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PROPOSED

Constitutional Amendments and Measures

(With Arguments)

To Be Submitted to the Voters of Oregon

at the

General Election

Tuesday, November 4, 1930

Published by Authority

(Section 4.03, Oregon Laws)

Compiled by

HAL E. HOSS

Secretary of State

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SALEM, OREGON :
STATE PRINTING DEPARTMENT
1930

LAW AUTHORIZING THIS PUBLICATION

(Section 4103, Oregon Laws)

MEASURES AND ARGUMENTS TO BE PRINTED AND DISTRIBUTED

Not later than the ninetieth day before any regular general election * * * at which any proposed law, part of an act or amendment to the constitution is to be submitted to the people, the secretary of state shall cause to be printed in pamphlet form a true copy of the title and text of each measure to be submitted, with the number and form in which the ballot title thereof will be printed on the official ballot. The person, committee or duly organized officers of any organization filing any petition for the initiative, but no other person or organization, shall have the right to file with the secretary of state for printing and distribution any argument advocating such measure; said argument shall be filed not later than the one hundred and fifteenth day before the regular election at which the measure is to be voted upon. Any person, committee or organization may file with the secretary of state, for printing and distribution, any arguments they may desire, opposing any measure, not later than the one hundred and fifth day immediately preceding such election. Arguments advocating or opposing any measure referred to the people by the legislative assembly, or by referendum petition, at a regular general election, shall be governed by the same rules as to time, but may be filed with the secretary of state by any person, committee or organization. * * * But in every case the person or persons offering such arguments for printing and distribution shall pay to the secretary of state sufficient money to pay all the expenses for paper and printing to supply one copy with every copy of the measure to be printed by the state; and he shall forthwith notify the persons offering the same of the amount of money necessary. The secretary of state shall cause one copy of each of said arguments to be bound in the pamphlet

copy of the measures to be submitted as herein provided, and all such measures and arguments to be submitted at one election shall be bound together in a single pamphlet. All the printing shall be done by the state, and the pages of said pamphlet shall be numbered consecutively from one to the end. The pages of said pamphlet shall be six by nine inches in size and the printed matter therein shall be set in six-point Roman-faced solid type on not to exceed seven-point body, in two columns of thirteen ems in width each to the page with six-point dividing rule and with appropriate heads and printed on a good quality of book paper twenty-five by thirty-eight inches weighing not more than fifty pounds to the ream. The title page of every measure bound in said pamphlet shall show its ballot title and ballot number. The title page of each argument shall show the measure or measures it favors or opposes and by what persons or organization it is issued. When such arguments are printed he shall pay the state printer therefor from the money deposited with him and refund the surplus, if any, to the parties who paid it to him. The cost of printing, binding and distributing the measures proposed and of binding and distributing the arguments, shall be paid by the state as a part of the state printing, it being intended that only the cost of paper and printing the arguments shall be paid by the parties presenting the same, and they shall not be charged any higher rate for such work than is paid by the state for similar work and paper. Not later than the fifty-fifth day before the regular general election at which such measures are to be voted upon the secretary of state shall transmit by mail, with postage fully prepaid, to every voter in the state whose address he may have, one copy of such pamphlet. * * *

NOTE—For the convenience of the voters, a summary of the official ballot titles and numbers of the Proposed Constitutional Amendments and Measures as will appear upon the official ballots at the General Election, November 4, 1930, is printed on pages 59 to 64 of this pamphlet.

(On Official Ballot, Nos. 300 and 301)

AN AMENDMENT

To the constitution of the state of Oregon, to be submitted to the legal electors of the state of Oregon for their approval or rejection at the regular general election to be held November 4, 1930, to repeal article XI-b thereof; proposed by the thirty-fifth legislative assembly under house joint resolution No. 1, filed in the office of the secretary of state February 6, 1929.

The following is the form and number in which the proposed amendment will be printed on the official ballot:

Constitutional Amendment—Referred to the People by the
Legislative Assembly Vote YES or NO

REPEAL OF STATE PAYMENT OF IRRIGATION AND DRAINAGE DISTRICT INTEREST—Purpose: To repeal article XI-b of the state constitution, which now provides for the issuance and sale of state bonds and the payment, with the money received therefrom, of the interest on bonds issued by irrigation and drainage districts, for the first five years after such bonds are issued; the districts to repay the state after the district bonds are paid off.

300 Yes. I vote for repealing the Article.

301 No. I vote against repealing the Article.

The following is the 25-word ballot title of the proposed amendment as prepared by the attorney general to be used in connection with voting machines:

Constitutional Amendment—Referred to the People by the
Legislative Assembly Vote YES or NO

REPEAL OF STATE PAYMENT OF IRRIGATION AND DRAINAGE DISTRICT INTEREST—Purpose: Repeal article XI-b, state constitution, which provides for issuance of bonds and payment by the state of interest on irrigation and drainage district bonds.

300 Yes. I vote for repealing the Article.

301 No. I vote against repealing the Article.

HOUSE JOINT RESOLUTION NO. 1

Be It Resolved by the House of Representatives of the State of Oregon, the Senate jointly concurring:

That article XI-b of the constitution of the state of Oregon be and the same hereby is repealed; be it further

Resolved. That this proposed repeal be submitted to the voters of the state of Oregon for their approval or rejection at the next general or special election; and be it further

Resolved. That the secretary of state be authorized and directed to set aside two pages of the official pamphlet for the publication of arguments in support of this repeal, and that a committee of two representatives and one senator be appointed to prepare said arguments for publication in said pamphlet, and to file the same with the secretary of state.

Filed in the office of the secretary of state February 6, 1929.

For affirmative argument see page 4.

(On Official Ballot, Nos. 390 and 301)

ARGUMENT (Affirmative)

Submitted by the joint committee of the senate and house of representatives, thirty-fifth regular session, legislative assembly, in behalf of the **Repeal of State Payment of Irrigation and Drainage District Interest.**

The foregoing amendment was submitted to the people by the 1919 session of the legislature and approved by the people at the special election held June 3, 1919. Under its provisions, three state officials have the power to create a state indebtedness of 2 per cent of the assessed valuation or more than \$22,000,060.

The purpose was to provide funds for the payment by the state of interest for a period not exceeding five years on bonds issued by approved irrigation and drainage districts, during which time it was expected that the settlers on such projects could devote their energies and capital to the improvement of their lands without the added burden of paying interest. Under its provisions the state has advanced to such districts \$2,172,760. Experience has proven that the amendment

has not served the purpose intended. The actual effect has been to defer colonization, to create a habit of non-payment of taxes, and to increase the irrigation and drainage district debt and the amendment will cause an ultimate loss to the state of possibly \$4,580,000, with no apparent benefit. Its repeal has been recommended by the legislature, by ex-Governor Walter M. Pierce, and by ex-Governor I. L. Patterson.

Respectfully submitted,

EDWARD F. BAILEY,
State Senator, Third District

JAMES H. HAZLETT,
State Representative, Ninth District

WM. M. BRIGGS,
State Representative, Eighth District

(On Official Ballot, Nos. 302 and 303)

AN AMENDMENT

To the constitution of the state of Oregon, to be submitted to the legal electors of the state of Oregon for their approval or rejection at the regular general election to be held November 4, 1930, to amend article V thereof, by adding thereto two new sections to be numbered 19 and 20; proposed by the thirty-fifth legislative assembly under senate joint resolution No. 16, filed in the office of the secretary of state February 25, 1929.

The following is the form and number in which the proposed amendment will be printed on the official ballot:

Constitutional Amendment—Referred to the People by the Legislative Assembly Vote YES or NO

STATE CABINET FORM OF GOVERNMENT CONSTITUTIONAL AMENDMENT—Purpose: To amend the state constitution to provide that the only executive and administrative state officers elected by the people shall be governor, secretary of state and state treasurer, all other heads of executive and administrative departments to be appointed by the governor with consent of the senate; to create the following state department: agriculture, labor and industry, financial administration, commerce, education, public works and domain, health and public welfare, police and military affairs, legal affairs; to abolish all other executive and administrative offices, boards and commissions, and transfer all their powers, duties, obligations, etc., to such new departments.

302 Yes. I vote for the amendment.

303 No. I vote against the amendment.

The following is the 25-word ballot title of the proposed amendment as prepared by the attorney general to be used in connection with voting machines:

Constitutional Amendment—Referred to the People by the Legislative Assembly Vote YES or NO

STATE CABINET FORM OF GOVERNMENT CONSTITUTIONAL AMENDMENT—Purpose: Making the governor, secretary and treasurer the only elective state offices; all others appointive by governor; creating nine new state departments; abolishing all other offices.

302 Yes. I vote for the amendment.

303 No. I vote against the amendment.

SENATE JOINT RESOLUTION NO. 16
Be It Resolved by the Senate of the State of Oregon, the House of Representatives jointly concurring:

That the constitution of the state of Oregon be and the same hereby is amended by adding to article V the following two sections numbered 19 and 20.

ARTICLE V

Section 19. On and after the first day of July, 1931, the executive and adminis-

trative functions of the state government shall be performed by the governor with the assistance of the following nine departments hereby created: (1) The department of agriculture, (2) the department of labor and industry, (3) the department of financial administration, (4) the department of commerce, (5) the department of education, (6) the department of public works and domain, (7) the department of health and public welfare, (8) the department of state police and military affairs, (9) the department of legal affairs.

Section 20. All executive and administrative offices, boards and commissions of the state, except the offices of governor, secretary of state and state treasurer, shall be abolished on the first day of July, 1921; and all their powers, duties, property, equipment, records and obligations shall be transferred to the departments herein created in such manner as shall be determined by law. Each department, except the department of education, shall be in charge of an officer to be known as the director of his department. The governor shall be director of the department of state police and military affairs. The department of education shall be in charge of a board of nine directors to be known as the state board of education. Except as herein provided, all directors shall be appointed by the governor, with the consent of the senate, subject to such conditions and safeguards as shall be established by law. The secretary and treasurer of state shall exercise the powers and duties prescribed in article VI of the constitution.

Resolved, That this proposed amendment to the constitution be submitted to the voters of the state of Oregon for their approval or rejection at the next general election; be it further

Resolved, That the secretary of state be authorized and directed to set aside two pages of the official pamphlet for the publication of arguments in support of this amendment, and that a committee of two representatives and one senator be appointed to prepare said argument for publication in said pamphlet and to file the same with the secretary of state and, further, that two pages of the official pamphlet be set aside for negative arguments and a like committee be appointed to prepare negative arguments.

Filed in the office of the secretary of state February 25, 1929.

For affirmative argument see pages 7, 8.
For negative arguments see pages 9-11.

(On Official Ballot, Nos. 302 and 303)
ARGUMENT (Affirmative)

Submitted by the joint committee of the senate and house of representatives, thirty-fifth regular session, legislative assembly, in behalf of the State Cabinet Form of Government Constitutional Amendment.

ADMINISTRATIVE MACHINERY OF OREGON - JANUARY 1930

VOTERS OF OREGON



State Land Bd.	State Tax Commission	Oregon State Hospital	State Game Board	St. Game Commission	St. Bd. of Aeronautics	St. Bd. of Examiners	Adj. Bd. General	St. Bd. of Health	St. Bond Commission
State Banking Bd.	St. Bd. of Horticulture	Geographic Board	St. Fish Commission	St. Bd. of Medical Examiners	St. Bd. of Dental Examiners	St. Bd. of Examiners	Insurance Commissioner	St. Bd. of Agriculture	Board of Examiners
State Printing Board	Eastern Oregon St. Hospital	St. Library Board of Trustees	Highway Commission	St. Bd. of Dental Examiners	Bd. for Exam. & Rec. of Grad Nurses	Embroidery Examiners Board	Oregon St. Agricultural College	Oregon St. Agricultural College	St. Advisory Boxing Bd.
Trustees Business Tax Bd.	School for Blind	Parole Board	Public Service Commission	St. Bd. of Engineering Examiners	St. Bd. of Examiners in Optometry	St. Market Agent	University of Oregon	Reclamation Commission	St. Station Registration Board
	Blind Employment Commission	St. Bd. of Vocational Education	World War Vets. St. Aid	St. Bd. of Accountancy	Board of Pharmacy	St. Budget Inspector	Southern Ore. Normal School	Emergency Board	St. Advertising Commission
	Girls Industrial School	St. Livestock Sanitary Bd.	Industrial Accident Commission	St. Bd. of Cosmetic Therapists	St. Bd. of Public Health	Albertine Kerr Nursery Home	Louise Home	Ship Securities Commission	St. Bd. of Education
	State Training School	State Park Board Bd.	St. Bd. of Cancellation	St. Bd. of Filio (Commissionary)	Oregon Humane Society	Boys' and Girls Aid Society	Palfon Home	St. Bd. of Education	St. Bd. of Education
	State TB Hospital	Board of State Fair Directors	St. Bd. of Cancellation	St. Bd. of Filio (Commissionary)	Oregon Humane Society	Children's Farm Home	St. Agnes Foundling Asylum	St. Board of Tarboro Commissioners	Dept. of Americanization
	Eastern Oregon TB Hospital	Brand Adjusting Bd.	St. Child Welfare Commission	St. Bd. of Barber Examiners	Trustees McLaughlin Municipal Fund	Christie Home	St. Mary's Home for Boys	Waverly Baby Home	White Shield Home
	Soldiers' Home	State Bd. of Forestry	St. Child Welfare Commission	St. Bd. of Barber Examiners	Trustees McLaughlin Municipal Fund	Crittendon Home	Waverly Baby Home	White Shield Home	
	State Penitentiary	State Park Commission				House of Good Shepherd			

- 1. Membership identical with Board of Control
- 2. Membership appointed by Bd. of Control
- 3. Institutions under administration of Bd. of Control
- 4. These are self-sustaining professional or training boards with membership appointed by Governor.
- 5. Individuals appointed by Governor with approval of Senate
- 6. Appointed by Governor
- 7. Appointed by Senate
- 8. All offices created by statute
- 9. St. Bd. and agencies

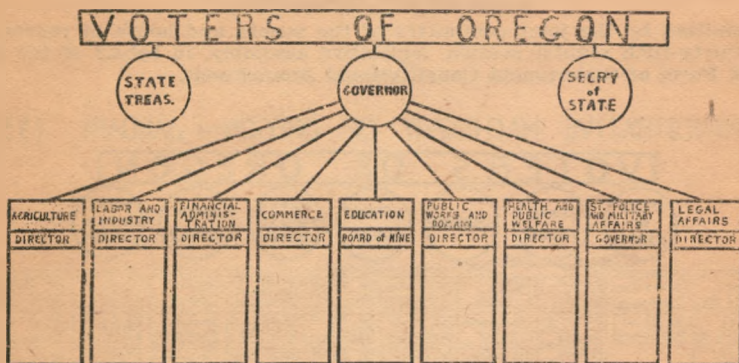
1. THE CABINET PLAN IS THE RESULT OF SCIENTIFIC RESEARCH. For a quarter of a century now, political scientists and statesmen have been working on the problem of a consolidated form of state government. Scores of investigating commissions have studied the problem and hundreds of individual investigators have analyzed existing state administrations. Practically with one accord they have recommended a simpler organization for conducting state affairs. Such a form is provided in the state cabinet form of government constitutional amendment.

2. THE NEED FOR THE CABINET SYSTEM IS APPARENT FROM THE CHART accompanying this statement. In Oregon we have 74 different officers, boards and commissions, 17 large state institutions and 16 private institutions receiving state aid—a total of 107 agencies doing our state work. The payroll carries over 6,000 names with almost \$650,000 outlay per month in wages and salaries or over \$7,500,000 a year. There is no general supervision, no adequate system of reports and accounts and not even a common

fiscal year. Since 1909 Oregon has been studying the problem of simplifying its government and the demand for a change has been growing stronger.

3. THE CABINET PLAN IS A DEMONSTRATED SUCCESS. The cabinet principle has been thoroughly tried out in European countries for centuries, in our own federal government for over 140 years, in over 400 American cities under the council-manager plan, in urban school districts under the board-superintendent plan, in practically all higher educational institutions, in nearly all American business corporations, and in 15 different states: New York, Pennsylvania, Illinois, Virginia, Massachusetts, Ohio, California, Washington, Minnesota, Tennessee, Idaho, Nebraska, Maryland, Vermont and South Dakota. These states have abandoned their old decentralized systems and have been working under the cabinet form of government for periods ranging from 2 to 12 years. Oregon is surrounded by such states—Idaho with 11 years' experience, Washington and California each with 9 years under the cabinet form of govern-

ADMINISTRATIVE MACHINERY OF OREGON



ment. Twenty-four other states have taken some steps towards the establishment of cabinet systems. Its success is amply demonstrated.

4. ADVANTAGES OF THE CABINET PLAN.

(1) A businesslike and stable program of state development is provided for.

(2) The cabinet form promotes better citizenship because (a) government becomes intelligible to the average voter; (b) the principal cause of political wire pulling is removed; (c) the shorter ballot results in more intelligent voting and better officials.

(3) State government is more efficient; state work is better performed because of fixed responsibility, closer supervision, and cooperation of departments. Business management in state government is made possible.

(4) Taxes are saved by: (a) definite responsibility and closer supervision; (b) elimination of duplication; (c) fewer employees; (d) less office space and equipment; (e) less travel expense; (f) consolidated purchasing; (g) more scientific budgeting; (h) a personnel organization and a merit system; (i) uniform accounting, audit and pre-audit.

(5) Ends the creation of boards and commissions. New activities will be placed in existing departments.

5. STATESMEN AND POLITICAL SCIENTISTS SUPPORT THE CABINET FORM OF GOVERNMENT.

HERBERT HOOVER: Speaking of the investigations of the need of federal reorganization, President Hoover said: "The conclusions of these investigations have been unanimous that reorganization is a neces-

sity of sound administration, of economy, of more effective governmental policies and of relief to the citizen from unnecessary harassment in his relations with a multitude of scattered governmental agencies."

FRANK O. LOWDEN: Of the Illinois code, ex-Governor Frank O. Lowden said: "It has fully justified all the expectations of its friends. It can no longer be considered an experiment."

HARRY FLOOD BYRD: Ex-Governor Harry Flood Byrd of Virginia says: "The reorganization of our state government has succeeded beyond our expectations."

H. C. BALDRIDGE: Governor H. C. Baldrige of Idaho says: "Idaho's experience has demonstrated to the satisfaction of our taxpayers the efficiency and economy of the cabinet government as applied to state administration."

A. E. BUCK: Mr. Buck, the best authority on the cabinet form of government in the United States, says: "Through administrative consolidation it is possible to simplify the machinery of complicated and disorganized state governments and thereby eliminate to a large extent poor and extravagant management."

POLITICAL SCIENTISTS GENERALLY: Almost without exception students of government stand solidly for the cabinet form of government.

ED. W. MILLER,
State Senator, Seventh District

HECTOR MACPHERSON,
State Representative, Second District

HOMER D. ANGELL,
State Representative, Eighteenth District

(On Official Ballot, Nos. 302 and 303)

ARGUMENT (Negative)

Submitted by the joint committee of the senate and house of representatives, thirty-fifth regular session, legislative assembly, opposing the State Cabinet Form of Government Constitutional Amendment.

The so-called cabinet form of government constitutional amendment provides that all the executive and administrative functions of the state government shall be performed by the governor with the assistance of nine departments thereby created. It abolishes the following elective state offices: All district attorneys, attorney general, superintendent of public instruction, labor commissioner, and dairy and food commissioner; also the state land board, which has the management of the state school funds, and the board of control, which has the management of all the state hospitals, and charitable, penal and corrective institutions, and acts as state purchasing board. Both of these boards are now composed of three elective officers responsible directly to the people. All other state, executive and administrative offices, boards and commissions are abolished, except the governor, secretary of state and state treasurer.

All powers and duties of the secretary of state and state treasurer are taken away, except those prescribed in article VI of the Constitution. Thus the secretary of state would be only custodian of state records, public auditor and accountant. The constitution does not specify any duties to be performed by the state treasurer, but provides that he shall have such duties as may be prescribed by law. The proposed amendment providing that all administrative duties shall be performed by the governor and his nine directors would prevent any duties being assigned to the state treasurer by law. He would therefore still draw his salary but have no duties to perform. This serious and important blunder should not be overlooked when voting upon this proposed amendment.

It was generally understood by all members of the legislature that the passage of the resolution proposing this constitutional amendment was not an approval of it by the legislature, but only a submission of it to the vote of the people.

The governor is made director of one department. All other directors are appointed by the governor, and are responsible only to him. The amendment provides that the directors appointed by the governor shall be approved by the senate. This would make them a political football of the senate, and incidentally, of the entire legislature, since its members would have political friends to serve and would insist on their being taken care of before approving the governor's appointments.

The abolition of all present offices and the discharge of all functions by the governor and his directors would result in bringing the national guard back as a political football, which was the condition existing for many years, and was finally

gotten rid of about fifteen years ago. This would be a fruitful source of politics.

These revolutionary changes are proposed under the claim of efficiency and economy.

Any necessary reorganization of administrative departments can be accomplished by law without an amendment of the constitution. The proposed form would destroy all of our constitutional and statutory administrative departments and agencies at one fell swoop, without our knowing what forms are to be substituted thereafter. The part of wisdom would require that we proceed with caution, and look before we leap.

The experience of Virginia, which in 1927 adopted an administrative reorganization somewhat similar to this, is summed up in a letter dated July 3, 1930, received from Robert C. Smith, director of the Virginia Bureau of Research, as follows:

"The operating expenses of administrative departments increased by approximately \$3,000,000 for the year 1928-9, the first year under the reorganization, as compared with 1926-7, the last year under the old system."

It is common knowledge that the administrative affairs in Washington under the cabinet form are in a constant turmoil. The man who introduced the bill in the Washington legislature providing for the cabinet form recently stated in a public address that the experiment had been a failure, and the source of greatly increased expenses to the state.

An example in a small way is the creation by act of the legislature of 1929 of the state board of higher education, to administer the state's educational institutions. This board, as required by the statute, has recently appointed an executive secretary at an annual salary of \$7,500, with an office at the capital, bringing the total annual cost of his office to over \$10,000. This, without any reduction of the official force or expense of any of the state educational institutions.

With high salaried directors administering the nine new departments, numerous high salaried chiefs of divisions, and other assistants, the increased expense of the state government would easily amount to hundreds of thousands of dollars a year, to say nothing of a salaried state treasurer without duties. Where, then, is the efficiency or economy?

