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STATE OF OREGON

# Official Voters' Pamphlet

For the

## Regular General Election

**November 5, 1940**



Compiled and Issued by  
**EARL SNELL**  
Secretary of State

MARION COUNTY

25

# LAW AUTHORIZING THIS PUBLICATION

(Section 36-2009, Oregon Code)

## MEASURES AND ARGUMENTS TO BE PRINTED AND DISTRIBUTED

Not later than the thirty-fifth day before any regular general election, nor later than 30 days before any special 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 ninetieth 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 seventy-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; in the case of measures submitted at a special election, all arguments in support of such measure at least 60 days before such election. 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 forthwith shall 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 13 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 25 by 38 inches, weighing not more than 50 pounds to the ream; provided, that the text of a proposed amendment to any section of the constitution shall be printed in such pamphlet so as to indicate by the use of brackets the matter that would be deleted from the existing provision, and by italic type the matter that would be added thereto. 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 fifteenth 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; provided, that if the secretary shall, at or about the same time, be mailing any other pamphlet to every voter, he may, if practicable, bind the matter herein provided for in the first part of said pamphlet, numbering the pages of the entire pamphlet consecutively from one to the end, or he may inclose the pamphlets under one cover. In the case of a special election he shall mail said pamphlet to every voter not less than 10 days before said special election.

**NOTE**—As authorized by the foregoing statute, the Measures Pamphlet for the regular general election, November 5, 1940, has been combined with the State Campaign Book provided by sections 36-2406 and 36-2407, Oregon Code 1930. The candidates' section starts on page 63.

## FOREWORD

PROPOSED LEGISLATION TO BE VOTED UPON BY THE PEOPLE OF THE STATE  
AT LARGE, NOVEMBER 5, 1940, WILL APPEAR UPON THE OFFICIAL  
BALLOTS IN THE FOLLOWING FORM AND ORDER:

\*       \*       \*       \*       \*       \*       \*

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### REFERRED TO THE PEOPLE BY THE LEGISLATIVE ASSEMBLY

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**AMENDMENT REMOVING OFFICE TIME LIMIT OF STATE SECRETARY  
AND TREASURER**—Purpose: To amend section 1 of Article VI of the state  
constitution by omitting therefrom the provision now contained therein  
that no person shall be eligible to either of the offices of secretary of state  
or state treasurer for more than eight in any period of twelve years.

Vote YES or NO

300 Yes. I vote for the proposed amendment.

301 No. I vote against the proposed amendment.

**AMENDMENT MAKING THREE YEARS' AVERAGE PEOPLE'S VOTED  
LEVIES, TAX BASE**—Purpose: Amending section 11, Article XI of state  
constitution, being the six percent limitation, to include the following:  
Whenever a majority of the legal voters of any county, municipality or  
district voting thereon shall have authorized specifically a tax levy in  
each of three successive years, the average of such levies for purposes  
other than payment of bonded indebtedness or interest thereon, shall  
become the tax base of such taxing district for the next year following  
such period. The tax base of newly organized municipalities or districts  
not formerly parts of like municipalities or districts shall be established  
in like manner.

Vote YES or NO

302 Yes. I vote for the proposed amendment.

303 No. I vote against the proposed amendment.

**AMENDMENT REPEALING THE DOUBLE LIABILITY OF STOCK-  
HOLDERS OF STATE BANKS**—Purpose: To amend section 3 of Article  
XI of the state constitution by repealing the provision now contained  
therein which is known as the double liability of stockholders of state  
banks to the depositors of said banks, so that said section as so amended  
will read: "The stockholders of all corporations and joint stock companies  
shall be liable for the indebtedness of said corporations to the amount  
of their stock subscribed and unpaid and no more."

Vote YES or NO

304 Yes. I vote for the proposed amendment.

305 No. I vote against the proposed amendment.

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[OVER]

**LEGISLATORS' COMPENSATION CONSTITUTIONAL AMENDMENT—**

Purpose: Fixing legislature members' pay at \$8 a day while in regular session and for not more than 50 days; while in extra session, \$8 a day, no extra session to be longer than 20 days; members also to receive 10 cents per mile travelled to and from meeting place; presiding officers to receive one-half daily pay additional; such compensation being instead of that now received which is: \$3 a day but not over \$120 for any session, no extra session being over 20 days, and \$3 for every 20 miles traveled; presiding officers receiving two-thirds daily pay additional.

Vote **YES** or **NO**


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306 **Yes. I vote for the proposed amendment.**

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307 **No. I vote against the proposed amendment.**

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**REFERENDUM ORDERED BY PETITION OF THE PEOPLE****BILL CHANGING THE PRIMARY NOMINATING ELECTIONS FROM MAY**

**TO SEPTEMBER**—Purpose: Providing for changing the date of the primary nominating elections from the third Friday in May to the first Wednesday after the first Monday in September; adjusting the dates for performance of various duties to conform therewith; providing for the nomination of national committeemen and committeewomen and the election of delegates at large to the national political conventions by the state central committees of the respective political parties, the election of congressional district delegates to such conventions by the respective district nominating committees consisting of county central committeemen, and the organization of the county and state central committees.

Vote **YES** or **NO**


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308 **Yes. I vote for the proposed law.**

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309 **No. I vote against the proposed law.**

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**BILL TO FURTHER REGULATE SALE AND USE OF ALCOHOLIC**

**LIQUOR**—Purpose: Permitting licensees to sell consumers, at one time, 5 to 55 gallons of wine having not over 14 percent alcohol by weight; licensed class A hotels may have entertainment and dancing; forbidding anyone not holding hotel, restaurant or club license to serve, permit being served, use or permit being used for any financial consideration any room, place, bar, glasses, mixers, locker, storage place, chairs, tables, or facilities for mixing, storing, serving, drinking spirituous liquors, forbidding anyone to have or permit others to have alcoholic liquors on his premises unless licensed by or representing the commission although having federal retailer's permit.

Vote **YES** or **NO**


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310 **Yes. I vote for the proposed law.**

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311 **No. I vote against the proposed law.**

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**PROPOSED BY INITIATIVE PETITION**

**BILL REPEALING PRESENT LIQUOR LAW; AUTHORIZING PRIVATE SALE, LICENSED, TAXED**—Purpose: Repealing the present liquor law providing that only liquor control commission can import, purchase and sell alcoholic liquor containing over seventeen percent of alcohol, and that such liquor may not be consumed on the premises, only that containing less alcohol being licensed; authorizes private importation, manufacture, purchase and sale of all alcoholic liquors under license from the commission, recreated by this bill; permits liquor being consumed both on and off premises where sold, depending on vendor's license; the commission to issue numerous classes of wholesale and retail liquor licenses; levying privilege or sales taxes on the various classes of liquor business.

[See pages 26-45]

**Vote YES or NO**

**312 Yes. I vote for the proposed law.**

**313 No. I vote against the proposed law.**

**AMENDMENT LEGALIZING CERTAIN GAMBLING AND GAMING DEVICES AND CERTAIN LOTTERIES**—Purpose: Legalizes marble boards, pin-ball games, claw or digger games and other gambling and gaming devices, punchboards, similar devices, bank night, similar lotteries and Bingo games; other games wherein skill may predominate; all to be exclusively licensed by state. Cities to license other legalized games. Pari-mutuel wagering and animal racing legalized; fees therefrom deposited in fund hereby created. Prohibits nickel-in-the-slot machines. Secretary of state to issue licenses, employ attorney, assistant, clerks; no salary thereof exceeding \$6,000 annually. Appropriates \$50,000 state funds, repayable from fees. License proceeds disbursed to public fairs, expositions, cities and to counties for old-age and public assistance.

[See pages 46-57]

**Vote YES or NO**

**314 Yes. I vote for the proposed amendment.**

**315 No. I vote against the proposed amendment.**

**BILL TO REPEAL THE OREGON MILK CONTROL LAW**—Purpose: To repeal the Oregon Milk Control law which provides for supervision and control of the milk industry, creates the milk control board and provides its powers and duties, among which are: to investigate, supervise and regulate the milk industry, including production, transportation, manufacture, storage, distribution and sale of milk, fix minimum wholesale and retail prices to be charged therefor in the various localities, establish and limit geographical milk marketing areas, provide for disposition of surplus milk, license all milk dealers and adopt rules, regulations and orders to carry out the provisions of the act; making violations of said act misdemeanors.

[See pages 58-62]

**Vote YES or NO**

**316 Yes. I vote for repealing the law.**

**317 No. I vote against repealing the law.**

**FULL TEXTS OF THE FOREGOING PROPOSALS, WITH AFFIRMATIVE AND NEGATIVE ARGUMENTS THAT HAVE BEEN FILED IN CONNECTION THEREWITH, ARE SET FORTH ON THE PAGES FOLLOWING AS INDICATED BY THE MARGINAL REFERENCE OPPOSITE EACH BALLOT TITLE.**

(On Official Ballot, Nos. 300 and 301)

**AMENDMENT REMOVING OFFICE TIME LIMIT OF STATE SECRETARY AND TREASURER**

*Proposed by the fortieth legislative assembly by senate joint resolution No. 13, filed in the office of the secretary of state March 1, 1939, and referred to the people as provided by section 1 of article XVII of the constitution.*

**CONSTITUTIONAL AMENDMENT**

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

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

Sec. 1. There shall be elected by the qualified electors of the state, at the time

and places of choosing members of the legislative assembly, a secretary and treasurer of state, who shall severally hold their offices for the term of four years [; but no person shall be eligible to either of said offices more than eight in any period of 12 years].

NOTE—The foregoing is set forth in accordance with section 36-2009, Oregon Code, which provides that “\* \* \* the text of a proposed amendment to any section of the constitution shall be printed in the pamphlet so as to indicate by the use of brackets the matter that would be deleted from the existing provision, and by italic type the matter that would be added thereto”.

**BALLOT TITLE**

**AMENDMENT REMOVING OFFICE TIME LIMIT OF STATE SECRETARY AND TREASURER**—Purpose: To amend section 1 of Article VI of the state constitution by omitting therefrom the provision now contained therein that no person shall be eligible to either of the offices of secretary of state or state treasurer for more than eight in any period of twelve years.

Vote YES or NO

300 Yes. I vote for the proposed amendment.

301 No. I vote against the proposed amendment.

## ARGUMENT

*Submitted by the legislative committee provided by senate joint resolution No. 13 of the fortieth legislative assembly, in favor of the*

### AMENDMENT REMOVING OFFICE TIME LIMIT OF STATE SECRETARY AND TREASURER

(Ballot Nos. 300 and 301)

This proposed amendment to the constitution of the state of Oregon permits the voters of the state to elect as Secretary of State or State Treasurer the person of their choice, regardless of previous tenure in either office.

The amendment gives the voters opportunity to recognize and reward efficient and faithful service, denied under the present existing provisions.

#### TO CORRECT UNJUST AND UNUSUAL CONDITION

For some unknown reason, doubtless considered sound at the time, the framers of Oregon's state constitution in 1857 included a provision that no person should be eligible to hold the office of Secretary of State or State Treasurer for more than eight in any period of twelve years. This provision was written before Oregon had even been admitted to the Union. For years afterward the business of the state was less in size and complexity than the administration of many of Oregon's present smaller communities. The ability of the people properly to exercise sovereign authority has been demonstrated by the progress of the state from a loosely joined territory to a modern commonwealth facing problems of governmental maturity. The administrative problems of the state have grown until they now demand the highest type of administrative skill, training and experience.

The present limitation is unsound from the standpoint of good government and unduly restricts the right of the voter to select officials of his choice even though they possess the highest qualifications.

#### UNDULY LIMITS POWERS OF THE ELECTORATE

It is inconsistent for a people solemnly to declare in one part of a constitution their right, and their belief in their ability, efficiently and effectively, to determine at the polls all matters affecting their well-being, and in another part of the same document to abridge that right, and challenge this belief in themselves, by arbitrarily denying to themselves the right to continue in office an official who has demonstrated his capacity and efficiency to the benefit of the state.

In these days when an interested, informed and very active electorate exercise their right of suffrage under an election system which permits, first, political parties to choose their candidates in primaries, and, second, the whole people to select officials from such chosen candidates—thus providing two opportunities for a wise choice, any restriction upon eligibility for administrative office, based solely upon the length of service previously rendered, is illogical, outmoded, and should be abandoned.

Private business institutions do not discharge efficient, capable and faithful employees after a few years of service. They recognize the value of training and experi-

ence and the savings possible through added efficiency and continuous responsibility.

#### SITUATION IN OTHER STATES

In forty-five states there is no limitation on the length of service of the Secretary of State. In thirty-one states there is no limitation on the length of service of the State Treasurer. The sovereign right of the people to elect whom they may desire is unhampered, and as a result, throughout the nation, there are many outstanding examples of fine public service rendered by men exceptionally fitted for the duties of their offices. The people of Oregon are no less capable of choosing their officials carefully and wisely.

The duties of the Secretary of State and State Treasurer are purely administrative for which long experience is an important asset. No such limitation is placed on any other administrative officer of the state. There is no limit on the service of the Attorney General, members of the Supreme Court, Superintendent of Public Instruction or the administrators of the various departments and institutions. The value to the people of the state of continuous responsibility in important administrative positions has been amply demonstrated.

#### BAD SITUATION POSSIBLE UNLESS CHANGE MADE

The Secretary of State and State Treasurer, with the Governor, constitute the State Board of Control, the State Land Board, the State Banking Board and other units handling a large portion of the important business of the state and directing the expenditure of many millions of dollars. Under the present provision it is possible that upon the retirement of a Governor, neither the Secretary of State or State Treasurer would be eligible for continuance in office, and no experienced member of these vital boards could be retained in the service of the state. This could create a serious condition, and the possibility of its occurring can be avoided by adopting the proposed amendment.

#### LEGISLATIVE COMMITTEE URGES ADOPTION

Following favorable action of the Legislature in placing this matter before the people of the state, the undersigned were appointed as a committee to prepare this argument in favor of its adoption. In the belief that the proposed amendment is in the best interests of the state and that the people of Oregon are fully competent to make their own choice for Secretary of State and State Treasurer, we strongly recommend its enactment.

Vote 300 X YES.

DOUGLAS MCKAY,  
State Senator, Salem, Oregon.

PHIL BRADY,  
State Representative, Portland, Oregon.

JOHN F. STEELHAMMER,  
State Representative, Salem, Oregon.

(On Official Ballot, Nos. 302 and 303)

**AMENDMENT MAKING THREE YEARS' AVERAGE PEOPLE'S  
VOTED LEVIES, TAX BASE**

*Proposed by the fortieth legislative assembly by senate joint resolution No. 19, filed in the office of the secretary of state March 15, 1939 and referred to the people as provided by section 1 of article XVII of the constitution.*

**CONSTITUTIONAL AMENDMENT**

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

That section 11, article XI, constitution of the state of Oregon, be and the same hereby is amended so as to read as follows:

Sec. 11. Unless specifically authorized by a majority of the legal voters voting upon the question neither the state nor any county, municipality, district or body to which the power to levy a tax shall have been delegated shall in any year so exercise that power as to raise a greater amount of revenue for purposes other than the payment of bonded indebtedness or interest thereon than the total amount levied by it in any one of the three years immediately preceding for purposes other than the payment of bonded indebtedness or interest thereon plus 6 per [centum] cent thereof; provided, whenever any new county, municipality or other taxing district shall be created and shall include in whole or in any part property theretofore included in another county, like municipality or other taxing district, no greater amount of taxes shall be levied in the first year by either the old or the new county, municipality or other taxing district upon any property included therein than the amount levied thereon in any one of the three years[,] immediately preceding[,] by the county, municipality or district in which it was then included plus 6 per [centum] cent

thereof. [; provided further, that] The amount of any increase in levy specifically authorized by the legal voters of the state, or of the county municipality[,] or other district, shall be excluded in determining the amount of taxes which may be levied in any subsequent year[.]; provided, that whenever a majority of the legal voters of any county, municipality or district voting upon the question shall have authorized specifically a tax levy in each of three successive years, the average of the total amounts levied in such years, for purposes other than the payment of bonded indebtedness or interest thereon, shall become the tax base of such county, municipality or district for the year next following such three-year period. The tax base of each newly organized municipality or district, not previously included in or a part of any like municipality or district, shall be established in the same manner. The prohibition against the creation of debt[s] by counties prescribed in section 10. [of] article XI of this constitution, shall apply and extend to debts hereafter created in the performance of any duties or obligations imposed upon counties by the constitution or laws of the state, and any indebtedness created by any county in violation of such prohibition and any warrants for or other evidences of any such indebtedness and any part of any levy of taxes made by the state or any county, municipality or other taxing district or body which shall exceed the limitations fixed hereby shall be void.

NOTE—Words in italic type would be added. Matter in brackets would be deleted.

**BALLOT TITLE**

**AMENDMENT MAKING THREE YEARS' AVERAGE PEOPLE'S VOTED LEVIES, TAX BASE**—Purpose: Amending section 11, Article XI of state constitution, being the six percent limitation, to include the following: Whenever a majority of the legal voters of any county, municipality or district voting thereon shall have authorized specifically a tax levy in each of three successive years, the average of such levies for purposes other than payment of bonded indebtedness or interest thereon, shall become the tax base of such taxing district for the next year following such period. The tax base of newly organized municipalities or districts not formerly parts of like municipalities or districts shall be established in like manner.

Vote YES or NO

302 Yes. I vote for the proposed amendment.

303 No. I vote against the proposed amendment.



## ARGUMENT

*Submitted by the legislative committee provided by senate joint resolution No. 19 of the fortieth legislative assembly, in favor of the*

### AMENDMENT MAKING THREE YEARS' AVERAGE PEOPLE'S VOTED LEVIES, TAX BASE

(Ballot Nos. 302 and 303)

Voters who are interested in economical and effective local government, and who favor a rational and uniform tax procedure should vote for this proposed amendment to the present 6 per cent limitation provision of the Oregon constitution.

The present tax limitation in the Oregon constitution was voted by the people in 1916. In 1932 it was changed by vote of the people to correct certain injustices which had developed. This year the voters are again asked to solve certain procedural problems. At the 1939 session officials of a number of school districts and cities asked the 1939 legislature to submit this amendment which, if passed, would make it possible for the voters in the localities to correct the problems which have arisen under the present law. The legislature carefully studied this proposal and decided to present it to the people. The proposed amendment which the legislature almost unanimously approved would give the people in Oregon communities the authority to vote to allow their local governments to operate under the limitation as it now applies to most other cities, school districts, and municipal corporations.

To understand the proposed amendment, it is valuable to have the present law in mind. The majority of Oregon local governments levy their taxes under the present law by drafting the municipal budget so that it does not exceed the highest amount of taxes levied for any one of the three preceding years plus 6 per cent of this so-called base or highest levy. Thus a city with a levy for any of three successive years of \$1,000 could in the fourth year levy \$1,000 plus 6 per cent of its base or highest levy. The total allowable levy under the present law in this case would be \$1,000 (the base) plus \$60 or \$1,060. If the district or city wishes to levy more than \$1,060 it must receive approval for the additional levy from the voters of the district or city.

This sounds very simple, but unfortunately the present law does not cover all of the procedural difficulties which have arisen. These problems arise from failure to levy, organization of new districts, or growth in population and property values. This proposed amendment affords relief in these situations. A few examples of the effects of the present law will illustrate the problems which this proposal is designed to solve.

1. The present law does not state that the limitation is to apply to the first levy of newly organized districts. There is no legal basis now for establishing the first year's levy for new districts. This proposal will provide that the voters must approve a new district's levies for the first three years. The average of these three approved levies then becomes the base for the 6 per cent limitation. This proposed change will bring

new districts under the same limitation that now controls existing districts. It will also remove all doubts about the legality of their tax levies by establishing a definite procedure to be followed.

2. The existing law does not provide any method for regaining a tax base, if it is lost by the failure of a school district or city to levy for three or more years. As a result, annual special elections must be held in some localities for approval of tax levies. This amendment provides that if the local voters approve a tax levy for three successive years, the average of the three levies then becomes the base for calculation of the 6 per cent limitation in the future.

A good example of the need for this amendment is the case of the city of Gold Hill. The city did not make a tax levy for general purposes during the years 1934, 1935, 1936, and 1937. The miscellaneous revenues of the city decreased in 1937, and a pressing sewage disposal problem developed. It was necessary for the city to go back to its former levy. The levy for general purposes in 1938 was \$1,128. This levy had to be voted at a special election, as no levy had been made for four years and the city thus had a zero base for calculation of the 6 per cent increase. Six per cent of zero plus zero is still zero. Under the present law the city's base will remain zero forever. If this amendment is adopted the city will be able to take the average of its three voted levies for 1937, 1938, and 1939 as a base. The 6 per cent limitation will apply to that base. As the voted levies for general purposes amounted to \$1,128 in 1937, \$83 in 1939, and \$691 in 1940, Gold Hill's base for 1941 would be \$634. Six per cent of \$634 is \$13.92. This amount added to the former levy of \$634 would give the city an allowable levy for 1941 of \$647.92 if the amendment is passed. If this amendment does not pass, the city's allowable levy without a special election will be zero. This amendment offers a corrective procedure and should be approved.

3. The present law does not provide a safeguarded method for increasing the tax base if a community grows rapidly. As a result a school district's tax levies may grow more rapidly than the annual 6 per cent increments allowable under the present section. Annual elections for approval of the budget are then necessary. Under this proposal, if the people of a district have voted to exceed the limitation for three successive years or if in the future they vote to exceed it for three successive years, they authorize the governing board to use the average of the three years' levies as a new tax base. This proposal will be of special assistance to the people in areas which have grown rapidly and will at

the same time provide reasonable safety against excessive tax increases.

A number of the school districts of the state offer good examples of the effect of the present law upon local governments in areas of rapid growth. Communities have been forced to duplicate school administration. New Union High School districts have been formed to carry on high school work formerly handled under one all inclusive district. Several first class school districts in Malheur, Klamath, and Multnomah counties have doubled their school enrollments within a few years with a consequent increase in school expenses. The present law requires the districts to hold special elections for approval of their budgets. The districts have to pay the election expense, and administrative employes and the teaching staff must explain the reason for the election to the voters. It is often difficult to enlist sufficient voter interest to insure a representative election.

Other similar examples are present among the cities of the state. The population of the city of Bend increased from 536 in 1910 to 5,413 in 1920 and to 10,100 in 1940. The city's assessed valuation has increased from \$1,900,000 in 1922 to \$3,331,995 in 1940. The rapid population growth of the city and the increase in property values has required more rapid extension of municipal services than could be provided from the annual 6 per cent increases available under the present law. As a result for twenty years Bend has been the only city of the state to submit its budgets at special

elections. It will have to continue to do so indefinitely unless this proposal is adopted. Other growing cities which will be aided by the amendment are Prineville, Nyssa, Talent, Gresham, and John Day.

