarmament Conference, after the U.S., the U.K. and France denied its request to increase its defense armaments from those levels stated under the Versailles Treaty.

In late-June/early-July 1934, Hitler consolidated his power within the Nazi Party by ordering the leadership of the SA—the last power base in the party aside from Hitler himself—arrested and summarily executed. On August 2, German President Paul von Hindenburg died, and with him perhaps the last independent locus of power in Germany aside from Hitler. Wasting no time, Hitler then merged the offices of President and Chancellor together, assuming the titles of Führer and Reich Chancellor, giving him virtually unchecked power and hammering the final nail in the coffin of the Weimar Republic.

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Economic Trends and Conditions

The New Deal and Roosevelt's First 100 Days

In a sharp contrast to Hoover's rhetoric, designed to make the economic situation appear less severe, the President Franklin D. Roosevelt, in his Inaugural Address, conceded that "this is preeminently the time to speak the truth, the whole truth, frankly and boldly." Continuing with perhaps his most famous dictum, "the only thing we have to fear is fear itself," Roosevelt laid out his plans for the "New Deal" to get the nation on sound economic ground. Roosevelt first used the phrase "New Deal" to describe his program for ending the depression during the election campaign. However, the President

did not immediately have a concrete set of policy initiatives for addressing the economy. As he assumed office, however, his administration devised a series of policy proposals, many of which had been proposed in the early decades of the 20th century, following a sort of maximalist strategy in which many initiatives would be tried until something proved successful.

The fledgling Roosevelt Administration was especially productive during his first “Hundred Days” in office. Roosevelt came to office with great public support and tremendous political capital, affording him an almost unparalleled level of productivity in the first months of his administration. Between March 9 and June 16, 1933, Roosevelt managed to see 15 major policy initiatives through Congress.

The New Deal initiatives enacted during Roosevelt’s first 100 days in office included an ambitious program for stabilizing the Federal government’s fiscal policy in the Economy Act of 1933, enacted March 20, 1933. The Economy Act aimed to balance the Federal budget by reducing the salaries of Federal employees by as much as 15%, reducing veterans’ benefits by \$400 annually, and reorganizing the Federal bureaucracy to increase efficiency.

Roosevelt also proposed several initiatives aimed at reforming the banking system in an effort to shore up struggling banks while also regulating them more stringently. On March 6, two days into his administration, Roosevelt declared a four-day national bank holiday to stem the bank runs that were putting intolerable stress on the banking system until Congress could act. Then, on March 9, Congress enacted the Emergency Banking Relief Act, which accorded the President broad authority to regulate transactions in credit, currency, precious metals, and foreign exchange, and required the licensing of Federal Reserve Banks by the Treasury Department. The measure succeeded in restoring confidence among the populace, and when the banks reopened on March 13, depositors stood in line to deposit cash they had withdrawn prior to Roosevelt’s emergency measures. On June 16, Congress enacted the Banking Act of 1933, also known as the Glass-Steagall Act. The Act created the Federal Deposit Insurance Corporation (FDIC), which guaranteed individual bank deposits up to \$5,000, required the separation of savings deposit banks from their investment affiliates, and empowered the Federal Reserve Board to prevent excessive market speculation on credit.

Roosevelt’s reform of the U.S. monetary system began with the passage of the Gold Standard Repeal Act of 1933 on May 12. The Act took the United States off the gold standard, which meant that the treasury would no longer redeem currency for gold on demand and rendered all debts payable by legal tender only.

Perhaps the best known facet of Roosevelt’s New Deal was the series of relief and public works measures enacted early in his first term. These include the establishment of the Civilian Conservation Corps (CCC), to employ 250,000 jobless men aged 18-25 in projects to preserve the nation’s natural resources, the Unemployment Public Work Relief Act, which provided further unemployment relief with public works projects in the nation’s forest reserves, the Agricultural Adjustment Act, which created the Agricultural Adjustment Administration (AAA) tasked with mitigating low agricultural

commodity prices through a system subsidizing farms to reduce production, the Federal Emergency Relief Act of 1933, creating the Federal Emergency Relief Administration (FERA) and authorizing \$500,000 in appropriations for direct relief to the states, the Tennessee Valley Authority Act of 1933, which established the eponymous agency (TVA) as an independent public corporation to develop and construct dams, flood control measures and rural electrification schemes, and the National Employment System Act, which authorized a national system of employment offices to be operated in conjunction with the States and requiring matching State appropriations for employment services.