Political reformers have advanced two schemes for changing the governments of the states of this country: (1) administrative reorganization, and (2), the so-called "short ballot" reform. The former is commonly called the cabinet form of government, and reorganizes the functions of state government so that those of a similar na-

ture are vested under the same officer or department. This idea has been adopted by several states without disturbing any elective state officers. Under the "short ballot" scheme, all of the administrative power of the state is placed in the hands of the governor, making him a czar. This plan has been adopted in only four states, and there not in its entirety; in none of them was an elective attorney general or district attorneys made appointive.

Irrespective of what the proponents of the proposed constitutional amendment claim for it, its principal effect is to foist the short ballot machine on Oregon, placing in the hands of the governor all administrative and political power, thus creating of the state government a complete political machine. This is being done under the disguise of cabinet form of government.

The adoption of the policy of cabinet form of government can be fully accomplished without the revolutionary scheme of the short ballot, as is illustrated by the action of twelve states, including Washington, Idaho and California.

There is no demand for the abolition of the offices of all district attorneys, attorney general, superintendent of public instruction, dairy and food commissioner, labor commissioner, and for the performance of the duties now discharged by them, and the state land board and board of control, by appointees of the governor, who will be responsible only to him.

Under the proposed scheme the governor is given power to discharge the attorney general in event his opinions do not meet with the governor's political requirements; whereas, the law should be his only guide. No state, in adopting a cabinet form of government, has gone to this length. The same principle applies with respect to the several district attorneys. The proponents of the revolutionary scheme have not shown how the laws of the state will be more effectively enforced by the governor's appointee than by district attorneys elected by the people of each county and responsible directly to them.

It is a fundamental principle of American government that there must be a system of checks and balances. No officer or department of government should be able to usurp all political power. It must be subject to the check and counterbalance of other officers responsible solely to the people. Aside from the judicial department, in the federal government this check is furnished by the legislative department, which is almost constantly in session, while in the state governments it is furnished by the attorney general, district attorneys, and other elective administrative officers.

Proponents argue that this autocratic form of government has been a success in Europe, evidently forgetting that this country had its genesis in a war to get rid of European government and set up a democracy which would fully protect the rights and liberties of the people. It was for this that Washington's barefoot soldiers left their bloody footprints in the

ice and snows of Valley Forge, and for seven long years continued the struggle against monarchy.

It is well known that the present tendency of government in Europe is away from democracies and towards dictatorships. This, under the plea of efficiency, which is attained by placing all the power of the government in the hands of one man and extinguishing the rights and liberties of the common people. It is unbelievable that the people of Oregon, the birthplace of the initiative, referendum, recall, and direct election of United States senators, and the home of other forms of popular government, will surrender their liberties for such a form of government.

Proponents rely upon the example of the state of New York to justify this revolutionary change. This was sponsored and its adoption secured by the activities of Tammany hall, which certainly could not have wanted this scheme for the benefit of the common people. A New York editor said of this adventure:

"The experiment is dangerous and will require unusually careful watching. The official state boss can create quite as many questions as he will cure."

The affirmative argument makes the claim that the cabinet form of government has been thoroughly tried out, among others, in our own federal government for over 140 years, but it also makes the damaging mistake of quoting from President Hoover to the effect that federal reorganization is a necessity for the purposes of sound administration, economy, more effective governmental policies, and relief to the citizens, thus showing that the cabinet form of government is not a panacea for all governmental ills.

We wonder whether Governor Lowden's endorsement of the Illinois cabinet form includes the experience of that state since his own administration, particularly that of his successor whose corrupt political machine, made possible by the cabinet form, stole from the taxpayers many millions of dollars, for which operations he was compelled by the courts to refund several million dollars. This recovery was brought about by the action of the independent elective attorney general of that state. One of the inherent vices of the cabinet form is that it makes such things not only possible but quite probable.

In considering this question involving such far reaching results, let us not forget the warning uttered by the immortal Lincoln in his Gettysburg address: "that the government of the people, by the people, and for the people shall not perish from the earth."

J. E. BENNETT,
State Senator, Thirteenth District.

JOHN B. McCOURT,
State Representative, Eighteenth District.

LEE McALLISTER,
State Representative, First District.

(On Official Ballot, Nos. 302 and 303)

Negative argument opposing State Cabinet Form of Government Constitutional Amendment.

Submitted by the Oregon State Federation of Labor, and others.

It is claimed by the sponsors of the cabinet form of government that it will produce greater efficiency in the administration of the laws, and at greatly reduced expense. There is no evidence submitted in support of either of these claims.

The particular scheme now sought to be foisted upon the people of Oregon was originated by Dr. Hector Macpherson, former Director of Organization, Oregon State Agricultural college, who received his early education and training in England and Germany where the monarchical and highly centralized forms of government existed. It has nowhere been adopted or tried in this country.

None of the fifteen states having a cabinet form have vested the entire executive and administrative power of the state in the governor alone, as in this plan. True, the secretary of state and state treasurer are still to be elective, but practically all of the powers and duties which they now have are stripped from them.

Such schemes are the product of political dreamers and impractical theorists. And practical politicians having seen in them a means of profit to themselves have seized upon them as apt tools to accomplish their ends. By this we do not mean to condemn all consolidation or sensible regrouping of state activities of similar nature; but that is a different thing entirely from the high-powered political machine now under consideration.

Reports from other states having similar forms show that it has failed to produce the effects claimed for it.

O. S. Benjamin, Secretary of the Legislative Committee, Order of Railway Conductors of Washington, says:

"In my opinion it is an absolute failure as a Democratic form of government. It centers the authority in the governor. He in turn uses his extensive appointive power to build up a political machine, reward his supporters and punish his opponents. Through the same authority he intimidates, coerces and browbeats the legislators, and cudgels his pet measures into laws. It is virtually a return to a limited monarchy, minus any emphasis on *limited*."

The report of the Bureau of Research of Virginia shows that for the first year under its cabinet form the cost of administrative government was increased by approximately three million dollars (\$3,000,000), over the last year under the old form.

The crime conditions in Chicago are notorious and a national scandal. In New York they are little, if any, better. These are the principal cities of states held up as examples of efficient government under the cabinet form. The laws against murder and other crimes of violence there being violated are laws of the state and not of the cities. If the boasted cabinet form were so efficient it would be able to cope with the racketeers.

The miracles of economy and efficiency claimed for this autocratic scheme are to be accomplished principally by closer supervision, consolidated purchasing, scientific budgeting, uniform accounting, audit and pre-audit. We now have all of these things except greater and closer supervision, which would necessarily require an increased and overloaded overhead, with numerous inspectors or supervisors to be constantly traveling up and down the state at great expense to the taxpayers, constantly molesting and interfering with the discharge of the duties of the various state officers and employes, and requiring the latter to waste their time and energies in making useless reports.

One of the vices of this revolutionary scheme is the abolition of the office of labor commissioner, elected by the people, and the officer to whom the working men and women of the state look for their protection, and in whose selection they are vitally interested. There is no reason of economy or efficiency for depriving the workers of the state of their right to participate in the choice of this officer.

The elective attorney general, dairy and food commissioner, and superintendent of public instruction are also offices necessary to be kept independent and free from machine politics in order to preserve the public welfare.

The state industrial accident commission, which administers the workmen's compensation act, when passing upon the claims of injured workmen, is clothed with important duties partly judicial in nature. This commission of three now representing labor, employers and the public at large, is to be supplanted by one man. If he is prejudiced against either of these interested groups, they will be denied the protection which is justly theirs. Similar principles apply to several of the other boards and commissions.

Another phase of this matter deserves serious consideration. These nine directors of departments with their numerous heads of sub-departments, each having in turn their many assistants, inspectors, supervisors and lesser employes, would create the most perfect political machine that can be imagined in a government where the source of power is in the people. No wonder some governors of states having a similar form endorse it.

The issue is, shall Oregon, the home of popular government, surrender its sacred birthright for a bureaucracy headed by nine petty despots?

OREGON STATE FEDERATION OF LABOR,
By BEN T. OSBORNE, Exec. Sec.; I. A. SNIDER, B. of L. F. & E.; E. J. ELLINGSON, O. R. C.; L. M. ERICKSON, B. of R. C.; FRED ROSS, Fed. Shop Crafts; R. LIGHTHILL, M. of W. E.; S. L. RATHBURN, Leg. Rep.; B. R. T.; GEO. A. PALMITER, CHARLES C. HULET, BERTHA J. BECK, Dr. A. SLAUGHTER.

(On Official Ballot, Nos. 304 and 305)

AN AMENDMENT

To the constitution of the state of Oregon, to be submitted to the legal electors of the state of Oregon for their approval or rejection at the regular general election to be held November 4, 1930, to amend section 1 of article XI-c thereof; proposed by the thirty-fifth legislative assembly under senate joint resolution No. 6, filed in the office of the secretary of state February 27, 1929.

The following is the form and number in which the proposed amendment will be printed on the official ballot:

**Constitutional Amendment—Referred to the People by the
Legislative Assembly** **Vote YES or NO**

BONUS LOAN CONSTITUTIONAL AMENDMENT—Purpose: To extend the privilege of securing state loans under the soldiers' bonus law to residents of Oregon who served any time in the Spanish-American war or in the Philippine insurrection, or the Boxer rebellion in China, also to persons otherwise qualified who were not residents of Oregon when they entered the service, but who shall have been actual residents thereof for ten years continuously immediately before filing application for loan; and increasing the amount of state bonds authorized for such purposes from three to four per cent of the total assessed valuation of all property in the state.

304 Yes. I vote for the amendment.

305 No. I vote against the amendment.

The following is the 25-word ballot title of the proposed amendment as prepared by the attorney general to be used in connection with voting machines:

**Constitutional Amendment—Referred to the People by the
Legislative Assembly** **Vote YES or NO**

BONUS LOAN CONSTITUTIONAL AMENDMENT—Purpose: Extending privilege of state bonus loans to veterans of Philippine insurrection, Chinese Boxer rebellion and qualified non-residents after becoming residents for ten years.

304 Yes. I vote for the amendment.

305 No. I vote against the amendment.

SENATE JOINT RESOLUTION NO. 6

Be It Resolved by the Senate of the State of Oregon, the House of Representatives jointly concurring:

That section 1, article XI-c of the constitution of the state of Oregon be and the same hereby is amended so as to read as follows:

Sec. 1 Notwithstanding the limitations contained in section 7, article XI of the constitution, the credit of the state of Ore-

gon may be loaned and indebtedness incurred to an amount not exceeding 4 per cent of the assessed valuation of all the property in the state, for the purpose of creating a fund to be loaned or to be paid to female employees of the war department who served in the signal corps of the army or marine corps of the United States, or in the army of any of the allies of the United States, and in the American expeditionary forces, and to residents of the state of Oregon who served in the army, navy or marine corps of the United States between April 6, 1917, and November 11, 1918, or

who served between February 14, 1898, and July 4, 1902, in either the Spanish-American war, Philippine insurrection or Boxer rebellion, and were honorably discharged from service, which fund shall be known as the "world war veterans' state aid fund."

Bonds of the state of Oregon, containing a direct promise on behalf of the state to pay the face value thereof with the interest thereon provided for, may be issued to an amount authorized in section 1 hereof for the purpose of creating said world war veterans' state aid fund. Said bonds shall be a direct obligation of the state and shall be in such form and shall run for such periods of time and bear such rates of interest as shall be provided for by statute. No person shall be eligible to receive money from said fund except the following:

Any male or female who was enlisted, inducted, warranted or commissioned after June 3, 1915, or who reenlisted subsequent to June 3, 1915, and who has served honorably in active duty in the army, navy or marine service of the United States, or in the army of any of the allies of the United States, at any time between the sixth day of April, 1917, and the eleventh day of November, 1918, and any female employe of the war department who served in the signal corps of the army or marine corps of the United States and in the American expeditionary forces at any time between the sixth day of April, 1917, and the eleventh day of November, 1918, and who at the time of entering into such service was a resident of the state of Oregon and who has been honorably separated or discharged from said service or has been furloughed to a reserve, shall be entitled to receive from the proceeds of such bonds as a cash bonus the sum of fifteen dollars (\$15) for each month or major fraction thereof that such person was in active service between the sixth day of April, 1917, and the eleventh day of November, 1918, not exceeding a total of five hundred dollars (\$500), or shall be entitled to borrow from said funds not to exceed three thousand dollars (\$3,000), which loan shall be secured by a mortgage upon real estate in an amount not exceeding 75 per cent of the appraised value of said real estate, but which loan may be reduced by statute; provided, that the provisions contained herein for a loan shall apply to any person who served in the army, navy or marine corps of the United States in either the Spanish-American war, Philippine insurrection or Boxer rebellion between February 14, 1898, and July 4, 1902, and who at the time of entering into such service was a resident of the state of Oregon and who has been honorably discharged from

the service. The legislative assembly may provide that the bonus to which any deceased person may have been entitled hereunder, had he or she lived, shall be paid to any relative of such deceased person. The unmarried widow, or dependent father or mother of any person who died and who would have been entitled to a loan hereunder, had such person lived, and who has not received such loan, shall be eligible to receive the loan; and provided further, that the provisions contained herein for a loan shall apply to any person who is otherwise qualified and who was not a resident of the state of Oregon at the time of his enlistment, induction, warrant or commission in the army, navy or marine corps of the United States and/or other service of the United States as herein provided, who shall have been an actual and bona fide resident and inhabitant of the state of Oregon for a continuous period of not less than 10 years immediately prior to the time of filing his or her initial application for such loan privilege, except that the applicants mentioned in this proviso shall pay a rate of interest on such loans which shall exceed by one-half of 1 per cent the rate of interest paid by the state of Oregon upon its bonds issued to provide funds for such loans.

Be It Further Resolved, That this proposed amendment be submitted to a vote of the people for their adoption or rejection at the next general or special election to be held in the state of Oregon; and be it further

Resolved, That the secretary of state of the state of Oregon be and he hereby is directed to set aside two pages in the official pamphlet containing initiative and referendum measures to be voted upon at the next general or special election in which arguments for the foregoing amendments may be printed, and that a joint committee of two senators, to be appointed by the president of the senate, and three representatives to be appointed by the speaker of the house, be appointed to prepare such arguments for publication and file the same with the secretary of state, and two pages in which arguments against the foregoing amendments may be printed, which arguments may be furnished by any persons interested, provided that in case more material is offered than can be printed on two pages of the pamphlet, the secretary of state shall select the part of such material to be printed.

Filed in the office of the secretary of state February 27, 1929.

For affirmative argument see pages 14, 15.
For negative argument see pages 16, 17.

(On Official Ballot, Nos. 304 and 305)

ARGUMENT (Affirmative)

Submitted by the joint committee of the senate and house of representatives, thirty-fifth regular session, legislative assembly, in behalf of the **Bonus Loan Constitutional Amendment.**

Had this proposed amendment been in effect since 1921 when the original Soldiers' Loan Bill was adopted, the state of Oregon would have made a profit on its operations of approximately \$140,000 per year, or a total of one million dollars over and above the income it has received.

Under the present law, Oregon loans money on good security to its men who have served in time of war, and charges 4 per cent—or the same rate of interest it pays on its own bonds. Of course, when a soldier is compelled to sell his home, the rate of interest is immediately increased to 6 per cent and the state makes a profit of 2 per cent in such cases. The sales increase in number from year to year and it is probable that before many more years a large part of the loans heretofore made will pay to the state of Oregon a rate of 6 per cent in the place of the 4 per cent now charged.

Under this proposed amendment, all additional loans provided for shall bear interest at a rate of one-half per cent above the rate which the state must pay on its own bonds and, therefore, for each million dollars to be loaned the state will make a direct profit of five thousand dollars per annum, or enough to carry all overhead and operating costs. This proposal places the business of making loans to our honorably discharged soldiers upon a sound and practical business basis.

A total of 11,869 loans have been made. Over eleven thousand men have been enabled to establish homes on farms and in the city and the assessed valuation of property in the state for tax purposes has been materially increased.

Out of a total of 11,869 loans made to our soldiers, in only 645 cases has the state of Oregon been compelled to foreclose and repossess the security. Over 95 per cent of these men have made good. Of the lands repossessed, over \$600,000 have been resold and the state now holds for resale property to the amount of only one million eleven

thousand nine hundred dollars and this property is bringing in an annual income of twenty-eight thousand dollars. These figures are given for the purpose of showing that the operation of the soldier loan fund of the state of Oregon by the World War Veterans' State Aid Commission has been a sound and safe financial policy. In the early history of this movement, the commission may have been a little too liberal in its appraisal of securities offered, but after the experience of the first operations no such criticism could be made. No private loaning or mortgage company in Oregon could point to as good or better record during the past ten years in its own operations.

Under the original law, an honorably discharged soldier, if he was living in Oregon at the time he entered the army or navy, was entitled to the benefits of the loan even though he may not have returned to Oregon to live after his discharge from the army. This amendment proposes, however, to give to honorably discharged soldiers who have come to Oregon since their discharge the right to secure a loan if they have lived in the state of Oregon for ten years. It has seemed to this committee and we believe that it will appeal to the people of Oregon that the man who has come to Oregon, established a home here, paid taxes in Oregon and has helped to develop this state, should be as much entitled to a loan as someone who was living in Oregon either temporarily or permanently at the time he entered the army and who may never have returned to Oregon for the purpose of continuing his residence in this state.

Oregon needs more development. It needs improved farms. It needs more buildings and more taxable wealth. All of these things can be had by providing a means for making loans at a cheaper rate of interest than the average man is compelled to pay. Under conditions as they now exist with stagnated markets, depressed business conditions and lack of employment, the

average working man or the average small business man and farmer can not pay the high interest rate charged by loan companies and private individuals. Thousands of working men have come to Oregon during the past twenty years and have done their part in the upbuilding of the state of Oregon. Very few of them have homes that are free from mortgages and the interest rate of from 8 to 10 per cent makes a heavy burden. Thousands of such men are unable to meet their mortgage installment payments and, therefore, failed to pay their taxes and in the condition the country is now in will be faced by the foreclosure of their homes and the savings that they have been able to make will be wiped away before prosperous times can again make it possible for them to secure steady employment and high wages. It is only good sense and common judgment to make it possible for these men to secure money at 4½ per cent to pay off mortgages now bearing 8 and 10 per cent, but far more appealing is the thought that we who did not make the personal sacrifice of service in the war should afford those who did an opportunity to protect themselves, their wives and their children and to establish them in permanent and happy homes. These men are asking no sacrifices from the people of Oregon, but the plan proposed will not only make it possible for them to provide homes,

to save their property, but it will pay a profit to the state of Oregon directly in the increased interest rate proposed and will add to the taxable wealth of the state of Oregon.

This amendment has had the approval of the state legislature. It is endorsed and requested by the Veterans of the Spanish War, by the American Legion of the state of Oregon, and by the Veterans of Foreign Wars, that great organization consisting of ex-service men who have seen service for the United States of America in foreign lands, not only in the jungles of the Philippine Islands but on the bloody fields of France where so many sacrificed their lives for the cause of democracy.

This argument is submitted by a committee appointed for that purpose by the legislature of the state of Oregon.

JAY H. UPTON,

State Senator, Seventeenth District.

LINN E. JONES,

State Senator, Twelfth District.

HARVEY WELLS,

State Representative, Eighteenth District.

FRANK J. LONERGAN,

State Representative, Eighteenth District.

A. M. COLLIER,

State Representative, Twenty-first District.

(On Official Ballot, Nos. 304 and 305)

ARGUMENT (Negative)

Submitted by W. C. North, opposing the Bonus Loan Constitutional Amendment.

Had this proposed amendment been in effect since 1921, when the original soldiers loan bill was adopted, it would have cost the state of Oregon to date approximately \$10,000,000, raised by direct taxation, instead of more than \$6,000,000 under the present provisions of our constitution, and would have increased the bonded indebtedness of the state from at least ten to fifteen millions of dollars. According to the affirmative argument, it is estimated that if this amendment is adopted the bonded indebtedness of the state would be increased \$28,000,000. This \$28,000,000 is arrived at from the statements in the affirmative argument, that if this proposed amendment is adopted, the state of Oregon will make a direct profit of \$5,000 per annum on each \$1,000,000 loaned to those who are not entitled to the benefits of the present act, or a total, according to said statement, of \$140,000 per annum in net profits; and this fictitious profit involves plunging a much-taxed, overburdened and bond-ridden state into an additional bonded indebtedness of \$28,000,000 (if \$5,000 profit is made on each \$1,000,000 loaned, it would be necessary to loan \$28,000,000 in order to make \$140,000 a year) to raise sufficient money—to loan to those who were not residents of the state of Oregon at the time of their enlistment or entry into the service.

Under the present law the state of Oregon loans money to those entitled to the same at 4 per cent per annum, which money is raised by the sale of bonds of the state of Oregon, and on which bonds the state pays approximately 4½ per cent per annum.

To date, under the present law, Oregon has issued and sold \$29,000,000 of bonds, and on June 30, 1930, there was outstanding and unpaid \$27,250,000 of these bonds. The date of the issuance, the rate of interest paid, and the amount of the different issues of these bonds are as follows:

Date of Issue	Interest Rate	Amount of Par Value
Feb. 1, 1922	4½	\$10,000,000
Oct. 1, 1922	4-4¼	5,000,000
Mar. 1, 1923	4-4½	5,000,000
Aug. 1, 1925	4½	1,000,000
Feb. 15, 1926	4-4¼	2,000,000
Nov. 1, 1926	4½-4½	2,000,000
April 1, 1927	4-4½	2,000,000
Dec. 1, 1927	3½-4-4¼	2,000,000

The average rate of interest paid on the bonds issued, as above stated, is approximately 4½ per cent, and in making these loans at the rate of 4 per cent per annum

the state of Oregon loses the difference between interest of 4 per cent per annum, paid by the ex-service men, and the interest of 4½ per cent per annum paid by the state on its bonds, or \$54,500 per year based on the \$27,250,000 of bonds now outstanding. To meet this loss, the loss on its loans already made, the cost of administering the act and operating expenses, (the administrative expense to June 30, 1930, being \$579,619.54, and the operating expense to the same date being \$242,472.09) there has been raised by direct taxation and paid, up to June 1, 1930, to the commission in charge of administering the act the sum of \$6,494,933.56.

The assertion, in order to procure votes in support of this amendment, that loans are made at 4 per cent per annum—"the same rate of interest" the state "pays on its bonds," is not supported by the official records, as already pointed out.

Nor can it be said "that the operation of the Soldiers Loan Fund of the state of Oregon" has been a financial success, when we take into consideration the \$6,494,933.56 raised by direct taxation and paid to the state commission. In order to pave the way for the issuance of additional bonds it is proposed to amend the constitution by increasing the amount of indebtedness which may be created under the act from 3 per cent of the assessed valuation of all the property in the state to 4 per cent of all such property.