This proposed amendment does not in any way alter the application of the 6 per cent limitation as it now applies to the majority of the local government units of Oregon. It merely offers a procedure for correction of tax bases to be utilized by a few cities and districts after approval by the local voters. These districts and cities are entitled to the relief offered by this amendment since they are at present forced to follow an expensive and difficult election procedure not required of other municipalities. This amendment will enable them to come back under the 6 per cent limitation. The local voters will be given final authority if the amendment is passed. This amendment vests control over a local problem in the voters of the local governments. The proposed change will not increase property taxes. It will eliminate a difficult and expensive election procedure, and bring new districts under the limitation. The amendment should be approved by the voters of the state.

DEAN H. WALKER,  
State Senator, Independence, Oregon.

EARL T. NEWBRY,  
State Representative, Ashland, Oregon.

V. B. STAPLES,  
State Representative, Ontario, Oregon.

(On Official Ballot, Nos. 304 and 305)

**AMENDMENT REPEALING THE DOUBLE LIABILITY OF STOCKHOLDERS OF STATE BANKS**

*Proposed by the fortieth legislative assembly by house joint resolution No. 16, filed in the office of the secretary of state March 16, 1939, and referred to the people as provided by section 1 of article XVII of the constitution.*

**CONSTITUTIONAL AMENDMENT**

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

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

**ARTICLE XI.**

Section 3. The stockholders of all corporations and joint stock companies shall be

liable for the indebtedness of said corporation to the amount of their stock subscribed and unpaid and no more [ , excepting that the stockholders of corporations or joint stock companies conducting the business of banking shall be individually liable equally and ratably and not one for another, for the benefit of the depositors of said bank, to the amount of their stock, at the par value thereof, in addition to the par value of such shares].

NOTE—Words in brackets would be repealed.

**BALLOT TITLE**

**AMENDMENT REPEALING THE DOUBLE LIABILITY OF STOCKHOLDERS OF STATE BANKS**—Purpose: To amend section 3 of Article XI of the state constitution by repealing the provision now contained therein which is known as the double liability of stockholders of state banks to the depositors of said banks, so that said section as so amended will read: "The stockholders of all corporations and joint stock companies shall be liable for the indebtedness of said corporations to the amount of their stock subscribed and unpaid and no more."

Vote YES or NO

304 Yes. I vote for the proposed amendment.

305 No. I vote against the proposed amendment.

**ARGUMENT**

*Submitted by the legislative committee provided by house joint resolution No. 16 of the fortieth legislative assembly, in favor of the*

**AMENDMENT REPEALING THE DOUBLE LIABILITY OF STOCKHOLDERS OF STATE BANKS**

(Ballot Nos. 304 and 305)

Oregon is one of the seven remaining states which yet places the burden of double liability upon stockholders to the extent of stock owned by them. This constitutional provision was intended as a safeguard to depositors, but the provision actually applies to all of the stock in 18 of our state banks only, and to a part of the stock in 14 other state banks. The Federal Congress has relieved stockholders in national banks from double liability on their stock, and in fairness our state banks should be placed on an equal basis with the national banks and with the state banks in 41 other states by eliminating this double liability feature.

A strong reason for doing away with the double liability on stock in state banks, is the existence of the Federal Deposit Insurance Corporation which provides a safety factor to depositors whose deposits do not exceed \$5,000.00, and this protection is applicable to state banks who annually pay a premium of one-twelfth of one per cent of their deposits for the depositors' protection.

A. A. Rogers, Superintendent of Banks for the State of Oregon, has stated his unqualified approval of this amendment to eliminate the double liability feature, in the following statement:

"Our citizens of Oregon are interested in the development of their state and the expansion and strengthening of their banking system, and I am certain they do not realize that this double liability does not apply to national banks nor to a part of our state chartered banks.

"I am convinced that \* \* \* with deposit insurance, this provision is actually a negative factor in attracting responsible ownership of state bank shares."

Leo T. Crowley, Chairman of the Federal Deposit Insurance Corporation, in speaking of double liability of state banks, says:

"This corporation, as insurer of deposits in practically all commercial banks in the United States, has not opposed such action, as we have believed that it was only just and equitable that state banks should be accorded the same treatment as national banks in this connection."

By doing away with this double liability it is very reasonable that the natural reluctance of responsible citizens to purchase stock in state banks will change to a feeling of confidence, and that applications for the organization of state banks in many towns and cities now deprived of their benefits, can be expected.

We, the committee appointed by the President of the Senate and Speaker of the House to write the argument supporting the action of your State Legislature, urge you to vote "Yes" on November 5, 1940.

W. H. STEIWER,  
State Senator, Fossil, Oregon.

GEO. R. DUNCAN,  
State Representative, Stayton, Oregon.

HOWARD W. TURNER,  
State Representative, Madras, Oregon.

(On Official Ballot, Nos. 306 and 307)

**LEGISLATORS' COMPENSATION CONSTITUTIONAL AMENDMENT**

*Proposed by the fortieth legislative assembly by house joint resolution No. 18, filed in the office of the secretary of state March 20, 1939, and referred to the people as provided by section 1 of article XVII of the constitution.*

CONSTITUTIONAL AMENDMENT

*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:

Section 29. The members of the legislative assembly shall receive for their services a sum not exceeding [three] eight dollars a day, from the commencement of the session; [but such pay shall not exceed in the aggregate one hundred and twenty

dollars for per diem allowance for any one session] but such pay shall not be more than fifty (50) days for any regular session. When convened in extra session by the governor, they shall receive [three] eight dollars per day; but no extra session shall continue for a longer period than twenty days. They shall also receive the sum of [three dollars] ten cents for every [twenty] mile[s] they shall travel in going to and returning from their place of meeting, on the most usual route. The presiding officers of the assembly shall, in virtue of their office, receive an additional compensation equal to [two-thirds] one-half of their per diem allowance as members.

NOTE—Words in italics would be substituted for matter in brackets.

BALLOT TITLE

LEGISLATORS' COMPENSATION CONSTITUTIONAL AMENDMENT—Purpose: Fixing legislature members' pay at \$8 a day while in regular session and for not more than 50 days; while in extra session, \$8 a day, no extra session to be longer than 20 days; members also to receive 10 cents per mile travelled to and from meeting place; presiding officers to receive one-half daily pay additional; such compensation being instead of that now received which is: \$3 a day but not over \$120 for any session, no extra session being over 20 days, and \$3 for every 20 miles travelled; presiding officers receiving two-thirds daily pay additional.

Vote YES or NO

306 Yes. I vote for the proposed amendment.

307 No. I vote against the proposed amendment.

## ARGUMENT

*Submitted by the legislative committee provided by house joint resolution No. 18 of the fortieth legislative assembly, in favor of the*

### LEGISLATORS' COMPENSATION CONSTITUTIONAL AMENDMENT

(Ballot Nos. 306 and 307)

The framers of our Oregon Constitution provided for three branches of state government; the Executive, the Judicial and the Legislative. They fixed the salaries of the chief state officials as follows: Governor \$1,500, Secretary of State \$1,500, members of the Supreme Court \$2,000, State Treasurer \$800. Members of the legislature were allowed \$3.00 per day for 40 days or \$120 per session. (One session every two years.)

The Governor's salary has been raised to \$7,500, the Secretary of State's to \$5,400, members of the Supreme Court to \$7,500, and the State Treasurer's salary to \$5,400.

The pay of the legislator still remains at \$3.00 per day or \$120 for a 40 day session.

**OREGON PAYS HER LEGISLATORS LESS THAN ANY STATE IN THE UNION.** Two states pay the same per day but have longer sessions and two states have the same length of sessions but pay larger salaries. Oregon alone pays \$120 for each legislative session regardless of the time necessary to complete the state's business.

No citizen could justly maintain that a man qualified to be Governor or Secretary of State should serve under present conditions for \$1,500 per year or \$125 per month, or that a man qualified to be State Treasurer for \$800 per year or \$66.66 per month. It would seem absurd in the extreme to entrust the keeping of millions of dollars of state funds to a man worth less than \$3.00 per day and it seems even more absurd to entrust the appropriating or spending of public money to men and women worth \$3.00 per day or less.

**THE OREGON LEGISLATURE IS THE SOLE JUDGE AS TO HOW STATE FUNDS SHALL BE APPROPRIATED** (barring the Governor's veto power).

In 1859 when the constitution was adopted and Oregon came into the Union, \$3.00 per day was a good salary. Living expenses were low and legislators could live comfortably on that amount. Then, too, legislative sessions rarely lasted the full 40 days and the number of bills presented was hardly a tenth part of the number presented at a present day session. The session of 1939 lasted 66 days and considered more than 1,000 bills. The members of the '39 session received \$120 for the first 40 days of the 66 day session. For almost a month each member served gratis and paid his or her own expenses.

We often hear people say "the legislature wastes too much time", "too many bills are introduced" and other remarks that clearly show that the work of the legislature is misunderstood.

The people of Oregon themselves are responsible for the length of legislative sessions and the number of bills presented. It is almost an unwritten law that members must introduce bills for their constituents and every constituent has a right to be heard before a committee where the

proposed legislation is being considered. At every session public hearings are held from the beginning of the session to its close, on all matters of importance and many that are unimportant. No one is denied the right to have bills introduced and under the constitution no one can be denied the right to be heard.

When Oregon first came into the Union, transportation was slow and expensive and but few people visited the legislature. The state had but few industries and there was no necessity for much legislation. At the present time people from all corners of the state visit the legislature demanding legislation of every conceivable type and appropriations for every conceivable purpose. Copies of bills are mailed broadcast throughout the state and all legislation is given the utmost publicity before being enacted into law.

The proposed amendment has the endorsement of many leading citizens and organizations. Space will not permit the publication of many statements; however, we present the following.

From the Oregon State Board of Control (Charles A. Sprague, Governor, Earl Snell, Secretary of State, and Walter E. Pearson, State Treasurer):

"The present compensation of members of the legislative assembly is inadequate to the point of unfairness.

"It discourages many men of ability from aspiring to positions in the legislature and sometimes puts the impecunious legislator under the wrong kind of influence.

"We believe the proposed amendment should be adopted."

Signed: OREGON STATE BOARD  
OF CONTROL,  
Daniel J. Fry, Secretary.

Superintendent of Public Instruction:

"In fairness to those who are directly responsible for making our laws, we cannot expect them to serve for a pittance of three dollars a day as they now do. This small amount barely pays their board and lodging while they are transacting the business of the state. For this reason I am in hearty accord with the proposed constitutional amendment to increase the daily remuneration of members of the legislature from three dollars to eight dollars per day for fifty days."

Signed: REX PUTNAM,  
Superintendent of Public Instruction.

Oregon State Grange:

"The Oregon State Grange has endorsed this constitutional amendment. The present rate of \$3.00 per day will hardly pay board and lodging, much less campaign expenses. We should not expect our legislators to leave their farms, businesses, or employment and

not pay a more decent wage. Public welfare demands this amendment."

Signed: OREGON STATE GRANGE,  
RAY W. GILL, Master,  
BERTHA J. BECK, Secretary.

**Oregon State Federation of Labor:**

"This year's annual convention of the State Federation of Labor reiterated Labor's position of many years advocating that legislators' remuneration be increased from its present shamefully low rate. Capable citizens should not be denied the privilege of serving as legislators because the remuneration is insufficient to pay their expenses while serving the state."

Signed: D. E. NICKERSON,  
Executive Secretary,  
OREGON STATE FEDERATION  
OF LABOR.

**American Legion:**

"The proposal to increase legislators' pay to eight dollars per day up to fifty days recalls to mind official action of the American Legion of Oregon, 1937 convention, endorsing such an increase. The imperative necessity of these times demands that we render our legislative bodies of the highest caliber of manpower in defense of the common man of America, whose liberties again are at

stake in a world overridden by 'one man government'. Veterans of America's wars against militant despotism know that America's future resides in popular government through able representatives. This proposal merits the support of all loyal citizens."

Signed: NIEL R. ALLEN,  
Department Commander,  
AMERICAN LEGION OF OREGON.

The passage of this proposed Constitutional Amendment would bring the state of Oregon up to par with other progressive states of the Union.

It would make it possible for the state to secure the best possible legislative service.

It would remove the bar existing against the poor man and woman, and afford equal opportunities for all.

IN THE INTERESTS OF GOOD GOVERNMENT, GOOD BUSINESS, AND FAIR PLAY LET US PASS THIS AMENDMENT.

Respectfully submitted,  
CHARLES CHILDS,  
State Senator, Albany, Oregon.

ALFRED CUNHA,  
State Representative, Pendleton, Oregon.

MALCOLM W. WILKINSON,  
State Representative, The Dalles, Oregon.

(On Official Ballot, Nos. 308 and 309)

**BILL CHANGING THE PRIMARY NOMINATING ELECTIONS FROM  
MAY TO SEPTEMBER**

*Submitted to the people pursuant to referendum petition filed in the office of the secretary of state, June 10, 1939, in accordance with the provisions of section 1 of article IV of the constitution.*

**SENATE BILL NO. 361**

Fortieth Legislative Assembly

(Chapter 360, Oregon Laws, 1939)

**AN ACT**

Providing for holding primary elections for nominating and electing persons to public offices; for fixing the times for holding and regulating the procedure and conduct of primary nominating elections; prescribing the duties of public officers and the times of performing certain acts relating to elections; for certificates of nominations and proclamations; for restricting certain candidates and placing of their names upon the ballot; for compiling the ballot, publication and certification thereof; for publication and contents of voters pamphlets and payment by certain candidates for space therein; providing for and the manner of nomination of national committeemen and committeewomen, and electing of delegates of political parties to national conventions; prescribing the duties and powers of state central committee, a county central committee, officers thereof and district nominating committeemen and committeewomen and the time, place and manner of performing certain acts relating to nominations and delegates; providing for meetings, time thereof and organization of county central committees and state central committees; providing for and the contents of primary nominating election notices; providing for filing of petitions for nominations of party candidates to office; providing for filing of declarations and payment of filing fees for nomination of party candidates; prescribing the right to vote for and the number of electors; and repealing section 36-402, Oregon Code 1930, as amended by section 1, chapter 77, Oregon Laws, 1933; section 36-403, Oregon Code 1930, as amended by section 2, chapter 77, Oregon Laws, 1933; sections 36-503, 36-505, 36-1101, 36-1102, 36-1103, 36-1105, 36-1107 and 36-1108, Oregon Code 1930, and sections 36-302, 36-304, 36-404, 36-501, 36-702, 36-905, 36-1104, 36-1106, 36-1207, 36-1401 and 36-2406, Oregon Code 1935 Supplement, and all other acts or parts of acts in conflict herewith.

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

Section 1. On the first Wednesday after the first Monday in September, 1940, and biennially thereafter, there shall be held in the several election precincts of the state of Oregon a general primary nominating election, at which shall be nominated or elected such United States, state, district, county, city, town and precinct officers as are to be elected or nominated at such general primary nominating election or general election of that year.

Section 2. The county clerk, immediately after making the abstracts of votes given in his county, shall make a copy of each of said abstracts and transmit it by mail to the secretary of state at the seat of government; and it shall be the duty of the secretary of state, in the presence of the governor and the state treasurer, to proceed within 15 days after the primary nominating election, and sooner if all returns be received, to canvass the votes given for nomination for all officers to be voted for by the people of the state or of any district embracing one or more counties; and the governor shall grant a certificate of nomination to the person having the highest number of votes for each office and shall issue a proclamation declaring the nomination of each person by his party; provided, that no candidate for a nomination who fails to receive the highest number of votes for the nomination of the political party with which he was affiliated at the time of filing his petition for nomination shall be entitled to be the candidate of any other political party, or to become an independent candidate at the ensuing election, and, in either case, the name of any such candidate shall not be placed upon the ballot at the ensuing election. In case there shall be no choice for nomination for any office by reason of any two or more persons having an equal and the highest number of votes of his party for nomination for either of said offices, the secretary of state immediately shall give notice to the several persons so having the highest and equal number of votes to attend at the office, either in person or by attorney, of the secretary of state, at a time to be appointed by said secretary, who shall then and there proceed to decide publicly by lot which of the persons so having an equal number of votes shall be declared duly nominated by his party; and the governor shall issue his proclamation declaring the nomination of such person or persons as above provided.

Section 3. Not more than 30 days and not less than 25 days before the date fixed by law for the election, the secretary of state shall arrange, in the manner provided in this act for the arrangement of the names and other information upon the ballots, all the names and other information concerning all the candidates contained in the certificates of nomination which have been filed with him, and accepted by the nominees in accordance with the provisions of this act, and he forthwith shall certify the same under the seal of the state and file the same in his office and make and transmit a duplicate thereof by registered letter to the county clerk of each county in the state; and he also shall post a duplicate thereof in a conspicuous place in his office and keep the same posted until after said election has taken place. Not more than 30 days and not less than 25 days before the day fixed by law for the election, the



appropriate officer of each incorporated city or town of the state having a population of 2,000 inhabitants or more, according to the last preceding United States census, shall arrange in the manner provided by law for the arrangement of the names and other information upon the ballots all the names and other information concerning all the candidates contained in the certificates of nomination which have been filed with him and accepted by the nominees, according to the provisions of law or of the charters or ordinances of such cities or towns, and he forthwith shall certify the same and file the same in his office, and make and transmit a duplicate thereof by registered letter to the county clerk of the county in which such incorporated city or town is located; and he also shall post a duplicate thereof in a conspicuous place in his office and keep the same posted until after said election has taken place.

Section 4. Not more than 25 days and not less than 20 days before the day fixed by law for the election, the county clerk of each county shall arrange in the manner provided by this act for the arrangement of the names and other information upon the ballot or ballots all the names and other information concerning all the candidates contained in the certificates of nomination which have been filed with him and accepted by the nominees, and which have been certified to him by the secretary of state, or city or town officer, in accordance with the provisions of law, and he forthwith shall certify the same under the seal of the county court and file the same in his office, and make and post a duplicate thereof in a conspicuous place in his office and keep the same posted until after the election has taken place; and he forthwith shall proceed and cause to be printed, according to law, the colored or sample ballots and the white ballots required by this act.

Section 5. Not later than the thirty-seventh day before the regular biennial general election the state executive committee or managing officers of any political party or organization having nominated candidates, but no others except independent candidates, may file with the secretary of state two portrait cuts of its candidates and typewritten statements and arguments for the success of its principles and election of its candidates, and opposing or attacking the principles and candidates of all other parties. In case any such cuts, statements or arguments are not filed within the time herein specified, the secretary of state shall refuse to accept the same, and such cuts, statements or arguments shall not appear in the pamphlets hereinafter mentioned. Not later than the thirty-fifth day before said general election the secretary of state shall deliver to the state printer, properly compiled and prepared for printing, the said portrait cuts, statements and arguments, with an order for the number of pamphlet copies of the same necessary to supply one, at least, complete as to the candidates to be voted for in any county for which the same may be designated, for every registered voter within the state of Oregon. The state printer shall begin delivering said pamphlets to the secretary of state as soon as possible and shall complete the same not

later than the tenth day before said general election. The secretary of state shall begin mailing the pamphlets to the voters of the state as soon as they are delivered to him and shall complete the mailing on or before the ninth day before said general election.

Section 6. In the years when a president and vice president of the United States are to be nominated and elected, the several political parties recognized by section 36-401, Oregon Code 1930, shall nominate their national committeemen and national committeewomen and elect the delegates to their respective national conventions in the manner hereinafter provided. National committeemen and committeewomen so nominated shall take and hold their office from and after their election and until their successors are elected and qualified.

Section 7. After the national committees of the several political parties issue their official calls for national nominating conventions the state central committee of each of said political parties forthwith shall notify the chairman and the secretary of each county central committee to direct the five district nominating committeemen or committeewomen provided for in section 36-906, Oregon Code 1930, as amended by section 2, chapter 104, Oregon Laws, 1937, to meet at a time and place designated by the said state central committee for the purpose of electing delegates to the national convention of the political party of said committee.

Section 8. The state central committee shall direct that all the said district nominating committees of the first congressional district shall meet at a time and place designated within the first district, that the said district nominating committee of the second congressional district shall meet at a time and place designated within the second congressional district, and that the said district nominating committee of the third congressional district shall meet at a time and place designated within the third congressional district. In any congressional district which now or hereafter may consist of one county only, the county central committee of said county shall be considered and shall act as the district nominating committee of said congressional district.

Section 9. The said district nominating committees of each of said congressional districts shall meet at the time and place designated by the state central committee and organize by the election of a chairman and secretary, whereupon they shall proceed to nominate and elect such delegates to the national convention as each of said districts are entitled to under the rules and apportionment of their respective national conventions.

Section 10. Any county central committee may instruct its district nominating committee, should it so desire, in regard to the candidacy of any candidate for delegate to said convention, and any district meeting as provided for in section 8 hereof, by a majority vote of its whole membership, may instruct, if it should so desire, the state committeemen or committeewomen of said district in regard to the nomination of candidates for national committeemen or committeewomen.

Section 11. At the same time that the state central committee shall notify the said county central committee of the time and place for the nomination and election of district delegates as provided in section 7 hereof, it also shall set a time and place for a meeting of said state central committee, which time shall not be later than 10 days subsequent to the date of the said district meetings. It shall be stated in said notification that the purpose of said meeting of said state central committee shall be for the nomination of a national committeeman and a national committeewoman and for the election of such delegates at large to the national convention as the rules and apportionment of the national convention of the party represented by said state central committee may provide.

Section 12. The state central committee, at the said time and place designated, shall proceed to nominate and elect said delegates at large by the vote of a majority of the whole members of said state central committee. In like manner the state central committee shall nominate a candidate for national committeeman and national committeewoman.

Section 13. The chairman of the meetings of the district nominating committees, as hereinbefore provided for, forthwith shall send to the secretary of the state central committee a full statement of the delegates elected at said district meetings certified by the secretary thereof, and the certificate of the chairman of the state central committee, attested by the secretary thereof, shall be forwarded to the secretary of the national committee, certifying to the election of said district delegates and delegates at large, and of the nomination of said national committeeman and national committeewoman, which certificates shall be conclusive upon the said national conventions of the regularity of the election of said delegates and of the nominations of the said national committeeman and national committeewoman.

Section 14. Not later than the first Tuesday after the regular general biennial election the secretary of each county central committee shall mail, by registered mail, to each precinct committeeman and committeewoman within the county a notice stating that the said committee shall meet on the second Saturday following the date of the notice at a place and hour designated for the purpose of organizing by the election of a chairman, a secretary, a treasurer, a state committeeman and a state committeewoman five districts nominating committeemen or committeewomen and the transaction of such other business as may properly come before said meeting.

Immediately following the organization of said county central committees written notice shall be given by the chairman thereof, attested by the secretary, to the secretary of the state central committee of the names and addresses of the newly elected state central committeemen and state central committeewomen, and of the five members of the district nominating committee, elected as herein directed.

On the second Saturday following the organization of the county central committees as herein provided for, the state central committee shall meet and organize,

at a time and place designated by the chairman and secretary by written notice mailed to each state committeeman and committeewoman stating the purpose of the meeting to be the organization of the said committee by the election of a state chairman, a secretary, a treasurer and the transaction of such other business as may properly come before the said meeting.