The President also advocated for several initiatives aimed at reforming various sectors of the economy. These include the Federal Securities Act, enacted May 27, which required most new securities to be registered with the Federal Trade Commission, the Home Owner's Loan Act of 1933, enacted June 13, which created the Home Owner's Loan Corporation (HOLC) with a capital stock of \$200 million and an authorized issue of \$2 billion in bonds to refinance non-farm home mortgage debts, the National Industrial Recovery Act, enacted June 16, which created the National Industrial Recovery Administration (NIRA) to formalize fair trade codes used by many industrial and trade associations, the Emergency Railroad Transportation Act, 1933, enacted June 16, which placed railroad holding companies under the jurisdiction of the Interstate Commerce Commission, and the Federal Credit Act of 1933, also enacted June 16, which consolidated the Federal functions concerning agricultural credit under the Farm Credit Administration.

And in one of his administration's most broadly popular moves, President Roosevelt advocated for the passage of the Beer-Wine Revenue Act, which was enacted March 22, and legalized the production and sale of wine, beer, lager, ale, and porter up to a prescribed alcohol content. This act was something of a stopgap measure until the Twenty-First Amendment to the Constitution, repealing prohibition, could be ratified.

Dust Bowl

Beginning in late-1933 and early-1934, drought conditions in the western Great Plains resulted in a series of strong dust storms when the unusually desiccated land was turned to dust which then easily blew off causing catastrophic erosion and loss of topsoil. The drought conditions would continue throughout the rest of the decade, and this, coupled with decades of destructive farming practices, caused unprecedented, choking dust storms and the ruination of huge tracts of farm land in the high plains west of the 100th meridian. The destruction of farm land and the ruination of numerous family farms would exacerbate the already grievously struggling economy throughout the 1930s.

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Home Building and Loan Assn. v. Blaisdell, holding that a Minnesota law that allowed for the temporary extension of mortgage terms to prevent foreclosures during the economic crisis did not violate the Contracts Clause of the Constitution, 290 U.S. 398 (1934)

Borroughs v. United States, upheld the constitutionality of the Federal Corrupt Practices Act, 290 U.S. 534 (1934)

Nebbia v. New York, holding that in absence of other constitutional prohibitions, the due process clause does not prohibit a state from enacting economic policies to further the public good, so long as the policy is not unreasonable or arbitrary, 291 U.S. 502 (1934)

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1933 Events

- **Jan. 23:** [Twentieth Amendment to the United States Constitution is ratified, changing Inauguration Day from Mar. 4 to Jan. 20](#)
- **Jan. 30:** *Nazi Germany* - [Adolf Hitler is appointed Chancellor of Germany](#)
- **Feb. 27:** *Nazi Germany* - [Germany's parliament building in Berlin is set on fire in the Reichstag fire](#)
- **Feb. 28:** *Nazi Germany* - [Decree of the Reich President for the Protection of People and State \(Reichstag Fire Decree\) passed in Germany nullifying many German civil liberties](#)
- **Mar. 4:** [President Franklin D. Roosevelt proclaims "The only thing we have to fear, is fear itself" in his inauguration speech](#)