The first loan was granted in March, 1922, since which time the state has been forced to foreclose and take over the property covered by 645 of the loans made by it, the said loans aggregating \$1,557,125, and consisting of 344 tracts designated as farm land, and 301 parcels of city property. Some of this property has been sold, but with very small payments down, some as low as 5 per cent of the sale price, just enough to cover the real estate broker's commission, and it is yet too early to ascertain just what the state will suffer on this property, and on other property where the loans are not paid. At the present time real property in which the state has over \$1,000,000 invested has been removed from the tax rolls, for the reason that it is now owned by the state of Oregon, thus casting additional burdens on other property owners.

There have also been transferred by and from those who originally received the loans 1,432 parcels of land covered by these loans, to others who were not entitled to receive the loans from the state. The amount originally loaned on this property amounted to \$3,289,800, and the unpaid portion of said loans at the time of the transfers amounted to \$3,003,799.77.

In the affirmative argument it is intimated that probably before many years a large part of the property covered by these loans will be transferred by those receiving the loans from the state to those who are not entitled to apply for the same.

If this be true, those whom the constitutional amendment intended to be benefited will, upon parting with their lands, have received very little benefit from the loan itself, and it is not an argument in favor of the proposed amendment.

Under the original law, an honorably discharged soldier, if a resident of the state, and if he was living in Oregon at the time he entered the army or navy, was entitled to the benefits of the loan. There appears nothing in the original constitutional amendment to warrant the statement appearing in the affirmative argument, that the ex-service man, if living in Oregon at the time of enlistment, would be entitled to a loan even if he had never returned to Oregon. The very first paragraph of the amendment of the constitution relating to loans to ex-service men, allows the state to incur an indebtedness not to exceed 3 per cent of the total assessed value of all the property in the state "for the purpose of creating a fund to be loaned or to be paid to *residents* of the state of Oregon," but does not authorize the fund to loan money to nonresidents or ex-residents.

Based upon this erroneous construction of the constitution, it is argued that the ex-service man who was at the time of his enlistment a resident of another state, and who has moved to Oregon, is as much entitled to the benefits of the loan as the ex-service man who never returned to the state after his enlistment.

Oregon needs more development. It needs improved farms. It needs more buildings and more taxable wealth. All these things can not be procured by plunging the state more into debt, and imposing upon those who are entitled to the benefit of the loan law additional burdens in the way of taxes. Under conditions as they now exist, with stagnant markets, depressed business conditions, and lack of employment, the average working man or the average small business man or farmer should not be called upon to provide funds for the state through direct taxation for the loss which would be incurred if this amendment is adopted.

As already pointed out, the additional one-half of one per cent interest provided for under the proposed amendment will not cover the additional expense involved, and instead of providing a profit for the state, will necessitate the raising of additional money by direct taxation. If the statements made in the affirmative argument are true, that the state will make a profit, why not extend the benefit of the amendment to all residents of the state of Oregon?

Oregon is justly proud of and grateful to her ex-service men, but should not be expected to grant to the ex-service men of other states, many of whom have received bonuses or other privileges from their own state, financial assistance at the expense of the ex-service men of Oregon. None of the other states recognize the ex-service men of our state in any such manner.

In conclusion, I recommend to the taxpayers and voters of Oregon the defeat of this amendment.

Respectfully submitted,

W. C. NORTH.

(On Official Ballot, Nos. 306 and 307)

AN AMENDMENT

To the constitution of the state of Oregon, to be submitted to the legal electors of the state of Oregon for their approval or rejection at the regular general election to be held November 4, 1930, to amend section 32 of article I thereof; proposed by the thirty-fifth legislative assembly under senate joint resolution No. 11, filed in the office of the secretary of state February 27, 1929.

The following is the form and number in which the proposed amendment will be printed on the official ballot:

**Constitutional Amendment—Referred to the People by the
Legislative Assembly** **Vote YES or NO**

MOTOR VEHICLE LICENSE TAX CONSTITUTIONAL AMENDMENT—
Purpose: To amend section 32 of article I of the state constitution so as to authorize the legislative assembly to classify and subclassify property, including motor vehicles, for purposes of taxation, and, in providing for an excise or privilege tax, to take into consideration use, value and depreciation of the property affected, without specific assessment.

306 Yes. I vote for the amendment.

307 No. I vote against the amendment.

The following is the 25-word ballot title of the proposed amendment as prepared by the attorney general to be used in connection with voting machines:

**Constitutional Amendment—Referred to the People by the
Legislative Assembly** **Vote YES or NO**

MOTOR VEHICLE LICENSE TAX CONSTITUTIONAL AMENDMENT—
Purpose: To authorize classification and subclassification of property, including automobiles, for taxation, and consideration of use, value, depreciation for excise or privilege taxes, without specific assessments.

306 Yes. I vote for the amendment.

307 No. I vote against the amendment.

SENATE JOINT RESOLUTION NO. 11

For a proposed amendment to the constitution of the state of Oregon, to be submitted to the people for their approval or rejection at the next election, whether the same be a general or special election.

Be It Resolved by the Senate of the State of Oregon the House of Representatives jointly concurring:

That section 32, article I, of the constitution of the state of Oregon, shall be and hereby is amended so as to read as follows:

ARTICLE I

Sec. 32. No tax or duty shall be imposed without the consent of the people or their representative in the legislative assembly; and all taxation shall be uniform on the same class of subjects within the territorial limits of the authority levying the tax. But the legislative assembly is authorized for purposes of taxation to classify and subclassify property, including motor vehicles, and in providing an excise or privilege tax may take into consideration use,

value and depreciation of the property affected, without specific assessment.

Be It Further Resolved, That said proposed amendment be submitted to the people for their approval or rejection at the next election held throughout the state of Oregon, whether the same be a general or special election; be it further

Resolved, That the secretary of state of the state of Oregon be and he hereby is authorized and directed to set aside two pages in the official pamphlet containing initiative and referendum measures to be voted on at the next election, whether the same be a general election or special election, in which arguments supporting the foregoing amendment may be printed, and that a joint committee, consisting of two senators and three representatives, be appointed to prepare such arguments for publication.

Filed in the office of the secretary of state February 27, 1929.

For affirmative argument see page 20.

(On Official Ballot, Nos. 308 and 309)

AN AMENDMENT

To the constitution of the state of Oregon, to be submitted to the legal electors of the state of Oregon for their approval or rejection at the regular general election to be held November 4, 1930, to amend section 1 of article IX thereof; proposed by the thirty-fifth legislative assembly under senate joint resolution No. 12, filed in the office of the secretary of state February 27, 1929.

The following is the form and number in which the proposed amendment will be printed on the official ballot:

Constitutional Amendment—Referred to the People by the Legislative Assembly Vote YES or NO

MOTOR VEHICLE LICENSE TAX CONSTITUTIONAL AMENDMENT—
Purpose: To amend section 1 of article IX of the state constitution so as to authorize the legislative assembly to classify and subclassify property, including motor vehicles, for purposes of taxation, and, in providing for an excise or privilege tax, to take into consideration use, value and depreciation of the property affected, without specific assessment.

308 Yes. I vote for the amendment.

309 No. I vote against the amendment.

The following is the 25-word ballot title of the proposed amendment as prepared by the attorney general to be used in connection with voting machines:

Constitutional Amendment—Referred to the People by the Legislative Assembly Vote YES or NO

MOTOR VEHICLE LICENSE TAX CONSTITUTIONAL AMENDMENT—
Purpose: To authorize classification and subclassification of property, including automobiles, for taxation, and consideration of use, value, depreciation for excise or privilege taxes, without specific assessments.

308 Yes. I vote for the amendment.

309 No. I vote against the amendment.

SENATE JOINT RESOLUTION NO. 12

For a proposed amendment to the constitution of the state of Oregon to be submitted to the people for their approval or rejection at the next election, whether the same be a general or special election.

Be It Resolved by the Senate of the State of Oregon, the House of Representatives jointly concurring:

That section 1, article IX, of the constitution of the state of Oregon, shall be and hereby is amended so as to read as follows:

ARTICLE IX

Sec. 1. The legislative assembly shall, and the people through the initiative may, provide by law uniform rules of assessment and taxation. All taxes shall be levied and collected under general laws operating uniformly throughout the state. But the legislative assembly is authorized for purposes of taxation to classify and subclassify property, including motor vehicles, and in providing an excise or privilege tax may

take into consideration use, value and depreciation of the property affected, without specific assessment.

Be It Further Resolved, That said proposed amendment be submitted to the people for their approval or rejection at the next election held throughout the state of Oregon, whether the same be a general or special election; be it further

Resolved, That the secretary of state of the state of Oregon be and he hereby is authorized and directed to set aside two pages in the official pamphlet containing initiative and referendum measures to be voted on at the next election, whether the same be a general election or special election, in which arguments supporting the foregoing amendment may be printed, and that a joint committee, consisting of two senators and three representatives, be appointed to prepare such arguments for publication.

Filed in the office of the secretary of state February 27, 1929.

For affirmative argument see page 20.

(On Official Ballot, Nos. 306 and 307, 308 and 309)

ARGUMENT (Affirmative)

Submitted by the joint committee of the senate and house of representatives, thirty-fifth regular session, legislative assembly, in behalf of the **Motor Vehicle License Tax Constitutional Amendments.**

For many years there has been agitation in favor of a system of motor vehicle taxation in Oregon that recognizes value as one of the essential factors in the tax structure. Owners of old automobiles have protested because they are compelled, under our present tax plan which has weight as its exclusive measuring stick, to pay as much to license a car valued at \$50 as to license a new automobile valued at \$5,000.

The question of recognizing declining value of a motor vehicle in fixing annual license fees has come before legislative committees on numerous occasions. In 1924 the governor appointed a special committee to investigate the subject and make recommendations to the 1925 legislature. These recommendations, and all other propositions of the same character, have been met with the objection that they are unconstitutional. The attorney general has so advised legislative committees, the basis for such advice being the fact that value can not be injected into a tax fabric based, by statute, on weight.

Recognizing the wide-spread public demand for old-car relief, the 1929 legislature decided to remove the legal barrier to more serious consideration of the subject. So senate joint resolutions Nos. 11 and 12 were passed so that the voters of the state might have an opportunity to decree, by their votes, whether or not the 1931 legislature shall make an effort to remodel the motor vehicle license fee system with value, or declining value, as a major factor.

FRED E. KIDDLE,
State Senator, Nineteenth District

GEORGE W. DUNN,
State Senator, Sixth District

EMMETT HOWARD,
State Representative, Third District

GEO. P. WINSLOW,
State Representative, Twenty-ninth District

EARL C. BRONAUGH, JR.,
State Representative, Eighteenth District

(On Official Ballot, Nos. 310 and 311)

AN AMENDMENT

To the constitution of the state of Oregon, to be submitted to the legal electors of the state of Oregon for their approval or rejection at the regular general election to be held November 4, 1930, to amend section 3 of article IV thereof; proposed by the thirty-fifth legislative assembly under senate joint resolution No. 20, filed in the office of the secretary of state March 2, 1929.

The following is the form and number in which the proposed amendment will be printed on the official ballot:

Constitutional Amendment—Referred to the People by the Legislative Assembly **Vote YES or NO**

CONSTITUTIONAL AMENDMENT FOR FILLING VACANCIES IN THE LEGISLATURE—Purpose: To amend section 3 of article IV of the constitution of Oregon to authorize the filling of vacancies in the legislature in such manner as may be provided by law.

310 Yes. I vote for the amendment.

311 No. I vote against the amendment.

The following is the 25-word ballot title of the proposed amendment as prepared by the attorney general to be used in connection with voting machines:

Constitutional Amendment—Referred to the People by the Legislative Assembly **Vote YES or NO**

CONSTITUTIONAL AMENDMENT FOR FILLING VACANCIES IN THE LEGISLATURE—Purpose: Constitutional amendment to authorize the filling of vacancies in the legislature in such manner as may be provided by law.

310 Yes. I vote for the amendment.

311 No. I vote against the amendment.

SENATE JOINT RESOLUTION NO. 20

Be It Resolved by the Senate of the State of Oregon, the House of Representatives jointly concurring:

That section 3, article IV, constitution of the state of Oregon, be and the same hereby is amended so as to read as follows:

Sec. 3. The senators and representatives shall be chosen by the electors of the respective counties or districts into which the state may from time to time be divided by law. If a vacancy in the office of senator or representative from any county or district shall occur, such vacancy shall be filled as may be provided by law.

Be It Further Resolved, That said proposed amendment be submitted to the people for their approval or rejection at the next election held throughout the state of

Oregon, whether the same be a general or special election; be it further

Resolved, That the secretary of state of the state of Oregon be and he hereby is authorized and directed to set aside two pages in the official pamphlet containing initiative and referendum measures to be voted on at the next election, whether the same be a general election or special election, in which arguments supporting the foregoing amendment may be printed, and that a joint committee, consisting of two senators and three representatives, be appointed to prepare such arguments for publication, and further, that two pages of the official pamphlet be set aside for negative arguments and a like committee be appointed to prepare negative arguments for publication.

Filed in the office of the secretary of state March 2, 1929.

(On Official Ballot, Nos. 312 and 313)

AN AMENDMENT

To the constitution of the state of Oregon, to be submitted to the legal electors of the state of Oregon for their approval or rejection at the regular general election to be held November 4, 1930, to amend section 29 of article IV thereof; proposed by the thirty-fifth legislative assembly under house joint resolution No. 25, filed in the office of the secretary of state March 4, 1929.

The following is the form and number in which the proposed amendment will be printed on the official ballot:

**Constitutional Amendment—Referred to the People by the
Legislative Assembly**

Vote YES or NO**LEGISLATORS' COMPENSATION CONSTITUTIONAL AMENDMENT—**

Purpose: To amend the state constitution to fix the compensation of members of the legislature at \$500 for the term of two years, together with travel pay for going to and returning from the place of meeting, as now provided by the constitution; the presiding officers to receive one-half of their allowance as members as additional compensation.

312 Yes. I vote for the amendment.**313 No. I vote against the amendment.**

The following is the 25-word ballot title of the proposed amendment as prepared by the attorney general to be used in connection with voting machines:

**Constitutional Amendment—Referred to the People by the
Legislative Assembly**

Vote YES or NO**LEGISLATORS' COMPENSATION CONSTITUTIONAL AMENDMENT—**

Purpose: To fix legislators' compensation at \$500 for two-year term and mileage as now provided; presiding officers to receive one-half compensation allowance additional.

312 Yes. I vote for the amendment.**313 No. I vote against the amendment.****HOUSE JOINT RESOLUTION NO. 25**

Be It Resolved by the House of Representatives of the State of Oregon, the Senate jointly concurring:

That section 29, article IV, of the constitution of the state of Oregon, be and the same hereby is amended so as to read as follows:

ARTICLE IV

Sec. 29. *Compensation of Members.* The members of the legislative assembly shall receive for their services and personal expenses, the sum of \$500 for any two years of the term for which they are elected; such sum to be paid at such times as may be provided by law. No extra session shall continue for a longer period than 20 days. They shall also receive the sum of \$3 for every 20 miles they shall travel in going to and returning from their place of meeting, on the most usual route. The presiding of-

ficers of the assembly shall, in virtue of their office, receive an additional compensation equal to one-half of their allowance as members.

Resolved, That this proposed amendment be submitted to the voters of the state of Oregon for their approval or rejection at the next general or special election; and be it further

Resolved, That the secretary of state be authorized and directed to set aside two pages of the official pamphlet for the publication of arguments in support of this amendment, and that a committee of three representatives and two senators be appointed to prepare said arguments for publication in said pamphlet, and to file the same with the secretary of state.

Filed in the office of the secretary of state March 4, 1929.

For affirmative argument see page 23.

(On Official Ballot, Nos. 312 and 313)

ARGUMENT (Affirmative)

Submitted by the joint committee of the senate and house of representatives, thirty-fifth regular session, legislative assembly, in behalf of the **Legislators' Compensation Constitutional Amendment.**

The 1929 session of the legislature decided to again submit to the voters of the state of Oregon the question of amending Article IV, Section 29, of the state constitution so as to provide a more decent compensation for the members of the legislature. This question has been submitted to the people at different times in the past, and strangely enough the voters have always refused to adopt any amendment. The old constitutional provision of three dollars per day for not to exceed 40 days at a regular session was of course adopted when a per diem of three dollars was perhaps worth as much as a per diem of ten dollars in these times. In that day, no doubt many a man rendered a good day's work for one dollar, and perhaps boarded himself. The framers of the constitution were actuated by praiseworthy motives of economy, and it doubtless appeared to them that three dollars per day was a living wage for a legislator. It is very likely that the average legislator 70 years ago could work for three dollars a day and live for a dollar a day and lay up money. For many years, and even prior to the beginning of the recent era of high prices, the Oregon legislator has found that the three dollars per day allowed him is not sufficient to pay expenses. Furthermore the legislative session usually lasts at least 45 days, and the constitution in its present form allows no compensation beyond 40 days. The proposed amendment would increase the compensation to five hundred dollars for two years' service, and no extra compensation being provided in the proposed amendment for an extra session, the total compensation, aside from mileage, would be limited to five hundred dollars for two years. The amendment would provide for mileage at the rate of three dollars for every 20 miles traveled in going to and returning from the capital. The provision for mileage is the same as

that contained in the present constitution. Many of the members are able to visit their homes over week-ends, but they do not, and would not under the proposed amendment, receive mileage for these extra trips.

Under present conditions, many a poor man is prevented from seeking a membership in the legislature because he can not afford the loss of time from his usual work or business and the burden of expense placed upon him in order to attend the sessions. It might be argued that the poor man should, then, not seek to be a member of the legislature. This would not be a sound argument. The public should pay reasonable compensation for service rendered to the public. At the present time there is no public servant who is so poorly compensated as the member of the Oregon legislature. Nearly every other state pays a larger compensation, and some of them pay as much as one thousand dollars per year. The proposed amendment is very modest in its provision of five hundred dollars for two years, thus covering special sessions as well as the regular biennial session. If the average voter will only give the matter thoughtful consideration he will realize the justice of the amendment and give it his support. The 1930 session of the Oregon State Grange voted, by a very large majority, in favor of house joint resolution No. 25 increasing the pay of the members of the legislature.

B. L. EDDY,

State Senator, Fifth District.

EDWARD SCHULMERICH,

State Senator, Eleventh District.

FRANK J. LONERGAN,

State Representative, Eighteenth District.

A. V. SWIFT,

State Representative, Twenty-sixth District.

(On Official Ballot, Nos. 314 and 315)

A MEASURE

To provide for two additional circuit judges for the fourth judicial district, filed in the office of the secretary of state February 26, 1929, to be submitted to the legal electors of the state of Oregon for their approval or rejection at the regular general election to be held November 4, 1930, upon petition for referendum filed in the office of the secretary of state May 24, 1929, in accordance with the provisions of section 1 of article IV of the constitution of the state of Oregon.

The following is the form and number in which the proposed measure will be printed on the official ballot:

Referred Bill—Referendum Ordered by Petition of the People Vote YES or NO

TWO ADDITIONAL CIRCUIT JUDGES BILL—Purpose: To provide for two additional judges of the circuit court of the state of Oregon for the fourth judicial district, comprising Multnomah county.

314 Yes. I vote for the proposed law.

315 No. I vote against the proposed law.

The following is the 25-word ballot title of the proposed measure as prepared by the attorney general to be used in connection with voting machines:

Referred Bill—Referendum Ordered by Petition of the People Vote YES or NO

TWO ADDITIONAL CIRCUIT JUDGES BILL—Purpose: To provide for two additional judges of the circuit court of the state of Oregon for the fourth judicial district, comprising Multnomah county.

314 Yes. I vote for the proposed law.

315 No. I vote against the proposed law.

GENERAL LAWS OF OREGON FOR 1929
Chapter 193

(House Bill No. 330, Thirty-fifth Legislative Assembly)

AN ACT

To provide for two additional circuit judges for the fourth judicial district.

Be It Enacted by the People of the State of Oregon:

Section 1. In addition to the circuit judges now provided by law for the fourth judicial district of the state of Oregon, comprising Multnomah county, there shall be elected at the general election to be held in said county and at the general election every six years thereafter, two circuit judges who shall possess the qualifications prescribed by law for circuit judges, and whose term shall commence on the first Monday of January, following said election, and who shall hold office for the term of six years and until their two successors are elected and qualified.

Section 2. The said circuit judges shall sit in a department, to be named or designated

as departments numbers 9 and 10. The duties, powers and jurisdiction of said circuit judges shall be such as are prescribed by law for circuit judges of said district and the salary of such judges shall be the same as the salary now or hereafter received by the other circuit judges of said district and shall be paid in like manner.

Section 3. Within 15 days from the time this act becomes law the governor of the state of Oregon shall appoint two circuit judges for the fourth judicial district who shall sit in departments numbers 9 and 10, shall have the qualifications, duties, powers hereinabove provided for. The said judges and jurisdiction prescribed by law for circuit judges of said fourth judicial district and shall receive the salary of other circuit judges in said district, payable in like manner. Each of such judges shall qualify for office within 10 days from their appointment by the governor and shall hold office until his successor is elected and qualified, as provided in section 1 hereof.

Filed in the office of the secretary of state February 26, 1929.

For negative argument see page 25.

(On Official Ballot, Nos. 314 and 315)

ARGUMENT (Negative)

Submitted by the Court Reform League of Oregon, opposing the **Two Additional Circuit Judges Bill**.

VOTERS OF THE STATE OF OREGON:

Two additional circuit judges were provided for Multnomah county by the 1929 legislature in a bill enacted over Governor Patterson's protest and veto.

A referendum has been invoked for the purpose of preventing the appointment and election of these two additional circuit judges; it is the consensus of opinion that it would be an unnecessary additional expense to impose upon the taxpayers of our state, the cost of these additional judges; their maintenance would entail, not only necessary salaries, but also expenses incident to additional court rooms, clerks, bailiffs, jurors and jury rooms.

Many cases filed in Multnomah county comprise uncontested divorce cases, mortgage foreclosures, personal injury damage suits (which are never tried), and other similar litigation, the usual disposition of which is made by the mere clerical procedure of a signature by the court.

Judges, lawyers and bar associations have often promised that rules would be promulgated and conditions put into effect which would relieve this asserted congestion, but these promises do not appear to have been kept; on the contrary it does appear that greater delays and causes for congestion are being promoted, therefore

'tis the opinion of the promoters of this referendum that because of all of the foregoing, this referendum should prevail.