Section 15. It shall be the duty of the secretary of state, and of the appropriate officers of incorporated cities and towns having a population of 2,000 or more inhabitants according to the last preceding United States census, not less than 45 days before any primary nominating election, to prepare and furnish to each county clerk a statement showing the several state, district, or city and town offices for which candidates are to be chosen in his county at such election by the political parties subject to this law, or by the respective cities and towns, as provided in this section, delegates to any constitutional convention then called, if any there be. The county clerk shall, not less than 30 days before any primary nominating election, prepare printed notices of such election and mail two of said notices to each judge and clerk of election in each precinct, and it shall be the duty of the several judges and clerks immediately to post said notices in public places in their respective precincts. Said notices shall be substantially in the following form.

#### PRIMARY NOMINATING ELECTION NOTICE

Notice hereby is given that on \_\_\_\_\_, the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, at the \_\_\_\_\_, in the precinct of \_\_\_\_\_, in the county of \_\_\_\_\_, Oregon, a primary nominating election will be held, at which the (insert names of political parties subject to this law) will choose their candidates for United States senators in congress, if any there be, representatives in congress, state, district, county, precinct and other offices, namely (here name the offices to be filled, and delegates to any constitutional conventions then called, and candidates for county central committeemen to be elected); which election will be held at 8 o'clock in the forenoon and will continue until 8 o'clock in the afternoon of said day.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_,  
\_\_\_\_\_, County Clerk.

Section 16. Before or at the time of beginning to circulate any petition for nomination to any office under this law the person who is to be candidate for such nomination shall send by registered mail or otherwise to the secretary of state or county clerk or city clerk, recorder or auditor, as the case may be, a copy of his petition for nomination, signed by himself, and such copy shall be filed and shall be conclusive evidence for the purposes of this law that said elector has been a candidate for nomination by his party. All nominating petitions and notices pertaining to candidates for the office of elector of president and vice president of the United States, United States senator in congress, representative in congress, governor, secretary of state, state treasurer, justice of the supreme court, attorney general, superin-

tendent of public instruction, commissioner of the bureau of labor statistics and inspector of factories and workshops, judge of the circuit court, district or prosecuting attorney, state senator or representative in the legislative assembly, or other office to be voted for in the state at large or in a district composed of one or more counties, shall be filed with the secretary of state; all nominating petitions and notices pertaining to candidates for county offices and district or precinct offices within a county shall be filed with the county clerk; and for all city offices in the office of the city clerk, recorder or auditor, as the case may be.

Section 17. Any registered elector may become a candidate for his or her party's nomination for any office to which he or she is constitutionally eligible or presidential elector, in addition to the method now provided by law, by filing declaration of his or her candidacy, as herein provided, and accompanying said declaration with the required filing fee. Declarations of candidates shall be filed with the secretary of state, county clerk or city clerk or auditor, as the case may be, and the filing of a declaration with the proper official shall be conclusive evidence that the elector in question is a candidate for nomination by his party or presidential elector. All declarations pertaining to candidates for presidential electors, governor, secretary of state, state treasurer, justice of the supreme court, attorney general, superintendent of public instruction, commissioner of the bureau of labor statistics and inspector of factories and workshops, judge of the circuit court, district or prosecuting attorney, state senator or representative in the legislative assembly, or other office to be voted for in the state at large, or in a district composed of one or more counties, shall be filed with the secretary of state; all declarations, pertaining to candidates for county offices and district or precinct offices within a county shall be filed with the county clerk, and for all city offices in the office of the city clerk, recorder or auditor, as the case may be.

Section 18. In the years when a president and vice president of the United States are to be nominated and elected, every qualified elector of a political party recognized by this act shall have an opportunity to vote his or her preference for the full quota of presidential electors, who shall be nominated at the same time that other public officers are nominated. Every political party recognized by this act shall be entitled to nominate, from the state at large, a number of candidates equal to the number of votes which this state may have in the electoral college, and every individual elector of any such party shall have the right to vote his or her preference for that number of candidates for the nomination for such office.

Section 19. Candidates for nomination for the office of presidential elector shall have the right to use one page of space in the official primary election campaign pamphlet of their respective political parties, which may be published and distributed prior to a primary nominating election, upon the payment to the secretary of state of \$50 therefor. Any candidate may have not to exceed three additional pages of space in said pamphlet upon the payment of \$100 for each additional page so used.

Section 20. That section 36-402, Oregon Code 1930, as amended by section 1, chapter 77, Oregon Laws, 1933; section 36-403, Oregon Code 1930, as amended by section 2, chapter 77, Oregon Laws, 1933; sections 36-503, 36-505, 36-1101, 36-1102, 36-1103, 36-1105, 36-1107 and 36-1108, Oregon Code 1930, and sections 36-302, 36-304, 36-404, 36-501, 36-702, 36-905, 36-1104, 36-1106, 36-1207, 36-1401 and 36-2406, Oregon Code 1935 Supplement, be and the same hereby are repealed, and all acts and parts of acts in conflict herewith, to the extent of such conflict, be and the same hereby are repealed.

Approved by the governor March 14, 1939.

Filed in the office of the secretary of state March 14, 1939.

## BALLOT TITLE

**BILL CHANGING THE PRIMARY NOMINATING ELECTIONS FROM MAY TO SEPTEMBER**—Purpose: Providing for changing the date of the primary nominating elections from the third Friday in May to the first Wednesday after the first Monday in September; adjusting the dates for performance of various duties to conform therewith; providing for the nomination of national committeemen and committee-women and the election of delegates at large to the national political conventions by the state central committees of the respective political parties, the election of congressional district delegates to such conventions by the respective district nominating committees consisting of county central committeemen, and the organization of the county and state central committees.

Vote YES or NO

308 Yes. I vote for the proposed law.

309 No. I vote against the proposed law.

## ARGUMENT

*Submitted by the Oregon State Grange and the Oregon State Federation of Labor,  
in opposition to the*

### BILL CHANGING THE PRIMARY NOMINATING ELECTIONS FROM MAY TO SEPTEMBER

(Ballot Nos. 308 and 309)

The bill which would change the date of the primary election from May to September is essentially the same measure which the voters of the state rejected decisively four years ago. The vote at that time was 61,270 for the bill and 155,922 against it. Despite this emphatic rejection by the voters, the legislature in 1939 adopted the measure, and it was only through the efforts of the organizations presenting this statement and other groups that the citizens of Oregon now have an opportunity to express themselves on this proposal.

The measure should be decisively defeated for the following reasons: (1) To preserve the rights and privileges of the voters; (2) The time is entirely too short to conduct a campaign, for the Oregon election system provides for distribution of voters' pamphlets which under this bill, with the limited time, would only reach the voters a short time before the election. The campaign period would only be 54 to 61 days long. Is this a move to discredit and destroy the voters' pamphlet? (3) To rebuke the high-handedness of the legislature in ignoring the expressed will of the people. An emphatic "NO" vote on this measure will be considered by future legislators when they are tempted to disregard the expressed will of the people.

#### DO NOT SURRENDER YOUR RIGHTS

Vote NO on this measure and retain the right to express your choice in the primaries for presidential candidates. The argument that only self starters run is contradicted by the following candidates who have been voted upon in Oregon primary elections: Borah, Roosevelt, Hiram Johnson, France and McNary.

Vote NO so you may retain the right to elect your own party national committeeman and committeewoman.

Vote NO to give the poor man who desires to run for office time in which to conduct his campaign. He would be at a disadvantage competing with a wealthy candidate who could buy radio time and newspaper advertising based upon a short campaign.

Vote NO in order to retain the privileges of independent candidates. Sponsors of this measure argue that under the proposed measure an independent nomination may be made, but it can only be done

before the primary and the desire for independent candidates is not known until after the primary. Earl Snell, Secretary of State, makes comment on this as follows: "It would not be legally possible for an assembly to meet and nominate an independent candidate after the time limit for the canvass of the Primary Election votes by the Secretary of State."

Even though all legal obstacles were overcome, the candidate could not place his statement in the voters' pamphlet.

September is one of the busiest months in the year for both farmers and laborers. It would reduce the farm vote, and thousands of laboring people are away from home in the harvest fields. The latter part of May is a good time to hold the primary election as far as both farmers and labor are concerned.

#### THE BILL PROPOSES A BACKWARD STEP

Adoption of this bill would be a step backward, away from popular government and toward party machine control; it would be the first step to a return of the boss-controlled convention.

In case of a disputed nomination, it would be impracticable for a loser to contest, even though he might have indisputable evidence to contest with. At best, the contest winner would be too late to get a statement in the voters' pamphlet.

#### DEFEND POPULAR GOVERNMENT AND FREE EXPRESSION OF THE CITI- ZENS OF THE STATE.

Vote 309 X NO.

OREGON STATE GRANGE,

RAY W. GILL, Master,  
1135 S. E. Salmon Street,  
Portland, Oregon.

BERTHA J. BECK, Secretary,  
1135 S. E. Salmon Street,  
Portland, Oregon.

OREGON STATE FEDERATION  
OF LABOR.

D. E. NICKERSON,  
Executive Secretary,  
506 Labor Temple,  
Portland, Oregon.

(On Official Ballot, Nos. 310 and 311)

**BILL TO FURTHER REGULATE SALE AND USE OF  
ALCOHOLIC LIQUOR**

Submitted to the people pursuant to referendum petition filed in the office of the secretary of state, June 13, 1939, in accordance with the provisions of section 1 of article IV of the constitution.

HOUSE BILL NO. 355

Fortieth Legislative Assembly

(Chapter 366, Oregon Laws, 1939)

**AN ACT**

To amend sections 13, 14 and 22 of chapter 448, Oregon Laws, 1937, relating to liquor control.

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

Section 1. That section 13, chapter 448, Oregon Laws, 1937, be and the same hereby is amended so as to read as follows:

Sec. 15-1020. Licenses shall be subject to the regulations of the commission and the provisions of this act, and shall be of the following classes, enumerated and described in this section:

1. **Brewery License.** A brewery license shall allow the manufacture, storage, wholesale sale and distribution, importation and transportation of beer. It shall be unlawful for any brewery licensee to sell any beer to be consumed on the brewery premises, or to sell any beer to any person not licensed by the commission to resell the same at wholesale or retail, except that brewery licensees may sell draft or pasteurized bottled beer in quantities of five (5) gallons or more to any unlicensed organization, lodge, picnic party or private gathering where such beer is given away by such unlicensed organization, lodge, picnic party or private gathering.

2. **Winery License.** A winery license shall allow the licensee to import, bottle, manufacture, store and wholesale wines of an alcoholic content of not more than seventeen (17) per cent of alcohol by weight, and to sell the same to the commission or to any person licensed by the commission to resell the same at wholesale or retail, and to transport the same out of the state of Oregon. A winery license shall also allow a licensee to purchase from or through the commission brandy or other spirituous liquor for use by such winery licensee in fortifying wines and which shall only be used for such purpose. It shall be unlawful for any winery licensee to sell any wine for consumption upon the winery premises, provided that a winery licensee may sell naturally fermented wine containing not more than fourteen (14) per cent of alcohol by weight in quantities of not less than five (5) gallons nor more than fifty-five (55) gallons at one time to consumers for consumption not on the licensed premises.

3. **Farmer's Winery License.** A farmer's winery license shall permit any farmer in the state who grows grapes or other fruits upon his owned or leased land to manufacture wine out of such grapes, or other fruits, and to sell such wine at wholesale or retail, provided that a farmer's winery

licensee shall not be permitted to fortify wine which he shall manufacture or produce. It shall be unlawful for any farmer's winery licensee to sell any wine for consumption upon the winery premises.

4. **Distillery License.** A distillery license shall allow the holder thereof to manufacture, distill, rectify, blend and store spirits of an alcoholic content greater than seventeen (17) per cent of alcohol by weight, and to sell the same to the commission, and to transport the same out of this state for sale outside of this state. Distillery licensees shall be permitted to purchase from and through the commission alcoholic liquor and spirits for blending and manufacturing purposes upon such terms and conditions as the commission may provide. It shall be unlawful for any such licensee to sell any alcoholic liquor within the state of Oregon except to the commission.

5. **Wholesaler's Wine License.** A wholesaler's wine license shall allow such licensee to import, wholesale and/or distribute at wholesale, wine of alcoholic content not in excess of seventeen (17) per cent of alcohol by weight. It shall be unlawful for any such licensee to sell any alcoholic liquor for consumption upon his premises, or to sell any alcoholic liquor to any person not licensed by the commission to resell the same at wholesale or retail, provided that a wholesale wine licensee may sell naturally fermented wine containing not more than fourteen (14) per cent of alcohol by weight in quantities of not less than five (5) gallons nor more than fifty-five (55) gallons at any one time to consumers for consumption not on the licensed premises.

6. **Wholesale Beer License.** A wholesaler's beer license shall allow such licensee to import, wholesale and/or distribute at wholesale beer containing not more than four (4) per cent of alcohol by weight. It shall be unlawful for any such licensee to sell any alcoholic liquor for consumption upon his licensed premises, or to sell any alcoholic liquor to any person not licensed by the commission to resell the same at wholesale or retail. Wholesale beer licensees may sell draft or pasteurized bottled beer in quantities of five (5) gallons or more to any unlicensed organization, lodge, picnic party or private gathering where such beer is given away by such unlicensed organization, lodge, picnic party or private gathering. A wholesaler's beer license shall also permit such licensee to import stout, ale and porter containing more than four (4) per cent of alcohol by weight, but not in excess of eight (8) per cent of alcohol by weight, and to sell the same at wholesale to persons holding restaurant, hotel, club and package store class B licenses.

6a. **Wholesale Beer and Wine Bottler's License.** A wholesale wine and beer bot-

holder's license shall allow such licensee to bottle wine containing not more than seventeen (17) per cent of alcohol by weight, and/or beer containing not more than four (4) per cent of alcohol by weight. Such license shall not be issued to any person unless the commission be satisfied that he has adequate machinery, equipment and facilities for properly bottling such alcoholic liquors with full and complete sanitary safeguards, and in no event shall such license be issued to any person who does not hold a wholesale wine or wholesale beer license.

7. *Restaurant License.* A restaurant licensee shall allow the licensee to sell beer containing not more than four (4) per cent of alcohol by weight, ale, porter and stout containing not more than eight (8) per cent of alcohol by weight and wine containing not more than seventeen (17) per cent of alcohol by weight to customers for consumption on the premises, provided that such licensee shall not sell any alcoholic liquor containing more than four (4) per cent of alcohol by weight except with bona fide meals.

8. *Class A Hotel License.* A class A hotel licensee shall allow the licensee to sell beer containing not more than four (4) per cent of alcohol by weight, ale, porter and stout containing not more than eight (8) per cent of alcohol by weight and wine containing not over seventeen (17) per cent of alcohol by weight, to customers for consumption on the premises, provided that such licensee shall not sell any alcoholic liquors containing more than four (4) per cent of alcohol by weight except with bona fide meals. Such class A hotel licensee, in the absence of any municipal ordinance or local regulation to the contrary, shall be permitted to have any proper form of entertainment for customers and shall be permitted to allow dancing upon the licensed premises.

9. *Class B Hotel License.* A class B hotel licensee shall allow the licensee to sell beer containing not more than four (4) per cent of alcohol by weight, ale, porter and stout containing not more than eight (8) per cent of alcohol by weight and wine containing not over seventeen (17) per cent of alcohol by weight to customers for consumption on or off the licensed premises; provided that such licensee shall not sell any alcoholic liquor containing more than four (4) per cent of alcohol by weight except with bona fide meals, and provided further that entertainment and dancing shall not be permitted on the licensed premises.

10. *Club Licenses.* Whenever a club as defined in section 15-1003, Oregon Code 1935 Supplement, has been in existence and acting not less than one year prior to application therefor, and not otherwise, a club license may be issued which shall allow the retail sale of beer containing not more than four (4) per cent of alcohol by weight, ale, porter and stout containing not more than eight (8) per cent of alcohol by weight and wine containing not over seventeen (17) per cent of alcohol by weight, to be consumed on the premises, and only by members or their guests. The sale of any alcoholic liquor in such club other than above specified shall be unlawful.

11. *Package Store License.* A package store license shall allow the sale by the licensee of wine, pasteurized beer and other malt beverages in sealed packages at retail, such wine, pasteurized beer and other malt beverages not to be consumed upon the premises of such licensee. Such licenses shall be of two (2) classes:

(a) A license allowing the sale of pasteurized beer containing not over four (4) per cent of alcohol by weight.

(b) A license permitting the sale of pasteurized beer containing not over four (4) per cent of alcohol by weight, wine containing not over seventeen (17) per cent of alcohol by weight and stout, ale and porter containing not over eight (8) per cent of alcohol by weight.

12. *Retail Beer License.* A retail beer license shall allow anyone operating a place of business where refreshments are served, to sell beer containing not over four (4) per cent of alcohol by weight. Such licenses shall be of three (3) classes:

(a) *Unrestricted Retail Draft or Pasteurized Bottled Beer.* Licensees holding an unrestricted retail draft or pasteurized bottled beer license shall be permitted to sell draft or pasteurized bottled beer for consumption on the premises and pasteurized bottled beer in sealed packages for consumption off the premises, such beer to contain not over four (4) per cent of alcohol by weight. Unrestricted retail draft or bottled beer licensees shall, in the absence of any municipal ordinance or local regulation to the contrary, be permitted to have any proper form of entertainment for customers and shall be permitted to allow dancing upon the licensed premises.

(b) *Restricted Retail Draft or Pasteurized Bottled Beer.* Licensees holding a restricted retail draft or pasteurized bottled beer license shall be permitted to sell draft or pasteurized bottled beer for consumption on the premises and pasteurized bottled beer in sealed packages for consumption off the premises, such beer to contain not over four (4) per cent of alcohol by weight. Restricted retail draft or pasteurized bottled beer licensees shall not be permitted to have any entertainment for customers other than by radio or phonograph, and shall not allow dancing on the licensed premises.

(c) *Restricted Retail Pasteurized Bottled Beer.* Licensees holding a restricted retail pasteurized bottled beer license shall be permitted to serve pasteurized bottled beer in sealed packages for consumption on or off the premises, such beer to contain not over four (4) per cent of alcohol by weight. Such licensees shall not be permitted to furnish any form of entertainment for customers other than by radio or phonograph, and shall not allow dancing on the licensed premises.

13. *Druggist's License.* A druggist's license may be issued to any person operating a pharmacy, and who is or has in his employ a qualified registered pharmacist under the laws of this state. A druggist's license shall allow the sale of all alcoholic liquors listed in the U. S. P. and N. F. in containers of not more than one (1) quart capacity, upon prescriptions only, and with the limit of one (1) quart on each prescription. It shall be unlawful for any such

licensee to permit the drinking of such alcoholic liquors on the premises of any drug store, except that such drug store may hold a retail beer license. Such licensee may purchase alcoholic liquor in excess of seventeen (17) per cent by weight only from or through the commission.

14. *Sales on Prescription.* Registered pharmacists shall be allowed to fill a prescription for any physician duly licensed by the state of Oregon of alcoholic liquors of any kind, without regard to any local option laws or ordinances forbidding the sale of such liquors, provided such prescription shall include the name and address of the person for whom it is prescribed, and shall be signed by the full name of such physician, issuing such prescription. Such prescription shall be filled only once, and the person making the sale of such prescription shall write on the face thereof the number of such prescription, and the date of the sale or delivery of such liquor and shall keep such prescription on file and available at all reasonable times to the inspection of the commission.

15. *Railroad or Boat License.* A license may be granted to any public passenger carrier or any corporation which operates an electric or steam railroad in this state, or which operates club, parlor or dining cars upon the lines of any railroad in this state, or to any corporation or person operating a boat or boats engaged in the transportation of passengers to or from any port of this state. Such license shall allow the sale and public consumption of beer containing not more than four (4) per cent of alcohol by weight, other malt beverages and wine containing not over seventeen (17) per cent of alcohol by weight upon such terms as the commission shall prescribe. Railroad or boat licensees may be appointed by the commission to act as agents of the commission for the sale, in sealed packages, of alcoholic liquors containing more than seventeen (17) per cent of alcohol by weight on railroad trains or boats of such licensees.

16. *Industrial Alcohol License.* An industrial alcohol license shall be issued to any person upon compliance with such regulations and conditions as may be determined by the commission. Such licensee shall be authorized to manufacture and sell proprietary and patent medicines, perfumes, lotions, flavoring extracts and other preparations unfit for beverage purposes as may be approved by the commission.

17. (a) *City or Town as Licensee.* Any incorporated city or town may, without further charter authority, become a licensee for the sale of intoxicating liquor containing not over seventeen (17) per cent of alcohol by weight.

(b) *Salesman's License.* A salesman's license shall allow the holder to sell, solicit or take orders for alcoholic liquors containing over seventeen (17) per cent of alcohol by weight to and from the commission only. Such license shall also allow the holder to sell, solicit or take orders for alcoholic liquors other than spirituous liquors and not containing over seventeen (17) per cent of alcohol by weight to licensees of the commission who are duly authorized to resell the same.

It shall be unlawful for any licensee, authorized by this section to sell alcoholic liquor at wholesale, to have any right, title, lien, claim or interest, financial or otherwise, in, upon or to the premises, equipment, business or merchandise of any licensee, authorized by this section to sell alcoholic liquor at retail.

Section 2. That section 14, chapter 448, Oregon Laws, 1937, be and the same hereby is amended so as to read as follows:

Sec. 15-1021. Any person desiring a license or renewal of a license shall make a sworn statement to the commission upon forms to be furnished by the commission showing the name and address of the applicant, his citizenship, location of the club or place of business which is to be operated under such license, and such other pertinent information as the commission may require. No license shall be granted or renewed until the provisions of this act, and the regulations of the commission, shall have been complied with. The license fee which shall be paid by each applicant upon the granting of a license, and the minimum bond required of each class of licensees are as follows:

License	Minimum Fee	Bond
Brewery .....	\$500	\$1,000
Winery .....	250	1,000
Farmer's Winery .....	25	500
Distillery .....	100	1,000
Wholesale Wine .....	125	1,000
Wholesale Beer .....	125	1,000
Bottler .....	250	None
Restaurant .....	150	None
Hotel Class A .....	150	None
Hotel Class B .....	100	None
Club .....	50	None
Salesman's license .....	25	None
Package store, class A .....	10	None
Package store, class B .....	50	None
Druggist .....	5	None
Any railroad system or public passenger carrier .....	75	None
Boat .....	50	None

Retail beer:

(a) Unrestricted retail draft and pasteurized bottled beer .....	100	None
(b) Restricted retail draft and pasteurized bottled beer .....	50	None
(c) Restricted retail pasteurized beer .....	35	None
Industrial alcohol, except licensed druggist .....	50	None

A special retail beer license may be issued for any picnic, convention, fair, civic or community enterprise, at the rate of \$5 per day

Provided, however, that as to any license granted subsequent to January 1 of any year, the license fee payable shall be the proportionate part for the remainder of the year computed on a quarterly basis.