- **Mar. 6-9:** [President Franklin D. Roosevelt orders a national “bank holiday,” closing down banks nationwide until Congress could address the issue of depositors withdrawing and hoarding cash](#)
- **Mar. 9:** ‘The First 100 Days’ begins in which the U.S. Congress works with President Roosevelt enact New Deal legislation
- **Mar. 22:** *Nazi Germany* - [The first Nazi concentration camp, Dachau, opens](#)
- **Mar. 23:** *Nazi Germany* - [Enabling Act passes the Reichstag in Germany](#)
- **Mar. 27:** [Japan leaves the League of Nations](#)
- **Mar. 31:** [The Civilian Conservation Corps is established](#)
- **Apr. 20:** [The U.S. officially abandons the gold standard](#)
- **Apr. 26:** *Nazi Germany* - The Gestapo is established in Nazi Germany
- **May 8:** Mohandas Gandhi begins a 3-week hunger strike in response to the mistreatment of the lower castes
- **May 18:** [The Tennessee Valley Authority is chartered](#)
- **July 15:** *Nazi Germany* - [Four-Power Pact signed by Britain, France, Germany and Italy](#)
- **Oct. 14:** *Nazi Germany* - [Germany announces its withdrawal from the League of Nations and the World Disarmament Conference, after the U.S., the U.K. and France deny its request to increase its defense armaments under the Versailles Treaty](#)
- **Dec. 15:** [The 21st Amendment officially goes into effect ending Prohibition](#)

1934 Events

- **Jan. 10:** *Nazi Germany* - Marinus van der Lubbe is executed in Germany for setting the Reichstag fire
- **Jan. 26:** *Nazi Germany* - [German-Polish Non-Aggression Pact signed by Nazi Germany and the Second Polish Republic; Greece, Romania, Turkey and Yugoslavia form the Balkan Pact](#)
- **Mar. 24:** [The Philippine Commonwealth is established](#)
- **May 11:** *Dust Bowl* - [A strong 2-day dust storm removes massive amounts of Great Plains topsoil in one of the region's worst dust storms](#)
- **May 23:** Bank robbers Bonnie Parker and Clyde Barrow are ambushed and killed by a team of police officers near Gibsland, Louisiana
- **June 30–July 2:** *Nazi Germany* - [Night of the Long Knives takes place in Germany, in which leading members of the Nazi left-wing Strasserist faction are purged in a series of political murders](#)
- **July 1:** [The Hays Office Motion Picture Production Code, setting restrictions on the treatment of morally sensitive subjects, goes into full effect in the U.S.](#)
- **July 22:** Outside Chicago's Biograph Theatre, "Public Enemy No. 1" John Dillinger is mortally wounded by FBI agents
- **Aug. 11:** [Alcatraz Island becomes a federal prison](#)
- **Aug. 2:** *Nazi Germany* - [Adolf Hitler named Führer of Germany, becoming head of state as well as Chancellor](#)

- **Oct. 16:** The Long March the Red Army of the Communist Party of China begins
- **Dec. 29:** [Japan renounces the Washington Naval Treaty of 1922 and the London Naval Treaty of 1930](#)

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[War Department regulations, relief of unemployment, Civilian Conservation Corps.](#) Department of War. Sept. 1, 1933. ProQuest Congressional, W1.12..C49_2

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Major Acts

Emergency Banking Relief Act. Confirmed all the emergency actions taken by the President and the Secretary of the Treasury concerning national

banks and Federal Reserve banks since the beginning of the Roosevelt administration, March 4, 1933. According broad discretionary powers to the President over transactions in credit, currency, gold, and silver, including foreign exchange. Required the licensing of Federal Reserve banks by the Treasury Department and denied the right of operation to unlicensed Federal Reserve banks. Made it illegal to own or export gold, and authorized the Secretary of the Treasury to call in all gold and gold certificates in the country. Enlarged operations of the Federal Reserve banks, and empowered the RFC to subscribe to the preferred stock of national banks and trust companies. Approved Mar. 9, 1933 ([48 Stat. 1, Chap. 1; PL73-1](#))

Economy Act of 1933. Designed to balance the budget through reductions of up to 15 percent of the salaries of Federal employees, to save \$100 million a year, reduce veterans' benefits by \$400 a year and reorganize Government agencies with a view toward economy. Approved Mar. 20, 1933. ([48 Stat. 8, Chap. 3; PL73-2](#)) Certain provisions of the Act were subsequently held unconstitutional in *Lynch v. United States*, 292 U.S. 571 (1934)