Under the title, "WHO IS TO PAY THE BILL," it might be interesting to note a statement attributed to State Treasurer Kay, "That despite the fact that the legislature provided for an increase in the filing fees of cases, designed to take care of increased salaries of judges, nevertheless, this fee increase, lacks an amount equal to \$40,000 per year (estimated) to take care of this salary increase, which amount must be paid from the general fund and borne by the taxpayers of the state."

Mr. Voter, if this referendum falls and this act goes into effect, it will require, to provide for these additional judges \$13,000 annually, for their salaries alone, plus the great expense of maintaining additional clerks, bailiffs, juries, jury and court rooms.

Every taxpayer in Oregon will have to pay a part of this amount. How any thinking voter interested in lessening the tax burdens of this state and who has made an investigation of court conditions can fall to vote for this referendum, is beyond comprehension of the undersigned.

Support this referendum. We want no more judges. Vote 315 X No.

Respectfully submitted,
COURT REFORM LEAGUE OF OREGON,
William F. Woodward, Chairman.

(On Official Ballot, Nos. 316 and 317)

A MEASURE

Providing for property tax relief by the levying, collecting and paying of taxes on incomes; providing for rules and regulations and prescribing penalties, and making an appropriation for carrying out this act, filed in the office of the secretary of state March 9, 1929, to be submitted to the legal electors of the state of Oregon for their approval or rejection at the regular general election to be held November 4, 1930, upon petition for referendum filed in the office of the secretary of state May 31, 1929, in accordance with the provisions of section 1 of article IV of the constitution of the state of Oregon.

The following is the form and number in which the proposed measure will be printed on the official ballot:

Referred Bill—Referendum Ordered by Petition of the
People

Vote YES or NO

INCOME TAX BILL—Purpose: To levy and collect annually a progressive state tax upon net incomes of resident and non-resident natural persons and fiduciaries, from every source within the state and from property taxable therein; making exemptions to single person of \$1,500; married person, head of family, or husband and wife together, \$2,500; and for each child or dependent under certain conditions, \$400; and providing that the estimated amount of income taxes for each year be deducted from the total amount of revenue required for state purposes, and only the balance of such required amount be levied as direct taxes on property.

316 Yes. I vote for the proposed law.

317 No. I vote against the proposed law.

The following is the 25-word ballot title of the proposed measure as prepared by the attorney general to be used in connection with voting machines:

Referred Bill—Referendum Ordered by Petition of the
People

Vote YES or NO

INCOME TAX BILL—Purpose: Levying a progressive income tax upon net incomes of natural persons and deducting amount received from such tax from the amount necessary for state purposes.

316 Yes. I vote for the proposed law.

317 No. I vote against the proposed law.

GENERAL LAWS OF OREGON FOR 1929
Chapter 448

(House Bill No. 580, Thirty-fifth Legislative Assembly)

AN ACT

Providing for property tax relief by the levying, collecting and paying of taxes on incomes; providing for rules and regulations and prescribing penalties, and making an appropriation for carrying out this act.

Be It Enacted by the People of the State of Oregon:

Section 1. *Short Title.* This act shall be known and cited as the "Property Tax Relief Act of 1929."

Section 2. *Definitions.* For the purpose of this act and unless otherwise required by the context:

1. The words "commission" or "tax commission" mean the state tax commission.

2. The word "taxpayer" includes any natural person or fiduciary whose income is in whole or in part subject to the tax imposed by this act.

3. The words "tax year" mean the calendar year, or the fiscal year ending during such calendar year, upon the basis of which the net income is computed under this act.

4. The words "fiscal year" mean an accounting period of 12 months, ending on the last day of any month other than December.

5. The word "fiduciary" means a guardian, trustee, executor, administrator, receiver, conservator, or any person, whether individual or corporate, acting in any fiduciary capacity for any person, trust or estate.

6. The word "paid", for the purposes of the deductions under this act, means "paid or accrued" or "paid or incurred", and the terms "paid or incurred" and "paid or accrued" shall be construed according to the method of accounting upon the basis of which the net income is computed under this act. The term "received", for the purpose of the computation of net income under this act, means "received or accrued" and the term "received or accrued" shall be construed according to the method of accounting upon the basis of which the net income is computed under this act.

7. The word "resident" applies only to natural persons and includes for the purpose of determining liability to the tax imposed by this act upon or with reference to the income of any tax year any person domiciled in the state of Oregon, and any other person who maintains a permanent place of abode within the state and spends in the aggregate more than seven months of the tax year within the state.

8. The words "foreign country" or "foreign government" mean any jurisdiction other than one embraced within the United States. The words "United States" include the states, the territories of Alaska and Hawaii and the District of Columbia.

9. The word "individual" means a natural person.

Section 3. A tax is hereby imposed upon every individual, resident or nonresident, with respect to the taxpayer's entire net income arising or accruing to him from every source whatever within the state of Oregon, and from such personal property as would regularly have its situs for taxation inside the state of Oregon and be lawfully taxable therein, which tax shall be levied, collected and paid annually, with respect to the taxpayer's entire net income as herein defined, computed at the following rates, after deducting the exemptions provided in this act:

(a) On the first \$1,000 of taxable income, or any part thereof, 1 per cent.

(b) On the second \$1,000 of taxable income, or any part thereof, 2 per cent.

(c) On the third \$1,000 of taxable income, or any part thereof, 3 per cent.

(d) On the fourth \$1,000 of taxable income, or on any part thereof, 4 per cent.

(e) On all taxable income in excess of \$4,000, 5 per cent. Such tax shall first be levied, collected and paid in the year 1930 and with respect to the net income received during the calendar year 1929 or during any tax year ending during the 12 months ending December 31, 1929.

Section 4. 1. The tax imposed by this act shall apply to estates and trusts, which tax shall be levied, collected and paid annually upon and with respect to the income of estates or of any kind of property held in trust, including:

(a) Income received by estates of deceased persons during the period of administration or settlement of the estate.

(b) Income accumulated in trust for the benefit of unborn or unascertained persons, or persons with contingent interest.

(c) Income held for future distribution under the terms of the will or trust.

(d) Income which is to be distributed to the beneficiaries periodically, whether or not at regular intervals, and the income collected by a guardian of an infant to be held or distributed, as the court may direct.

(e) Income of an estate during the period of administration or settlement permitted by subdivision 3 to be deducted from the net income upon which the tax is to be paid by the fiduciary.

(f) The net income received during the year by deceased individuals who have died on or after the date a return was due to be filed without having made a return.

2. The fiduciary shall be responsible for making the return of income for the estate or trust for which he acts, whether such income be taxable to the estate or trust or to the beneficiaries thereof. The net income of an estate or trust shall be computed in the same manner and on the same basis as provided in this act for individual taxpayers, except that there shall also be allowed as a deduction any part of the gross income which, pursuant to the terms of the will or deed creating the trust, is, during the taxable year, paid to or permanently set aside for the United States, any state, territory, or any political subdivision thereof, or the District of Columbia, or any corporation or association organized and operated exclusively for religious, charitable, scientific or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private stockholder or individual, and, in cases under paragraphs (d) and (e) of subdivision 1 of this section, the fiduciary shall include in the return a statement of each beneficiary's distributive share of such net income, whether or not distributed before the close of the tax year for which the return is made.

3. In cases under paragraphs (a), (b) and (c) of subdivision 1 of this section the tax shall be imposed upon the estate or trust with respect to the net income of the estate or trust and shall be paid by the fiduciary, except that in determining the net income of the estate of any deceased

person during the period of administration or settlement there may be deducted the amount of any income properly paid or credited to any legatee, heir or other beneficiary. In cases under (a), (b) and (c) the estate or trust shall be allowed the same exemptions as are allowed to single persons under section 13, and in cases under paragraph (f) the same exemption as would be allowed the deceased, if living. In such cases an estate or trust created by a person not a resident and an estate of a person not a resident shall be subject to tax only to the extent to which individuals other than residents are liable under section 6.

4. In cases under paragraphs (d) and (e) of subdivision 1 of this section, the tax shall not be paid by the fiduciary, but there shall be included in computing the net income of each beneficiary his distributive share, whether distributed or not, of the net income of the estate or trust for the tax year, or, if his net income for such tax year is computed upon the basis of a period different from that upon the basis of which the net income of the estate or trust is computed, then his distributive share of the net income of the estate or trust for any accounting period of such estate or trust ending within the fiscal or calendar year upon the basis of which such beneficiary's net income is computed. In such cases the income of a beneficiary not a resident, derived through such estate or trust, shall be taxable only to the extent provided in section 6.

Section 5. The term "net income" means the gross income of the taxpayer less the deductions allowed by this act.

Section 6. 1. The term "gross income" includes gains, profits, income derived from salaries, wages or compensation for personal service, of whatever kind and in whatever form paid, or from professions, vocations, trades, business, commerce or sales, or dealings in property, whether real or personal, growing out of the ownership or use of or interest in such property; also from interest, rent, dividends or the transaction of any business carried on for gain or profit, or gains or profits, and income derived from any source whatever, within the state of Oregon, and also from such personal property as would regularly have its situs for taxation inside the state of Oregon and be lawfully taxable therein. The amount of all such items shall be included in the gross income of the tax year in which received by the taxpayer, unless, under the methods of accounting permitted under this act, any such amounts are to be properly accounted for as of a different period.

2. The term "gross income" does not include the following items, which shall be exempted from taxation under this act:

(a) Interest, dividends and/or other income which may be otherwise taxed by this state as income of the taxpayer.

(b) The proceeds of life insurance policies and contracts paid upon the death of the insured.

(c) The amount received by the insured as a return of premium or premiums paid by him under life insurance, endowment, annuity, interinsurance or reciprocal contracts, either during the term or at the maturity of the term mentioned in the contract or upon surrender of the contract.

(d) The value of property acquired by gift, bequest, devise or descent (but the income from such property shall be included in gross income).

(e) Interest upon the obligations of the United States or its possessions, agencies or instrumentalities, which is or shall be exempt from state taxation by federal law.

(f) Salaries, wages and other compensation received from the United States by officials or employes thereof which are or shall be exempt from state taxation by federal law.

(g) Any amounts received through accident or health insurance or under workmen's compensation acts as compensation for personal injuries or sickness, plus the amount of damages received, whether by suit or agreement, on account of such injuries or sickness.

(h) Income received from any source that may not be lawfully taxed by the state of Oregon.

Section 7. 1. Taxpayers, who customarily determine their income on a basis other than that of actual cash receipts and disbursements, may, with the approval of the commission, return their net income under this act upon a similar basis. Taxpayers, who customarily determine their income on the basis of an established fiscal year instead of on that of the calendar year, may, with the approval of the commission, and subject to such rules and regulations as it may establish, return their net income under this act on the basis of such fiscal year, in lieu of that of the calendar year.

2. A taxpayer may, with the approval of the tax commission, and under such regulations as it may prescribe, change his income year from the fiscal year to the calendar year or otherwise, in which case his net income shall be computed upon the basis of such new tax year.

3. An individual carrying on business in partnership shall be liable for income tax only in his individual capacity and shall include in his gross income the distributive share of the net income of the partnership distributable to him during the income year.

4. If the income from sources within the state can not be properly segregated from income without the state, then, in that event, the amount of the net income returned shall be that proportion of the taxpayer's total net income which the taxpayer's gross business done in the state of Oregon bears to the total gross business of the taxpayer, and apportionment shall be made under rules and regulations prescribed by the commission, giving consideration to sales, property and payroll and such other factors as may be deemed applicable.

5. The provisions of the foregoing section dealing with the apportionment of income earned from sources both within and without the state of Oregon are designed to allocate to the state of Oregon on a fair and equitable basis a proportion of such income earned from sources both within and without the state. Any taxpayer may submit an alternative basis of apportionment with respect to his own income and explain that basis in full in his return. If approved by the tax commission that method will be accepted as the basis of allocation.

Section 8. 1. For the purpose of ascertaining the gain derived or loss sustained from the sale or other disposition of property, real, personal or mixed, the basis shall be, in case of property acquired on or after January 1, 1929, the cost thereof, or the inventory value if the inventory is made in accordance with this act.

2. In case of property acquired prior to January 1, 1929, and disposed of thereafter:

(a) No profit shall be deemed to have been derived if either the cost or the fair market price or value on January 1, 1929, exceeds the value realized.

(b) No loss shall be deemed to have been sustained if either the cost or the fair market price or value on January 1, 1929, is less than the value realized.

(c) Where both the cost and the fair market price or value on January 1, 1929, are less than the value realized, the basis for computing profit shall be the cost or the fair market price or value on January 1, 1929, whichever is higher.

(d) Where both the cost and the fair market price or value on January 1, 1929, are in excess of the value realized, the basis for computing loss shall be the cost or the fair market price or value on January 1, 1929, whichever is lower.

Section 9. 1. When property is exchanged for other property having a readily ascertainable market value, the property received in exchange shall, for the purpose of determining gain or loss, be treated as the equivalent of cash to the amount of its fair market value, if any, but even if property received in exchange has a readily ascertainable market value no gain or loss shall be recognized (1) when in the reorganization, consolidation or merger of one or more corporations a person receives in place of any stock or securities owned by him stock or securities in a corporation a party to or resulting from such reorganization, consolidation or merger, or (2) when a person or persons transfer any property, real, personal or mixed, to a corporation, and immediately after the transfer is or are in control of such corporation by stock ownership acquired by the transfer of such property for stock of the corporation.

2. When property is exchanged for other property and no gain or loss is realized, the property received shall be treated as taking the place of the property exchanged therefor.

Section 10. Whenever, in the opinion of the commission, the use of inventories is necessary in order clearly to determine the income of any taxpayer, inventories shall be taken by such taxpayer upon such basis as the commission may prescribe, conforming as nearly as may be to the best accounting practice in the trade or business and most clearly reflecting the income.

Section 11. In computing net income there shall be allowed as deductions:

(a) All the ordinary and necessary expenses, paid during the tax year in carrying on any trade or business, including a reasonable allowance for salaries or other compensation for personal service actually rendered, traveling expenses while away from home in pursuit of trade or business, and including rentals or other payments required to be made as a condition to the continued use or possession, for the purpose of the trade or business, of property to which the taxpayer has not taken or is not taking title or in which he has no equity.

(b) All interest paid during the tax year on indebtedness, except on indebtedness incurred or continued to purchase or carry obligations or securities, the interest on which is exempt from taxation under this act; provided, that no interest incurred prior to January 1, 1929, and properly chargeable against business operations of prior years, shall be treated as deductions hereunder.

(c) Taxes, paid during the tax year, imposed by the state of Oregon or any of its political subdivisions or by the authority of the United States and allocable to the state of Oregon; except inheritance taxes, and except income taxes imposed by this act and taxes assessed for local benefits, of a kind tending to increase the value of the property assessed; provided, that no taxes incurred prior to January 1, 1929, and properly chargeable against business operations of prior years, shall be treated as deductions hereunder.

(d) Losses sustained during the tax year and not compensated for by insurance or otherwise, if incurred in trade or business.

(e) Losses sustained during the tax year and not compensated for by insurance or otherwise, if incurred in any transaction entered into for profit, though not connected with the trade or business.

(f) Losses sustained during the tax year of property not connected with the trade or business, if arising from fires, storm, shipwreck or other casualty, or from theft and not compensated for by insurance or otherwise.

(g) Debts ascertained to be worthless and charged off within the income year.

(h) A reasonable allowance for the depreciation, exhaustion, wear and tear and obsolescence of property used in the trade or business, and in the case of mines, oil and gas wells, other natural deposits and timber, a reasonable allowance for depletion; provided, that in computing the deductions allowed under this paragraph the

basis shall be the cost (including in the case of mines, oil and gas wells and other natural deposits, the cost of development, not otherwise deducted), and in the case of property acquired prior to January 1, 1923, the fair market value of the property on that date shall be taken in lieu of cost up to that date. The reasonable allowance under this paragraph shall be made under rules and regulations to be prescribed by the commission. In the case of leases the deductions allowed may be equitably apportioned between the lessor and the lessee.

(i) Contributions or gifts within the tax year to corporations or associations operated exclusively for religious, charitable, scientific or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private stockholder or individual, or to the special fund for vocational rehabilitation authorized by section 7 of the act of congress known as the vocational rehabilitation act, to an amount not in excess of 15 per centum of the taxpayer's net income as computed without the benefit of this subdivision. Such contributions or gifts shall be allowable as deductions only if verified under rules and regulations prescribed by the commission. This deduction shall be allowed only as to contributions or gifts made to corporations or associations incorporated by or organized under the laws of this state or to the vocational rehabilitation fund above mentioned.

(j) If for any taxable year beginning after December 31, 1928, it appears on the production of evidence satisfactory to the commission that any taxpayer has sustained a net loss, the amount thereof shall be deducted from the net income of the taxpayer from the succeeding year; and if such net loss is in excess of the net income for such succeeding tax year, the amount of such excess shall be held as a reduction in computing the net income for the next two succeeding tax years, the deduction in all cases to be made under regulations prescribed by the commission.

(k) The deductions allowed in this section shall be allowed only if and to the extent that they are connected with the income arising from sources within the state and taxable under this act.

Section 12. In computing net income of individuals no deductions shall in any case be allowed in the following:

- (a) Personal, living or family expenses.
- (b) Any amount paid out for new buildings or for permanent improvements or betterments, made to increase the value of any property or estate.
- (c) Any amount expended in restoring property for which an allowance is or has been made.
- (d) Premiums paid on any life insurance policy covering the life of any officer or employe or of any individual financially interested in any trade or business

carried on by the taxpayer, when the taxpayer is directly or indirectly a beneficiary under such policy.

Section 13. 1. There shall be deducted from the net income of individuals the following exemptions:

(a) In the case of a single individual, a personal exemption of \$1,500.

(b) In the case of the head of a family, or a married individual living with husband or wife, a personal exemption of \$2,500. A husband and wife living together shall receive but one personal exemption of \$2,500 against their aggregate net income; and in case they make separate returns the personal exemption of \$2,500 may be taken by either or divided between them.

(c) \$400 for each individual (other than husband and wife) dependent upon and receiving his chief support from the taxpayer, if such dependent individual is under 18 years of age or incapable of self-support because mentally or physically defective, or if such dependent individual is attending any school or institution of learning.

2. The status on the last day of the tax year shall determine the right to the exemptions provided in this section; provided, that a taxpayer shall be entitled to such exemptions for husband or wife or dependent who has died during the tax year.

Section 14. 1. Every individual having a net income for the tax year from sources taxable under this act of \$1,500 or over, if single, or if married and not living with husband or wife; or having a net income for the tax year of \$2,500 or over, if married, and living with husband or wife, and every partnership doing business in this state shall make a return under oath, stating specifically the items of gross income and the deductions and exemptions allowed by this act.

2. If husband and wife living together have an aggregate net income of \$2,500 or over, each shall make such a return, unless the income of each is included in a single joint return.

3. If the taxpayer is unable to make his own return, the return shall be made by a duly authorized agent or by a guardian or other person charged with the care of the person or property of such taxpayer.

Section 15. Every fiduciary (except receivers appointed by authority of law in possession of part only of the property of a taxpayer) shall make under oath a return for the individual or estate or trust for whom he acts, as follows:

1. If he acts for an individual whose entire income from whatever source derived is in his charge and the net income of such individual is \$1,500 or over if single, or if married and not living with husband or wife, and \$2,500 or over if married and living with husband or wife.

2. If he acts (a) for an estate of a deceased person during the period of administration or settlement, whether or not the income of such estate during such period of administration or settlement is properly paid or credited to any legatee, heir or other beneficiary; (b) for an estate or trust the income of which is accumulated in trust for the benefit of unborn or unascertained persons, or persons with contingent interest; or (c) for an estate or trust the income of which is held for future distribution under the terms of the will or trust, if the net income of such estate or trust is \$1,500 or over.

3. If he acts (a) for an estate or trust the income of which is to be distributed to the beneficiaries periodically; or (b) as the guardian of an infant whose income is to be held or distributed as the court may direct; and any beneficiary of such estate or trust who receives or is entitled to a distributive share of the income of the estate or trust of \$1,500 or more. The return made by a fiduciary shall state specifically the items of the gross income and the deductions, exemptions and credits allowed by this act. Under such regulations as the commission may prescribe a return made by one of two or more joint fiduciaries shall be a sufficient compliance with the above requirement. The fiduciary shall make oath that he has sufficient knowledge of the affairs of the individual, estate or trust for whom or which he acts to enable him to make the return, and that the same is, to the best of his knowledge and belief, true and correct.

4. Fiduciaries required to make returns under this act shall be subject to all the provisions of this act which apply to taxpayers.

5. Fiduciaries required to make returns under this act, partnership, corporation, joint stock company or association or insurance company, having a place of business in this state, in whatever capacity acting, including lessees or mortgagors of real or personal property, fiduciaries, employers and all officers and employees of the state or of any political subdivision of the state, having the control, receipts, custody, disposal or payment of interest (other than interest coupons payable to bearer), rent, dividends, salaries, fees, wages, emoluments or other fixed or determinable annual or periodical gains, profits and income, amounting to \$1,500 or over, paid or payable during any year to any taxpayer, shall make complete return thereof, under oath, to the commission, under such regulations and in such form and manner and to such extent as it may prescribe.

6. Every partnership having a place of business in the state shall make a verified return, stating the items of its gross income and the deductions allowed by this act, and shall include in the return the names and addresses of the individuals who would be entitled to share in the net income if distributed, and the amount of the distributive share of each individual.

Section 16. Returns shall be in such form as the commission may, from time to time, prescribe, and shall be filed with the commission within 90 days after the expiration of the tax year. In case of sickness, absence or other disability, or whenever, in its judgment, good cause exists, the commission may allow further time for filing returns. There shall be annexed to the return the affidavit or affirmation of the taxpayer making the return to the effect that the statements contained therein are true. The commission shall cause to be prepared blank forms for said returns and shall cause them to be distributed throughout the state and to be furnished upon application, but failure to receive or secure the form shall not relieve the taxpayer from the obligation of making any return herein required.

Section 17. If the commission shall be of the opinion that any taxpayer has failed to file a return, or to include in a return filed, either intentionally or through error, items of taxable income, it may require from such taxpayer a return or supplementary return, under oath, in such form as it shall prescribe, of all the items of income which the taxpayer received during the year for which the return is made, whether or not taxable under the provisions of this act. If from a supplementary return, or otherwise, the commission finds that any items of income, taxable under this act, have been omitted from the original return it may require the items so omitted to be disclosed under oath of the taxpayer, and to be added to the original return. Such supplementary return and the correction of the original return shall not relieve the taxpayer from any of the penalties to which he may be liable under any provisions of this act whether or not the commission required a return or a supplementary return under this section.