Section 3. That section 22, chapter 448, Oregon Laws, 1937, be and the same hereby is amended so as to read as follows:

Sec. 15-1031. It shall be unlawful:

For any person to peddle or deliver alcoholic liquor to or at any place, where, without a license, alcoholic liquor is sold or offered for sale, or for any licensee to sell or offer for sale, any alcoholic liquor

of a kind, in a manner, or to a person other than his license permits him to sell; or

For any person to purchase, possess, transport or import, except for sacramental purposes, alcoholic liquor except such as shall have been procured from or through the commission and except as in this act otherwise provided; or

For any person to sell alcoholic liquor to any person under the age of twenty-one (21) years, to a person who is visibly intoxicated, to a person who has been interdicted, or to an Indian, or for any person other than a parent, guardian, or other responsible relative, to give any alcoholic liquor to any person under the age of twenty-one (21) years, or for any person to give any alcoholic liquor to an Indian, to a person visibly intoxicated, or to a person under an order of interdiction; or

For an Indian to possess alcoholic liquor; or

For any person being the holder of a license to retail alcoholic liquor to receive assistance financially, or in any other material manner, from a manufacturer or wholesaler of alcoholic liquor or agent thereof or for any manufacturer or wholesaler; or agent thereof to give such assistance; or

For any person to violate any of the regulations adopted by the commission; or

For any person to maintain or assist in maintaining a common nuisance as defined by this act; or

For any person not being licensed under this act to sell, solicit or take orders for or peddle alcoholic liquor; or

For any licensee under this act or for any dealer in, manufacturer or distiller of intoxicating liquor to make any contribution to any candidate for political office or to any political party; or

For any person to make any false representation or statement to the commission in order to induce or prevent action by the commission; or

For any licensee of the commission to maintain a noisy, lewd, disorderly or insanitary establishment or to supply impure or otherwise deleterious alcoholic beverages; or

For any licensee of the commission to misrepresent to a customer or to the public any alcoholic liquor sold by such licensee; or

For any person to manufacture, import or sell any wine fortified by the use of grain or other ethyl alcohol; or

For any person not possessing a class "A" hotel, class "B" hotel, restaurant or club license issued by the commission, for a financial consideration, whether by way of a charge for service, membership fee, admission fee, initiation fee, club dues, contribution, or other fee or charge, to serve or permit to be served, or to use or permit to be used, any room, place, bar, glasses, mixers, locker, storage place, chairs, tables

or other facilities for the mixing, storing, serving or drinking of spirituous liquors; or

For any person, not acting for or licensed by the commission, who holds a stamp issued by the bureau of internal revenue of the United States as a retail liquor dealer or as a retail dealer in fermented malt liquor, to have, hold, store or possess, or permit other persons to have, hold, store or possess alcoholic liquor in or on premises described in such stamp while such stamp remains in effect.

Any person or persons who shall violate any of the provisions of this act shall be deemed guilty of a misdemeanor and, upon conviction thereof, except in cases where the punishment is otherwise herein specifically provided, shall be punished by a fine of not more than five hundred dollars (\$500), or by imprisonment in the county jail for not more than six (6) months, or by both such fine and imprisonment, in the discretion of the court, and for a second or subsequent violation of any kind of the provisions of this act not thus otherwise herein specifically provided for, such person shall, upon conviction, be punished by a fine of not more than one thousand dollars (\$1,000), and by imprisonment in the county jail for not more than one (1) year or both, in the discretion of the court. All police or municipal judges or recorders of any city or town, or justices of the peace, or district or circuit judges of the county or circuit court shall have concurrent jurisdiction of all violations of the provisions of this act committed within their respective city, town, county or district, except as herein otherwise specifically provided. All fines imposed by any judge, magistrate, or court in the enforcement of this act shall be forwarded immediately to the county treasurer of the county in which such conviction is had, and it shall be the duty of such county treasurer to keep the same in a separate fund which shall be designated as an enforcement fund, and against which fund shall be drawn all warrants for any expenditures in the enforcement of this act which shall have been approved by the district attorney of said county. All claims shall be verified by the claimants or persons having knowledge or supervision of the expenditures thereof, and shall be audited by the county court in the usual manner before presentation for the payment thereof; when such enforcement fund shall exceed the sum of one thousand dollars (\$1,000), the excess amount thereof shall be paid over to the general fund of such county semi-annually by the county treasurer on the thirtieth day of June and the thirty-first day of December of each and every year; provided, that any fine imposed or collected by police or municipal judge, or recorder of any city or town, within the state of Oregon may be retained by said municipality and shall be paid over and become a part of the general fund of such city or town.

Approved by the governor March 15, 1939.

Filed in the office of the secretary of state March 15, 1939.



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BALLOT TITLE

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**BILL TO FURTHER REGULATE SALE AND USE OF ALCOHOLIC LIQUOR—Purpose:**

Permitting licensees to sell consumers, at one time, 5 to 55 gallons of wine having not over 14 percent alcohol by weight; licensed class A hotels may have entertainment and dancing; forbidding anyone not holding hotel, restaurant or club license to serve, permit being served, use or permit being used for any financial consideration any room, place, bar, glasses, mixers, locker, storage place, chairs, tables, or facilities for mixing, storing, serving, drinking spirituous liquors; forbidding anyone to have or permit others to have alcoholic liquors on his premises unless licensed by or representing the commission although having federal retailer's permit.

Vote YES or NO

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310 Yes. I vote for the proposed law.

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311 No. I vote against the proposed law.

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(On Official Ballot, Nos. 312 and 313)

**BILL REPEALING PRESENT LIQUOR LAW; AUTHORIZING PRIVATE SALE, LICENSED, TAXED**

Proposed by initiative petition filed in the office of the secretary of state, June 14, 1940, in accordance with the provisions of section 1 of article IV of the constitution.

**A BILL**

For an act to provide for the regulation and control of the manufacture of and traffic in alcoholic beverages; to establish a commission to administer said act and define the duties thereof, and making an appropriation therefor; to provide a system of licenses and permits; to define certain offenses and the punishment thereof; repealing certain laws and regulations herein specified.

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

Section 1. This act may be cited as the "Oregon Liquor Control Act."

Section 2. This act shall be deemed an exercise of the police powers of the state, for the protection of the safety, welfare, health, peace and morals of the people of the State; to prevent abuses associated with the consumption of alcoholic beverages; to eliminate the evils of unlicensed and unlawful manufacture, selling and disposing of such beverages; to correct the evils attendant with the forced purchase of packaged spirituous liquors when a minimum quantity is desired; to promote temperance in the use and consumption of alcoholic beverages; to promote the blending of non-alcoholics with spirituous liquors when consumed, and to discourage consumption of undiluted spirituous liquors; to return to the state of Oregon the functions of Government and to private business the functions of business; to place administration and control of the public consumption of alcoholic beverages in a commission, and to place the manufacture and sale of alcoholic beverages in private enterprise under administration and control of such commission; to give to the people the right of appeal to the courts and trial by jury; to create and impose certain privilege taxes and license fees on the manufacture, sale and distribution of alcoholic liquors; to provide for the collection and distribution of such taxes and fees; to increase revenue to counties and cities and old age pension and public assistance funds and to provide penalties for the violation of this act.

Section 3. For the interpretation of this act unless the context indicates a different meaning:

1. The words "alcoholic liquor" or "alcoholic beverage" mean any alcoholic beverage containing more than one-half ( $\frac{1}{2}$ ) of one (1) per cent of alcohol by volume, and every liquid or solid, patented, or not, containing alcohol manufactured or sold and intended for human consumption.

2. The word "club" means an association of persons, whether incorporated or unincorporated, for the promotion of some common object, not including associations organized for any commercial or business purpose the object of which is money profit, owning, hiring or leasing a building,

or space in a building, of such extent and character as in the judgment of the commission may be suitable and adequate for the reasonable and comfortable use and accommodation of its members and their guests and provided with suitable and adequate kitchen and dining space and equipment, implements and facilities, and employing a sufficient number of servants or employees for the cooking, preparing and serving of food for its members and their guests; provided, that no member or any officer, agent or employee of the club is paid, or directly or indirectly receives in the form of salary or other compensation, any profits from the club or its guests introduced by members, beyond the amount of such salary as may be fixed and voted at annual meetings by the members or by its directors or other governing body.

3. The word "hotel" means every building or other structure kept, used, maintained, advertised or held out to the public to be a place where food is served and sleeping accommodations are offered for pay to transient guests, in which forty (40) or more rooms are used for sleeping accommodation of such transient guests and having one (1) or more rooms where meals are served to such transient guests, such sleeping accommodations and dining facilities being conducted in the same building or buildings, in connection therewith, and such structure or structures being provided, in the judgment of the commission, with adequate and sanitary kitchen and dining facilities, equipment and capacity, and having employed therein such number and kinds of servants and employees as may be reasonably required for preparing, cooking and serving suitable food and beverages for its guests.

4. The word "restaurant" means space, in a suitable building, approved by the commission, kept, used, maintained, advertised or held out to the public to be a place where food is served without sleeping accommodations, such space being provided, in the judgment of the commission, with adequate and sanitary kitchen and dining facilities, equipment and capacity and having employed therein such number and kinds of servants and employees as may be required to prepare, cook and serve suitable food and beverages for its guests.

5. The word "commission" means the commission created by this act under the name of the "Oregon Liquor Control Commission."

6. Whenever the words "to sell" refer to anything forbidden under this act, and relate to alcoholic liquor, said words include: to solicit or receive an order for; to keep or expose for sale; to deliver for value or in any other way than purely gratuitously; to peddle; to keep with intent to sell; to traffic in; for any consideration, promised or obtained, directly or indirectly, or under any pretext or by any means whatsoever, to procure or allow to

be procured for any other person; and the word "sale" includes every act of selling as above defined.

7. The word "person" means and includes every natural person, partnership, association, company, corporation, organization or officer, agent or employee thereof.

8. The words "premises" or "licensed premises" used in connection with a licensed location or location to be licensed, shall mean the room or enclosure at the address for which the license is issued; provided, however, that the words "premises" or "licensed premises" as used in connection with a hotel license shall include all portions of the hotel controlled and operated by the person to whom the license is issued, also, provided, that in the discretion of the commission, grounds surrounding the licensed premise may be considered a part thereof within the meaning of this act if such grounds are fully described and made a part thereof in the original license application.

9. An "Indian" within the meaning of this act shall be any person of whole or part Indian blood residing on or in the immediate vicinity of an Indian Reservation; or, in the case of a person not residing on or in the immediate vicinity of an Indian Reservation, shall mean any person having more than fifty (50) per cent of Indian blood.

10. The words "on sale" mean for consumption on the licensed premises.

11. The words "off sale" mean for consumption off the licensed premises.

12. The word "manufacturer" means every person who produces, brews, ferments, distills, cuts, percolates, blends, bottles, packages, labels or manufactures an alcoholic beverage within the state of Oregon, or who imports or causes to be imported into the state of Oregon an alcoholic beverage, for use, sale or distribution within the State.

13. The words "malt beverages" mean and include beer, ale, porter, stout and similar beverages obtained by the alcoholic fermentation of an infusion or decoction of barley, malt and hops in drinking water and containing more than one-half (1/2) of one (1) per cent of alcohol by volume and not more than eight (8) percent of alcohol by weight.

14. The words "natural fermented wine" mean any alcoholic beverage which is the product of the fermentation of pure ripe grapes or other fruits made or manufactured in accordance with the rules and regulation of the Federal Alcohol Tax Unit and the Federal Alcohol Administration. Such wine to not have a content in excess of fourteen (14) per cent of alcohol by volume.

15. The words "fortified wine" mean any alcoholic beverage which is the product of the fermentation of pure ripe grapes or other fruits to which has been added brandy in accordance with the rules and regulations of the Federal Alcohol Tax Unit and the Federal Alcohol Administration. Such wine to have an alcoholic content of not less than fourteen (14) per cent of alcohol by volume and not in excess of twenty-one (21) per cent of alcohol by volume.

16. The word "gallon" means a wine gallon of 128 fluid ounces.

17. The words "spirituous liquor" mean any alcoholic beverage which is the product of distillation or to which distilled spirits has been added, mixed or blended, but not including fortified wine.

18. The word "manufacture" means to produce, brew, ferment, distill, cut, percolate, blend, bottle, package or label an alcoholic beverage within the state of Oregon or to import or cause to be imported into the state of Oregon an alcoholic beverage for sale or distribution within the State.

19. The word "tax" or "privilege tax" means a tax imposed for the privilege of engaging in business in the particular act to which such word may be applied.

Section 4. There hereby is created a commission named the Oregon Liquor Control Commission, consisting of three (3) persons, all of whom shall be appointed by the governor, and not more than two (2) of whom shall be of the same political party, and one (1) of whom shall be designated by the governor to be chairman of said commission, and said commissioners shall receive their actual expenses and ten dollars (\$10.00) a day while engaged in the performance of their duties. One commissioner shall be appointed from and have residence in congressional districts number one (1), two (2), and three (3) respectively of this State. Each commissioner at the time of his appointment and qualification shall be a resident of the state of Oregon and shall have resided in said State for a period of at least five (5) years next preceding his appointment and qualification, and he also, shall be a qualified voter therein and not less than thirty (30) years of age. Of the commissioners initially appointed, each shall hold office from the date of his appointment for the following respective terms, and until their respective successors shall qualify: One (1) commissioner for two (2) years, one (1) for four (4) years, and one (1) for six (6) years, each from January 1, 1941. Each commissioner may be initially appointed on or subsequent to the date this act goes into effect. The governor, at the time of making and announcing the appointment of said three (3) commissioners, as well as in the commission issued by him to each of them, shall designate which of said commissioners shall serve for each of the said respective terms, and also, which shall be the chairman of said commission.

Upon the expiration of each of said terms, the term of office of each commissioner thereafter appointed, shall be six (6) years from the time of his appointment and qualification and until his successor shall qualify. In case any commissioner shall be allowed to hold over after the expiration of his term, his successor shall be appointed for the balance of the unexpired term. Vacancies in said commission shall be filled by the governor for the unexpired term. Each commissioner shall be eligible for reappointment in the discretion of the governor.

The governor may remove any commissioner for inefficiency, neglect of duty, or misconduct in office, giving to him a copy of the charges against him and an opportunity of being publicly heard in person or by counsel, in his own defense, upon not less than ten (10) days notice. If such commissioner shall be removed, the gov-

ernor shall file in the office of the secretary of state a complete statement of all charges made against such commissioner, and his findings thereon, together with a complete record of the proceedings. No person shall be eligible for appointment or shall hold the office of commissioner, or be appointed by the commission or hold any office or position under the commission, who has any financial connection with any person engaged in or conducting any alcoholic liquor business of any kind, or who holds stock or bonds therein, or who has any pecuniary interest therein, nor shall any such person receive any commission or profit whatsoever from or have any interest whatsoever in the purchases or sales made by persons authorized by virtue of this act to manufacture, purchase or sell any alcoholic liquors.

The principal office of the commission shall be in the city of Salem.

Each member of the commission shall give a good and sufficient bond to the State for five thousand (\$5,000), conditioned upon the faithful performance of the duties of his office, the bond to be approved by the governor and attorney-general, and the premium to be paid from the appropriation herein provided, for the Oregon Liquor Control Commission.

The said commission shall meet at such times and places within the state of Oregon as the commission shall determine, and the members thereof shall be entitled to their reasonable expenses for each meeting so attended. A majority of the commissioners shall constitute a quorum for the transaction of any business, for the performance of any duty, or for the exercise of any power of the commission. The commission shall appoint an administrator who shall serve at the pleasure of the commission, and all other officers, attorneys, clerks, stenographers, inspectors, auditors, chemists, experts and employees as may be necessary. The administrator shall act as manager of the business of the commission, administrator of the provisions of this act and secretary and custodian of the records of the commission, unless the commission shall otherwise order, and perform such other duties as the commission may prescribe. The commission shall make an annual report to the governor covering the activities and business of the commission for its fiscal year ending June 30th of each year, which report shall include a statement of receipts and disbursements and any additional information which the commission may deem of value.

The administrator shall devote his entire time to said office, and he shall give bond for the faithful performance of his duties in such form as the commission may approve and in an amount not less than twenty-five thousand dollars (\$25,000). The salary of the administrator shall be five thousand dollars (\$5,000.00) per annum.

The commission may fix the duties, salaries and wages of its employees, and require such bonds from such employees as it may deem advisable and order payment of the premiums thereon. Any member or employee of the commission who shall engage in promoting or opposing the candidacy of any person for a public office, or in the promoting or opposing any measure to be voted on by the people, shall be immediately dismissed.

Section 5. The commission shall be vested with and possessed of the powers and du-

ties in this act specified, and also, the powers necessary or proper to enable it to carry out fully and effectually all the purposes of this act. The jurisdiction, supervision, powers and duties of the commission herein created and established shall extend under this act to any person who, hereafter, shall buy, sell, manufacture, import or transport any alcoholic liquor containing over one-half ( $\frac{1}{2}$ ) of one (1) per cent of alcohol by volume, within the state of Oregon, and said commission may sue and be sued.

Section 6. The function, duties and powers of the commission shall include the following:

(a) To purchase, acquire, rent, lease and/or occupy any building, rooms, stores or land and acquire, own, lease and sell equipment and fixtures required for its operations; and lease, sub-let, or sell to others real or personal property which it may acquire or own and which is not immediately required for its operations, provided, that no real property be purchased or sold without the consent and approval of the board of control.

(b) To borrow sums of money, guarantee the payment thereof and of the interest thereon, by the transfer or pledge of goods or in any other manner required or permitted by law, to issue, sign, indorse and accept checks, promissory notes, bills of exchange and other negotiable instruments.

(c) To control the manufacture, possession, sale, purchase, transportation, importation, exportation, and delivery of alcoholic liquor in accordance with the provisions of this act.

(d) To grant, refuse, suspend or cancel licenses and permits for the sale or manufacture of alcoholic liquor or other licenses and permits in regard thereto, in accordance with the provisions of this act and to permit the transfer of a license of any person.

(e) To collect the taxes and duties imposed by this act, or other acts relating to alcoholic liquors, and to issue and provide for, stamps, cancellation thereof, and other devices as evidence of payment of such taxes or duties.

(f) To investigate and aid in the prosecution of every violation of this act and other acts relating to alcoholic liquors, to make seizure of alcoholic liquor manufactured, sold, kept, imported or transported in contravention hereof, and apply for the confiscation thereof, whenever required by this act, and cooperate in the prosecution of offenders before any court of competent jurisdiction.

(g) To adopt such regulations as are necessary and feasible for carrying out the provisions of this act, and to amend or repeal such regulation.

(h) To exercise all other powers, duties and functions conferred by this act and all powers incidental, convenient or necessary to enable it to administer or carry out any of the provisions of this act.

(i) To control, regulate and prohibit any advertising by manufacturers, wholesalers or retailers of alcoholic liquor by the medium of newspapers, letters, billboards, radio or otherwise in accordance with the provisions of this act.

(j) To license, regulate and control the use of alcohol for scientific, pharmaceutical, manufacturing, mechanical, industrial

and other purposes, and to provide by regulation for the sale thereof for such uses.

(k) In the event the United States government shall provide any plan or method whereby the taxes upon alcoholic liquors shall be collected at the source, the commission shall have the right to enter into any and all contracts and comply with all regulations, even to the extent of partially or wholly abrogating any provisions hereof which might be in conflict with federal law or regulations, to the end that the commission shall receive the portion thereof allocated to the state of Oregon, and to distribute the same as in this act provided.

(l) To secure and pay for such policies of insurance as may be necessary to adequately protect it from loss by fire, theft or other casualty.

Section 7. Every regulation adopted by the commission shall become effective on the twentieth day after the date of its adoption. Immediately upon adoption it shall be published by posting same for six successive days in a prominent place in the principal office of the commission and by mailing a copy of same to the county clerk of each county in the State for posting and to each licensee of the commission affected by such regulation. The certificate of the administrator as to the adoption of any regulation by the commission shall be conclusive evidence thereof.

Section 8. No member of the commission may be sued for doing or omitting to do any act in the performance of his duties as prescribed by this act. No member of the commission personally shall be liable for any loss caused by the default or failure of the depository of funds of the commission. All funds of the commission deposited in any bank or trust company shall be entitled to priority of payment as public funds of the state; provided, that the funds of the commission shall only be kept in such depositories as shall be designated by the State treasurer, and under security of the same character, as is required by law, of depositories of State funds.

Section 9. No provision of this act shall prevent any member or employee of the commission from purchasing and keeping in his possession, for the personal use of himself or members of his family, any alcoholic liquor, in the same manner as it may be purchased or kept by any other person by virtue of this act.

Section 10. Each member of the commission, the administrator and any duly authorized and appointed examiner or inspector of the commission shall, for the purposes contemplated by this act, have power to issue subpoenas, compel the attendance of witnesses, administer oaths, certify to official acts, take depositions within or without the state of Oregon as now provided by law, compel the production of pertinent books, pay-rolls, accounts, papers, records, documents and testimony and hold hearings in accordance with the provisions of this act.

Section 11. The operations of the commission shall be subject to a periodical examination and audit by the state auditor, the expense therefor to be borne by the commission out of the appropriation herein provided. All purchase orders, sales

slips, permits and other records of the commission shall be preserved for a period of two years but thereafter may be destroyed by order of the commission with the consent and approval of the state auditor.

Section 12. No alcoholic liquor, except wines for sacramental purposes, shall be imported into the state of Oregon by any person not holding a brewery, winery, distillery, rectifier or wholesaler's license; provided, that the provisions of this paragraph shall not apply to alcoholic liquors imported by railroad or boat licensees, for consumption by passengers of such licensee, nor to common carriers transporting alcoholic liquors for others pursuant to the provisions of this act, and that nothing in this paragraph shall prohibit an individual entering the State from having in his possession a reasonable quantity of alcoholic liquors expressly intended for his personal use, the sale of which would constitute a violation of this act. Any person so importing alcoholic liquors in violation of this section shall be subject to the penalties hereinafter provided for, and any persons so convicted shall forfeit the alcoholic liquor so imported and the commission shall seize and dispose of same in accordance with the provisions of this act.

The commission shall require that licensed importers of alcoholic liquors which are subject to State tax shall, as a condition to such importation, file an affidavit on or before the twentieth of each month declaring each such importation, received during the previous month and any importation not so declared shall be in violation of this act.

Section 13. The commission shall provide for the licensing as herein provided of persons to manufacture, import, export, and/or store spirituous liquors, wines, beer, and any other alcoholic liquors; to distribute, solicit and take orders for and sell and dispense the same. Every applicant for an on-sale or off-sale, spirituous liquor license, brewery, winery, farmer's winery, distillery, rectifier's or wholesaler's license shall give, and at all times maintain on file with the commission, a bond with appropriate surety qualified under Section 46-1401, Oregon Code 1930, which bond shall be in form and amount acceptable to the commission and shall be payable to the commission and conditioned that such applicant will pay any fine imposed for any violation of any provision of this act, and that such applicant will pay all license fees, privilege taxes, taxes on alcoholic liquors, together with penalties and interest thereon, levied or assessed against such applicant under the provisions of this act or any other act relating to the importation, manufacture, distribution, sale or taxation of alcoholic liquors in the state of Oregon, provided that in no event shall the bond required be less than twice the estimated amount of the tax liability of the said licensee for any thirty day (30) period.