Beer-Wine Revenue Act. Legalized wine, beer, lager beer, ale, and porter of 3.2 percent maximum alcoholic content by weight, or 4 percent by volume, and levied a tax of \$5.00 per barrel of 31 gallons. The Act left to the States all regulatory and control measures, especially those related to sale and distribution, and incorporated safeguards for States whose prohibition laws stipulated a lesser alcoholic content. Approved Mar. 22, 1933. ([48 Stat. 16; PL73-3](#))

Civilian Conservation Corps. Authorized employment of 250,000 jobless male citizens between the ages of 18 and 25 in various projects aimed at conserving or improving the country's natural resources, such as reforestation, road construction, soil erosion, and park and recreational area improvement. Approved Mar. 31, 1933. ([48 Stat. 20; PL73-4](#))

Unemployment Public Work Relief Act. Provided relief for unemployment by creating jobs aimed at maintaining and improving forest lands and natural resources. Approved Mar. 31, 1933. ([48 Stat. 22, Chap. 17; PL73-5](#))

Agricultural Adjustment Act. Created the Agricultural Adjustment Administration (AAA) to deal with problems of low farm prices by controlling surplus crops. This goal was accomplished by paying farmers for reduced farm production, the funds for the subsidy to be derived from levies on the processors of specified farm products. Also provided for refinancing of farm mortgages through the agency of the Federal Land Banks. Approved May 12, 1933. ([48 Stat. 31, Chap. 25; PL73-10](#)) Certain provisions of this Act were subsequently held unconstitutional in *United States v. Butler*, 29 U.S. 1 (1936)

Gold Standard Repeal Act of 1933. Took the United States off the gold standard by cancelling the gold clause in all Federal and private obligations and made contracts and debts payable in legal tender. Approved June 5, 1933. ([48 Stat. 112, Chap. 48; PR73-10](#)) Certain provisions in this law were subsequently held unconstitutional in *Perry v. United States*, 294 U.S. 330 (1935).

Federal Emergency Relief Act of 1933. Created the Federal Emergency Relief Administration (FERA). Authorized an appropriation of \$500 million, allotting half this amount as direct relief to the States and the balance for distribution on the basis of \$1 of Federal aid for every \$3 of State and local funds spend to relieve the poor and hungry. Approved May 12, 1933. ([48 Stat. 55, Chap. 30; PL73-15](#))

Tennessee Valley Authority Act of 1933. Established the Tennessee Valley Authority (TVA), an independent public corporation with a board of 3 directors to construct dams and power plants, develop rural electrification plans for flood and erosion control, build recreation areas, and help with reforestation on the Tennessee River. TVA was empowered with the right to produce, distribute, and sell electric power and nitrogen fertilizers to the industry and people of the region, and to sell explosives to the Federal Government. Approved May 18, 1933. ([48 Stat. 58, Chap. 32; PL73-17](#))

Federal Securities Act. Required that with certain exceptions (Federal, State, and municipal bonds; railroad securities; securities of religious, charitable, and educational bodies) all new issues were to be registered with the Federal Trade Commission by filing of sworn statements placed on file (in 1934 this function was transferred to the Securities and Exchange Commission). Approved May 27, 1933 ([48 Stat. 74, Chap. 38; PL73-22](#))

National Employment System Act. Authorized a national system of employment offices, to be bases on cooperation with States maintain such agencies. Required matching of State appropriations for employment services. Approved June 1933. ([48 Stat. 113, Chap. 49; PL73-30](#))

Home Owners' Loan Act of 1933. Created the Home Owners' Loan Corporation (HOLC) with a capital stock of \$200 million and an authorized issue of \$2 billion in bonds, to refinance home mortgage debts for non-farm homeowners. Refinancing was to be accomplished by exchange of HOLC bonds for mortgages and all other obligations (up to a total of \$14,000) which were then converted into a single first mortgage. The HOLC was also empowered to furnish cash advances for taxes, repair, and maintenance up to 50 percent of appraised values on encumbered properties. Approved June 13, 1933. ([48 Stat. 128, Chap. 64; PL73-43](#))