Section 18. 1. The return by an individual who, while living, was subject to income tax in the state during the tax year, and who has died before making the return, shall be made in his name and behalf by the administrator or executor of the estate and the tax shall be levied upon and collected from his estate.

2. Where the tax commission has reason to believe that any taxpayer so conducts his trade or business as either directly or indirectly to distort his true net income and the net income properly attributable to the state, whether by the arbitrary shifting of income, through price fixing, charges for services, or otherwise, whereby the net income is arbitrarily assigned to one or another unit in a group of taxpayers carrying on business under a substantially common control, it may require such facts as it deems necessary for the proper computation of the entire net income and the net income properly attributable to the state, and in determining the same the commission shall have regard to the fair profits which would normally arise from the conduct of the trade or business.

Section 19. If a taxpayer, with the approval of the commission, changes the tax upon the basis of which his net income is computed, he shall, at such time and in such manner as the commission may prescribe, make a separate return of his net income received during the period intervening between the end of his former income year and the beginning of his new income year.

Section 20. 1. The tax may be paid in two instalments, each consisting of one-half of the total amount of the tax. The first instalment shall be paid to the commission at the time fixed by law for filing the return, and the second instalment shall be so paid on or before six months thereafter. When, at the request of the taxpayer, the time for filing the return is extended, interest at the rate of 12 per cent per annum, from the time when the return was originally required to be filed to the time of payment, shall be added and paid; provided, however, that in case the total amount of the tax shall be \$10 or less, then, and in that case, the whole amount of the tax shall be paid at the time of filing the return.

2. The tax may be paid with uncertified check during such time and under such regulations as the commission shall prescribe, but if a check so received is not paid by the bank on which it is drawn the taxpayer by whom such check is tendered shall remain liable for the payment of the tax and for all legal penalties the same as if such check had not been tendered.

Section 21. 1. As soon as practicable after the return is filed the commission shall examine it and compute the tax and the amount so computed by the commission shall be the tax. If the tax found due shall be greater than the amount theretofore paid, the excess shall be paid to the commission within 10 days after notice of the amount shall be mailed by the commission.

2. If the return is made in good faith and the understatement of the tax is not due to any fault of the taxpayer there shall be no penalty or additional tax added because of the understatement, but interest shall be added to the amount of the deficiency at the rate of 1 per cent for each month or fraction of a month.

3. If the understatement is due to negligence on the part of the taxpayer, but without intent to defraud, there shall be added to the amount of the deficiency 5 per cent thereof, and, in addition, interest at the rate of 1 per cent per month or fraction of a month.

4. If the understatement is false or fraudulent, with intent to evade the tax, the tax on additional income discovered to be taxable shall be doubled and an additional 1 per cent per month or fraction of a month shall be added.

5. The interest provided for in this section shall in all cases be computed from the date the return was originally required to be filed to the date of payment.

6. If the amount of tax found due as computed be less than the amount theretofore paid the excess shall be refunded by the commission out of the proceeds of the tax retained by it, as provided in this act.

7. All payments received must be credited, first, to penalty and interest accrued, and then to tax due.

Section 22. 1. If the commission discovers from the examination of the return or otherwise that the income of any taxpayer, or any portion thereof, has not been assessed, it may, at any time within two years after the time when the return was due compute the tax and give notice to the taxpayer of the proposed assessment, and the taxpayer shall thereupon have an opportunity, within 30 days, to confer with the commission as to such proposed assessment. The limitation of two years to the assessment of such tax or additional tax shall not apply to the assessment of additional taxes upon fraudulent returns. After the expiration of 30 days from such notification the commission shall assess the income of such taxpayer or any portion thereof which it believes has not theretofore been assessed and shall give notice to the taxpayer so assessed of the amount of the tax and interest and penalties, if any, and the amount thereof shall be due and payable within 10 days from the date of such notice. The provisions of this act with respect to revision and appeal shall apply to a tax so assessed.

2. If the commission and the taxpayer consent in writing to the assessment of the tax after the expiration of the two-year period prescribed by paragraph 1 of this section, the tax may be assessed at any time prior to the expiration of the period agreed upon.

Section 23. If any tax imposed by this act or any portion of such tax be not paid within 30 days after the same becomes due the commission shall issue a warrant under its hand and official seal directed to the sheriff of any county of the state commanding him to levy upon and sell the real and personal property of the taxpayer found within his county, for the payment of the amount thereof, with the added penalties, interest and the cost of executing the warrant, and to return such warrant to the commission and pay to it the money collected by virtue thereof by a time to be therein specified, not less than 60 days from the date of the warrant. The sheriff shall, within five days after the receipt of the warrant, file with the clerk of his county a copy thereof, and thereupon the clerk shall enter in the judgment docket, in the column for judgment debtors, the name of the taxpayer mentioned in the warrant, and in appropriate columns the amount of the tax or portion thereof and penalties for which the warrant is issued and the date when such copy is filed, and thereupon the amount of such warrant so docketed shall become a lien upon the title to and interest in real property or personal

property of the taxpayer against whom it is issued in the same manner as a judgment duly docketed in the office of such clerk. The said sheriff shall thereupon proceed upon the same in all respects, with like effect and in the same manner prescribed by law in respect to executions issued against property upon judgment of a court of record, and shall be entitled to the same fees for his services in executing the warrant, to be collected in the same manner. In the discretion of the commission a warrant of like terms, force and effect may be issued and directed to any agent authorized to collect income taxes, and in the execution thereof such agent shall have all the powers conferred by law upon sheriffs, but shall be entitled to no fee or compensation in excess of actual expenses paid in the performance of such duty. If a warrant be returned not satisfied in full, the commission shall have the same remedies to enforce the claim for taxes against the taxpayer as if the people of the state had recovered judgment against the taxpayer for the amount of the tax, and shall balance his assessment record by transferring the unpaid deficiency to his delinquent record.

Section 24. Every tax imposed by this act, and all increases, interest and penalties thereon shall become, from the time it is due and payable, a personal debt from the person or persons liable to pay the same to the state of Oregon.

Section 25. Action may be brought at any time by the attorney general of the state, at the instance of the commission, in the name of the state, to recover the amount of any taxes, penalties and interest due under this act.

Section 26. 1. No final account of a fiduciary shall be allowed by any court unless such account shows, and the judge of said court finds, that all taxes imposed by the provisions of this act upon said fiduciary, which have become payable, have been paid, and that all taxes which may become due are secured by bond, deposit or otherwise. The certificate of the commission and the receipt for the amount of the tax therein certified shall be conclusive as to the payment of the tax to the extent of said certificate.

2. For the purpose of facilitating the settlement and distribution of estates held by fiduciaries, the commission may, on behalf of the state, agree upon the amount of taxes at any time due or to become due from such fiduciaries under the provisions of this act, and payment in accordance with such agreement shall be full satisfaction of the taxes to which the agreement relates.

Section 27. 1. If any taxpayer, without intent to evade any tax imposed by this act, shall fail to file a return of income or pay a tax, if one is due at the time required by or under the provisions of this act, but shall voluntarily file a corrected return of income and pay the tax due,

within 60 days thereafter, there shall be added to and made a part of the tax an additional amount equal to 5 per cent thereof, plus \$1 and an additional 1 per cent for each month or fraction of a month during which the tax remains unpaid.

2. If any taxpayer falls voluntarily to file a return of income or to pay a tax, if one is due, within 60 days of the time required by or under the provisions of this act, the tax rates shall be increased by 20 per cent, and such increased tax shall be further increased by 1 per cent for each month or fraction of a month from the time the tax was originally due to the date of payment.

3. The commission shall have power, upon making a record of its reason therefor, to waive or reduce any of the additional taxes or interest provided in subdivisions 1 and 2 of this section or in subdivisions 2, 3 and 4 of section 21, and to credit all payments received first to penalty and interest, then to tax due.

4. If any taxpayer fails to file a return within 60 days of the time prescribed by this act any judge of the circuit court, upon petition of the commission, or of any 10 taxable residents of the state, shall issue a writ of mandamus requiring such person to file a return. The order of notice upon the petition shall be returnable not later than 10 days after the filing of the petition. The petition shall be heard and determined on the return day or on such day thereafter as the court shall fix, having regard to the speediest possible determination of the case, consistent with the rights of the parties. The judgment shall be subject to the provisions of this act with reference to appeals to the supreme court, and shall include costs in favor of the prevailing party. All writs and processes may be issued from the clerk's office in any county, and, except as aforesaid, shall be returnable as the court shall order.

5. Any person who, without fraudulent intent, fails to pay any tax or to make, render, sign or verify any return, or to supply any information within the time required by or under the provisions of this act, shall be liable to a penalty of not more than \$1,000, to be recovered by the attorney general, in the name of the state, by action in any court of competent jurisdiction.

6. Any person or any officer or employee of any corporation, or member or employee of any partnership, who, with intent to evade any requirement of this act or any lawful requirement of the commission thereunder, shall fail to pay any tax or to make, sign or verify any return or to supply any information required by or under the provisions of this act, or who, with like intent, shall make, render, sign or verify any false or fraudulent return or statement, or shall supply any false or fraudulent information, shall be liable to a penalty of not more than \$1,000, to be recovered by the attorney general, in the name of the state, by action in any court of com-

petent jurisdiction, and shall also be guilty of a misdemeanor and shall, upon conviction, be fined not to exceed \$1,000 or be imprisoned not to exceed one year, or both, at the discretion of the court.

7. The commission shall have the power to compromise any penalty under subdivisions 5 and 6 of this section. The penalties provided by such subdivision shall be additional to all other penalties in this act provided.

8. The failure to do any act required by or under the provisions of this act shall be deemed an act committed in part at the office of the commission in Oregon. The certificate of the commission to the effect that a tax has not been paid, that a return has not been filed or that information has not been supplied, as required by or under the provisions of this act, shall be prima facie evidence that such tax has not been paid, that such return has not been filed or that such information has not been supplied.

9. If any taxpayer who has failed to file a return or has filed an incorrect or insufficient return and has been notified by the commission of his delinquency refuses or neglects, within 20 days after such notice, to file a proper return, or files a fraudulent return, the commission shall determine the income of such taxpayer, according to its best information and belief, and assess the same at not more than double the amount so determined. The commission may, in its discretion, allow further time for filing a return in such case.

Section 28. A taxpayer may appeal to the commission for revision of the tax assessed against him at any time within one year from the time of the filing of the return or from the date of the notice of the assessment of any additional tax. The commission shall grant a hearing thereon and if, upon such hearing, it shall determine that the tax is excessive or incorrect, it shall resettle the same according to the law and the facts and adjust the computation of the tax accordingly. The commission shall notify the taxpayers of its determination and shall refund to the taxpayer the amount, if any, paid in excess of the tax found by it to be due. If the taxpayer has failed, without good cause, to file a return within the time prescribed by law, or has filed a fraudulent return or, having filed an incorrect return, has failed, after notice, to file a proper return, the commission shall not reduce the tax below the amount for which the taxpayer is found to be properly assessed.

Section 29. The determination of the commission upon application made by a taxpayer for revision of any tax may be reviewed in any court of competent jurisdiction by a complaint filed by the taxpayer against the commission in the county in which the taxpayer resides or has his principal place of business within 60 days after notice by the commission of its determination, given as provided in section 28 of this act. Thereupon appropriate proceedings shall be had and the relief if any,

to which the taxpayer may be found entitled may be granted and any such taxes, interest or penalties paid, found by the court to be in excess of those legally assessed, shall be ordered refunded to the taxpayer, with interest from time of payment. An appeal may be taken by the taxpayer or the commission to the supreme court in the manner that appeals are taken in suits in equity, irrespective of the amounts involved.

Section 30. The commission shall administer and enforce the tax herein imposed, for which purpose it may divide the state into districts, in each of which a branch office may be established. It may, from time to time, change the limits of such districts.

Section 31. The commission, for the purpose of ascertaining the correctness of any return or for the purpose of making an estimate of the taxable income of any taxpayer, shall have power to examine or cause to be examined by any agent or representative designated by it for the purpose, any books, papers, records or memoranda bearing upon the matter required to be included in the return, and may require the attendance of the taxpayer or any other person having knowledge in the premises, and may take testimony and require proof material for the information, with power to administer oath to such person or persons.

Section 32. 1. The commission may appoint and remove such deputy commissioners, agents, auditors, clerks and employes as it may deem necessary, such persons to have such duties and powers as the commission may, from time to time, prescribe.

2. The salaries of all deputy commissioners, agents and employes shall be fixed by the commission.

3. All such deputy commissioners, agents and employes shall be allowed such reasonable and necessary traveling and other expenses as may be incurred in the performance of their duties.

4. The commission may require such of the officers, agents and employes as it may designate to give bond for the faithful performance of their duties in such sum and with such sureties as it may determine and the state shall pay the premiums on such bonds.

Section 33. All officers empowered by law to administer oaths, the commissioner, and all deputy commissioners, agents, auditors, and such other employes as the commission may designate, shall have the power to administer an oath to any person or take the acknowledgment of any person in respect of any return or report required by this act or the rules and regulations of the commission.

Section 34. The commission shall prepare and publish annually statistics, reasonably available, with respect to the operation of this act, including amounts collected, classification of taxpayers, and such other facts as are deemed pertinent and valuable.

Section 35. 1. Except in accordance with proper judicial order, or as otherwise provided by law, it shall be unlawful for the commission, any deputy, agent, auditor or other officer or employe, to divulge or make known in any manner the amount of income or any particular set forth or disclosed in any report or return required under this act. Nothing herein shall be construed to prohibit the publication of statistics so classified as to prevent the identification of particular reports or returns and the items thereof, or the inspection by the attorney general or other legal representative of the state of the report or return of any taxpayer who shall bring action to set aside or review the tax based thereon, or against whom an action or proceeding has been instituted to recover any tax or any penalty imposed by this act. Reports and returns shall be preserved for four years and thereafter until the commission orders them to be destroyed.

2. Any person violating subdivision 1 of this section shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not exceeding \$1,000, or by imprisonment in the county jail for not more than one year, or by both such fine and imprisonment, at the discretion of the court, and if the offender be an officer or employe of the state he shall be dismissed from office and shall be incapable of holding any public office in this state for a period of five years thereafter.

3. Every taxpayer shall, upon request of the commission, furnish a copy of the return for the corresponding year, which he has filed or may file with the federal government of the United States, showing his net income and how obtained and the several sources from which derived.

Section 36. The commission may, from time to time, make such rules and regulations not inconsistent with this act as it may deem necessary to enforce its provisions.

Section 37. The net revenue arising under the operation of this act in excess of \$10,000, which shall be retained by the commission as a working balance from which refunds shall be paid, shall be assigned to the state of Oregon and shall become a part of the general fund in the

hands of the state treasurer. The proceeds of this tax, like that from other miscellaneous sources, shall be taken account of by the tax commission in making the annual levy for state purposes. It is the expressed intention of this act that the revenue derived from the tax shall reduce by corresponding amount the direct tax levy which the tax commission would otherwise apportion to the several counties of the state. In December, 1929, or the first year for which this act shall become operative, and for every year thereafter, the commission shall estimate the total amount of revenue to be raised under the several millage taxes in force and the amount necessary for miscellaneous state purposes as enumerated under section 4215, Oregon Laws; and shall deduct therefrom any surplus or estimated surplus remaining in the state treasury from all funds, however derived, and also the estimated net proceeds of this tax for the next ensuing calendar year. Only the remainder left after subtracting said surplus and the estimated receipts of this tax shall be apportioned among the several counties as provided for by law. The tax levy made during the year 1929 shall be taken as a basis from which to reckon the 6 per cent increase permitted under article XI, section 11, Oregon constitution, for the year 1930. The proceeds arising under this tax for the year 1930, levied on the incomes of 1929, shall not be construed to increase or decrease the base from which the legal levy is calculated by the commission, but if this act be repealed the base for the ensuing year shall be the amount of the total taxes imposed for state purposes from the last year during which this act was in effect.

Section 38. In the event of repeal of this act, unless otherwise specifically provided in the repeal, this act shall remain in full force for the assessment, imposition and collection of the tax and all interest, penalty or forfeitures which have accrued or may accrue in relation to any such tax for the calendar year in which the tax is repealed.

Filed in the office of the secretary of state March 9, 1929.

For affirmative argument see page 36.
For negative argument see page 37.

(On Official Ballot, Nos. 316 and 317)**ARGUMENT (Affirmative)**

Submitted by the Oregon State Grange, in behalf of the **Income Tax Bill.**

No Profit No Tax

No person pays any income tax under this law, who has not made a profit during the year.

Will any person who is willing to bear his part of the cost of government complain of this light income tax, which he pays only when he has made a clear net profit in his business or profession over and above all his exemptions and deductions?

"What you and I want is more income—Income for our families and ourselves."
—L. B. Smith (1926 voters pamphlet).

Who of us would not regard it a blessing to have an income large enough to require us to pay this small income tax. We would be delighted to have that burden placed upon us.

It will not drive industry out of the state. It is an assumed fact, and it generally is a fact, that new business enterprises do not show profit for a year or two, after establishment. They will pay no income tax until they have a net income above their exemptions. The present high property tax is driving many people out of the state. Any thing that will reduce it will have a tendency to bring more people into the state.

"The income tax is the greatest leveler in taxation method. It is the true index of the taxpayer's ability to pay. It exacts from everyone an equal degree of sacrifice. It brings a greater number of citizens to a realization of their responsibilities and duties toward their state and nation."

Of those making income tax returns in 1924, more than 40,000 persons with a total net income of more than \$60,000,000

were shown to have paid no property tax at all, yet they received all the benefits of government.

Many individuals and corporations are not paying their just proportion of the tax burden. As an illustration, in 1924 twenty-five (25) of the leading lumber firms turned their property in to the county assessors for over five million dollars. They had a net profit of over five and one-half million dollars. Their net profit was \$200,000 greater than their assessed valuation. According to their sworn statement their property was worth more than thirty-three million dollars. Their property was assessed for 16 per cent of its true value. The farms and homes of the state are assessed for 65 per cent of their true value.

"The man who understands best the principles of taxation will be least likely to resort to oppressive expedients, or to sacrifice any particular class of citizens to the procurement of revenue."

Strange to say, those words came from Alexander Hamilton. And yet we have sacrificed agriculture to such an extent that it requires 65 per cent of the farmer's profit to pay his taxes.

The theory of a tax upon net incomes is that those most able to pay are the ones upon which the burden of taxation falls.

It is the easiest tax in the world to pay. Because you are only required to pay this tax out of your clear net income, after allowing you certain exemptions.

DON'T FAIL TO VOTE "YES" ON THE INCOME TAX MEASURE.

Respectfully submitted,

OREGON STATE GRANGE,

CHARLES C. HULET, Master.

BERTHA J. BECK, Secretary.

(On Official Ballot, Nos. 316 and 317)

ARGUMENT (Negative)

Submitted by the Greater Oregon Association, the State Taxpayers' Association of Oregon, opposing the Income Tax Bill.

The Income Tax Bill submitted to the voters of 1930 under the referendum differs very much from all of the other income tax bills that have been on the ballot in Oregon before.

This one is strictly a personal income tax.

It does not apply to banks or financial corporations.

It does not apply to railroads.

Or public utility companies.

Or other corporations.

It does not apply to dividends on stocks.

Or interest on bonds or mortgages.

It applies only to wages, salaries, fees for professional or personal service and the profits from individual transactions.

Banks and other financial and business corporations are taxed under the Excise Tax in addition to real property holdings.

Railroads and public utility companies are taxed under special provisions by the Tax Commission.

The income from stocks, bonds and mortgages is taxed under the Intangibles Tax.

This personal income tax is confined to individual wages, salaries, fees, commissions and profits only.

Thus it imposes a new burden upon every wage earner, every salaried worker, every bank and corporation official, every professional man and woman, and all of those engaged in personal business whose income exceeds the exemptions and deductions in the act.

This is in addition to any investments they may hold and in addition to the tax on their homes.

A special circuit court proceeding is provided for in the issuance of a writ of mandamus against any suspected taxpayer to compel him to file a return.

This writ may be issued by petition of the Tax Commission, or any ten taxpayer residents.

This section alone should be enough to condemn this law and insure its defeat.

But the economic effect of the passage of a personal income tax law must be considered.

One-half of the state tax on real estate and tangible personal property has been shifted to incomes from banks, corporations and investments by the Excise and Intangibles Taxes.

The policy of a further shift to personal incomes is a doubtful one.

Real property taxes in Oregon are already far lower than those in neighboring competitive states.

None of them have resorted to the Personal Income Tax.

No other state in the West finds this type of taxation necessary.

Tax reduction has never been accomplished anywhere by shifting the load. The expenses of government remain the same.

Until these expenses are reduced no tax reduction is possible.

The effect of a Personal Income Tax on the reputation of Oregon would be far reaching, if not disastrous.

Oregon, in common with other Western states, is crying for development, and new population.

But it has been proved time and time again that new business and industry and new people will not knowingly seek an income tax state. They avoid it studiously.

This exerts a profound tendency to check our growth.

With the resumption of normal conditions, the big movement toward the West is certain to continue.

Oregon must proceed cautiously in adopting policies of doubtful wisdom or imposing more revenue measures that might operate as a handicap to prevent the state from obtaining its rightful share of new development possibilities.

The state prospers, and its industrial enterprises of every character prosper as the people prosper.

The Personal Income Tax should be rejected at the polls in November.

Vote 317 X NO. I vote against the Income Tax Bill.

GREATER OREGON ASSOCIATION,

By J. O. ELROD, Chairman,

W. S. BABSON,

JOHN H. BURGARD,

H. J. FRANK,

RODERICK L. MACLEAY,

C. W. NORTON,

I. F. POWERS,

CAMERON SQUIRES,

J. A. ZEHNTBAUER,

Executive Committee.

L. B. SMITH, Secretary.

Address: 827 Terminal Sales Building,
Portland, Oregon.

(On Official Ballot, Nos. 318 and 319)

AN AMENDMENT

To the constitution of the state of Oregon, being the addition thereto of article —, the object of which shall be to prevent the manufacture, importation, possession, advertising, sale or giving away any cigarettes, cigarette papers, or materials for their manufacture within the state of Oregon, and providing a penalty for its violation; to be submitted to the legal electors of the state of Oregon for their approval or rejection at the regular general election to be held November 4, 1930; proposed by initiative petition filed in the office of the secretary of state July 1, 1930.