Section 14. The commission shall require of every applicant for a license the recommendation in writing of the county court in the event the place of business of the applicant is outside of an incorporated city, and of the city council if the place of business of the applicant is within an incorporated city, and the commission shall refuse to grant such license if not so recommended. Such applicant shall pay a fee

of five dollars (\$5.00) to such recommending authority. The sale of alcoholic liquors under any license issued by the commission shall be restricted to the premises described in the license, but deliveries may be made by the licensee to customers pursuant to bona fide orders received in advance by the licensee at said licensed premises.

Section 15. The commission may refuse to license any applicant if it finds any of the following to be true.

(1) That the premises to be licensed are not located in accordance with the provisions of this act.

(2) That the local authority has not recommended issuance of license to the applicant and/or at the premises for which the license is applied.

(3) That the applicant has not furnished an acceptable bond.

(4) That any applicant to sell at wholesale, or to manufacture, has been financed or furnished with money or property by, or is, a retail dealer in alcoholic liquors.

(5) That any applicant to sell at retail has been financed or furnished with money or property by, or is, a manufacturer of, or wholesale dealer in alcoholic liquors.

(6) That the applicant is in the habit of using alcoholic beverages or habit-forming drugs to excess.

(7) That the applicant has made false statements to the commission.

(8) That the applicant is not a citizen of the United States, or is incompetent or physically unable to carry on the management of the establishment proposed to be licensed.

(9) That the applicant has been convicted of violating any of the alcoholic liquor laws of this state, general or local, including the provisions of this act.

Section 16. A written report of a member of the commission or of an employee of the commission engaged in the enforcement of this act disclosing that an applicant for a license or the premises for which a license is applied are not qualified for a license under this act shall constitute grounds for the denial of an application for a license.

Immediately upon the denial of any application for a license, the commission shall notify the applicant thereof in writing. Within ten (10) days after mailing the notice, the applicant may present his written petition for a license to the commission. Upon receipt by the commission of a petition for a license in proper form, it shall be referred to a duly authorized representative of the commission for hearing. Protests may be made to the commission at any time prior to the issuance of a license against either the original issuance of a license or the renewal of a license. Protest must be in writing and filed in the main office of the commission at Salem, and must state one or more grounds which would authorize the commission, to deny or refuse the issuance of the license. The original copy of the protest must be verified unless made by public officers acting in their official capacity. Upon receipt by the commission of a protest in proper form it shall be referred to a duly authorized representative of the commission for hearing. If a license has been issued to the applicant before receipt of the protest by the commission, the protest shall be con-

sidered as a complaint against the licensee and a hearing had thereon as if a complaint had been filed.

Section 17. The commission may cancel or suspend any license granted if it finds any of the following to be true:—

(1) That any applicant to sell at wholesale, or to manufacture, has been financed or furnished with money or property by, or is, a retail dealer in alcoholic liquors.

(2) That any applicant to sell at retail has been financed or furnished with money or property by, or is, a manufacturer of, or wholesale dealer in, alcoholic liquors.

(3) That the licensee has knowingly and intentionally violated any provision of this act or acts amendatory hereof or any regulation of the commission pursuant hereto.

(4) That the licensee is not maintaining an acceptable bond.

(5) That the licensee maintains a noisy, lewd, disorderly or insanitary establishment and has been supplying impure or otherwise deleterious beverages or food.

(6) That the licensee is insolvent or incompetent or physically unable to carry on the management of his establishment.

(7) That the licensee is in the habit of using alcoholic liquor or habit-forming drugs to excess.

(8) That the licensee knowingly has sold alcoholic liquor to persons under twenty-one (21) years of age, or to persons visibly intoxicated at the time of sale.

(9) That the licensee has misrepresented to a customer or the public any alcoholic liquor sold by him.

(10) That the licensee, since the granting of his license has been convicted of a felony or has been convicted of violating any of the liquor laws of this State, general or local, or has been convicted of any misdemeanor or violation of any municipal ordinance where such misdemeanor or violation of municipal ordinance was committed on the licensed premises.

(11) That the licensee is employing a person not holding a permit for the act such employee is performing, if such permit is required by the provisions of this act.

Section 18. Notice of cancellation or suspension, shall be served upon the licensee or upon whatever person may be in charge temporarily or otherwise of the licensed premises, or affixed to the outside of the door of the licensed premises, or shall be sent by the United States registered mail addressed to the licensee at the licensed premises and such notice shall specify the effective date of such cancellation or suspension and grounds specified in the complaint upon which such action was taken.

Section 19. Complaints may be filed with the commission by any person against any licensee. Complaints must be in writing and must state a violation of Section 15 or Section 17 of this act or one or more grounds which would authorize the commission to refuse, suspend or revoke the license or licenses of the licensee against whom the complaint is made.

A written report of a member of the commission or of an employee of the commission engaged in the enforcement of this act, or of a public officer disclosing a violation of Section 15 or Section 17 or one or more grounds for the refusal of revoca-

tion of the license or licenses of any licensee shall be deemed a complaint against the licensee within the meaning of this act, even though not in the form of a complaint.

The original copy of complaints must be verified unless made by public officers acting in their official capacity or by employees of the commission engaged in the enforcement of this act.

Complaints against any licensee may be filed with the commission by the legislative body of any city or county in which the premises in question are located, or if said premises are in unincorporated territory, then by the court of said county, requesting the suspension or revocation of any license.

Section 20. Upon the filing of a complaint, the commission must provide for a public hearing thereon within the county in which said premises are located and determine whether or not such license should be revoked or suspended. Whenever the local legislative body shall certify that the public safety, health or welfare require an immediate hearing of such complaint, said public hearing shall be held within five (5) days after the filing of the complaint with the commission.

Section 21. The commission shall cause written notice of the time and place of hearing the protest, complaint or petition for a license to be given to the protesting or complaining party as well as the applicant, licensee or petitioner.

The hearing shall be set for a date not more than fifteen (15) days nor less than five (5) days subsequent to the mailing of the notice and shall be held in the county seat of the county in which the premises of the applicant or licensee are located.

Enclosed with a copy of the notice of the time and place of hearing sent to the applicant or licensee shall be a copy of the protest or complaint as filed with the commission.

The failure of an applicant for a license or licensee to appear before the duly authorized representative of the commission at the time set for the hearing, except for the intervention of an act of God, shall be deemed an admission by him of the facts or acts charged in the protest or complaint and thereupon the representative of the commission shall have the power to act as if the facts charged in the protest or complaint were found to be true.

The commission or any member thereof or any duly authorized representative appointed by the commission to conduct hearings, shall have the power to administer oaths, certify to all official acts, and to issue subpoenas for the attendance of witnesses and the production of papers, books, accounts, documents and testimony in any inquiry, investigation, hearing or proceeding in any part of the state.

Each witness who shall appear, by order of the commission or member thereof or a duly authorized representative appointed by it, shall be entitled to receive, if demanded, for each attendance, the same fees and mileage allowed by law to witnesses in civil cases in the circuit court, which amount shall be paid by the party at whose request such witness is subpoenaed, unless otherwise ordered by the commission or the representative. When

any witness who has not been required to attend at the request of any party, is subpoenaed by the commission, or a member thereof or a duly authorized representative of the commission, his fees and mileage may be paid from the funds appropriated for the use of the commission in the administration of this act in the same manner as other expenses of the commission are paid in the administration of this act.

The circuit court in and for the county in which any inquiry, investigation, hearing or proceeding may be held by the commission or a representative appointed by it shall have the power to compel the attendance of witnesses, the giving of testimony and the production of papers, including books, accounts and documents as required by any subpoena issued by the commission or any member thereof or a duly authorized representative appointed by the commission.

The commission or any representative appointed by it, before whom the testimony is to be given or produced, in case of the refusal of any witness to attend or testify or produce any papers required by such subpoena, may report to the circuit court, in and for the county in which the proceeding or hearing is pending, by petition, setting forth that due notice has been given of the time and place of attendance of said witness, or the production of said papers, and that the witness had been subpoenaed in the manner prescribed in this act, and that the witness has failed and refused to attend or produce the papers required by the subpoena, or has refused to answer questions propounded to him in the course of such proceeding or hearing, and ask an order of said court, compelling the witness to attend or testify or produce said papers before the commission or duly authorized representative. The court, upon the petition of the commission or any member thereof or a duly authorized representative appointed by the commission, shall enter an order directing the witness to appear before the court at a time and place to be fixed by the court in such order, the time to be not more than ten (10) days from the date of the order, and then and there show cause why he did not attend and testify or produce said papers before the commission or duly authorized representative of the commission. A copy of said order shall be personally served upon said witness by a constable or sheriff of the county where licensee resides.

If it shall appear to the court that said subpoena was regularly issued by the commission or member thereof or a duly authorized representative of the commission and the witness was legally bound to comply therewith, the court shall thereupon enter an order that said witness shall appear before the commission or representative at a time and place to be fixed in such order, and testify or produce the required papers, and upon failing to obey such order, said witness shall be dealt with as for contempt of court.

Section 22. All hearings and investigations before the commission or any duly authorized representative appointed thereby shall be governed by this act and other applicable provisions of law not inconsistent herewith and in the conduct of said hearing neither the commission nor any representative appointed by it shall

be bound by the common law or statutory rules of evidence and procedure, but may make inquiry in such manner through oral testimony and printed records as is best calculated to extend the substantial rights of the parties and carry out jointly the spirit and provisions of this act.

The commission, or any member of the commission or any representative appointed by it, or any party to the action or proceeding may, in any investigation or hearing before the commission or a duly authorized representative thereof, cause the deposition of witnesses residing within or without the state of Oregon to be taken in the manner prescribed by law for like depositions in civil actions in the circuit court of this State, and to that end may compel the attendance of witnesses and the production of books, documents, papers and accounts; provided, that depositions taken outside of the State may be taken before any officer authorized to administer oaths.

Section 23. Within ten days after the hearing, the representative of the commission shall certify to the commission his findings of ultimate fact whether the protest, complaint or petition is true or not, and in the case of hearings on complaints, the representative may make recommendations in respect to the suspending or revoking of licenses. The findings and recommendations of the representative shall not be open to the public inspection, either to the applicant, licensee, protestant, complainant or any other person.

Section 24. After the findings of the representative of the commission are filed, the commission shall make its decision upon the petition for a license, protest or complaint, and shall notify the petitioner, protestant, complainant and licensee thereof in writing. Within ten days after the mailing of the notice, the petitioner, protestant, complainant or licensee may petition the commission for a reconsideration of the cause. Such petitions shall be verified unless filed by a public officer acting in his official capacity.

Section 25. Within thirty (30) days after receipt by the commission of a petition for reconsideration, the commission may itself rehear the entire matter de novo and if it holds such hearing, shall within ten (10) days after the conclusion thereof, either affirm, modify or set aside its previous order.

Section 26. The person affected by any ruling, order or decision of the commission shall have the right of appeal from such decision to the circuit court of the county in which such party affected resides. Notice of appeal shall be filed within thirty (30) days from the date notice is received by party against whom the decision of the commission is rendered. The procedure of such appeal shall be the same as appeals from Justice Court to Circuit Court.

Section 27. The filing of a petition for reconsideration with the commission shall not be a bar to any application to the courts for relief and shall not prevent a court from reviewing or setting aside the action of the commission upon a petition for a license, protest or complaint.

Section 28. Any license granted under this act shall be a purely personal privilege, good for the year in which issued, and ending on December 31 of each year

at twelve (12) o'clock midnight, and revocable for the causes herein stated, subject to appeal as herein provided and renewable if not revoked for cause.

Section 29. Licenses shall be subject to the provisions of this act and regulations of the commission pursuant thereto and shall be of the following classes, enumerated and described in this section:

1. "Brewery License." A brewery license shall allow the manufacture, storage, wholesale sale, distribution, and transportation of malt beverages. It shall be unlawful for any brewery licensee to sell any malt beverage to be consumed on the brewery premises, or to sell any malt beverage to any person not licensed by the commission to resell the same at wholesale or retail, except that brewery licensees may sell draft or pasteurized bottled beer in quantities of five (5) gallons or more to any unlicensed organization, lodge, picnic party or private gathering where such beer is given away by such unlicensed organization, lodge, picnic party or private gathering.

2. "Winery License." A winery license shall allow the licensee to import, bottle, label, manufacture, store and wholesale wines of an alcoholic content of not more than twenty-one (21) per cent of alcohol by volume to any person licensed by the commission to resell the same at wholesale or retail, and to transport the same out of the state of Oregon, and further provided that a winery licensee may sell naturally fermented wine containing not more than fourteen (14) per cent of alcohol by volume in quantities of not less than five (5) gallons nor more than fifty-five (55) gallons at one time to consumers for consumption not on the licensed premises. A winery license shall also allow a licensee to purchase and import brandy for use by such winery licensee in fortifying wines and which shall only be used for such purpose. It shall be unlawful for any winery licensee to sell any wine for consumption upon the winery premises.

3. "Farmer's Winery License." A farmer's winery license shall permit any farmer in the state who grows grapes or other fruits upon his owned or leased land to manufacture natural fermented wine out of such grapes, or other fruits, and none other, and bottle, label and sell such wine at wholesale or retail, provided that a farmer's winery licensee shall not be permitted to fortify wine which he shall manufacture or produce. It shall be unlawful for any farmer's winery licensee to sell any wine for consumption upon the winery premises.

4. "Distillery License." A distillery license shall allow the holder thereof to purchase, import, export, manufacture, distill, flavor, rectify, percolate, cut, color, blend and store distilled liquors, and to label, bottle, package and sell the same in the state of Oregon to persons holding a distillery, rectifier's or liquor and wine wholesaler's license, and sell brandy to holders of winery licenses for use in fortifying wine, and to transport alcoholic liquors out of this state. It shall be unlawful for any distillery licensee to sell any alcoholic liquor for consumption on the distillery premises.

5. "Rectifier's License." A rectifier's license shall allow the holder thereof to purchase, import, cut, blend, rectify, percolate, mix, flavor and color distilled spirits



and wines and whether so cut, blended, mixed, flavored or colored by him or any other person, to bottle, package, label, export and sell the same without the state of Oregon, and to sell such products in the state of Oregon to persons holding a wholesaler's liquor and wine license.

6. "Wholesale Liquor and Wine License." A wholesale liquor and wine license shall allow such licensee to purchase, import, export, wholesale and distribute in sealed packages at wholesale, wine and distilled spirits in the state of Oregon to distillery and bottler and rectifier licensees, and to sell for fortifying purposes, brandy to winery licensees, and after affixing and canceling privilege tax stamps, when lawfully required and imposed by this act or acts amendatory hereto, to sell and distribute distilled spirits and wine in sealed packages to holders of licenses issued by the commission allowing such licensees to sell such distilled spirits and wine at retail. It shall be unlawful for any person excepting a liquor and wine wholesale licensee, or such other person as the commission in its discretion may direct, to buy from the commission or to have in his possession uncancelled privilege tax stamps.

7. "Wholesale Beer and Wine License." A wholesale beer and wine license shall allow such licensee to purchase, import, export, sell and distribute at wholesale, in sealed containers, beer containing not more than four (4) per cent of alcohol by weight, stout, ale and porter containing not in excess of eight (8) per cent of alcohol by weight and natural fermented wine containing not over fourteen (14) per cent of alcohol by volume. It shall be unlawful for any such licensee to sell any alcoholic liquor for consumption upon his licensed premises, or to sell any alcoholic liquor to any person not licensed by the commission to resell the same at wholesale or retail, except that wholesale beer and wine licensees may sell draft or pasteurized bottled beer, ale, porter and stout and natural fermented wine in quantities of five (5) gallons or more to any unlicensed organization, lodge, picnic party or private gathering where such beer, ale, porter, stout or wine is given away by such unlicensed organization, lodge, picnic party or private gathering, and it is further provided that such licensee may sell naturally fermented wine containing not more than fourteen (14) per cent of alcohol by volume in quantities of not less than five (5) gallons nor more than fifty-five (55) gallons at one time to consumers for consumption not on the licensed premises.

8. "Beer and Wine Bottler's License." A beer and wine bottler's license shall allow such licensee to pasteurize and bottle in sealed containers and label beer containing not more than four (4) per cent of alcohol by weight, stout, ale and porter containing not more than eight (8) per cent of alcohol by weight and natural fermented wine containing not more than fourteen (14) per cent of alcohol by volume. Such license shall not be issued to any person unless the commission be satisfied that he has adequate machinery, equipment and facilities for properly bottling such alcoholic liquors with full and complete sanitary safeguards, and in no event shall such license be issued to any person who does not hold a wholesale beer and wine license.

9. "Package Store License." A package store license in accordance with its classification, shall allow the sale by the licensee

of distilled liquors and wines, and pasteurized beer and other malt beverages in sealed packages of capacity not in excess of one (1) gallon at retail, such distilled liquors, wines and malt beverages not to be consumed upon the premises of such licensee. Such licenses shall be of two classes:

Class A, license allowing the sale of pasteurized beer containing not over four (4) per cent alcohol by weight, and stout, ale and porter containing not over eight (8) per cent of alcohol by weight and natural fermented wine containing not over fourteen (14) per cent of alcohol by volume.

Class B, license allowing the sale of pasteurized beer containing not over four (4) per cent of alcohol by weight, and stout, ale and porter containing not over eight (8) per cent of alcohol by weight and natural fermented wine and fortified wine and spirituous liquors. Such license shall be issued only to exclusive retail dealers selling alcoholic beverages and no other products excepting such as are used as accessories to and in the mixing of drinks when alcoholic beverages are consumed. No two such licenses shall be issued at intervals of less than five-hundred (500) feet, and such licenses shall be limited to two (2) in incorporated cities of five-thousand (5,000) population or less, three (3) in cities of over five-thousand (5,000) population but not over ten-thousand (10,000) population, and not in excess of one (1) such license for each additional five-thousand (5,000) population in cities with a population in excess of ten-thousand (10,000) population. No two such licenses may be issued to the same person, firm or corporation and all such licensed premises shall be closed for business from 8 P. M. until 8 A. M., of the following day excepting on Sundays and legal holidays when they shall close at 10 P. M. the day preceding such Sunday or legal holiday, and remain closed until 8 A. M. the first day following which is not a legal holiday.

10. "Retail Malt Beverage and Wine License." A retail malt beverage and wine license shall allow any person operating a place of business where refreshments are served to sell beer containing not over four (4) per cent of alcohol by weight, ale, porter, and stout containing not over eight (8) per cent of alcohol by weight, and natural fermented wine containing not over fourteen (14) per cent of alcohol by volume. Such licenses shall be of three (3) classes:

Class 1. "Unrestricted." Licensees holding an unrestricted malt beverage and wine license shall be permitted to sell draft beer containing not over four (4) per cent of alcohol by weight for consumption on the premises and ale, porter and stout containing not over eight (8) per cent of alcohol by weight, and natural fermented wine containing not over fourteen (14) per cent of alcohol by volume, and pasteurized bottled beer containing not over four (4) per cent of alcohol by weight for consumption on or off of the licensed premises. Unrestricted licensees shall be permitted, in the absence of any municipal ordinance or regulation to the contrary, to have any proper form of entertainment for customers and shall be permitted to allow dancing upon the licensed premises.

Class 2. "Restricted as to Entertainment." Licensees holding a retail malt beverage and wine license restricted as to

entertainment, shall be permitted all privileges of an unrestricted licensee excepting that such licensee shall not be permitted to furnish any form of entertainment for customers other than by radio or phonograph, and shall not allow dancing on the licensed premises.

Class 3. "Restricted as to Entertainment and Draft Beer." Licensees holding a retail malt beverage and wine license, restricted as to entertainment and draft beer, shall have all privileges of a license restricted as to entertainment excepting that draft beer shall not be permitted to be sold on the licensed premises.

11. "On Sale Liquor License." Licensees holding an on sale liquor license shall be permitted to serve and sell at retail for consumption on the premises, spirituous liquor, wine and malt beverages from broken packages and to mix, concoct and prepare the same when served. It shall be unlawful for any on sale liquor licensee to sell any spirituous liquor, wine or malt beverage for consumption off the licensed premises. No on sale liquor license shall be issued at an interval of less than 150 feet distance from any other such license on the same side of any street or roadway. Provided, that any hotel having forty (40) rooms or over may be permitted an on sale license regardless of the location of other on sale licensed premises.

It shall be unlawful for any on sale liquor licensee or employee thereof to destroy the label on any distilled liquor original container until emptied or to remove the contents therefrom excepting as served, and when empty the container shall be immediately broken. No on sale liquor license shall be issued excepting to restaurants and hotels as defined in this act, and no person shall be employed to dispense or serve alcoholic beverages who does not hold a permit issued by the commission to perform such act. No on sale license shall be issued to any premises having less than twenty-five (25) guest seating capacity.

12. "Druggist's License." A druggist's license may be issued to any person operating a pharmacy, and who is or has in his employ a qualified registered pharmacist under the laws of this State. A druggist's license shall allow the sale of all alcoholic liquors listed in the U. S. P. and N. F., in containers of not more than one (1) quart on each prescription. It shall be unlawful for any such licensee to permit the consumption of such alcoholic liquors on the premises of any drug store excepting that such drug store may hold a retail malt beverage and wine license restricted as to entertainment and draft beer and/or a Class A package license. Such licensee may purchase alcoholic liquors containing in excess of fourteen (14) per cent of alcohol by volume from licensed liquor and wine wholesalers.

Registered pharmacists shall be allowed to fill a prescription for any physician, duly licensed by the state of Oregon, for alcoholic liquors of any kind, without regard to any local option laws or ordinances forbidding the sale of such liquors, provided such prescription shall include the name and address of the person for whom it is prescribed, and shall be signed by the full name of such physician issuing such prescription. Such prescription shall be filled only once, and the person making the sale of such prescription, shall write

on the face thereof the number of such prescription, and the date of the sale or delivery of such liquor and shall keep such prescription on file and available at all reasonable times to the inspection of the commission.

13. "Railroad or Boat License." A license may be granted to any public passenger carrier or any corporation which operates an electric or steam railroad in this State, or which operates club, parlor or dining-car upon the line of any railroad in this State, or to any corporation or person operating boats or a boat engaged in the transportation of passengers to or from any port of this State. Such license shall allow the sale and public consumption of spirituous liquor, wine and beer upon such terms as the commission shall prescribe.

14. "Industrial Alcohol License." An industrial alcohol license shall be issued to any person upon compliance with such regulations and conditions as may be determined by the commission. Such licensee shall be authorized to manufacture and sell proprietary and patent medicines, perfumes, lotions, flavoring extracts and other preparations unfit for beverage purposes as may be approved by the commission.

15. "Club Licenses." Whenever a club as defined in this act, has been in existence and acting not less than two (2) years prior to application therefor, and not otherwise, a club license may be issued which shall allow the retail sale of beer, wine and spirituous liquor, to be consumed on the premises, only by members and their guests. The sale of any alcoholic liquor in such club other than above specified shall be unlawful.

16. "Public Warehouse License." A public warehouse license shall allow the holder thereof to store on the licensed premises alcoholic beverages for the account of others, and shall include United States custom bonded store-rooms and United States internal revenue bonded store-rooms.

17. "Salesman's License." A salesman's license shall allow the holder to sell, solicit and take orders for alcoholic liquors to and from licensees of the commission who are duly authorized by the terms of their license to purchase and resell the same.