National Guard Act. Made the National Guard a part of the Army of the United States in time of war or during a national emergency declared by Congress. Approved June 15, 1933. ([48 Stat. 153; PL73-64](#))

Banking Act of 1933 (Glass-Steagall Act, 1933). Created the Federal Deposit Insurance Corporation for guaranteeing individual bank deposits up to \$5,000. Extended the open-market activities of the Federal Reserve Board to enable it to prevent excessive speculation on credit; permitted branch banking; divorced deposit from investment affiliates; and widened the membership of the Federal Reserve System to include savings and industrial banks. Approved June 16, 1933. ([48 Stat. 162, Chap. 89; PL73-66](#))

National Industrial Recovery Act. Created the National Industrial Recovery Administration (NIRA) and formalized the fair trade codes used by many industrial and trade associations since World War I. Empowered the

President to prescribe codes for industries and to make agreements or approve voluntary agreements. Actions under codes and agreements were exempt from the operation of the antitrust laws, and the courts could issue injunctions against violators. Guaranteed the right of working men “to organize and bargain collectively through representatives of their own choosing.” Also set up the Public Works Administration (PWA) with the purpose of stimulating the economy through the construction of huge public works projects requiring large numbers of workers. Approved June 16, 1933. ([48 Stat. 195, Chap. 90; PL73-67](#)) Certain provisions of this Act were subsequently held unconstitutional in *Schechter Corp. United States*, 295 U.S. 495, (1935).

Emergency Railroad Transportation Act, 1933. Repealed the “recapture” clause of the Transportation Act of 1920, placing railroad holding companies under the supervision of the Interstate Commerce Commission, provided for a simpler rule of rate making, and created the office of Federal coordinator of Transportation. Approved June 16, 1933. ([48 Stat. 211, Chap. 91; PL73-68](#))

Federal Credit Act of 1933. Consolidated the functions of all Federal units dealing with agricultural credit under the Farm Credit Administration. Approved June 16, 1933. ([48 Stat. 257, Chap. 98; PL73-75](#))

Gold Reserve Act of 1934. Authorized the President to set limits for devaluation of the dollar from 50 to 60 cents in relation to its gold content; to change the value within these limits from time to time, as deemed necessary by him; to impound in the Treasury the gold stocks held by the Federal Reserve banks; to assure to the Government any profit that might accrue to the Treasury from an increase in the value of gold; and to use part of this profit to set up a fund (the Exchange Stabilization Fund) of \$2 billion with which to stabilize the dollar. Approved Jan. 30, 1934. ([48 Stat. 337, Chap. 6; PL73-87](#))

Federal Farm Mortgage Corporation Act. Established the Federal Farm Mortgage Corporation to further alleviate the credit problems of farms by providing refinancing of farm debts at favorable terms. Approved Jan. 31, 1934. ([48 Stat. 344, Chap. 7; PL73-88](#))

Civil Works Emergency Relief Act. Provided an additional appropriation to assist in implementation of the Federal Emergency Relief Act of May 12, 1933 under the Civil Works Administration. Approved Feb. 15, 1934. ([48 Stat. 351, Chap. 13; PL73-93](#))

Crop Loan Act. Authorized the Federal Credit Administration to extend loans to agricultural producers in 1934 for crop production and harvesting. A fund of \$40 million was set up for this purpose. Approved Feb. 23, 1934. ([48 Stat. 354, Chap. 23; PL73-97](#))

Tydings-McDuffie Philippines Independence Act. Provided for the complete independence of the Philippine Islands within ten years, contingent upon the adoption of a Philippine constitution, and establishment of a form of government for the Philippine Islands. Approved Mar. 24, 1934. ([48 Stat. 456, Chap. 84; PL73-127](#))

