

INFORMATION RELATIVE TO PROHIBITION ENFORCEMENT

JANUARY 7, 1927.—Ordered to be printed

Mr. GRAHAM, from the Committee on the Judiciary, submitted the following

ADVERSE REPORT

[To accompany H. Res. 352]

The Committee on the Judiciary, to whom was referred House Resolution 352, requesting certain information from the Secretary of the Treasury, after consideration, reports the same adversely and unanimously recommends that the resolution be not passed.

There is attached hereto and made a part of this report a communication from the Secretary of the Treasury which is self-explanatory.

WASHINGTON, January 6, 1927.

DEAR MR. CHAIRMAN: I have your letter of January 4, inclosing a copy of H. R. 352, presented by Mr. LaGuardia, and which asks me certain questions in regard to prohibition enforcement. In general, the first five questions can be answered in the affirmative and the tenth question in the negative. To go into the details of the other questions would involve laying open to the violators of the prohibition act details as to the means used by the Treasury in obtaining evidence of law violations, a showing which I do not believe would be compatible with the public interest. All of the accounts of the Treasury, including the so-called "under-cover fund," are audited by the Comptroller General of the United States, and so also the disposition of the proceeds of the sale of the Bridge and Whist Club is subject to the comptroller's audit. It has been the effort of the Treasury, in pursuance of its duties of enforcing the prohibition law, to discover and assist in the prosecution of large conspiracies in violation of law. The work of Mr. Bielaski has been exceedingly fruitful. Through him many large cases have been brought to trial and convictions had. The Dwyer case, resulting in the conviction of William W. Dwyer and his principal lieutenants, is an instance of Mr. Bielaski's "under-cover work." The case now on trial in New York against the Costello-Kelly rum ring is another.

Very truly yours,

A. W. MELLON,
Secretary of the Treasury.

HON. GEO. S. GRAHAM,
*Chairman Committee on the Judiciary,
House of Representatives.*

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Resolution 352, requesting certain information from the Secretary
of the Treasury, after consideration, reports the same adversely and
unanimously recommends that the resolution be not passed.
There is attached hereto and made a part of this report a com-
munication from the Secretary of the Treasury which is self-
explanatory.

WASHINGTON, January 5, 1927.

Dear Mr. GRAHAM: I have your letter of January 4, enclosing a copy of
H. R. 352, presented by Mr. Tamm, and which asks the certain questions
in regard to prohibition enforcement. In general, the first question can
be answered in the affirmative and the second question in the negative. To go into
the details of the other questions would involve having open to the visitors of
the prohibition act details as to the means used by the Treasury in obtaining evi-
dence of law violations, a showing which I do not believe would be compatible
with the public interest. All of the means of the Treasury, including the so-
called "under-cover fund", are audited by the Comptroller General of the United
States, and so also the disposition of the proceeds of the sale of the bridge and
Wharf Club is subject to the comptroller's audit. It has been the effort of the
Treasury, in pursuance of the duties of enforcing the prohibition law, to dis-
cover and assist in the prosecution of large conspiracies in violation of law,
The work of Mr. Bishop has been exceedingly faithful. Through him many
large cases have been brought to trial and convictions had. The Tower case,
resulting in the conviction of William W. Tower and his principal associates,
is an instance of Mr. Bishop's "under-cover work". The case now on trial in
New York against the Costello-Kelly ring is another.

Very truly yours,

A. W. ALDRICH,
Secretary of the Treasury.

Hon. Geo. E. GRAHAM,
Chairman, Committee on the Judiciary,
House of Representatives.