Section 30. All alcoholic beverages sold or offered for sale in sealed packages within the state of Oregon must be labeled in accordance with the regulations and requirements of the Federal Alcohol Administration. It shall be unlawful for any person licensed to label alcoholic beverages in the state of Oregon to use any label for the use of which he has not first received a permit from the Federal Alcohol Administration.

Section 31. All beer sold in the state of Oregon must be made of pure hops or pure extract of hops, and pure barley malt, or other wholesome grain or cereals, and wholesome yeast and pure water, and must be aged at least sixty (60) days. Sixty-six and two-thirds (66  $\frac{2}{3}$ ) per cent of the extract yielding materials used in the manufacture of such beer must consist of pure barley malt.

Section 32. It shall be unlawful for any licensee, authorized by this act to sell alcoholic liquor at wholesale, to have any right, title, lien, claim or interest, financial or otherwise, in, upon or to the premises, equipment, business or merchandise of any licensee, authorized by this act to sell alcoholic liquor at retail.

Section 33. Nothing in this act shall prohibit any person holding a liquor and wine wholesaler's license from holding a distillery, winery or rectifier's license, or a beer and wine wholesaler's or beer and wine bottler's license, nor any of such licensees to hold any or all of such licenses.

Section 34. It shall be the duty of the commission, before granting a liquor and wine wholesaler's license or warehouse license to inspect the proposed premises and ascertain and require that proper safeguards have been made against possible felonious entry.

Section 35. "Employees Permit Retail." Any person who wishes to engage in serving or selling alcoholic beverages at retail, must first procure a permit authorizing such employment from the commission. Such permits shall be of the following classes:

(a) Employees Permit Class A, shall be issued to men only, over twenty-five (25) years of age, and shall allow the holder to mix, concoct and prepare alcoholic beverages and to serve and sell the same at on-sale licensed premises and to sell alcoholic beverages at any retail licensed premises.

(b) Employees Permit Class B, shall be issued to persons over twenty-one (21) years of age and shall allow the holder to serve and sell alcoholic beverages at on-sale licensed premises to patrons seated at tables.

(c) Employees Permit Class C, shall be issued to persons over twenty-one (21) years of age and shall allow the holder to sell beer and wine in sealed packages at retail on licensed premises.

(d) Employees Permit Class D, shall be issued to persons over twenty-five (25) years of age and shall allow the holder to sell beer, wine and all other alcoholic liquors in sealed packages on licensed premises.

Section 36. No licensee of the commission shall serve or sell or employ any person to serve or sell alcoholic beverages on the licensed premises who does not hold a permit to perform such act as may be required.

Section 37. Any manufacturer's employee engaged in the transportation or delivery of alcoholic beverages to retail licensees shall first procure from the commission a permit authorizing him to perform such act.

Section 38. The commission may suspend or revoke any employee's permit on showing of good and sufficient evidence:

1. That permittee has become intoxicated during a period of employment on the licensed premises.
2. That permittee is suffering from any contagious or infectious disease.
3. That permittee has served or sold alcoholic beverages to any person who at the time of such sale or service was visibly intoxicated.
4. That permittee has knowingly and intentionally served or sold alcoholic beverages to any person under twenty-one (21) years of age.
5. That permittee has knowingly and intentionally violated any provisions of this act or acts amendatory thereto since the permit was issued.

6. That permittee is involved in any act embodying moral turpitude.

7. That permittee is in the habit of using alcoholic liquor or habit-forming drugs to excess.

8. That permittee has unlawfully aided or abetted a manufacturer in assisting a retail licensee.

Section 39. In the event any employee's permit has been suspended for cause, three times in one year, a fourth conviction shall be deemed good and sufficient cause for revocation.

Section 40. Any person may file complaints with the commission against any holder of an employee's permit, stating in writing the specific act or acts of violation and such evidence as he may have to support the charges.

Procedure in complaints against permittees shall be the same as in complaints against licensees and any permittee shall have the same right of appeal as granted licensees in this act.

Section 41. In the event of suspension or revocation of an employee's permit, notice of same shall be mailed to the permittee's employer at the licensed premises where permittee was last employed.

Section 42. Any person desiring a license or renewal of license shall make a sworn statement to the commission upon forms to be furnished by the commission showing the name and address of the applicant, his citizenship, location of the club or place of business which is to be operated under such license, and such other pertinent information as the commission may require. The commission shall act upon all applications for license within ten (10) days of the date of the filing of such application and shall immediately notify the applicant in writing of its findings. If the license may be granted upon the completion of certain improvements the applicant shall be so informed and the required improvements specified. No license shall be issued for any location until all of the provisions of this act have been fully complied with. The license fee which shall be paid by each applicant upon the granting of a license, and the minimum bond required of each class of licensee are as follows:

	Fee	Min. Bond
Brewery .....	\$500.00	\$1,000.00
Winery .....	\$250.00	\$1,000.00
Farmer's Winery .....	\$ 25.00	\$ 500.00
Distillery .....	\$500.00	\$1,000.00
Wholesale Beer and Wine .....	\$150.00	\$1,000.00
Beer and Wine Bottler .....	\$100.00	\$ None
Wholesale Liquor and Wine .....	\$500.00	\$1,000.00
Bottler and Rectifier's License .....	\$500.00	\$1,000.00
On-sale Liquor .....	\$250.00	\$1,000.00
Warehouse License .....	\$100.00	\$1,000.00
Salesman's License .....	\$ None	\$ None
Employee's Permit .....	\$ None	\$ None
Package Store Class A .....	\$ 25.00	\$ None
Package Store Class B .....	\$250.00	\$1,000.00
Retail Malt Beverage and Wine Unrestricted .....	\$100.00	\$ None
Retail Malt Restricted Entertainment .....	\$ 50.00	\$ None
Retail Malt Entertainment and Draft Beer .....	\$ 35.00	\$ None
Industrial Alcohol .....	\$ 50.00	\$ None
Druggist .....	\$ 5.00	\$ None
Club .....	\$ 50.00	\$1,000.00

Railroad and Public Car- rier, On-sale liquor and bottled beer .....	\$ 50.00	\$1,000.00
Boat On-sale liquor and bottled beer .....	\$ 50.00	\$1,000.00
Special retail beer per day	\$ 5.00	\$ None

A special retail beer license may be issued for any picnic, convention, fair, civic or community enterprise, at the rate of \$5.00 a day.

As to any license granted subsequent to January 1st of any year, the license fee payable shall be the proportionate part for the remainder of the year computed on a quarterly basis.

Section 43. No mash, wort or wash, fit for distillation or for the manufacture of spirituous alcoholic liquors shall be made, fermented or possessed within this State by any person who does not at the time own a distiller's license under this act; provided, however, that nothing herein shall prevent the possession of mash for the purpose of manufacturing natural wine or beer for home consumption but not for sale.

No distillery shall be set up or operated in this State for the purpose of manufacturing alcoholic liquor for beverage purposes, nor be used in the manufacture thereof, except by a person duly licensed under the provisions of this act to operate a distillery. Any device, or any process, which separates alcoholic spirits from any fermented substance shall be regarded as a distillery. A distillery shall be regarded as set up when the still is in the position over a furnace, or is connected with a boiler, so that heat may be applied, although the worm or worm tank is not in position.

Any mash, wort, wash or distillery found in any house or on any premises, or within any inclosure, shall, in the case of mash, wort or wash, be deemed prima facie to have been made and fermented by, and in the case of a distillery, shall be prima facie to have been set up by, and to be the property of the person who is in possession of such house, premises or inclosure.

Any person or persons violating any provision of this section shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be punished by imprisonment in the county jail for not more than one (1) year, or by a fine of not more than one-thousand dollars (\$1,000.00), or both. Any person found guilty of a second or subsequent offense under this section shall be deemed guilty of a felony, and shall be punished by imprisonment in the penitentiary for a term of not less than one (1) year, nor more than three (3) years and by a fine of not more than three-thousand dollars (\$3,000.00).

Section 44. Any applicant for a license under the provisions of this act shall at the time of filing such application accompany the same with the license fee required and such bond as may be required by the commission.

Section 45. Upon receipt of an application for a license the commission shall make a thorough investigation to determine whether the applicant and the premises for which a license is applied qualify for a license under this act. If an application is denied, the license fee paid shall be returned to the applicant together with reason for such denial in writing.

Section 46. Upon receipt of any license issued hereunder the licensee shall sign said license and shall post the license in a conspicuous place upon the licensed premises. Licenses issued for trains or boats may, in lieu of being posted upon the train or boat for which issued, be posted in such other place in this State as the commission shall designate.

Section 47. A tax hereby is imposed upon the privilege of engaging in business as a manufacturer or as an importing distributor of malt beverages at the rate of \$1.30 per barrel of 31 gallons on all such beverages, such tax to be paid by the manufacturer or importer on or before the 20th day of the month following the date of such importation or removal from any brewery premises licensed under the provisions of this act.

Section 48. A tax hereby is imposed upon the privilege of engaging in business as a manufacturer or importer of natural fermented bulk wine of 10c per wine gallon or fraction thereof, such tax to be paid by the manufacturer or importer on or before the 20th day of the month following the date of such importation or removal from United States Bond.

Section 49. A tax hereby is imposed upon the privilege of engaging in business as a manufacturer or importer of fortified bulk wines of 20c per wine gallon or fraction thereof, such tax to be paid by the manufacturer or importer of such wine on or before the 20th day of the month following the date of such importation or removal from United States Bond.

Section 50. A tax is hereby imposed on the privilege of engaging in business as an importer of bottled wines at the rate of 30c per wine gallon on all wines bottled in one gallon containers or fraction thereof without the state of Oregon and imported for sale within the state of Oregon, such tax to be paid by the importer on or before the 20th day of the month following the date of such importation.

Section 51. A tax hereby is imposed on the privilege of engaging in business as a wholesale liquor dealer at the rate of \$1.28 per gallon on all spirituous liquors sold by such wholesale liquor dealer for resale at retail within the state of Oregon, such tax to be paid by affixing to each sealed container the amount of the tax represented by stamps, such stamps to be purchased by such liquor dealer from the Oregon Liquor Control Commission, and it shall be the duty of the commission to produce and sell such stamps to licensed wholesale liquor dealers only, and such stamps shall be canceled when applied.

Section 52. A tax hereby is imposed on the privilege of engaging in business as a retail on-sale spirituous liquor dealer of five (5) per cent of the gross sales of all alcoholic beverages sold for consumption on the licensed premises, such tax to be declared for each day of the calendar month and paid on or before the 5th day of the following month.

Section 53. A tax hereby is imposed on the privilege of engaging in business as a retail off-sale spirituous liquor dealer of two (2) per cent of the gross sales of all spirituous liquors and fortified wines sold for consumption off of the licensed premises, such tax to be declared for each day of the calendar month and paid on or before the 5th day of the following month.

Section 54. The rates of tax imposed by this act upon all alcoholic beverages shall apply proportionately to quantities in containers of less capacity than those quantities therein specified.

Section 55. The taxes imposed by this act shall be measured by the volume of alcoholic beverages, produced, purchased, received, or sold as the case may be, on or after the effective date of this act.

Section 56. In computing any privilege tax imposed by this act no tax shall be levied, collected or imposed upon any alcoholic beverage, which shall be exported from the State, nor upon beer given away and consumed on the licensed premises of a brewery licensee.

Section 57. On or before the twentieth (20th) day of the month following the month when this act becomes effective, and thereafter on the twentieth (20th) day of each month, every manufacturer shall render to the commission a verified statement of the quantity of alcoholic beverages, produced, purchased or received by such manufacturer during the preceding calendar month, the quantity on hand at the beginning of the month, quantity sold during the month and the quantity on hand at the end of the month.

Section 58. If any manufacturer or on or off-sale spirituous liquor dealer shall fail, neglect or refuse to file any statement required by this act, the commission shall estimate the amount of alcoholic beverages, produced, purchased, received, dispensed or sold, by such licensees and assess the privilege tax thereon and said licensee shall be stopped from complaining of the amount of said estimate.

Section 59. On or before the 5th day of the month following the month when this act becomes effective and thereafter on the 5th day of each month, every on-sale and off-sale spirituous liquor dealer shall render to the commission a verified statement of the gross sales of alcoholic beverages, for which he is subject to tax, for each day of the preceding calendar month. All such licensees shall use one or more recording cash registers on which all sales subject to tax are recorded and no other sales. The record for each day shall be totaled, dated and filed and kept available to the commission for inspection and not destroyed for a period of two years.

Section 60. All licensed wholesale liquor and wine licensees in addition to the requirements as a manufacturer listed in Section 57 hereof shall also file with the commission on the 20th day of each month the quantity and denomination of Oregon State Revenue Stamps on hand at the beginning of the preceding month, the quantity and denomination purchased during the month, the quantity used during the month and the quantity and denomination on hand at the end of the month.

Section 61. The privilege taxes imposed by this act shall be paid to the commission. The taxes covering the periods for which statements are required to be rendered by this act shall be paid before the time for filing such statements expires and if not so paid, a penalty of 10 per cent and interest at the rate of one (1) per cent a month or fraction of a month shall be added and collected.

Section 62. The commission may, at any time, examine the books and records of any licensee and it may appoint such auditors, investigators and other employees as it may deem necessary to enforce its powers and perform its duties hereunder; every such licensee shall maintain and keep with the state of Oregon, for a period of two (2) years, all the records, books and accounts required to be kept or made by the provisions of this act.

Section 63. Every manufacturer shall keep a complete and accurate record of all sales of alcoholic beverages, a complete and accurate record of the number of gallons imported, produced, purchased, manufactured, brewed or fermented, and the date of importation, production, purchase, manufacturing, brewing or fermentation. Such records shall be in such form and contain such other information as the commission may prescribe. The commission, by rule or regulation, also, may require the delivery of statements, by distributors to purchasers, with alcoholic beverages, and prescribe the matters to be contained therein. Such records and any such statements, shall be preserved by such distributor and such purchaser, respectively, for a period of two (2) years and shall be offered for inspection at any time upon oral or written demand by the commission or its duly authorized agents.

Section 64. Every person transporting alcoholic beverages, within this State, whether such transportation originates within or without this State, shall keep a true and accurate record of all alcoholic beverages, so transported, including ingredients which may be used in the manufacture, production, brewing or fermentation thereof, showing such facts with relation to such alcoholic beverages, their ingredients and their transportation as the commission may require. Such record shall be open to inspection by the representative of the commission at any time and the commission may require from any such person sworn returns of all or any part of the information shown by such records.

Section 65. Any person refusing to permit the commission or any of its representatives to make the inspection of the books and records or failing to keep books of account as may be prescribed by the commission or required by this act or failing to preserve such books for two (2) years for the inspection of the commission, and any person altering, canceling or obliterating entries in such books of account for the purpose of falsifying any record required by this act to be made, maintained or preserved, shall be guilty of a misdemeanor and shall be punished by a fine not exceeding \$1,000.00 or by imprisonment in the county jail not exceeding one (1) year, or by both such fine and imprisonment.

Section 66. The privilege tax required to be paid by this act shall constitute a lien upon all alcoholic beverages owned or in the possession of the licensee, upon which privilege tax provided by this act is delinquent; and upon all personal property being used by the licensee in connection with the operation of any business licensed under this act. Such lien shall be foreclosed in the name of Oregon Liquor Control Commission and by a suit in equity filed in the Circuit Court of the State of Oregon for the county in which said licensed premises are located.

Section 67. None of the provisions of this act shall apply, or be construed to apply, to commerce with foreign nations or commerce with the several states, except in so far as the same may be permitted under the provisions of the constitution and laws of the United States.

Section 68. Notwithstanding the provisions of chapter 93, Oregon Laws, 1933, second special session, as amended by chapter 140, Oregon Laws, 1935, as amended, all retail license fees collected from any licensee whose place of business is in any incorporated city or town, shall, after deducting the proportionate share of the expense of administering the licensing provisions of this act, be paid to the treasurer of such city or town; all retail license fees collected from any licensee whose place of business is outside of any incorporated city or town, after deducting the proportionate shares of the expense as above provided, shall be payable to the county treasurers in which such respective places of business are located. The commission shall make a statement of and make such payments quarterly on or before the tenth day of April, July, October and January, for the preceding three months, respectively; provided, that said commission hereby is authorized and directed to withhold from such license receipts from time to time such amount or amounts as in the judgment of said commission may be necessary to defray the proportionate share of the expense of administering the licensing provisions of this act; provided, further, whenever it shall appear to said commission that any license payment or deposit is properly refundable to any applicant, said commission hereby is authorized and directed to make refund

Thirty cents (30c), of every dollar and thirty cents (\$1.30), of revenue derived from the tax imposed by this act upon manufacturers and importing distributors of malt beverages and 10 per cent of the revenue derived from the gross sales tax imposed by this act upon retail on- and off-sale spirituous liquor dealers shall be remitted forthwith by the commission to the state treasurer to be placed in a special fund to the credit of the cities and counties of the State, and on March 31, June 30, September 30 and December 31st of each year shall, be paid by the secretary of state by warrants to the several incorporated cities and the several counties of the State in proportion to their respective populations as determined by the last census; the proportionate share of each county shall be determined by the total population thereof, less the combined populations of all incorporated cities therein; but nothing else contained in this act shall be considered or construed as affecting or rendering inoperative any of the provisions of chapter 93, Oregon Laws, second special session as amended by chapter 140, Oregon Laws, 1935, as amended.

Section 69. All of the moneys collected by the commission not otherwise allocated and provided for in Section 68, shall be remitted by the commission to the state treasurer following their receipt, and the state treasurer shall deposit the same in the general fund of the State, to the credit of the Oregon State Liquor Commission account; provided, that the commission may withhold such sum as in its opinion is necessary as a revolving fund for a working cash balance which shall not exceed the sum of five-thousand dollars

(\$5,000.00) for the purpose of paying travel expenses, advances, other miscellaneous bills, and extraordinary items which are payable immediately in cash upon presentation. All necessary expenses of the commission incurred in carrying out the purposes of this act, including the salaries of the employees of the commission, and all purchases made by the commission shall be audited and paid from the general fund, upon warrants drawn by the secretary of state, pursuant to claims theretofore duly approved by the commission, and such part of the moneys produced by the operation of this act as shall be necessary to pay such expenses and purchases, and no more, shall constitute, and be considered as, and hereby is made an appropriation from the general fund for such purposes. After the payment of the expenses of administering this act, as herein provided, the balance of the moneys remaining to the credit of the Oregon State Liquor Control Commission account in excess of five-thousand dollars (\$5,000), shall be disbursed by the secretary of state by warrant, as follows: All such revenues shall be transferred to the unemployment relief fund and/or public assistance fund until such time as the appropriations provided by Section 68-2803, Oregon Code 1935 Supplement, and chapter 164, Oregon Laws, 1937, have been fully paid and thereafter 75 per cent thereof shall be paid to the treasurer of the several counties of the State in proportion to the population of the respective counties, as determined by the last census. All revenues received hereunder by the treasurers of the several counties of the State shall be placed to the credit of a special fund to be expended only by the county courts or board of county commissioners of the several counties of the State for mother's aid, old-age pensions and direct relief of the indigent. The remaining twenty-five (25) per cent thereof shall revert and be credited to the general fund of the State. Any of the counties and cities which shall have, by election, determined to prohibit the sale of any alcoholic liquors as specified in this act, shall not be entitled to, and shall not participate in what otherwise would be its proportionate share of the funds herein described as long as such prohibition shall be in force.

Section 70. No incorporated city or county of this State shall impose any fee or tax in connection with production, sale, licensing or handling of alcoholic beverages or malt beverages.

Section 71. No license shall be granted for the sale of alcoholic liquor on premises so located with reference to a church or school as would in the opinion of the commission make the sale of such liquor thereon detrimental to such church or school.

Section 72. No person shall store or maintain, in the possession of himself or his agents or subject to his control, any stock of alcoholic liquor for the purpose of resale or distribution to others in any location for which he does not have a license, except that on application to the commission malt beverages or natural fermented wine may be stored within the same city or town as the licensed premises, but orders shall not be taken or sales made at such place of storage.

Section 73. Any alteration, not authorized by the commission, of a license or

permit issued by the commission shall render the same void.

Section 74. Any change in the personnel of a partnership shall operate to suspend immediately all rights and privileges conferred by any license held by such partnership, except that the commission may extend by written permission to the remaining partner or partners the privileges of such license for the unexpired portion of the license term.

Section 75. Corporate licensees, on request of the commission shall furnish the commission with a verified statement showing the names and addresses of corporate officers and directors, together with a list of all stockholders holding over 10 per cent of the capital stock of the corporation and the amount of stock held by each. Corporate licensees shall notify the commission immediately of any change in the personnel of corporate officers or directors, and when such change occurs such corporation's license shall be subject to cancellation in the event such change has created a violation of this act.

Section 76. No retail licensee of the commission shall sell malt beverages for consumption on the licensed premises in containers holding more than 12 fluid ounces.

Section 77. No licensee shall permit or suffer any loud, noisy, disorderly or boisterous conduct in or about the licensed premises, or permit or suffer any insanitary condition thereon and every licensee shall be held strictly accountable by the commission for the conduct of his business in an orderly manner and for the sanitary condition of the licensed premises.

Section 78. No on-sale licensee shall sell, dispense or serve any alcoholic beverages on any on-sale premises between the hours of 2 A. M. and 7 A. M. No alcoholic liquor sold, dispensed or served by such licensee shall be consumed in or on the licensed premises between stated hours. It shall be the lawful privilege of any incorporated city in the state of Oregon, by ordinance, to limit the hours of business of on sale licensees within the corporate limits of said city but in no event shall the hours open for business of any on-sale licensee extend beyond the time stated in this section.

Section 79. Licensees retailing draft beer shall disclose at all times the true brand name of such beer by attaching such brand name to the tap or pipe from which said beer is drawn in such manner as to make the brand name visible to the customer.

Section 80. No licensee of the commission shall bottle alcoholic liquors wine or malt beverage, unless specially licensed therefor. No licensee shall use any second-hand container for packaging wine or beer for sale except by special permission of the commission and then only when said container shall have been thoroughly washed and cleansed by the use of adequate and efficient bottle washing equipment approved by the commission, and which said container, before use, shall have been soaked for a period of not less than five minutes in hot caustic solution of not less than 120 degrees Fahrenheit that shall contain not less than 3 per cent alkalis expressed in terms of sodium hy-

drate of which not less than 1.8 per cent shall be caustic, and then thoroughly rinsed in pure water until free from alkali or sodium hydrate, and then packed and sealed in new cartons bearing the name and address of the person, firm or corporation packing said containers.

Section 81. No alcoholic liquor or package thereof shall be given as a prize, premium or consideration, by a licensee, for any lottery or game of chance of whatsoever character.

Section 82. Every application for a license shall be made in writing on forms provided by the commission. Partnership applications must be signed and verified by each member of the partnership. Corporate applications must be signed in the name of the corporation and verified by a duly authorized principal officer of the corporation.

Every application for a license shall particularly specify and describe the premises where the business of the licensee is to be established and conducted.