Vinson Naval Parity Act. Provided for the construction of a full treaty-strength U.S. Navy within the limits of the Five-Power Naval Limitation Treaty of 1922 and the London Naval Limitation Treaty of 1930. Approved Mar. 27, 1934. ([48 Stat. 503; PL73-135](#))

Independent Offices Appropriation Act, 1935. Restored the cuts made under the Economy Act of 1933; increased salaries of Government workers by \$125 million. The bill was vetoed by the President but Congress overrode the veto. Approved Mar. 28, 1934. ([48 Stat. 509; PL73-141](#))

Jones-Connally Farm Relief Act. Extended the list of enumerated basic agricultural commodities subject to the Agricultural Adjustment Act, adding barley, flax, peanuts, grain sorghums, rye, and beef and dairy cattle. Approved Apr. 7, 1934. ([48 Stat. 528, Chap. 103; PL73-142](#))

Bankhead Cotton Control Act. Provided for compulsory reduction of surplus cotton crops through the licensing of individual producers who in turn received benefit payments. A tax of not less than 5 cents a pound was authorized for production in excess of stipulated quotas. Approved Apr. 21, 1934. ([48 Stat. 598, Chap. 157; PL73-169](#))

Home Owners' Loan Act of 1934. Guaranteed the principle and interest of the \$2 billion in bonds authorized for the refinancing of home mortgages. From the funds made available as a result of the guarantee, the Home Owners' Loan Corporation (HOLC) was enabled to extend further assistance for the repair and maintenance and to provide funds to savings and loan associations operating under Federal sponsorship. Approved Apr. 27, 1934. ([48 Stat. 643, Chap. 168; PL73-178](#)) Certain provisions of this Act were subsequently held unconstitutional in *Hopkins Savings Association v. Cleary*, 296 U.S. 315 (1935)

Punishment for Killing or Assaulting Federal Officers. Empowered the Federal Government, through a series of six new laws, to punish persons assaulting, resisting, killing or interfering with Federal agents performing their law-enforcement duties and authorizing the death penalty for kidnappers taking their victims across State lines. Approved May 18, 1934. ([48 Stat. 780, Chap. 299; PL73-230](#))

Municipal Bankruptcy Act. Established a uniform system of bankruptcy throughout the United States. Permitted cities and other local government units to petition the Federal courts for the ensuing 2 years to approve plans for readjusting their debt burden, providing that holders of 51 percent of outstanding obligations give their consent. Approved May 24, 1934. ([48 Stat. 798, Chap. 345; PL73-251](#)) Certain provisions of this Act were subsequently held unconstitutional in *Ashton v. Cameron County Dist.*, 298 U.S. (1936)

Securities Exchange Act of 1934. Provided for Federal regulation of the operation of exchanges dealing in securities and in the correction of unfair practices in the securities markets. Established the Securities and Exchanges Commission, and authorized that unit to license stock exchanges. Also made trading in securities subject to regulation of the SEC and prohibited price manipulation. Empowered the Federal Reserve Board to regulate the use of credit in financing trading in securities by prescribing regulations governing

margin requirements- a move designed to curb speculation. Approved June 6, 1934. ([48 Stat. 881, Chap. 404; PL73-291](#))

Corporate Bankruptcy Act. Permitted the reorganization of corporation, providing that at least two-thirds of their creditors consented, and that a petition for reorganization might be filed in court by a creditor or stockholder if approved by at least one fourth of other stockholders (10 percent where the corporation was not insolvent, but unable to meet maturing obligations). An amendment to the Bankruptcy Act. Approved June 7, 1934. ([48 Stat. 911, Chap. 424; PL73-296](#))

Farm Mortgage Foreclosure Act. Authorized the Lank Bank Commissioner (formerly the Farm Loan Commissioner) to extend loans to enable the recovery of farm properties owned by them prior to foreclosure. Approved June 11, 1934. ([48 Stat. 929, Chap. 446; PL73-305](#))