The following is the form and number in which the proposed amendment will be printed on the official ballot:

Constitutional Amendment—Proposed by Initiative Petition**Vote YES or NO**

ANTI-CIGARETTE CONSTITUTIONAL AMENDMENT—Purpose: To amend the constitution by adding a provision prohibiting the importation, manufacture, sale, purchase, possession, or giving away within the state of cigarettes, cigarette papers, or materials for the manufacture of cigarettes, or the advertisement of the same in any manner whatsoever, and making a violation of such provision a misdemeanor punishable upon conviction thereof by fine of not less than \$25, nor more than \$250, or imprisonment in the county jail not less than thirty, nor more than ninety days, or by both such fine and imprisonment.

318 Yes. I vote for the amendment.**319 No. I vote against the amendment.**

The following is the 25-word ballot title of the proposed amendment as prepared by the attorney general to be used in connection with voting machines:

Constitutional Amendment—Proposed by Initiative Petition**Vote YES or NO**

ANTI-CIGARETTE CONSTITUTIONAL AMENDMENT—Purpose: Constitutional amendment prohibiting importation, manufacture, sale, purchase, possession, giving away, of materials for manufacture of cigarettes, or advertisement thereof, and imposing penalties.

318 Yes. I vote for the amendment.**319 No. I vote against the amendment.****PROPOSED CONSTITUTIONAL AMENDMENT**

Be It Enacted by the People of the State of Oregon:

That the constitution of the state of Oregon shall be, and hereby is, amended by adding the following article to said consti-

tution, and it shall be designated in the constitution as article —; and its object shall be to prevent the manufacture, importation, possession, advertising, sale or giving away any cigarettes, cigarette papers, or materials for their manufacture within the state of Oregon, and providing a penalty for its violation.

ARTICLE —.

Section 1. From and after the first day of —, 1931, no cigarettes, cigarette papers, or materials for the manufacture of cigarettes shall be imported, manufactured, sold, purchased, possessed or given away within the state of Oregon; nor shall the same be advertised in any newspaper or other periodical published therein, nor upon any billboard or in any other manner whatsoever in said state.

Section 2. Any person violating section 1 of this article shall be guilty of a misde-

meanor, and upon conviction thereof shall be fined in any sum not less than \$25 nor more than \$250, or confined in the county jail not less than thirty days nor more than ninety days, or both such fine and imprisonment as the court may see fit.

Section 3. This article shall be self-executing, and all provisions of the constitution, and laws of this state, and of the charters and ordinances of all the cities and towns or other municipalities therein in conflict with this article are hereby repealed.

(On Official Ballot, Nos. 320 and 321)

AN AMENDMENT

To the constitution of the state of Oregon, being the addition of section 9 to article XV thereof, forbidding the taking of fish from and fishing in the waters of Rogue river and its tributaries and within a radius of three miles from the center of its mouth in any manner except with rod or line in hand and hook or hooks baited with natural or artificial bait or lure, and providing penalties for its violation; to be submitted to the legal electors of the state of Oregon for their approval or rejection at the regular general election to be held November 4, 1930; proposed by initiative petition filed in the office of the secretary of state July 3, 1930.

The following is the form and number in which the proposed amendment will be printed on the official ballot:

Constitutional Amendment—Proposed by Initiative Petition

Vote YES or NO

ROGUE RIVER FISHING CONSTITUTIONAL AMENDMENT—Purpose: Constitutional amendment making it unlawful to take or fish for any kind of fish in Rogue river, and its tributaries, and within a radius of three miles from its mouth, except with rod or line held in hand and hook or hooks baited with natural or artificial bait or lure; excepting the state and United States taking fish for propagation purposes; making each violation thereof a misdemeanor punishable by fine not less than \$100 nor more than \$1,000, or imprisonment in the county jail not less than fifteen days, nor more than six months, or both such fine and imprisonment.

320 Yes. I vote for the amendment.

321 No. I vote against the amendment.

The following is the 25-word ballot title of the proposed amendment as prepared by the attorney general to be used in connection with voting machines:

Constitutional Amendment—Proposed by Initiative Petition

Vote YES or NO

ROGUE RIVER FISHING CONSTITUTIONAL AMENDMENT—Purpose: Constitutional amendment closing Rogue river and its tributaries and water within three miles of its mouth to fishing other than by hook and line; providing penalties.

320 Yes. I vote for the amendment.

321 No. I vote against the amendment.

PROPOSED CONSTITUTIONAL
AMENDMENT

AN ACT

To amend the constitution of the state of Oregon forbidding the taking of fish from and fishing in the waters of Rogue river and its tributaries and within a radius of three miles from the center of

its mouth in any manner except with rod or line in hand and hook or hooks baited with natural or artificial bait or lure; and providing penalties for its violation.

Be It Enacted by the People of the State of Oregon:

Section 1. The constitution of the state of Oregon is hereby amended by adding to article XV thereof the following section:

Section 9. From and after January 1, 1931, it shall be unlawful for any person to take or attempt to take fish of any kind from, or to fish in the waters of Rogue river or any of its tributaries or within a radius of three miles from the center of the mouth of Rogue river in any manner except with rod or line held in the hand, and by hook or hooks baited with natural or artificial bait or lure; provided, that the state of Oregon or the United States may otherwise remove fish from said stream and its tributaries for purposes of propagation.

This provision is self-executing. Its violation shall constitute a misdemeanor which

shall be punishable for each offense by a fine of not less than \$100 or more than \$1,000 or by imprisonment in the county jail for not less than fifteen days nor more than six months, or by both such fine and imprisonment. Circuit courts shall have jurisdiction in all cases of violation hereof.

The legislature is hereby empowered to enact such further regulatory measures not in conflict herewith as it may deem advisable for the further enforcement of this amendment.

For affirmative argument see pages 42, 43.
For negative argument see pages 44, 45.

(On Official Ballot, Nos. 320 and 321)

ARGUMENT (Affirmative)

Submitted by the Jackson County Game Protective Association, and the Izaak Walton League of Grants Pass, in behalf of the Rogue River Fishing Constitutional Amendment.

If you believe the few remaining fish in Rogue river belong to and should be preserved for all the people of Oregon; if you believe the protection of an investment of more than a million dollars in property dependent on the preservation of this great angling stream is more important than two small commercial operations assessed at less than \$13,000; if you believe the United States government, through the Bureau of Fisheries, knew what it was doing when it prohibited the use of nets in every river in Alaska including the great Yukon, one of the largest rivers in the world, as a last resort to save the all but extinct runs of fish from the greed of a few privileged interests; if you believe in taking a 25-year fight out of the state legislature thereby saving the state thousands of dollars every session, then vote for this constitutional amendment and preserve the Rogue river for all time to come for the benefit of all the people of Oregon and for your children's children.

Lack of space prevents the presentation in detail of the many arguments in favor of this measure to conserve a rapidly disappearing run of fish that is vital to the future value of the world famous Rogue river. The arguments presented herein are therefore in brief form, but are founded on facts obtained after most careful investigation and the undersigned organizations will be glad to furnish additional information and proofs to any inquiring voters.

Rogue river flows through the counties of Jackson, Josephine and Curry. The first cannery was established at the mouth of the river in 1877 by R. D. Hume who later stated in a book, of which he was the author, that the first year's operations disclosed to him that the river was "fished out." Evidently satisfied that the stream was too small for net fishing the Hume estate sold its property, including the cannery in 1910, after the people of the state of Oregon had closed the river to net fishing by a majority vote of more than 16,000. Not only did the entire state give the measure a majority but the closely affected counties of Jackson, Josephine and Curry gave the measure a majority of 2,180 votes, 4,018 voting for and only 1,838 voting against the measure. Opponents of the measure fearing to resubmit it to the people at the next election secured its repeal in the 1913 session of the legislature, overriding the wishes of the people of the state and the governor's veto. Since 1913 the state of Oregon has spent tens of thousands of dollars in legislative fights over the Rogue river fish bills.

Eight years ago the legislature passed a law opening the commercial fishing season on Rogue river on May 15, to allow the salmon entering the river before that date to ascend the stream for the benefit of the public and for propagation. Net fishing in the lower Rogue river since the enactment of this law has been carried on so intensively that the runs of fish after May 15 are all but destroyed. Only the early fish remain to return to the river. That approximately 21,000 salmon ascended the river this year is due to the fact that for the first time in several years poaching has not existed on lower Rogue river on account of the effect it would have on the voters on this amendment. At a meeting held in Medford two years ago the representative of the commercial fishing interests on lower Rogue river stated that the over-fishing of the river had made it impossible for commercial operation at a profit unless the few early fish entering the river before May 15 could also be taken. Conservationists refused to surrender the last few protected fish in Rogue river, with the result that poaching for both steelhead trout and salmon on lower Rogue river during closed seasons has been carried on practically without restraint.

There are two fish canneries on Rogue river, one assessed at \$2,140 and one at \$10,600. Only one is operating due to the fished out condition of the river.

In 1929 fishermen on Rogue river received \$29,229 for their catch. About \$12,000 of this sum went to resident fishermen, the balance to non-residents. The sum represents an average of \$300 per fisherman. The state of Oregon spent \$10,000 for warden service on Rogue river in 1929 in an unsuccessful effort to prevent illegal fishing. The revenue paid the state for poundage fees by fishermen was \$1,147, or only one-ninth of the amount the state spent for warden service.

In contrast to this so-called industry more than \$1,000,000 is represented in investments in property on Rogue river whose value depends on the preservation of this river as the world's greatest angling stream. Residing on the upper Rogue river are 43,000 people entitled to share in the river's fish life. On the lower river 1,200 people reside.

If all the salmon that reached the upper river this year were taken there would be a half a salmon for each person and none left for propagation.

In 1929 the United States government hatchery at Elk creek was compelled to ship salmon eggs from the Columbia river

with which to restock the Rogue river because only a few salmon reached the upper river.

Discouraged by their inability to earn a livelihood by net fishing in Rogue river many commercial fishermen have been attracted to the lucrative occupation of boatmen for tourists and anglers on the river, one boatman having received \$1,200 for boat hire during 1929 from one source.

Argument will be offered that unscreened irrigation ditches, electric power dams, stream pollution and other causes are responsible for the all but extinct salmon runs entering the river after May 15, but indisputable evidence to the contrary is available.

The state game department is charged with irrigation ditch and other screening and maintains at the expense of angling license payers a "Screen Department." All ditches out of Rogue river are screened. The United States bureau of fisheries is spending \$25,000 per year in screening research work, a large part of which is expended on Rogue river.

Bacteriologists' tests of Rogue river water show low bacteria and high oxygen count. There is no harmful stream pollution.

A smoke screen may be offered that out of state residents are fencing Rogue river for private benefit. Ninety per cent of privately-owned lands on Rogue river are owned by legal Oregon residents. Hundreds of miles of the banks of Rogue river are in the national forests and open to all the people. Jackson county has set aside all the county-owned river frontage and the United States government is cooperating by reserving all public lands on the river, and not in the forest reserve, for the same purpose.

Only recently has the lower Rogue river been easily accessible to tourist travel.

With the improvement of roads the few residents in that section have found a new and greater source of revenue from tourist trade. With the completion of the Coast highway the section will become a tourist mecca bringing hundreds of thousands of dollars to the section annually, a common interest to the residents of the Rogue river country from source to mouth.

The closing of Rogue river to net fishing has been publicly endorsed by Governor Norbiad, and State Senator Hall of Curry and Coos counties, by the Oregon state game commission, by the Oregon Game Protective Association, the Oregon Council of the Izaak Walton league, the Multnomah Hunters' and Anglers' club, Medford Chamber of Commerce, Grants Pass Chamber of Commerce, Ashland Chamber of Commerce, the Associated Sportsmen's Organization of Oregon, and many citizens of Curry county on lower Rogue river. The late Frank Kendall, former chairman of the state fish commission, and the late Governor Patterson both expressed their belief in the necessity of this legislation.

The passage of this amendment will destroy no profitable industry but will protect and insure the future upbuilding of a resource for Oregon beyond the most sanguine predictions of its sponsors.

JACKSON COUNTY GAME PROTECTIVE ASSOCIATION,

By O. ARNSPIGER, President.

By H. L. NOBLIT, Secretary.

THE IZAAK WALTON LEAGUE OF GRANTS PASS,

By JOE WHARTON, President.

By WILFORD C. ALLEN, Secretary.

(On Official Ballot, Nos. 320 and 321)

ARGUMENT (Negative)

Submitted by the Commercial Fisheries Association of Oregon, Macleay Estate Company, and the Oregon State Federation of Labor, opposing the Rogue River Fishing Constitutional Amendment.

(Editorial—Salem Capital Journal,
January 6, 1920)

ROGUE RIVER SQUABBLE

As might have been surmised, the governor's initial effort to establish harmony in fish and game matters resulted in the customary squabble over Rogue river fishing. The governor will discover, as everyone else has found out, that the upper Rogue river anglers do not want an even break or a square deal—they want it all. They will not be content until they place a constitutional amendment before the people forbidding any commercial fishing in the stream, confiscating three canneries at the mouth, closing the only industry in Curry county, depriving some 300 families of their only means of livelihood, wasting a valuable food product and destroying one of Oregon's few established industries that brings in a quarter of a million dollars of outside money annually—all under the fallacious supposition that it will enable a few "sportsmen" to enjoy a little better angling.

But the Rogue river anglers are not content to destroy commercial fishing in the Rogue—they desire to cripple it elsewhere and intend to initiate a second constitutional amendment forbidding state aid in the propagation of salmon. Their attitude is all the more unreasoning, as no state aid has ever been forthcoming to increase salmon production on the Rogue. The Rogue was made a salmon stream by private hatcheries operated by the canneries. Both hatcheries are still owned by the cannery, the upper river hatchery being operated by the Federal Bureau of Hatcheries, and the lower river hatchery by the owners.

The anglers profess to desire only the steelhead, the taking of which commercially is forbidden by statute in the Rogue river, and none is so taken. The experiment of a closed river was tried once before—it did not improve angling, and dead salmon made such a stench during the fall months that no one could go near the stream.

At the last general election, the people voted down additional restrictions placed upon the commercial interests in Curry county—and the measure was reintroduced and passed by the legislature, by assiduous log-rolling only to meet the governor's veto. The special session should not waste its efforts on this subject, but let the Medford anglers circulate their initiative measures to amend the constitution for their own selfish pleasure and greed and put it up to the people at the November election—for nothing will ever satisfy these unreason-

ing and unreasonable sportsmen except a trip through the slaughterhouse of public opinion to the open grave of a square deal.

The foregoing editorial was written by George Putnam, then editor-owner of the Salem Capital Journal, one of the largest daily newspapers in Oregon outside of Portland. He was editor-owner of the Medford Mall Tribune and leader of the Sportsman in 1911, when the river was closed.

The editorial describes exactly what happened. Industry was halted, payrolls stopped, hundreds of men and their families were thrown out of work. Angling was not improved a particle. Salmon died in thousands along the banks of the Rogue, and in 1913 the legislature repealed the closing law.

Although ten years have elapsed since this editorial was written, there has been little change. The United States government now operates the upper river hatchery through the bureau of fisheries and the state fish commission operates the lower hatchery. Millions of dollars of outside money have been poured into Oregon spent for payrolls, for supplies and equipment, for taxes and other charges.

The attitude of the radical element of the sportsman has not changed. The constitutional amendment predicted by Mr. Putnam is here for you to vote upon. The sponsors of the amendment, two small angling associations of Jackson and Josephine counties, with very limited membership, have initiated this amendment. In their argument they make all sorts of incorrect claims and deceptive statements.

For instance, they assert that irrigation ditches are properly screened. The following dispatch appeared in the Oregonian on June 16, 1920:

FISH DIE IN ORCHARDS

Irrigation Canal Screens Held Inadequate; Ranchers at Medford Find Their Fruit Land Covered With Finny Tribe

Medford, Or., June 15 (Special)—Inadequate fish screens on irrigation canals are held to be responsible for the thousands of dying fish now found in orchards and fields throughout the Rogue River valley. Fishermen in this section are becoming indignant over the situation, following inspection trips to several different localities. At the A. C. Richmond orchards near Central Point the ground is found to be literally covered with the dying fish, which were left stranded when the irrigation water was turned off last week. The condition is not only causing the death of great numbers of fish but is dangerous to the

health of the community, citizens hold. Orchardists and farmers are unable to cope with the situation, they say.

This evidence is also indisputable, and disposes of this claim effectually. This is not merely an isolated instance but describes a condition that is continuing practically all the time.

Their claims as to shipment of eggs to Rogue river, low poundage fees, small payments to fishermen, discouraged fishermen turning to the boat business, and similar statements, are based entirely on the year 1929, which was one of the worst seasons for the fishing industry ever known on the Rogue river, just as 1930 so far appears to be one of the poorest seasons on record for the Columbia river.

There are good and bad years in every business. The fishing industry is no exception. 1929 was a bad year, almost as bad as 1900, thirty years ago, which holds the record.

It is unfair and unjust to assume that fishing is almost extinct in the Rogue on the record of this one year.

An average taken over a period of years would show that commercial fishermen earn wages sufficient to maintain their families comfortably, accumulate property and homes, and that the income from the fishing industry on the Rogue is over a quarter of a million dollars a year.

As to past legislation, Mr. George Putnam, and the sportsmen's organizations who were instrumental in closing the Rogue in 1911, were the very people who approved and actively assisted in opening it again in 1913 when the closing experiment proved to be such a disastrous failure.

The present effort to close the Rogue is only part of a program of these radicals and destructionists to close all of the Oregon coast streams and, ultimately, the Columbia river. When and if this is done the people will not be able to buy fish to eat.

Salmon is high enough now; when the rivers that furnish it are closed the price may easily reach \$1 a pound. In this connection the Oregon Journal under date of May 18, 1930, states:

A few sportsmen profit by the arrangement which closed the Willamette river to commercial fishing. A few sportsmen have succeeded in driving commercial fishermen from these Oregon waters. The population of Oregon is that much reduced and Washington state is benefited. Portland consumers are the chief sufferers because they are unable to secure the finest fresh salmon in the world.

To make matters even worse, efforts are now being made to close additional Oregon streams to commercial fishing. Sportsmen want additional territory and would force Oregon consumers to send additional thousands of dollars to Seattle and Washington to build up the Puget Sound cities.

The Secretary of State advises that 101,000 automobiles registered in Oregon from other states last year. On usual averages, they contained at least 300,000

people. Yet the Game Commission reports that only 6,600 nonresident angling licenses were issued in all parts of the state for the whole year.

This means that only 2 1/4 per cent of these 300,000 people bought angling licenses.

The tourist traffic is an important asset to Oregon, and should be encouraged in every way, but it is very evident that the interest of the tourist in angling is extremely limited.

The poaching problem, and the warden expenses in connection with it, have never been solved by closing streams. This is proved by continual evidence of illegal fishing on the Willamette, Clackamas, Nestucca and other closed streams.

A small faction of the sportsmen of Oregon are proposing this amendment. The Izaak Walton League of Grants Pass, one of the promoters responsible for this amendment, had only 25 members in March of this year.

The proposal is brought out in the form of a constitutional amendment. If it should pass, this scheme will put the law out of the reach of the legislature, so that it can not be repealed without long delays when disaster again comes to the Rogue as a sure consequence of this unwise move.

Most of our Oregon sportsmen are fair-minded. They are not in sympathy with these prohibitive laws. They have not contributed funds to this movement.

It has been financed by California millionaires for their idle pleasure.

These millionaires are helping the very small group of radical and selfish citizens of Oregon to force their opinions and desires on Oregon productive industry, placing hardships on laboring men and their families.

They contrast the asserted \$1,000,000 of homes of the idle rich with industrial properties, and seek thereby to belittle the payroll plants and the homes of workingmen.

In behalf of fair play and justice; in behalf of the consuming public; in behalf of the 140 members of the Rogue River Fishermen's Union, who depend on the fishing industry for a livelihood and the support of their wives and children; in behalf of property rights which this handful of sportsmen seeks to violate; in behalf of invested capital, and payrolls and industry, the undersigned appeal to the voters to carry out the prediction of George Putnam, and send this unwise and unfair proposition "to the open grave of a square deal."

321 X NO. I vote against the amendment.
THE COMMERCIAL FISHERIES ASSOCIATION OF OREGON.

By RODERICK L. MACLEAY,
President.

MACLEAY ESTATE COMPANY,
By RODERICK L. MACLEAY,
President.

THE OREGON STATE FEDERATION OF LABOR.

By BEN T. OSBORNE,
Executive Secretary.

(On Official Ballot, Nos. 322 and 323)

AN AMENDMENT

To section 8 of article V of the constitution of the state of Oregon, to be submitted to the legal electors of the state of Oregon for their approval or rejection at the regular general election to be held November 4, 1930; proposed by initiative petition filed in the office of the secretary of state July 3, 1930.

The following is the form and number in which the proposed amendment will be printed on the official ballot:

Constitutional Amendment—Proposed by Initiative Petition**Vote YES or NO****LIEUTENANT GOVERNOR CONSTITUTIONAL AMENDMENT—Purpose:**

Constitutional amendment to provide for election of lieutenant governor at same time, in same manner, with same qualifications as governor; to receive \$500 annual salary and no other compensation except when serving as governor; to be president of senate and appoint senate committees, but have no vote except upon a tie. If governor's office becomes vacant, to become governor for remainder of term; acting governor during governor's temporary absence or disability. Secretary of state becomes governor until next election, if both office of governor and lieutenant governor become vacant, and serves as acting governor during temporary absence or disability of both.

322 Yes. I vote for the amendment.

323 No. I vote against the amendment.

The following is the 25-word ballot title of the proposed amendment as prepared by the attorney general to be used in connection with voting machines:

Constitutional Amendment—Proposed by Initiative Petition**Vote YES or NO****LIEUTENANT GOVERNOR CONSTITUTIONAL AMENDMENT—Purpose:**

Providing election of lieutenant governor to succeed governor when vacancy occurs, and be president of senate. Secretary of state to succeed when both offices vacant.

322 Yes. I vote for the amendment.

323 No. I vote against the amendment.

**PROPOSED CONSTITUTIONAL
AMENDMENT**

That section 8 of article V of the constitution of the state of Oregon shall be, and the same hereby is, amended to read as follows:

Section 8. A lieutenant governor, who shall have the same qualifications as required for governor, shall be elected at the same time, and in the same manner as the governor. He shall hold office for the term

of four years; provided, that at the general biennial election in 1932, a lieutenant governor shall be elected for the term of two years. He shall receive a salary of five hundred dollars (\$500) per annum, but shall receive no other compensation except when called upon to serve as governor. He shall be president of the senate, but shall have no vote, except that, when the vote of the senate shall be equally divided, he shall cast the deciding vote. He shall appoint the committees of the senate. The senate

shall choose a president pro tempore to preside in the absence of the lieutenant governor, or when he shall exercise the office of governor.