Section 83. Advertising in newspapers or magazines shall be permitted under the following conditions:

(1) No advertisement of alcoholic beverages shall conflict in descriptive matter with the label thereof.

(2) No advertisement of alcoholic beverages shall suggest the absence of harmful effect or the presence of healthful or therapeutic effect resulting from the use thereof.

(3) No advertisement of alcoholic beverages shall include, be connected with, or make any reference to the conducting of any form of contest, lottery, the awarding of prizes, premiums or considerations, or testimonial of scientific test proving the absence of harmful effect or the presence of healthful or therapeutic effect of such alcoholic beverages.

Section 84. Outdoor advertising by billboard, poster or neon sign shall be permitted within the corporate limits of duly incorporated cities and towns, conditioned that the copy used on such billboards, posters or neon signs shall conform in all respects with the requirements provided in Section 83 hereof for advertising copy permitted in newspapers or magazines.

Section 85. No advertising of alcoholic liquor or beverages shall be permitted on any radio station in the state of Oregon, except between the hours of 10 P. M. and 2 A. M., subject to the following restrictions:

(1) No radio announcement advertising alcoholic liquor shall conflict in descriptive matter with the label thereof.

(2) No radio announcement advertising alcoholic liquor shall suggest the absence of harmful effect or the presence of healthful or therapeutic effect resulting from the use thereof.

(3) No radio announcement advertising alcoholic liquor shall include or make any reference to any form of contest, lottery, or the award of prizes, premiums or considerations, or testimonial of scientific test proving the absence of harmful effect or the presence of healthful or therapeutic effect resulting from the use thereof.

(4) No radio announcement advertising alcoholic liquor shall be announced over

the air between the hours of 1 A. M. and midnight on any Sunday.

(5) No radio announcement advertising alcoholic liquor shall refer to any religious holiday or festival, nor shall any music, sound or character of a religious nature associated with such holiday or festival be used.

(6) No radio announcement advertising alcoholic liquor shall be used on the air which the commission shall consider objectionable or contrary to the public morals.

Section 86. Advertising on licensed premises shall be permitted under the following conditions:

(1) No retail licensee shall expose, leave or permit to be left for display outside any licensed premises any container of alcoholic liquor.

(2) No advertising visible from the exterior of any licensed premises shall contain the words "bar," "barroom," "saloon."

(3) Licensees selling packaged alcoholic beverages may display such packaged alcoholic beverages in show windows on the licensed premises, together with price cards showing the price thereof.

(4) Wholesale licensees shall maintain such signs as may be required by the laws of the United States relating to signs to be displayed on the premises of wholesale liquor dealers.

(5) Trucks or carriers owned or operated by manufacturers or wholesalers may display the name and address of the manufacturer or wholesaler and the brand names and/or trade-marks of alcoholic liquors manufactured or distributed by them.

(6) On order of the commission, licensees shall remove any sign, display or advertisement in or about any licensed premises which the commission shall consider objectionable or contrary to the public morals.

(7) Licensed wholesalers and manufacturers may display on the exterior of the licensed premises the brand names represented by them and for sale at the said licensed premises.

Section 87. No sale or delivery of alcoholic beverages shall be made to any retail licensee of the commission except for cash paid at the time of or prior to delivery thereof, and in no event shall any licensee of the commission engaged in the sale of alcoholic beverages for resale extend any credit on account of such alcoholic beverages to a licensee of the commission engaged in selling alcoholic beverages at retail, nor shall any licensee of the commission engaged in the sale of alcoholic beverages at retail accept or receive delivery of such alcoholic beverages except that payment therefor be made in cash paid at the time of or prior to delivery thereof. Any extension or acceptance of credit in violation hereof shall be regarded and construed as an act of rendering or receiving financial assistance and shall subject the licenses of all parties concerned to suspension or revocation at the option of the commission.

Section 88. Licensees of the commission engaged in the business of selling or distributing malt beverages for resale within the state of Oregon shall file with the commission a written schedule of prices to be charged by such licensee for malt

beverages sold or distributed within the state of Oregon, which said schedule of prices shall be uniform for the same class of trade buyers in the same trade area within the State and shall set forth (a) all brands and types of products offered for sale, (b) the delivered sale price thereof in the several trade areas of the State to various classes of trade buyers, and (c) any allowance granted for returned containers. Such schedule of prices so filed may be changed or modified from time to time by filing with the commission a new schedule of prices not less than 10 days prior to the effective date thereof. Such scheduled prices so filed may not be withdrawn prior to their effective date, and upon becoming effective shall remain in effect for a minimum period of 10 days. Such price schedules so filed shall be subject to public inspection and shall not be considered confidential. Upon the filing of the original schedule of prices, and after the effective date of any schedule of prices amendatory thereto, all prices therein stated shall be adhered to strictly and any departure or variance therefrom shall be regarded and construed as the giving of financial assistance within the meaning of this act.

Section 89. No licensee of the commission engaged in the sale of malt beverages for resale within the State shall grant or allow any credit to a licensee of the commission on account of any claimed defect in any malt beverage or container thereof in excess of one (1) gallon unless such claim for credit shall be made by the claimant on an official claim form of the commission, and the Oregon Liquor Control Commission shall furnish the necessary forms for making such claims. No such claims shall be allowed unless the malt beverage complained of is in fact defective. The container and contents upon which the claim is based shall be held by claimant for inspection by the commission for a period of not less than ten (10) days, and it shall be the privilege of the commission to inspect and allow or refuse the said claim within ten (10) days of the date of filing same. In the event no inspection has been made by the commission within ten (10) days from the date of filing of any claim, such inspection may be considered waived and the claim allowed and the said manufacturer or distributor shall destroy the said malt beverage.

If upon inspection the commission's representative shall determine that the amount of the claim is excessive, allowance to the claimant shall be made in accordance with the commission's instructions only. The claiming or allowance of any fictitious or false claim in this connection shall be regarded by the commission as an act of rendering or receiving financial assistance and shall subject licenses of the offending parties to suspension or revocation at the option of the commission.

Section 90. Whenever the commission shall determine that any licensee permitted to sell alcoholic beverages for resale has been guilty of any violation of the provisions of this act or acts amendatory thereto with respect to furnishing financial assistance to a licensee authorized to sell at retail, the commission may as the penalty for such violation, order the licensee permitted to sell for resale to discontinue all sales to the retail licensee involved in such violation for such period of time as the



commission may deem proper, and any delivery of alcoholic beverages by the wholesale licensee to such retail licensee during the period covered by such order shall operate to subject the licenses of both parties to suspension or revocation at the option of the commission.

Section 91. All on-sale licensees shall at all times keep and maintain their licensed premises to comply with the laws of the state of Oregon and with the ordinances of any incorporated city or town in which said premises may be located, with respect to lighting, plumbing, drainage and ventilation of said premises and with respect to facilities and practices for washing and sterilizing equipment used by such licensees, and shall in all cases comply with the following rules in such connection:

1. All plumbing shall be installed and maintained in accordance with the Oregon State Plumbing Code, and Rules and Regulations of the Oregon Board of Health, and all municipal ordinances and regulations governing the same.

2. Proper separate toilet and lavatory facilities shall be provided for both sexes and maintained and kept in a clean and sanitary condition.

3. All waste water and sewage must be disposed of in a manner approved by the State Board of Health.

4. All floors, sidewalks and ceilings must be maintained in a cleanly condition.

5. All glassware or other open containers used in serving or dispensing alcoholic liquors shall be thoroughly washed and disinfected after each use.

6. Water used for washing, rinsing, and sterilizing such glassware and containers must be maintained in a clear and clean condition, and wash and rinse tanks must be thoroughly washed as frequently as necessary to keep the same in a clean and sanitary condition.

7. For washing, rinsing and sterilizing of such glassware and containers, each licensee must provide a metal or glass three-compartment tank, each compartment of which shall have the following minimum dimensions: depth, 12 inches; length, 12 inches; and width, 12 inches. Each compartment shall have a separate outlet.

Compartment number one shall contain wash water.

Compartment number two shall contain rinse water.

Compartment number three shall contain a sterilizing solution containing not less than 100 parts per million of available chlorine, derived from hypochlorite solution.

Such glassware or other containers must be washed in compartment one, rinsed in compartment two, and sterilized in compartment three. Sterilizing shall consist of immersion of glassware or containers in compartment three for two (2) minutes.

If glassware or containers are rinsed after sterilizing, such rinsing shall be done in clear running water from a source of supply approved by the State Board of Health.

8. All beer lines, rods and coils shall be thoroughly cleaned by the use of mechanical, steam or hot caustic cleaner approved by the commission not less often than once a week, and shall be flushed with clear

running water not less often than once daily. All beer hose shall be replaced after 90 days of use, and a record shall be kept on the premises of the hours, date and manner of each cleaning of beer lines, rods and coils and of the date when beer hose in use was installed.

All licensees shall comply with all orders, rules and regulations of the Oregon State Board of Health, the State Department of Agriculture, and municipalities, relating to sanitation. Failure to comply with such orders, rules and regulations, or any of them, shall subject the offending licensee to the suspension or revocation of license.

Section 92. It shall be the duty of the state police, sheriffs, constables and all police officers, within the state of Oregon, to enforce all provisions of this act, and to assist the commission in detecting violators of the act and apprehending offenders. It shall be the duty of each of said enforcing officers having notice, knowledge or reasonable ground of suspicion of any violation of this act, to immediately notify the district attorney of such county, and to furnish him with names, addresses of any witnesses or other information within the knowledge of such officer, of such violation. Whenever any officer shall arrest any person for violation of this act, he shall take into his possession all alcoholic liquor and other property which the person so arrested has in his possession, or on his premises, which is apparently being used in violation of this act. In the event the person so arrested is convicted, and it is found that the said alcoholic liquor and other property has been used in violation of the law, the same shall be forfeited to the commission, and shall be delivered by the court or officer to the commission and the commission shall be authorized to destroy or make such other disposition thereof as the commission in its discretion may decide to be in the public interest. It shall be the duty of county courts, district attorneys, and municipal authorities immediately upon the conviction of any licensee hereunder of a violation of any provision of this act within their respective jurisdictions or the violation of any other law of this State or ordinance of any municipality therein, in the commission of which alcoholic liquor had any part, to notify said commission thereof. It shall be the duty of said officials to notify said commission of any acts, practices or other conduct of any licensee hereunder which may be subversive of the general welfare or contrary to the spirit of this act, and to recommend such action on the part of the commission as will remove the evil.

Section 93. Any room, house, building, boat, structure or place of any kind where alcoholic liquor is sold, manufactured, bartered or given away in violation of law, or where persons are permitted to resort for the purpose of drinking alcoholic beverages in violation of the law, or any place where such beverages are kept for sale, barter or gift in violation of law, and all alcoholic liquor and all property kept and used in said place hereby are declared to be a common nuisance; and any person who maintains or assists in maintaining such common nuisance shall be guilty of a violation of this act. And if it shall be proved that the owner of any building or premises knowingly has suffered the same to be used or occupied for the manufacture, sale or possession of alcoholic beverage,

ages, contrary to the provisions of this act, such building or premises shall be subject to a lien for, and may be sold to pay all fines and costs assessed against the occupant of such building or premises, for any violation of this act; and such lien shall be enforced immediately by civil action in any court having jurisdiction, by the district attorney of the county wherein such building or premises is located.

Section 94. The attorney-general or the district attorney, or the commission, or its administrators in the county where such nuisance exists, or is kept or maintained, may maintain an action by injunction in the name of the State to abate, and to temporarily and permanently enjoin, such nuisance. And the court shall have the right to make temporary and final orders, as in other injunction proceedings. The plaintiff shall not be required to give bond in such action and, upon final judgment against the defendant, such court also shall order that said room, house, building, structure, boat or place of any kind shall be closed for a period of one (1) year; or closed for a part of said time, and until the owner, lessee, tenant or occupant thereof shall give bond, with sufficient surety to be approved by the court making the order, in the penal sum of not less than one thousand dollars (\$1,000), payable to the State, and conditioned that alcoholic liquor will not thereafter be manufactured, possessed, sold, bartered or given away, or furnished, or otherwise disposed of, thereon or therein, or kept thereon or therein with intent to sell, barter or give away, or otherwise dispose of same contrary to law, and that he will pay all fines, costs and damages assessed against him for any violation of this act. If any condition of such bond be violated, the whole amount may be recovered as a penalty for the use of the county wherein the premises are situated. In any such action a notice to nonresident defendants may be given by a publication or substituted service as authorized by law in other proceedings.

Section 95. When any sheriff, constable or police officer or any officer of the law shall discover any person in the act of transporting, in violation of law, alcoholic liquor, in or upon any wagon, buggy, automobile, water or air craft, or other vehicle, or conveyance of any kind, it shall be his duty to seize any and all alcoholic liquor found therein, and to take possession of the vehicle and team or automobile, boat, air or water craft, or any other conveyance, and to arrest any person in charge thereof. Such officer shall at once proceed against the person arrested, under the provisions of this act, in any court having competent jurisdiction, and shall deliver the vehicle and team or automobile, boat, air or water craft or other conveyance to the sheriff of the county in which such seizure has been made; but the said vehicle or conveyance shall be returned to the owner upon execution by him of a good and valid bond, with sufficient sureties in a sum double the value of the property, which bond shall be approved by the sheriff and shall be conditioned to return said property to the custody of said sheriff on the day of trial to abide the judgment of the court. The court, upon conviction of the person so arrested, shall order the alcoholic liquor delivered to the commission, and, unless good cause to the contrary is shown by the owner, shall order

a sale at public auction by the sheriff of the county of the property seized, and said sheriff, after deducting the expense of keeping the property, and the cost of sale, shall pay all liens, according to their priorities, which are established by intervention or otherwise at such hearing or in other proceedings brought for said purpose, and shall pay the balance of the proceeds into the general fund of the county; provided, that no claim of ownership or of any right, title or interest in or to said vehicle shall be held valid unless said claimant shows to the satisfaction of the court that he is in good faith the owner of said claim and had no knowledge that said vehicle was used or to be used in violation of law. All liens against property sold under the provisions of this section shall be transferred from the property to the proceeds of the sale of the property. If, however, no one shall be found claiming the team, vehicle, water or air craft, automobile, boat or other conveyance, the taking of the same with a description thereof shall be advertised in some daily newspaper published in the city or county where taken, or if there be no daily newspaper published in such city or county, in a newspaper having weekly circulation in the city or county, once a week for two weeks and by handbills posted in three public places near the place of seizure, and shall likewise notify by mail the legal owner, in the case of an automobile, if licensed by the State of Oregon, as shown by his name and address in the records of the secretary of state, and if no claimant shall appear within ten days after the last publication of the advertisement the property shall be sold and the proceeds, after deducting the expenses and costs, shall be paid into the general fund of the county.

Section 96. Whenever a petition therefor, signed by not less than thirty (30) per cent of the registered voters of any county in the state or any incorporated city or town in any county, shall be filed with the county clerk of such county, or the clerk or auditor of such city or town, in the manner in this act prescribed, the officer with whom such petition is filed shall order an election to be held at the time as prescribed in Section 98 of this act, and in the county or city or town mentioned in such petition, to determine whether the sale of alcoholic liquors of any of the various classes, as in Section 101 of this act defined, shall be prohibited in such county or city or town. In determining whether any such petition contains the requisite percentage of legal voters, said percentage shall be based on the number of votes in such counties, or cities, or towns, as the case may be for the justice of the Supreme Court receiving the highest number of votes at the last preceding general election.

Section 97. The last preceding section shall not be so construed so as to prohibit the sale of pure alcohol for scientific or manufacturing purposes, or of wines or church officials for sacramental purposes, or of alcoholic stimulants where the same shall have been prescribed by a regular practicing physician dated and signed by him as in hereinbefore provided; and provided, further, that this section shall not be construed so as to prevent any person residing in such county or city or town from ordering and having delivered to his home, for the personal use of himself and his family, alcoholic liquors purchased

from persons duly licensed to sell same under this act.

Section 98. Elections hereunder shall be held only upon regular November biennial election days. The petition therefor shall be filed with the county clerk or city clerk or auditor, not less than sixty (60) days before the day of election. Where the petition is filed with a city clerk or auditor, such officer shall, within three (3) days thereafter, mail by registered mail to the county clerk of the county in which said petition is filed a notice of such filing, giving the date thereof, and the county clerk shall keep such notice in a convenient and separate file open for public inspection, and it shall be the duty of the county clerk to post a copy of said notice in a public place. In each county, city or town that shall return a majority vote for prohibition, or permission, as the case may be, as to any classes of alcoholic liquor, at any election, the law shall take effect on the first day of January following the day of election. Elections provided for by this section shall be held at the regular voting place or places within the proposed limits, and by the Judges and clerks of the election appointed and qualified under the general election laws of the state.

Section 99. No person shall be qualified to vote at any election hereunder who would not be qualified to vote at that election for the county or city officers in which district he proposes to vote.

Section 100. The provisions of the general election laws, so far as they are applicable shall apply to all elections held under the provisions of this act.

Section 101. The form of petition shall be substantially as follows: "Petition for local option liquor election. We, the undersigned, legal voters of (here insert, as case may be, name of county, city or town), respectfully petition that on the \_\_\_ day of \_\_\_, 19\_\_\_, an election be held to determine whether the sale of (a) all alcoholic liquors; or (b) alcoholic liquors containing over seventeen (17) per cent of alcohol by weight; or (c) alcoholic liquors containing over four (4) per cent of alcohol by weight, shall be prohibited or permitted in (said county city or town, as the case may be), and each for himself says I have personally signed this petition and my residence, postoffice and voting precinct are clearly written after my name. My residence (if in the city, street and number if any), postoffice precinct: (here follow twenty (20) numbered lines for signatures)"

There shall be not more than twenty (20) names on a sheet, and if any sheet filed with such petition shall contain more than twenty (20) names, none of such names shall be counted. Each sheet shall be signed at the bottom thereof, with the name and address, with street and house number, if any, of the circulator thereof, who shall append to each sheet his affidavit in the following form:

State of Oregon, } ss  
County of \_\_\_\_\_ }

I, \_\_\_\_\_, being first duly sworn, say: That every person who signed this sheet of the foregoing petition, signed his or her name thereto in my presence: I believe that each has stated his or her name, post-office address and residence correctly, and

that each signer is a legal voter of the state of Oregon and county of \_\_\_\_\_.

Signature of Circulator of this sheet of petition, Postoffice address of circulator of this sheet of petition, with street and number, if in a city or town.

Subscribed and sworn to before me this \_\_\_ day of \_\_\_, A D 19\_\_\_.

Notary Public for Oregon, Postoffice address of notary, including street and number, if in a city or town.

My commission expires \_\_\_\_\_.

There shall be inserted by each signer of the petition after his name and address the date of his signing thereof. No signature shall be valid unless signed within ninety (90) days prior to the filing of such petition, and the same must affirmatively appear upon such petition. When such petition shall have been filed the same shall not be withdrawn, or any name thereof, nor any names added thereto. Such petition shall be a public document and shall be subject to inspection by the public.

The sheets upon which such signatures appear shall be fastened together into one (1) petition and filed as a whole. The county clerk or city clerk or auditor shall, upon receipt of such petition, immediately file the same, and shall thereupon compare the signatures of the electors signing the same with their signatures on the registration books of the election then pending; or, if none pending, then with the signature on the registration books and blanks on file in his office for the preceding general election. If the requisite number of qualified electors shall have signed the petition, and the same shall have been filed as provided for in this act, then the same shall go upon the ballot as herein provided for.

Section 102. At least twenty (20) days previous to any election hereunder, the county clerk, or city clerk or auditor, shall deliver to the sheriff of the county at least three (3) notices of the election at every election board in each county city or town, voting on the election. Said notices shall be substantially in the following form:

"LIQUOR ELECTION NOTICE

"Notice is hereby given that on \_\_\_\_\_, the \_\_\_ day of \_\_\_, 19\_\_\_, in precinct \_\_\_\_\_, in the county of \_\_\_\_\_, an election will be held to determine whether the sale of (a) all alcoholic liquors; or (b) alcoholic liquors containing over seventeen (17) per cent of alcohol by weight; or (c) alcoholic liquors containing over four (4) per cent of alcohol by weight for beverage purposes, shall be prohibited or permitted (as the case may be) in (here insert the name of the county, or the city or town, as the case may be, as may be necessary to comply with the petitions duly filed), which said election shall be held at (here insert the hours in which the general election is held). Dated this \_\_\_ day of \_\_\_, 19\_\_\_.

County Clerk of \_\_\_\_\_  
County, Oregon or City  
Clerk, or Auditor of \_\_\_\_\_

It shall be the duty of the sheriff at least twelve (12) days before any election hereunder to post said notices in such places in the vicinity of the polling-place or places. Thereupon the county clerk or city clerk or auditor, and the sheriff, shall each enter of record their compliance with the provisions of this section, and such record shall be prima facie evidence that all the provisions of this section have been complied with.

Section 103. Before said election it shall be the duty of the county clerk or city clerk or auditor to arrange the ballots and have them printed in substantially the following form:

"Vote for or against prohibition (or permission, as the case may be) of the sale of (a) all alcoholic liquors; or (b) alcoholic liquors containing over seventeen (17) per cent of alcohol by weight; or (c) alcoholic liquors containing over four (4) per cent of alcohol by weight, for beverage purposes, (or name the county, city or town, as the case may be).

"Mark X between number and answer voted for.

"12. For prohibition (or permission, as the case may be) of the sale of (a) all alcoholic liquors; or (b) alcoholic liquor containing over seventeen (17) per cent of alcohol by weight; or (c) alcoholic liquors containing over four (4) per cent of alcohol by weight.

"13. Against prohibition (or permission, as the case may be) of sale."

It shall be the duty of the county clerk, or city clerk or auditor, as the case may be, to furnish each precinct voting on the question official and sample ballots equal in number to that required at general elections by the general elections of the state and in the manner therein required. Those favoring prohibition (or permission, as the case may be) shall mark between the number and the words "For prohibition (or permission, as the case may be), "and those opposed shall mark between the number the words "Against prohibition (or permission, as the case may be)."

Section 104. No provision of this act shall, by reason only that such product contains alcoholic liquor, prevent the sale of any perfume, lotion, tincture, varnish, dressing fluid, extracts, or acid vinegar, or of any official medicinal or pharmaceutical preparations or of any patent or proprietary medicine intended solely for medicinal purposes.

Section 105. Sections 15-301 to 15-306, both inclusive, and sections 15-401 to 15-416, both inclusive, and sections 15-501 to 15-514, both inclusive, and sections 15-601 to 15-605, both inclusive, and sections 15-701 to 15-707, both inclusive, and sections 15-901 to 15-906, both inclusive, all in Oregon Code 1930, hereby are repealed, and all of chapters 1 and 2 of article XXXVI, and sections 2129 to 2144, both inclusive, section 2147, and sections 2172 to 2174, both inclusive, Lord's Oregon Laws, and act amendatory thereto, so far as they may be in effect at the present time, hereby are repealed. Chapter 186 and Chapter 265 of the session laws of the year 1913, so far as they may be in effect at the present time, hereby are repealed. The Oregon Liquor Control Act enacted by the second special session of the Oregon legislative assembly 1933 as amended by the 38th legislative assembly of Oregon regular session 1935, and the

39th legislative assembly of Oregon regular session 1937 and the 40th legislative assembly of Oregon regular session 1939 and all amendments thereto is hereby repealed. The Oregon Liquor Revenue Act enacted by the second special session of the Oregon legislative assembly in the year of 1933 and amended by the 38th legislative assembly of the Oregon regular session in the year 1935 and the 39th legislative assembly of Oregon regular session for the year 1937 and the 40th legislative assembly of Oregon regular session 1939, and all amendments thereto, is hereby repealed. House Bill No. 398 and No. 355 enacted by the 40th legislative assembly of Oregon regular session 1939 is hereby repealed. All regulations of the Oregon Liquor Control Commission adopted under the provisions of the laws herein repealed are hereby repealed. All acts or parts of acts in conflict with the provisions of this act hereby are repealed.