Reciprocal Trade Agreements Act. Authorized the President to enter into agreements with other nations for the reduction of specific duties by as much as 50 percent if they agree to a similar reduction in tariffs against the United States. Congressional approval was not to be required and the action would be based on the unconditional most-favored-nation principle. Approved June 12, 1934. ([48 Stat. 943, Chap. 474; PL73-316](#))

Indian Reorganization Act. Laid the foundation for a new policy towards Indians, much of which is still in effect. Rendered the Dawes Act obsolete by prohibiting further allotment of Indian lands to individuals, while providing the means for consolidating reservation life and developing tribal government. Also terminated trust periods of restricting alienability of Indian lands; appropriated \$2 million for the purchase of lands for tribes; directed the Secretary of Interior to issue conservation regulations to prevent erosion, deforestation, and overgrazing on Indian lands; authorized establishment of a revolving credit fund; authorized annual appropriations not to exceed \$25, 000 for education loans; and provided that qualified Indians receive employment preference in the Bureau of Indian Affairs. Approved June 18, 1934. ([48 Stat. 984, Chap. 576; PL73-383](#))

Communications Act of 1934. Established the Federal Communications Commission (FCC) to regulate telegraph, cable and radio communications, previously the responsibility of the Interstate Commerce Commission. Approved June 19, 1934. ([48 Stat. 1064, Chap. 652; PL73-416](#))

Silver Purchase Act of 1934. Empowered the President to increase the monetary value of the Treasury's silver holdings until they reached one-third of the value of its gold stocks; to nationalize silver stocks and purchases of domestic and foreign silver; and to impose a 50 percent profits tax on certain transfers of silver in order to preclude a windfall for silver speculators. Approved June 19, 1934. ([48 Stat. 1178, Chap. 674; PL73-438](#))

Crosser-Dill Railway Labor Act. Established a National Railroad Adjustment Board, and upheld the right to employees to organize and bargain collectively through representatives of their own choosing. Approved June 21, 1934. ([48 Stat. 1185, Chap. 691; PL73-442](#))

National Firearms Act. Imposed a statutory excise tax of \$200 (which remains to this day) on the purchase of certain types firearms and requires a separate tax to be paid by manufacturers or retailers of those firearms. The Act also mandated the registration of these firearms, which were identified as those most used during the gangland violence of the Prohibition era. Approved June 21, 1934. ([48 Stat. 1236; PL73-474](#))

National Housing Act. Created the Federal Housing Administration (FHA) for the purpose of insuring loans made by banks, trust companies, building and loan associations, and other private lending institutions for new construction, repairs, alterations, and improvements. Also increased the borrowing power of the Home Owners' Loan Corporation to \$3 billion. Approved June 27, 1934. ([48 Stat. 1246, Chap. 847; PL73-479](#))

Tobacco Control Act. Authorized a compulsory production quota system for tobacco planters who did not agree to crop reduction. Continued in a modified form in the Agricultural Adjustment Act of 1938. Approved June 28, 1934. ([48 Stat. 1275, Chap. 866; PL73-483](#))

Frazier-Lemke Farm Bankruptcy Act. Provided the means whereby farmers could repurchase their properties at a newly appraised value with small annual payments, at an interest rate of 1 percent, distributed over a 6-year period. In the event creditors opposed such a settlement, farmers would be allowed to retain possession on fair and reasonable terms for 5 years, during which time bankruptcy proceedings were suspended. Approved June 28, 1934. ([48 Stat. 1289, Chap. 869; PL73-486](#)) Certain provisions of this Act were subsequently held unconstitutional in *Louisville Bank v. Radford*, 295 U.S. 555 (1935)

Source:

Dell, Christopher and Stephen W. Stathis. [Major Acts of Congress and Treaties Approved by the Senate, 1789-1980](#). Government Division (CRS), Sept. 1, 1982. 97th Congress, 2nd Session, 82-156 GOV. ProQuest Congressional, CRS-1982-GOV-0005

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