In case the governor-elect fails to qualify, or if the governor dies, or resigns, or is removed from office, or permanently removes from the state, or is otherwise permanently unable to discharge the duties of the office, the title, powers, duties and emoluments of the office of governor shall devolve upon and be vested in the lieutenant governor for the unexpired term of the governor; and in case the governor is absent from the state, or is otherwise temporarily unable to discharge the duties of the office, the lieutenant governor shall act as governor until the disability be removed. In case both governor and lieutenant governor are disqualified, or die, or resign, or are permanently absent from the

state, or are otherwise permanently unable to discharge the duties of the office, or in case of a vacancy in the office of lieutenant governor, and there be also a vacancy in the office of governor, the title, powers, duties and emoluments of the office of governor shall devolve upon and be vested in the secretary of state until a governor be elected at the next general biennial election, and until he qualifies.

In case both the governor and lieutenant governor are temporarily absent from the state, or are temporarily unable to discharge the duties of the office of governor, the secretary of state shall act as governor until the disability is removed. A governor elected to fill a vacancy shall hold office for the unexpired term of his predecessor.

For affirmative argument see page 48.

(On Official Ballot, Nos. 322 and 323)

ARGUMENT (Affirmative)

Submitted by the Oregon State Grange, in behalf of the Lieutenant Governor Constitutional Amendment.

Do you want sixteen state senators to elect your governor, or do you want to have a voice in electing the governor?

The purpose of this constitutional amendment is to provide the office of lieutenant governor, dignify the position and remove, as far as possible, the presiding officer of the state senate from political influence.

The present law provides for the succession of the president of the senate and speaker of the house, in rotation, to the office of governor, in case of the inability of the governor to serve.

The president of the senate and the speaker of the house are not elected by the whole people. They are chosen by the people of a county or district when elected to the legislature, and are exalted to the office of president of the senate by as low as sixteen votes, and speaker of the house by as low as thirty-one votes. They are not the choice of the whole people. A lieutenant governor would be elected by the vote of the people of the entire state, in the same manner as is the governor.

Prevent Political Log-rolling

The present system is an inducement for politicians to strive to become speaker of the house and president of the senate, for the possibility exists that they may become governor. This is a political plum much sought for, and a mighty power in forming legislation, as the presiding officers of the two branches of the legislature have the naming of the committees. The chairmanships of these committees become trading stock of candidates for the highest offices. It is plain to see that this system does not, always, put the best men at the head of important committees of either house—men with experience in legislative matters, who have the interest of the common people at heart, and who will direct legislation along right lines. Oregon needs some measure that will put a stop to political log-rolling. The newspapers announce that already, July 12, before the members of the legislature are even elected, the speaker of the house and the president of the senate have been determined, and the members of that body have "put their names on the dotted line". This measure is calculated to bring relief from such a situation.

Thirty-five of the states have a lieutenant governor. Where the law is properly formed, and sufficient authority given the lieutenant governor, it works for good. This measure provides that the lieutenant

governor shall appoint the committees of the senate. This will dignify the office. It will prevent log rolling. It will give better qualified chairmen of the committees. It will give better legislation. It will do away with "trading stock". The lieutenant governor becomes a genuine presiding officer of the senate.

The measure provides that whenever the governor, for any cause, cannot act, then the lieutenant governor becomes the governor. Chosen by the people, he is the logical man to be governor. In the event both the governor and lieutenant governor die, or can not act as governor, the measure provides for succession to the office of governor by the secretary of state, who is also an elective officer of the whole people.

The salary provided for the lieutenant governor is nominal—\$500.00 per year, or \$1.40 per day. In the session of 1929, the president of the senate received \$501.45, and in the session of 1927 the pay was \$415.60. The lieutenant governor would perform all the extra service now performed by the president of the senate.

New Office?

The objection is raised that this measure creates a new office. It does in name only. Now one of the members of the senate is elevated to the same distinction and official duties as would be performed by a lieutenant governor, so that in effect no new office is created. A lieutenant governor would be elected for a four-year term—two sessions of the senate. He would become efficient in office, and as a presiding officer. He would study the needs of the state and be careful in appointment of committees. He would be in a position from contact with the governor, and with the board of control, to understand the duties of the office of governor, and be in close touch with affairs of state, and in the event he was called to the office of governor he would be well prepared to fill the office in an efficient manner and for the best interests of the state.

The best interests and general welfare of the state demand the adoption of this amendment. It will tend to elevate our legislature to a higher standard; bring about cleaner government, better laws and give the common people a chance.

* Respectfully submitted,

OREGON STATE GRANGE,

CHARLES C. HULET, Master.

BERTHA J. BECK, Secretary.

(On Official Ballot, Nos. 324 and 325)

AN AMENDMENT

To the constitution of the state of Oregon, being the addition of section 12 to article XI thereof, to be submitted to the legal electors of the state of Oregon for their approval or rejection at the regular general election to be held November 4, 1930; proposed by initiative petition filed in the office of the secretary of state, July 3, 1930.

The following is the form and number in which the proposed amendment will be printed on the official ballot:

Constitutional Amendment—Proposed by Initiative Petition

Vote YES or NO

PEOPLE'S WATER AND POWER UTILITY DISTRICTS CONSTITUTIONAL AMENDMENT—Purpose: To amend article XI of the constitution so as to authorize the creation by the people of utility districts consisting of territory which is contiguous or otherwise, within one or more counties, which may include one or more incorporated municipalities, with or without territory outside of such municipalities, for the purpose of supplying water for domestic and municipal purposes, and for development, distribution, disposal and sale of water, water power, and electric energy; under the management of boards of directors consisting of five resident members each; and specifying the powers of such districts.

324 Yes. I vote for the amendment.

325 No. I vote against the amendment.

The following is the 25-word ballot title of the proposed amendment as prepared by the attorney general to be used in connection with voting machines:

Constitutional Amendment—Proposed by Initiative Petition

Vote YES or NO

PEOPLE'S WATER AND POWER UTILITY DISTRICTS CONSTITUTIONAL AMENDMENT—Purpose: To authorize creation of people's utility districts within and/or without municipalities to develop, dispose of and sell water, water power and electric energy.

324 Yes. I vote for the amendment.

325 No. I vote against the amendment.

PROPOSED CONSTITUTIONAL
AMENDMENT

That article XI of the constitution of the state of Oregon be, and the same hereby is, amended by the addition of the following section, to be known as section 12:

Section 12. People's utility districts may be created of territory, contiguous or otherwise, within one or more counties, and may consist of an incorporated municipality, or municipalities, with or without unincorporated territory, for the purpose of supplying water for domestic and municipal purposes; for the development of water power and/or electric energy; and for the distribution, disposal and sale of water, water power and electric energy. Such districts shall be managed by boards of directors, consisting of five members, who shall be residents of such districts. Such districts shall have power:

(a) To call and hold elections within their respective districts.

(b) To levy taxes upon the taxable property of such districts.

(c) To issue, sell and assume evidences of indebtedness.

(d) To enter into contracts.

(e) To exercise the power of eminent domain.

(f) To acquire and hold real and other property necessary or incident to the business of such districts.

(g) To acquire, develop, and/or otherwise provide for a supply of water, water power and electric energy.

Such districts may sell, distribute and/or otherwise dispose of water, water power and electric energy within or without the territory of such districts.

The legislative assembly shall and the people may provide any legislation, that may be necessary, in addition to existing laws, to carry out the provisions of this section.

For affirmative argument see page 51.

For negative arguments see pages 52, 53, 54-57.

(On Official Ballot, Nos. 324 and 325)

ARGUMENT (Affirmative)

Submitted by the Oregon State Grange of Patrons of Husbandry, in behalf of the People's Water and Power Utility Districts Constitutional Amendment.

Provide for the development of Oregon industries and pay rolls with cheap power.

Cheap power, in Washington and California, is developing those states much faster than Oregon.

This act does not put the State in the power business.

The purpose of this amendment to the state constitution is to give the people of the state an undisputed right to organize themselves into districts for the purpose of supplying water, water power and electricity to any one who may want any or all of these.

Not Compulsory

There is nothing compulsory in the amendment, and it would seem that all, who believe in the rule of the people, should favor the amendment, as it simply provides the means by which the people may control the natural resources of the state.

Powers Limited by Law

This amendment confers certain powers upon districts that may be organized under its provisions, but these powers are to be limited by the laws that, the amendment specifically provides, shall be enacted by the legislature for the government of such districts.

Not a New Thing

There is nothing new in the proposal to provide for the organization of districts for specific purposes. We now have school, road, irrigation, and other districts, including fire prevention districts. These are voluntary districts, organized for a specific purpose, and the people, who compose them, govern them under laws specifically provided for that purpose.

The districts provided for by this amendment are, also, for a specific purpose, which is the developing of water power and electricity, and the furnishing of water, water power, and electricity to those who may wish them, or any of them. Certainly, the people should be privileged to organize such districts, if they wish to do so.

This is no new thing in Oregon. Eugene and McMinnville have been very successful in developing their own water power and are examples of what may be done in other places, under the provisions in this act.

Cost

This amendment will provide a means by which the water power of the state may be developed without cost to the state government, or any of its political subdivisions.

George W. Joseph

The amendment had the unqualified approval of the late Senator George W. Joseph. He frequently referred to this amendment and said:

"This amendment will make possible the carrying out of my platform.

"It will provide the means by which the state or a municipality may develop our water power resources without cost to the taxpayers.

"It will provide cheap power in abundance for industrial enterprises and domestic use in our cities and throughout our rural communities."

History teaches that the concentration of wealth in the hands of the few is always destructive of the rule of the people. There never was a time when concentration of wealth and the functions of government was as rapid as at present. This amendment will help to arrest this concentration. This is an added reason why those, who believe in the rule of the people, should vote to approve this amendment.

This measure has the unqualified endorsement of the State Federation of Labor, of which Ben T. Osborne is executive secretary, and of the Municipal Ownership League, of which Ralph C. Clyde is president.

OREGON STATE GRANGE OF PATRONS OF HUSBANDRY,

CHARLES C. HULET, Master.

BERTHA J. BECK, Secretary.

(On Official Ballot, Nos. 324 and 325)

ARGUMENT (Negative)

Submitted by the Greater Oregon Association, the State Taxpayers' Association of Oregon, opposing the People's Water and Power Utility Districts Constitutional Amendment.

When the Greater Oregon Association was organized several years ago, and became affiliated with the taxpayer associations of ten other intermountain and Pacific Coast states, constituting the Western States Taxpayers' Conference, it adopted the following statement of one of its principal objects, in common with other taxpayers' associations:

"Purpose of Western States Taxpayers' Conference: To encourage cooperation among the Western States in the furtherance of their mutual efforts to establish the greatest possible economy in the expenditure of public money."

Principle. In following this principle the Greater Oregon Association has strenuously resisted the enactment of unwise tax laws, and supported every reasonable plan of tax equalization and reduction.

As taxation for local government and the issuance of bonds for local purposes have contributed the greatest proportion of the increase of taxes in Oregon, we have constantly supported and encouraged legislation imposing limitations upon tax levies and bond issues in the interest of public economy.

Overlapping Districts. Oregon has created a multitude of local districts. Elementary school districts are overlapped by union high school districts; the territory of school districts is included in a myriad of road districts in most of the counties, and these in turn are overlapped in many instances by special and super-road districts, and water districts. Municipalities, counties, and school, road and water districts may be again overlapped by port districts.

Limitations. But all of these various political subdivisions of the state and counties are so restricted that none may exceed the constitutional 6 per cent limitation, and none may encumber the property of the district by bonds in excess of 6 per cent of the assessed valuation.

Proposed Districts Unlimited. The proposed amendment authorizes a new type of district. It need not be in one county or municipality, but its property may be scattered so that such a district may overlap the territory of school, road, super-road, port and water districts in a county or more than one county, adjoining or widely separated.

This would result in the utmost confusion of tax assessment and collection, and when this scattered property is bonded for district purposes it would add materially to the heavy bonded indebtedness already outstanding.

Constitutional Not Statute Law. This is a constitutional amendment. It is a law of a different character than a statute passed by the people or the legislature. The limitations on tax levying and bond issuing now imposed are contained in other parts of the constitution. They would not apply to this proposed amendment.

It is new authority for a new kind of district and stands alone.

It is not self-executing. The legislature must enact the necessary laws to organize the districts and start the machinery.

But the legislature can not impose limitations not authorized by the constitutional amendment.

These limitations must be in the fundamental law, the constitution itself, otherwise they are not enforceable.

Public Ownership. We do not raise the question of public ownership in this argument as we do not consider that it is an issue here. If the people desire to own and operate water plants or electric light and power plants through such ownership, that is for the voters to decide.

Established Policy. But if such plants are to be operated under authority of the constitution, good business judgment and prudence demand that such districts shall be subject to the same limitations upon tax levying and bond issuing powers as are imposed on other districts.

This policy has been established in Oregon and observed for the past 14 years, and should not be abandoned now.

For these reasons we recommend that this proposed amendment be rejected by the voters.

Vote 325 X NO. I vote against the proposed amendment.

GREATER OREGON ASSOCIATION,

By J. O. ELROD, Chairman,

W. S. BABSON,
JOHN H. BURGARD,
H. J. FRANK,
RODERICK L. MACLEAY,
C. W. NORTON,
I. F. POWERS,
CAMERON SQUIRES,
J. A. ZEHNTBAUER,
Executive Committee.

L. B. SMITH, Secretary.

Address: 827 Terminal Sales Building,
Portland, Oregon.

(On Official Ballot, Nos. 324 and 325)

ARGUMENT (Negative)

Submitted by W. S. U'Ren, opposing the People's Water and Power Utility Districts Constitutional Amendment.

This Public Utilities District constitutional amendment should be rejected by the advocates of public ownership as well as by its opponents for three reasons:

First. Because it grants to such districts power to tax property within the district without a limit on the rate or the amount.

Second. Because it grants such districts power to create public debt on the district without limit.

Third. Because it does not require that such districts should be created from territory in adjoining counties.

Under the power granted, a district could be created of territory in Lincoln and Baker counties or any other counties in the state though they might be hundreds of miles apart.

On the oral argument before the supreme court against the attorney general's ballot title for this measure, when we were urging that the ballot title should state that the powers so granted were not limited, Justice Rand inquired from the bench if there was any other provision of the constitution which would limit such powers. I answered there was no such provision. Neither Mr. Ross, who represented the State Grange, nor the attorney general, were able to quote such a limiting provision nor did they do so later in their printed brief and argument.

The legislature has no power to limit in any way any right that is granted by the

constitution to the voters. The supreme court has so decided in two cases since the first of March this year by declaring unconstitutional and void two laws passed by the legislature last year providing that no one could vote on a special tax or public bonds without producing a receipt from the official tax collector for the payment of taxes.

The powers granted to public utilities districts by this amendment can be limited by another constitutional amendment and in no other way.

The language that "The legislative assembly shall and the people may provide any legislation, that may be necessary, in addition to existing laws, to carry out the provisions of this section," does not authorize any limitative laws.

The supreme courts have defined the word "addition" or "additional" as meaning something added to, "given with or joined to some other," which of course would not permit reducing or limiting any power given by the amendment.

I am now and have always been in favor of public ownership and operation of all electric light and power plants, but oppose this measure for the reasons above stated.

W. S. U'REN.

Address: 518 Oregonian Building,
Portland, Oregon.

(On Official Ballot, Nos. 324 and 325)

ARGUMENT (Negative)

Submitted by C. E. Arnold, Dairying, Lebanon; J. C. Ainsworth, Banking, Portland; H. N. Ashby, Lumberman, La Grande; W. G. Allen, Canner, Salem; C. F. Adams, Banking, Portland; and others, opposing the **People's Water and Power Utility Districts Constitutional Amendment.**

AMENDMENT IS UNWISE AND DANGEROUS

This amendment is unwise and dangerous. It would open the door to the wasting of vast sums of the taxpayers' money. On the plea of "cheap power," his money would be spent without limit or restraint. Our people are now grumbling at the burdens of debts and taxes to carry on necessary governmental functions, yet these burdens are now restricted by constitutional limitations. We should overwhelmingly refuse to set up a brand new class of political bodies, and clothe them with unlimited power to spend money and levy taxes to engage in private business, as this amendment proposes.

AMENDMENT GRANTS UNLIMITED BONDING AND TAXING POWERS

The constitution wisely limits existing governmental bodies in their powers to incur debt and levy taxes. The proposed amendment is absolutely free from any limitation, either on the power to incur debt or the power to levy taxes. The amendment provides that

"Such districts shall have power:

"(b) to levy taxes upon the taxable property of such districts.

"(c) to issue, sell and assume evidences of indebtedness."

These grants are unlimited, both as to the debts that may be incurred and the taxes that may be levied. Not a word appears anywhere in the amendment to suggest that a limitation of any kind is to be placed upon these and the other broad political powers it would grant. **THE AMENDMENT DOES NOT EVEN SPECIFY THAT THE PEOPLE IN THE DISTRICT SHALL HAVE THE RIGHT TO VOTE UPON THE DEBTS TO BE INCURRED OR THE AMOUNT OF TAXES TO BE LEVIED.**

VOTERS MUST PROTECT THEMSELVES NOW

It is idle to argue that safeguards may be provided later. If limits on these debt-incurring or tax-levying powers were desired by the proponents of this measure, the amendment would have so provided. Instead, the amendment expressly commands the legislature to "provide any legislation, that may be necessary, in addition to existing laws, to carry out the provisions of this section."

In the face of this language, it is taking a whole lot for granted to expect the legislature to provide safeguards not included in a constitutional amendment passed by the people. The advocates would argue, and very plausibly, that the legislature was not authorized to limit the powers given in the amendment.

PROMOTERS COULD GERRYMANDER DISTRICT BOUNDARIES

The amendment reads "districts may be created of territory, contiguous or otherwise, within one or more counties, and may consist of an unincorporated municipality, or municipalities, with or without incorporated territory."

What does all this mean? Why "contiguous or otherwise"? Why should the taxpayers in Eugene or McMinnville, for example, where municipal plants are now in operation, be subject to the risk of being taken into "utility districts," in their own or some other counties? Why should the taxpayers anywhere, who already have satisfactory electric service, or who have no possible use for the same, have their properties plastered with more bonds and burdened with more taxes, to help set up some distant community in the electric business?

INSTEAD OF PROTECTING THE PUBLIC AGAINST THESE EVILS, THIS AMENDMENT GIVES THE DISTRICT PROMOTERS A FREE HAND TO GERRYMANDER DISTRICT BOUND-

ARIES, AND DRAG IN PROPERTY FROM ALL DIRECTIONS TO HELP PAY THE DISTRICT'S LIABILITIES.

HOUSEWIVES COUNCIL AMENDMENT IN ANOTHER FORM

Four years ago the people of Oregon by a vote of more than 4 to 1 (148,092 to 35,313) rejected the Housewives' Council Constitutional Amendment to put the state of Oregon into the power business. While the amendment now proposed is more general in its terms, its purpose is essentially the same. If anything, the present measure is more obnoxious in its grant of unlimited powers than the Housewives' Council Amendment, so decisively turned down by the voters in 1926.

HOW TO ATTRACT INDUSTRIES TO OREGON

The location of new industries in any state or community depends on many factors. Raw materials, transportation, access to large consuming markets, labor conditions, reasonable taxes and reasonable freedom from freakish or oppressive legislation are among the most important. A reliable supply of electric power is also important, but the cost of the power itself is universally recognized as a minor element in the cost of production and is a negligible factor in the location of industry.

Industries are coming to Oregon now. They find here an ample and dependable supply of power, chiefly from the regulated, tax-paying electric utilities, which together constitute one of Oregon's greatest industries and one of its largest taxpayers. To hamper or destroy that industry by means of the proposed unregulated, non-taxpaying utility districts would be the worst blow that could be given the state in its effort to locate new industries in Oregon. These districts would either have to take over and incur all the risks of a major industry now conducted with private capital, or engage in mutually destructive competition with this existing taxpaying industry. In either case the taxpayers would suffer and development of new industries would be discouraged. **The passage of this amendment IS NOT the way to attract new industry to Oregon, or to improve the tax and other conditions for the industries and taxpayers now within our state.**

EXISTING LAWS PROTECT PEOPLE'S RIGHT IN WATER POWER

Federal and state laws and regulations now control the undeveloped powers of the state and protect the public interest therein. The development of the vast power supply of the Columbia river is necessarily a federal undertaking, and every support should be given our representatives in congress and our citizens who are doing such splendid work to secure federal development of the Columbia. The power when developed can be distributed through existing private or municipal agencies as in the case of Boulder dam. The passage of this amendment would destroy the present unity of effort for federal development of the Columbia, and seriously discourage the program to secure congressional approval of that project.

WE RECOMMEND A "NO" VOTE ON THIS AMENDMENT

Because this amendment would open the flood gates of public expenditures at the taxpayer's expense;

Because it would create a new class of political agencies, and give them unlimited powers to incur debt, levy taxes and spend public money;

Because it would invite the worst kind of political gerrymandering for promotional schemes;

Because it would discourage new industry from locating in Oregon;

Because it would retard efforts to secure federal development of the Columbia, and

Because Oregon needs all of its present tax-paying industries to share the necessary cost of government. Oregon can not afford a new class of uncontrolled tax-spending political bodies, operating tax exempt property in a hazardous business enterprise, at the risk of the already burdened taxpayers of the state.

Name and Business

Residence

C. E. ARNOLD, Dairying	Lebanon
J. C. AINSWORTH, Banking	Portland
H. N. ASHBY, Lumberman	La Grande
W. G. ALLEN, Canner	Salem
C. F. ADAMS, Banking	Portland
CHAS. R. ARCHERD, Merchant	Salem
O. O. ALENDERFER,	
Electrical Contracting, Medford	

Name and Business	Residence	Name and Business	Residence
WM. ANDERSON, Jeweler	Oregon City	HENRY W. FRIES, Realtor	Portland
THOS. AUTZEN, President, Portland Mfg. Co.,	Portland	D. W. FRENCH, Merchant	Baker
H. N. BLUMENSAADT, Insurance,	Rainier	DAN J. FRY, Banker	Salem
CHAS. T. BROSS, Mayor	Rainier	L. M. FOSS, Insurance	Bend
C. S. BUTTERFIELD, Real Estate,	Medford	A. C. FRISBIE, Merchant	Baker
L. BARNUM, Manager, First Nat. Bank,	The Dalles	GEO. P. GOVE, Lumber	Bend
G. CLIFFORD BARLOW, Editor,	Warrenton	F. J. GILBRAITH, Linen Mfg.	Salem
E. G. BATES, Farmer	Gearhart	E. L. GETZ, Ford Dealer	Corvallis
HAYES BICKFORD, Merchant,	Hood River	W. K. GILBERT, Hardware	La Grande
A. N. BUSH, Banker	Salem	S. S. GORDON, Banker	Astoria
C. W. BARRICK, Lawyer	Tillamook	LEO GALLAGHER, Bank of Rainier,	Rainier
DARWIN BRISTOW, Banker	Eugene	G. H. GRABENHORST, Realtor	Salem
R. A. BOOTH, Lumber & Timber,	Eugene	J. G. GUMERMAN, Merchant,	Enterprise
A. W. BROOKINGS, Banker,	Oregon City	GRAHAM & WELLS, Drugs & Music,	Corvallis
C. M. BIGGS, Railroad man,	Klamath Falls	(By Robt. J. Hunter, Secretary)	
J. F. BRYANT, Rancher	Klamath Falls	H. V. GATES, Farmer	Terrebonne
E. M. BUBB, Banker	Klamath Falls	IVAN K. GOLDSMITH, Merchant,	Oregon City
F. E. CALLISTER, Banking	Albany	E. R. HALLBERG, Columbia River Meat Co.,	Rainier
J. N. CHAMBERS, Merchant	Salem	W. F. HARRIS, Abstractor	Roseburg
W. R. COLLIE, Farmer	Hood River	WILL J. HAYNER, Publisher	Sutherlin
C. N. COULTER, Ford Dealer,	Hood River	WILLIAM HAGGE, Merchant	Marshfield
GEO. S. CRAIG, Retired	Enterprise	B. E. HARDER, Banker	Medford
WALTER G. COOMBS, Auto Dealer,	Bend	W. S. HAMILTON, Banker	Astoria
BEN R. CHANDLER, Banking,	Marshfield	OSCAR HAYTER, Lawyer	Dallas
G. O. CLEMENT, Merchant	Rainier	M. H. HARLOW, Fruit Grower	Eugene
GEO. P. CHENEY, Editor	Enterprise	GEO. E. HUGGINS, Insurance	Marshfield
CHAS. H. CAUFIELD, Banker,	Oregon City	A. L. HILL, Insurance	Medford
CHAS. H. CARTER, Portland Woolen Mills,	Portland	JOHN R. HUMPHREYS, Banker,	Oregon City
A. R. CAMPBELL, Farmer,	Klamath Falls	IRA HYDE, Jr., Publisher	St. Helens
P. H. DANBY, City Water Superintendent,	Enterprise	W. A. HUNTLEY, Drugs	Oregon City
I. H. DOUCETTE, Barber	Roseburg	L. O. HARDING, Druggist	Oregon City
F. G. DECKEBACH, Manufacturer,	Salem	A. C. HOWLAND, Real Estate and Insurance,	Oregon City
WALTER M. DALY, Trust Company,	Portland	E. B. HALL, Hotelman	Klamath Falls
S. O. DILLMAN, Real Estate & Insurance,	Oregon City	R. H. HOVEY, Lumber	Klamath Falls
JAS. H. DRISCOLL, Insurance,	Klamath Falls	WM. F. ISAACS, Merchant	Medford
R. E. DEWEESE, Druggist,	Klamath Falls	C. L. ISTD, Lumber	Bend
EDWIN E. DRISCOLL, Lawyer,	Klamath Falls	D. B. JARMAN, Merchant	Salem
D. W. EYRE, Banking	Salem	ALEX JOHNSON, Merchant	Marshfield
ASEL C. EOFF, Merchant	Salem	CARL A. JOHNSON, Gasoline & Oils	Bend
WATSON EASTMAN, President, Western Cooperage Co.,	Portland	GWILYM H. JONES, Mgr. Henry Falling Est.,	Portland
CHAS. WOOD EBERLEIN, Lands,	Klamath Falls	M. L. JOHNSON, Insurance	Klamath Falls
HENRY N. FOWLER, Associate Editor,	Bend	E. D. JOHNSON, Physician	Klamath Falls
NATHAN FULLERTON, Druggist,	Roseburg	JAS. D. JOHNSON, Timber	Klamath Falls
		C. M. KIDD, Merchant	Medford
		A. F. KERR, Auto Service	Baker
		L. R. KINZEL, Lumberman	La Grande
		JOHN A. C. KING, Merchant	Roseburg
		J. F. KIMBALL, Timber	Klamath Falls
		CHAS. LEGLER, Salesman	Oregon City
		LOUIS LACHMUND, Farmer	Salem
		J. O. B. LONG, City Councilman	Rainier

Name and Business	Residence	Name and Business	Residence
E. N. LEE, Insurance	Eugene	W. A. RADER, Merchant	Rainier
C. S. LINDL, Bakery	Bend	E. E. ROSEBRAUGH, Sec'y. County Central Com.,	Rainier
E. P. LEWIS, Merchant	Marshfield	F. H. RANSOM, Lumberman	Portland
T. A. LIVESLEY, Merchant & Hop Grower,	Salem	IRVING T. RAU, Paper Manufacturing,	St. Helens
GEO. H. LENOX, Druggist.....	Oregon City	J. SLATER, Insurance	Klamath Falls
M. L. MEYERS, Retired	Salem	E. C. SAMMONS, Manufacturer..	Portland
JAS. E. MONTGOMERY, Banking,	Marshfield	A. G. SPEXARTH, Merchant	Astoria
R. D. MOORE, Lumber	Bend	T. J. SCROGGIN, Banker	La Grande
H. C. MORRIS, Manufacturing	Albany	GEO. H. SMITH, Mgr. Rose Hotel..	Roseburg
T. G. MONTGOMERY, Banker	Baker	W. F. SAVAGE, Asst. Cashier..	Enterprise
F. E. MURDOCK, Corp. Manager,	Monmouth	A. C. SELLENBACK, Farmer.....	Parkdale
H. F. McCORMICK, Lumber Mfrg.,	St. Helens	C. F. SWIGERT, Contractor	Portland
GEO. B. McLEOD, Lumber	Portland	JOHN SCHMITZ, Banker	Baker
E. R. MOLLER, Farmer	Hood River	M. L. SOUTHARD, Real Estate....	Lebanon
GEO. R. MIELKE, Merchant..	Oregon City	D. B. STUART, Insurance	Bend
W. F. McGREGOR, Lumberman....	Astoria	A. D. SOESBE, Merchant	Oregon City
H. M. MAUGHAN, Pres. Chamber of Commerce,	Enterprise	E. W. STEEL, Recorder	Enterprise
JOHN G. MULLEN, Attorney..	North Bend	C. K. SPAULDING, Lumberman	Salem
F. L. MEYERS, Banker	La Grande	A. S. SHOCKLEY, Lumberman	Baker
L. C. McLEOD, Pillsbury Astoria Flour Mill Co.,	Astoria	W. S. STRICKER, Mayor	Enterprise
EDGAR MARVIN, Banker	Enterprise	SAM SWARTZ, Merchant	Oregon City
F. S. McGARVEY, Banking	Bend	F. X. SCHAEFER, Retired Merchant,	Eugene
A. E. MILLINGTON, Insulating Board Mfrg.,	St. Helens	AUG. J. STANGE, Lumberman..	La Grande
WILLARD MONTGOMERY, Merchant,	Oregon City	A. A. SEYMOUR, Jeweler	Bend
S. M. MEARS, Portland Cordage Co.,	Portland	WALTER SPEAR, R. R. Agent..	Enterprise
W. S. NELSON, Sec'y. Wasco Co. Chamber of Commerce,	The Dalles	MAX SCHAFER, Publisher	Seaside
F. E. NEER, Brick Mfg.	Salem	IALO D. STEPHENS, Garage....	Roseburg
M. G. NOBEL, Banker	Oregon City	A. O. SCHILLING, Hardware	Bend
PAUL M. NOEL, D.M.D.....	Klamath Falls	R. E. SCOTT, Insurance	Hood River
H. H. OLINGER, Dentist	Salem	GEO. E. SWAFFORD, Banking,	Oregon City
G. E. ODLE, Printer	Enterprise	WM. N. SMITH, Real Estate ..	Oregon City
D. C. O'RIELLY, Hawthorne Dock Co.,	Portland	MARK N. TISDALE, Banker	Sutherlin
E. R. PALMER, Pres. Seaside Chamber of Commerce,	Seaside	TOM TYNDALE	Newberg
A. R. PARKER, Banker	Enterprise	JOHN W. TURNER, Hotel	Sutherlin
EDW. C. PEASE, Pres. Pease Merc. Co.,	The Dalles	G. W. THATCHER, Pres. Inman Poulson Lbr. Co.,	Portland
A. M. PACE, Banker	Enterprise	W. C. VAN EMON, Lawyer..	Klamath Falls
LYLE C. PALMER	Newberg	C. H. WATZEK, Timberman	Wauna
GEO. W. PORTER, Lumber Dealer,	Medford	PAUL WALLACE, Farmer	Salem
W. L. PHILLIPS, Automobile	Salem	R. B. WILCOX, Exporter	Portland
JOHN W. PARKER, Manufacturer,	Portland	W. R. WEBBER, Clothier	The Dalles
A. E. REAMES, Lawyer	Medford	W. G. WOOD, Pres. Chamber of Commerce,	Rainier
T. O. REED, Farmer	Hood River	JOHN A. WEBER, Clerk	Oregon City
C. E. RATCLIFF, Sec'y. Maughan Motor Co.,	Enterprise	GLEN W. WILLIAMS, Merchant..	Rainier
		E. E. WIST, Banker	Scappoose
		C. C. WEBER, Merchant	Oregon City
		L. E. WALKER, Rancher and Bullder,	Klamath Falls
		JOHN H. YOUNG, Life Underwriter,	Hood River
		C. H. ZURCHER, Merchant	Enterprise

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THE FOLLOWING SUMMARY SHOWS THE FORM AND MANNER IN WHICH THE PROPOSED CONSTITUTIONAL AMENDMENTS AND MEASURES TO BE VOTED UPON AT THE GENERAL ELECTION, NOVEMBER 4, 1930, WILL BE ARRANGED ON THE OFFICIAL BALLOTS.

(The special 25-word ballot titles for use in voting machines only, have been included in this exhibit for the information of voters in counties in which voting machines may be employed. Such titles will not appear upon the regular ballots.)

REFERRED TO THE PEOPLE BY THE LEGISLATIVE ASSEMBLY

Vote YES or NO

REPEAL OF STATE PAYMENT OF IRRIGATION AND DRAINAGE DISTRICT INTEREST—Purpose: To repeal article XI-b of the state constitution, which now provides for the issuance and sale of state bonds and the payment, with the money received therefrom, of the interest on bonds issued by irrigation and drainage districts, for the first five years after such bonds are issued; the districts to repay the state after the district bonds are paid off.

300 Yes. I vote for repealing the Article.

301 No. I vote against repealing the Article.

The following is the 25-word ballot title of the proposed amendment as prepared by the attorney general to be used in connection with voting machines:

REPEAL OF STATE PAYMENT OF IRRIGATION AND DRAINAGE DISTRICT INTEREST—Purpose: Repeal article XI-b, state constitution, which provides for issuance of bonds and payment by the state of interest on irrigation and drainage district bonds.

300 Yes. I vote for repealing the Article.

301 No. I vote against repealing the Article.

STATE CABINET FORM OF GOVERNMENT CONSTITUTIONAL AMENDMENT—Purpose: To amend the state constitution to provide that the only executive and administrative state officers elected by the people shall be governor, secretary of state and state treasurer, all other heads of executive and administrative departments to be appointed by the governor with consent of the senate; to create the following state departments: agriculture, labor and industry, financial administration, commerce, education, public works and domain, health and public welfare, police and military affairs, legal affairs; to abolish all other executive and administrative offices, boards and commissions, and transfer all their powers, duties, obligations, etc., to such new departments.

302 Yes. I vote for the amendment.

303 No. I vote against the amendment.

The following is the 25-word ballot title of the proposed amendment as prepared by the attorney general to be used in connection with voting machines:

STATE CABINET FORM OF GOVERNMENT CONSTITUTIONAL AMENDMENT—Purpose: Making the governor, secretary and treasurer the only elective state offices; all others appointive by governor; creating nine new state departments; abolishing all other offices.

302 Yes. I vote for the amendment.

303 No. I vote against the amendment.

BONUS LOAN CONSTITUTIONAL AMENDMENT—Purpose: To extend the privilege of securing state loans under the soldiers' bonus law to residents of Oregon who served any time in the Spanish-American war or in the Philippine insurrection, or the Boxer rebellion in China, also to persons otherwise qualified who were not residents of Oregon when they entered the service, but who shall have been actual residents thereof for ten years continuously immediately before filing application for loan; and increasing the amount of state bonds authorized for such purposes from three to four per cent of the total assessed valuation of all property in the state.

304 Yes. I vote for the amendment.

305 No. I vote against the amendment.

The following is the 25-word ballot title of the proposed amendment as prepared by the attorney general to be used in connection with voting machines:

BONUS LOAN CONSTITUTIONAL AMENDMENT—Purpose: Extending privilege of state bonus loans to veterans of Philippine insurrection, Chinese Boxer rebellion and qualified non-residents after becoming residents for ten years.

304 Yes. I vote for the amendment.

305 No. I vote against the amendment.

MOTOR VEHICLE LICENSE TAX CONSTITUTIONAL AMENDMENT—Purpose: To amend section 32 of article 1 of the state constitution so as to authorize the legislative assembly to classify and subclassify property, including motor vehicles, for purposes of taxation, and, in providing for an excise or privilege tax, to take into consideration use, value and depreciation of the property affected, without specific assessment.

306 Yes. I vote for the amendment.

307 No. I vote against the amendment.

The following is the 25-word ballot title of the proposed amendment as prepared by the attorney general to be used in connection with voting machines:

MOTOR VEHICLE LICENSE TAX CONSTITUTIONAL AMENDMENT—Purpose: To authorize classification and subclassification of property, including automobiles, for taxation, and consideration of use, value, depreciation for excise or privilege taxes, without specific assessments.

306 Yes. I vote for the amendment.

307 No. I vote against the amendment.

MOTOR VEHICLE LICENSE TAX CONSTITUTIONAL AMENDMENT--

Purpose: To amend section 1 of article IX of the state constitution so as to authorize the legislative assembly to classify and subclassify property, including motor vehicles, for purposes of taxation, and, in providing for an excise or privilege tax, to take into consideration use, value and depreciation of the property affected, without specific assessment.

308 Yes. I vote for the amendment.

309 No. I vote against the amendment.

The following is the 25-word ballot title of the proposed amendment as prepared by the attorney general to be used in connection with voting machines:

MOTOR VEHICLE LICENSE TAX CONSTITUTIONAL AMENDMENT--

Purpose: To authorize classification and subclassification of property, including automobiles, for taxation, and consideration of use, value, depreciation for excise or privilege taxes, without specific assessments.

308 Yes. I vote for the amendment.

309 No. I vote against the amendment.

CONSTITUTIONAL AMENDMENT FOR FILLING VACANCIES IN THE LEGISLATURE--

Purpose: To amend section 3 of article IV of the constitution of Oregon to authorize the filling of vacancies in the legislature in such manner as may be provided by law.

310 Yes. I vote for the amendment.

311 No. I vote against the amendment.

The following is the 25-word ballot title of the proposed amendment as prepared by the attorney general to be used in connection with voting machines:

CONSTITUTIONAL AMENDMENT FOR FILLING VACANCIES IN THE LEGISLATURE--

Purpose: Constitutional amendment to authorize the filling of vacancies in the legislature in such manner as may be provided by law.

310 Yes. I vote for the amendment.

311 No. I vote against the amendment.

LEGISLATORS' COMPENSATION CONSTITUTIONAL AMENDMENT--

Purpose: To amend the state constitution to fix the compensation of members of the legislature at \$500 for the term of two years, together with travel pay for going to and returning from the place of meeting, as now provided by the constitution; the presiding officers to receive one-half of their allowance as members as additional compensation.

312 Yes. I vote for the amendment.

313 No. I vote against the amendment.

The following is the 75-word ballot title of the proposed amendment as prepared by the attorney general to be used in connection with voting machines:

LEGISLATORS' COMPENSATION CONSTITUTIONAL AMENDMENT—
Purpose: To fix legislators' compensation at \$500 for two-year term and mileage as now provided; presiding officers to receive one-half compensation allowance additional.

312 Yes. I vote for the amendment.

313 No. I vote against the amendment.

REFERENDUM ORDERED BY PETITION OF THE PEOPLE

Vote YES or NO

TWO ADDITIONAL CIRCUIT JUDGES BILL—Purpose: To provide for two additional judges of the circuit court of the state of Oregon for the fourth judicial district, comprising Multnomah county.

314 Yes. I vote for the proposed law.

315 No. I vote against the proposed law.

The following is the 25-word ballot title of the proposed measure as prepared by the attorney general to be used in connection with voting machines:

TWO ADDITIONAL CIRCUIT JUDGES BILL—Purpose: To provide for two additional judges of the circuit court of the state of Oregon for the fourth judicial district, comprising Multnomah county.

314 Yes. I vote for the proposed law.

315 No. I vote against the proposed law.

INCOME TAX BILL—Purpose: To levy and collect annually a progressive state tax upon net incomes of resident and non-resident natural persons and fiduciaries, from every source within the state and from property taxable therein; making exemptions to single person of \$1,500; married person, head of family, or husband and wife together, \$2,500; and for each child or dependent under certain conditions, \$400; and providing that the estimated amount of income taxes for each year be deducted from the total amount of revenue required for state purposes, and only the balance of such required amount be levied as direct taxes on property.

316 Yes. I vote for the proposed law.

317 No. I vote against the proposed law.

The following is the 25-word ballot title of the proposed measure as prepared by the attorney general to be used in connection with voting machines:

INCOME TAX BILL—Purpose: Levying a progressive income tax upon net incomes of natural persons and deducting amount received from such tax from the amount necessary for state purposes.

316 Yes. I vote for the proposed law.

317 No. I vote against the proposed law.

PROPOSED BY INITIATIVE PETITION

Vote YES or NO

ANTI-CIGARETTE CONSTITUTIONAL AMENDMENT—Purpose: To amend the constitution by adding a provision prohibiting the importation, manufacture, sale, purchase, possession, or giving away within the state of cigarettes, cigarette papers, or materials for the manufacture of cigarettes, or the advertisement of the same in any manner whatsoever, and making a violation of such provision a misdemeanor punishable upon conviction thereof by fine of not less than \$25, nor more than \$250, or imprisonment in the county jail not less than thirty, nor more than ninety days, or by both such fine and imprisonment.

318 Yes. I vote for the amendment.

319 No. I vote against the amendment.

The following is the 25-word ballot title of the proposed amendment as prepared by the attorney general to be used in connection with voting machines:

ANTI-CIGARETTE CONSTITUTIONAL AMENDMENT—Purpose: Constitutional amendment prohibiting importation, manufacture, sale, purchase, possession, giving away, of materials for manufacture of cigarettes or advertisement thereof, and imposing penalties.

318 Yes. I vote for the amendment.

319 No. I vote against the amendment.

ROGUE RIVER FISHING CONSTITUTIONAL AMENDMENT—Purpose: Constitutional amendment making it unlawful to take or fish for any kind of fish in Rogue river, and its tributaries, and within a radius of three miles from its mouth, except with rod or line held in hand and hook or hooks baited with natural or artificial bait or lure; excepting the state and United States taking fish for propagation purposes; making each violation thereof a misdemeanor punishable by fine not less than \$100 nor more than \$1,000, or imprisonment in the county jail not less than fifteen days, nor more than six months, or both such fine and imprisonment.

320 Yes. I vote for the amendment.

321 No. I vote against the amendment.

The following is the 25-word ballot title of the proposed amendment as prepared by the attorney general to be used in connection with voting machines:

ROGUE RIVER FISHING CONSTITUTIONAL AMENDMENT—Purpose: Constitutional amendment closing Rogue river and its tributaries and water within three miles of its mouth to fishing other than by hook and line; providing penalties.

320 Yes. I vote for the amendment.

321 No. I vote against the amendment.

20224
27 May 649
8 Aug 52
3 Aug 54
22 Jun 56
5 Apr 57
13 Mar 59

*Constitutional Amendments and Measures to Be Submitted
to the Voters of Oregon, General Election, November 4, 1936*

LIEUTENANT GOVERNOR CONSTITUTIONAL AMENDMENT—Purpose: Constitutional amendment to provide for election of lieutenant governor at same time, in same manner, with same qualifications as governor; to receive \$500 annual salary and no other compensation except when serving as governor; to be president of senate and appoint senate committees, but have no vote except upon a tie. If governor's office becomes vacant, to become governor for remainder of term; acting governor during governor's temporary absence or disability. Secretary of state becomes governor until next election, if both office of governor and lieutenant governor become vacant, and serves as acting governor during temporary absence or disability of both.

322 Yes. I vote for the amendment.

323 No. I vote against the amendment.

The following is the 25-word ballot title of the proposed amendment as prepared by the attorney general to be used in connection with voting machines:

LIEUTENANT GOVERNOR CONSTITUTIONAL AMENDMENT—Purpose: Providing election of lieutenant governor to succeed governor when vacancy occurs, and be president of senate. Secretary of state to succeed when both offices vacant.

322 Yes. I vote for the amendment.

323 No. I vote against the amendment.

PEOPLE'S WATER AND POWER UTILITY DISTRICTS CONSTITUTIONAL AMENDMENT—Purpose: To amend article XI of the constitution so as to authorize the creation by the people of utility districts consisting of territory which is contiguous or otherwise, within one or more counties, which may include one or more incorporated municipalities, with or without territory outside of such municipalities, for the purpose of supplying water for domestic and municipal purposes, and for development, distribution, disposal and sale of water, water power, and electric energy; under the management of boards of directors consisting of five resident members each; and specifying the powers of such districts.

324 Yes. I vote for the amendment.

325 No. I vote against the amendment.

The following is the 25-word ballot title of the proposed amendment as prepared by the attorney general to be used in connection with voting machines:

PEOPLE'S WATER AND POWER UTILITY DISTRICTS CONSTITUTIONAL AMENDMENT—Purpose: To authorize creation of people's utility districts within and/or without municipalities to develop, dispose of and sell water, water power and electric energy.

324 Yes. I vote for the amendment.

325 No. I vote against the amendment.