Section 106. Inasmuch as this statute in general has been hereinbefore declared to be a subject of general law, and designed to operate uniformly throughout the state it hereby is declared that the provisions herein contained shall be paramount and superior to and shall fully replace and supersede any and all municipal charter enactments or local ordinances inconsistent herewith, and such charters and ordinances hereby are repealed.

Section 107. It is hereby expressly provided that immediately upon the passage of this act the chairman of the Oregon Liquor Control Commission, shall call a meeting of the commission at which time arrangement shall be made for the orderly disposal of such stocks of alcoholic liquors as it may have on hand in such manner as not to disrupt the market and the disposal of such fixtures, equipment and accessories as it may not require. Wherever practicable the commission shall grant licenses for on- and off-sale spirituous liquors to existing licensees in preference to non-licensees and at licensed locations in preference to non-licensed locations excepting that, wherever practicable to the commission and agreeable to the local authority, at locations where Oregon state-owned liquor stores are operating such stores shall be sold and licensed in preference to the licensing of new locations, and further provided that any licensed premises existing at the passage of this act may, regardless of location, be issued an "on sale license" on the effective date of this act if so recommended by the local authority. The commission shall also, at such time, arrange for suitable tax stamps, as herein provided for, that such stamps are available for use upon the effective date of this act.

Section 108. All spirituous liquors owned by the commission and sold on or after the effective date of this act shall be subject to the stamp tax herein provided for and it shall be the duty of the commission to arrange that such stamps are applied to all such spirituous liquors sold by it for consumption within the state of Oregon on or after the effective date of this act.

Section 109. All contracts between the commission and all other parties wherein the commission agrees to purchase, accept, receive and pay for spirituous liquors on or after the effective date of this act, are hereby declared null and void.

Section 110. This act of the people shall be in full force and effect on the first day of January, 1941, and such date shall be the effective date of this act when referred to in the provisions of this act.

Section 111. If any clause, sentence, paragraph, section or part of this act shall, for any reason be adjudged or decreed to be invalid by any court of competent jurisdiction, such judgment or decree shall not affect, impair or invalidate the remainder of this act but shall be confined in its operation to the clause, sentence, paragraph, section or part thereof directly involved in the controversy in which said judgment or decree shall have been rendered.

Section 112. If and so long as any provision of the constitution of the state of Oregon shall be held to be in conflict with any of the provisions of this act, such provision or provisions of this act shall be in suspension and inoperative to the extent of the inconsistency between such provisions and the said constitution, but only during the period of such inconsistency; and whenever, upon repeal or modification of any such constitutional provision, the provisions of this act, if any, previously so held to be inconsistent therewith, shall no longer be held to be in conflict with said constitution, all such provisions of this act immediately shall become operative and be in full force and effect.

### BALLOT TITLE

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**BILL REPEALING PRESENT LIQUOR LAW; AUTHORIZING PRIVATE SALE, LICENSED, TAXED**—Purpose: Repealing the present liquor law providing that only liquor control commission can import, purchase and sell alcoholic liquor containing over seventeen percent of alcohol, and that such liquor may not be consumed on the premises, only that containing less alcohol being licensed; authorizes private importation, manufacture, purchase and sale of all alcoholic liquors under license from the commission, recreated by this bill; permits liquor being consumed both on and off premises where sold, depending on vendor's license; the commission to issue numerous classes of wholesale and retail liquor licenses; levying privilege or sales taxes on the various classes of liquor business.

Vote YES or NO

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312 Yes. I vote for the proposed law.

313 No. I vote against the proposed law.

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(On Official Ballot, Nos. 314 and 315)

**AMENDMENT LEGALIZING CERTAIN GAMBLING AND GAMING DEVICES AND CERTAIN LOTTERIES**

Proposed by initiative petition filed in the office of the secretary of state, July 2, 1940, in accordance with the provisions of section 1 of article IV of the constitution.

**PROPOSED CONSTITUTIONAL AMENDMENT**

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

That the constitution of the State of Oregon be, and the same hereby is amended by adding thereto an additional article, to be numbered and known as Article XIX, to read as follows:

**XIX  
GAMING.**

**Section 1. TO REDUCE REAL PROPERTY TAXATION AND PROVIDE REVENUE FOR OLD-AGE SECURITY, FOR CITIES, TOWNS, AND COUNTIES, AND OTHER PURPOSES, LICENSES AND ASSESSMENTS, GAMES AND EVENTS LAWFUL.**—For the purpose of reducing taxation upon real property, and to raise additional revenue for old-age security, and to increase the revenues of cities, towns, and counties, and for other purposes as hereafter specified, the conduct, operation, and play of the several games, devices, and events hereinafter defined or otherwise set forth shall be lawful within the State of Oregon, and the several license fees, taxes, and assessments hereinafter provided shall be deemed lawful and proper without regard to whether same are uniform in their operation throughout the state.

**Section 2. LEGISLATIVE AUTHORITY.**—The several license fees and regulations hereinafter provided shall be and remain in full force and effect for a period of four years immediately following the adoption of this amendment, and until thereafter changed or modified by legislative enactment; and upon the expiration of said four-year period, the legislative assembly may by Act readjust the license fees and other regulations herein provided to meet changed conditions, if any, but all such changes or alterations of the terms of this amendment shall be reasonable and not prohibitive and in keeping with the primary purposes of this amendment. The legislative assembly may also, at any time, provide by law reasonable license fees and regulations for the conduct, operation, and play of any game, device, or event legalized by this amendment and for the conduct, operation, or play of which no license fees or regulations are fixed by this amendment.

**Section 3. DEFINITIONS.**—The following words and phrases used in this amendment shall be given the following interpretation and meaning unless otherwise clearly indicated.

(a) "Licensee" means any person, firm, company, or corporation to whom a license or permit shall have been or is issued in accordance with the provisions of this amendment.

(b) "Game" means any contest, physical or mental, or both physical and mental, conducted according to prescribed rules, and whether played by one person alone or in conjunction with other persons, and whether played with or without the use of mechanical, electrical, or other instrument, contrivance, or device, and in the playing of which the result does not depend upon pure chance but there is involved an element of skill, though such element of skill may be slight, and which is undertaken or played for amusement, recreation, or the winning of a prize, stake, or award, and for the privilege of playing or participating in the playing of which a consideration may or may not be paid; provided, however, this definition shall not be deemed nor construed to include a nickel-in-the-slot machine of the type in common and general use for gambling purposes before and since the year 1901, and being one which is mechanically operated by means of a lever or similar device and the use of revolving discs, and in the operation and play of which no degree of skill, even slight, nor the exercise of any judgment on the part of the player or operator is required as a condition of securing a favorable result nor can have any effect upon such result, and whether the slot in such machine or game is adapted for the use of a nickel, dime, quarter-dollar, half-dollar, dollar, or other coin, or any token, slug, or other representative of a coin or of value, and the manufacture, sale, distribution, possession, use, display, operation, or play of any such slot machine within the state of Oregon for any purpose whatever is hereby expressly prohibited.

(c) "Trade Stimulator" means (1) any electrical or other coin-operated game or device requiring the use of a marble, metal ball, claw, or similar or other device or devices in the play thereof, and in the play of which the result does not depend upon pure chance but there is involved an element of skill, though such element of skill may be deemed slight and unsubstantial, and which is played for amusement, recreation, or the winning of a prize, stake, or award, and for the privilege of playing which a consideration may or may not be paid; and (2) any other electrical or other coin-operated novelty game or device in the play of which the element of skill predominates over that of chance, and which is played for amusement, recreation, or the winning of a prize, stake, or award, and for the privilege of playing which a consideration is paid; and (3) any and all types of punchboards, punchboard games, and similar games or devices; provided, however, that any such game or device when offered for use or play as a game of skill or chance for the winning of a prize, stake, or award shall not offer any single cash prizes in excess of twenty-five dollars (\$25) each, nor any single merchandise prizes having an established retail sales value in excess of fifty dollars (\$50) each, and which in all cases shall offer a

total of prizes having an actual established wholesale value (if prizes consist of merchandise), and having actual cash value (if prizes consist of cash) equal at least to fifty per centum (50%) of the retail sales value of the entire number of punches or tickets indicated on the face of any such punchboard or similar device.

(d) "Operator" means any person, firm, company, or corporation engaged in the commercial operation of any trade stimulator or other game or device as owner or possessor thereof, whether operating the same directly as such owner or possessor or upon some leasing or other arrangement with a location.

(e) "Operator's Agent" means any person engaged in the business of securing locations for any operator, or who is engaged in collecting cash receipts of any trade stimulator for any operator.

(f) "Distributor" means any person, firm, company, or corporation engaged in the business of selling, leasing, or distributing any trade stimulator for the commercial use and operation thereof by any other person, firm, company, or corporation, and in the commercial use and operation of which no interest is retained.

(g) "Location" means any person, firm, company, or corporation maintaining or conducting any established place of business or other place where any operator installs, or in which is installed or placed any trade stimulator which is set up, conducted, operated, or played, or offered for play for a profit, either in cash, merchandise, or other article of value.

(h) "Dealer" means any person, firm, company, or corporation engaged within the state of Oregon in the manufacture of candy, pastries, or other products, or in the production of turkeys, chickens, rabbits, or other fowl or meat products, or who is engaged in business as a wholesaler of any such products, and as such manufacturer, producer, or wholesaler is also directly engaged in selling or disposing of its or his own products, or some thereof, through the medium of trade stimulators.

**Section 4. LICENSES AUTHORIZED.**—It shall be unlawful for any person, firm, company, or corporation to sell, distribute, lease, set up, use, maintain, operate, possess, or display for commercial operation, use, or play, any trade stimulator or game herein defined, or to represent or assume to represent any operator as operator's agent or to sell or dispose of, or attempt to sell or dispose of any goods, wares, or merchandise of any description through the medium of any trade stimulator or game as herein defined, without having first obtained a license therefor as provided herein.

**Section 5. SECRETARY OF STATE TO ISSUE LICENSES. POWER CONFERRED.**—All licenses provided for in this amendment shall be issued by or under the direction of the Secretary of State, who shall make, issue, and promulgate from time to time such rules and regulations and devise and make use of such forms as may be necessary or convenient in carrying out the purposes hereof, and in administering the provisions of this amendment the Secretary of State shall have and exercise not only all power and authority herein expressly conferred, but also all additional and incidental power and authority necessary and proper in the premises; he may provide rules and regulations establishing fair trade and dealing practices on the

part of operators between themselves, and on the part of operators in their dealings with the public and with locations, and all such rules and regulations so established shall be binding upon all licensees hereunder; such rules and regulations may be changed or altered from time to time as in the judgment of the Secretary of State may be necessary or proper in the interests of the public welfare. The Secretary of State may employ his own legal counsel, together with one (1) chief assistant and such additional clerks as may be necessary and convenient to enable him to fully perform his duties hereunder, and may fix and prescribe their duties and compensation; provided, however, the compensation of no one individual shall be fixed in excess of the sum of six thousand dollars (\$6,000) per year without the approval of the State Board of Control.

**Section 6. LICENSE FEES AND ASSESSMENTS.**—License fees and assessments herein provided for shall be as follows:

(a) Operator's license fee for the commercial operation of coin-operated trade stimulators shall be at the rate of two thousand four hundred dollars (\$2,400) per year in and for each county having fifty thousand (50,000) or more population; at the rate of one thousand eight hundred dollars (\$1,800) per year in and for each county having twenty thousand (20,000) or more population and less than fifty thousand (50,000); at the rate of one thousand two hundred dollars (\$1,200) per year in and for each county having ten thousand (10,000) or more population and less than twenty thousand (20,000); at the rate of six hundred dollars (\$600) per year in and for each county having five thousand (5,000) or more population and less than ten thousand (10,000); at the rate of three hundred dollars (\$300) per year in and for each of the several remaining counties; population in all cases to be determined according to the last official United States census effective at the time application for license is made.

(b) Except as otherwise provided herein, Operator's license fee for the commercial operation of punchboards and similar games and devices shall be at the rate of one thousand two hundred dollars (\$1,200) per year.

(c) Distributor's license fee for the sale and distribution of coin-operated trade stimulators shall be at the rate of eighteen hundred dollars (\$1,800) per year, and for the sale and distribution of punchboards and similar games and devices at the rate of six hundred dollars (\$600) per year.

(d) Location license fee shall be at the rate of sixty dollars (\$60) per year.

(e) Dealer's license fee shall be at the rate of one hundred fifty dollars (\$150) per year.

(f) Operator's Agent license fee shall be at the rate of twenty-four (\$24) dollars per year.

(g) In addition to all other license fees, there shall be assessed against and collected from each coin-operated trade stimulator and similar device an additional fee and assessment equal to twenty per centum (20%) of the gross income thereof.

(h) In addition to all other license fees, there shall be assessed against and collected from each punchboard and similar device, an additional fee and assessment

equal to one per centum (1%) of the total retail sales value of the entire number of punches or tickets indicated on the face of such board or similar device, with a minimum fee of twenty-five cents (25c).

**Section 7. EXPIRATION OF LICENSES.**—All licenses issued for operators, operator's agents, distributors, dealers, and locations shall expire on December 31st of each year. No such license shall be issued at any time except upon payment in advance of the full amount of license fee due from date of application for license to December 31st next following, and at no time except upon payment of at least one-quarter ( $\frac{1}{4}$ ) of the annual license fee.

**Section 8. APPLICANTS TO PAY OWN LICENSE FEES.**—No operator, distributor, dealer, or operator's agent shall undertake or agree, directly or indirectly, to pay or pay any location license fee, or any part thereof, for any other person, firm, company, or corporation, and no location shall undertake or agree, directly or indirectly, to pay or pay any operator's, distributor's, dealer's, or operator's agent's license fee, or any part thereof, for any other person, firm, company, or corporation.

**Section 9. RESTRICTIONS ON LICENSES.**—The issuance of all licenses under the provisions of this amendment shall be subject to the following restrictions, regulations, and limitations:

(a) No license issued to any operator, operator's agent, dealer, or distributor shall be transferable. Upon approval of the Secretary of State location license may be transferred.

(b) No operator's license for the operation of coin-operated trade stimulators and similar games and devices shall be valid for use in any county other than the county for which same is issued; provided, however, any operator may apply for and may procure licenses in more than one county subject to the provisions of this amendment, and approval by the Secretary of State.

(c) No license shall be issued to any person who has been convicted of a felony or who is convicted of a violation of any of the provisions of this amendment.

(d) Should it satisfactorily appear to the Secretary of State that the public interest and convenience demands a restriction as to the number of operator's licenses to be issued for use in any county, the Secretary of State may establish such limitation, and when so established, the same shall remain in full force and effect until changed by the Secretary of State, or by the legislative assembly upon the expiration of four years from date of approval of this Amendment; provided, however, any such limitation so provided shall not limit licenses to be issued to less than two in any one county.

(e) Should it satisfactorily appear to the Secretary of State that the public interest and convenience demands a restriction as to the number of trade stimulators that may be operated in any one location at any one time, the Secretary of State may establish such limitation, and when so established, the same shall be binding upon all licensees under this amendment, and shall remain in full force and effect until changed by the Secretary of State, or by the legislative assembly upon the expiration of four years from date of approval of this amendment; provided, however, any

such limitation so provided shall not limit the number of trade stimulators to be operated in any one location at any time to less than four.

(f) No license, other than a location license, shall be issued to any natural person who has not been a bona fide resident, inhabitant, and citizen of this state for one (1) year continuously immediately prior to filing application therefor, nor to any foreign or domestic firm, company, or corporation that has not been engaged in a regularly established business within this state for one (1) year continuously immediately prior to filing application for such license; and no person, firm, company, or corporation not possessing the qualifications herein set forth shall be directly or indirectly interested in any such license, or in any operations under the same.

(g) Before any license is issued to any operator, such operator shall file with the Secretary of State a good and sufficient bond, to be approved by the Secretary of State, in the penal sum of five thousand dollars (\$5,000), payable to the state of Oregon, or in lieu thereof, deposit cash in the sum of five thousand dollars (\$5,000) or approved securities having a cash market value of five thousand dollars (\$5,000), and conditioned upon a faithful compliance by such operator with all the provisions of this Amendment. Sureties upon any such bond shall qualify as now required by law of sureties upon bail bond. Only one bond shall be required of any operator though such operator be issued more than one license.

(h) The provisions of this amendment requiring an operator's license to operate punchboards and similar games or devices shall not apply to the operation of those punchboards and similar games and devices containing not in excess of one thousand (1,000) punches or tickets, and which punchboards or similar games or devices are used exclusively for the sale and distribution of candy, cigarettes, tobaccos, tobacco accessories, or groceries in a regularly established place of business holding a location license hereunder and which is engaged in the sale of such commodities at retail as a part of such location's regularly established business; provided, however, all such punchboards and similar games and devices shall be subject to the payment of the additional fee and assessment of one per centum (1%) of the retail sales value of all punches or tickets indicated on the face of same.

(i) Any location holding a location license hereunder and desiring to commercially operate its or his own punchboards and similar devices, or its or his own coin-operated games and similar devices, or both, may obtain permit so to do upon the following express terms and conditions: No operator, operator's agent, distributor, dealer, manufacturer, or other person, firm, company, or corporation whatsoever other than such location itself or himself shall have or retain any right, title, interest, or claim, either direct or indirect, in and to any such operations under such permit, or in or to any of the profits or losses therefrom, or in or to any of the equipment kept, used, or maintained in connection with any such operations, or any part thereof, and such location shall pay an additional license fee of fifteen dollars (\$15) per year for such permit to operate punchboards and similar games and devices, and an additional license fee



of fifteen dollars (\$15) per year for such permit to operate coin-operated trade stimulators and similar devices, and no such permit shall be issued at any time except upon payment of a full year's license fee therefor, and no such permit shall be transferable. Application for such permit shall be made to the Secretary of State and shall be in writing, and executed under oath, and shall contain a specific statement to the effect that no person, firm, company, or corporation whatsoever other than the applicant location has at the time or will at any time have or exercise any right of property, interest, claim, or control, direct or indirect, in and to any operations under such permit, or in or to any of the profits or losses incident to any such operations, or in or to any of the equipment kept, maintained, or used in connection with any operations under such permit, or in any part thereof; and such application shall contain such other information as may be required by rule or regulations adopted by the Secretary of State. Such permit shall be given a distinct number and shall show on its face whether issued for the operation of punchboards and similar devices or for coin-operated games and similar devices, or for both, as the case may be, and every punchboard, game, or other device operated under such permit shall have securely affixed thereto the number of such permit, and such other information as may be required by the Secretary of State. Such permit, as well as location license, shall be kept conspicuously posted in the place of business of such location. All punchboards and similar devices operated under such permit shall be subject to payment of the additional fee and assessment of one per centum (1%) of the retail sales value of all punches or tickets indicated on the face of the same, and all coin-operated games and similar devices operated under such permit shall be subject to the payment of the additional fee and assessment of twenty per centum (20%) of the gross income thereof as provided herein. Before any such permit shall be issued by the Secretary of State, he shall require the applicant location to file with him a good and sufficient bond, to be approved by him, in the penal sum of one thousand dollars (\$1,000), and payable to the state of Oregon, or in lieu thereof, to deposit cash in the sum of one thousand dollars (\$1,000) or approved securities having a cash market value of one thousand dollars (\$1,000), and conditioned upon a faithful compliance by such location with all the provisions of this amendment. Sureties upon any such bond shall qualify as now required by law for sureties upon bail bond.

(j) If any operator or operator's agent, or any location holding permit to operate its or his own equipment as hereinabove provided, shall be guilty of any unfair practices or any improper or injurious conduct designed or likely to work injury to the general public, and no other specific penalty is provided herein, the Secretary of State may, after notice in writing to such operator or location, as the case may be, and a hearing, revoke the license or permit of such operator or location, as the case may be, if in his opinion the public interest, or welfare demands such revocation. Upon any such revocation for the reasons herein in this subdivision set forth, there shall be returned to such operator or location, as the case may be, the unearned

portion of license fee or fees paid, together with the bond of such operator or location, as the case may be, and no license or permit shall again be issued any such operator or location, as the case may be, within a period of one year from date of any such revocation. Any such action upon the part of the Secretary of State, together with all evidence and other records in said matter, may be reviewed by the circuit court of the county for which such operator holds license or in which such location is situate by a proceeding in the nature of a writ of review. A petition for any such review must be filed and served within ten days from the date of any such order of revocation. Such review shall be promptly disposed of in said circuit court, and a hearing thereon shall have precedence over all other cases in said court except criminal cases and cases arising under the Workman's Compensation Act. Upon such hearing, additional evidence may be taken and considered by the Court. The judgment of said circuit court upon such review shall be final. Upon any such review, costs and disbursements shall be allowed to and recovered by the prevailing party.

(k) The Secretary of State may refuse to issue an operator's license to any applicant, and may also refuse to issue a special permit to any location as herein provided, if he has reasonable ground to believe any of the following to be true:

(1) That the applicant has not furnished an acceptable bond.

(2) That the applicant in fact represents some person, firm, company, or corporation not qualified to secure license or permit hereunder.

(3) That the applicant has made false statements to the Secretary of State.

(4) That the general reputation of the applicant in the community in which he resides or transacts business as to morals, law observance, or personal or financial integrity, is bad, or that the applicant has been convicted of a violation of one or more provisions of this amendment.

(5) That in the interests of the public welfare and convenience, sufficient operators' licenses have already been issued for the particular county for which application for license is made.

(6) That the applicant is not a citizen of the United States.

(7) That there is any other substantial reason which, in the sound judgment of the Secretary of State, based upon public convenience, necessity, or welfare, warrants a refusal to grant such license.

Any applicant refused a license or permit as herein provided for, for any of the reasons enumerated in subdivisions numbered (1), (2), (3), (4), or (7) of this subdivision (k) of this section of this amendment, may have such action of the Secretary of State reviewed in the same manner and subject to the same conditions and limitations as to time and manner of review and finality of decision as is hereinabove in subdivision (j) of this section of this amendment provided.

(l) Each coin-operated trade stimulator or other coin-operated game operated pursuant to the provisions of this amendment

shall be equipped with suitable automatic pay-off mechanism or device, and no payments of awards or delivery of prizes in connection with the play of any such game shall be made except as delivered automatically and directly by such game itself; and each such game shall be equipped with a meter which will truly and correctly record the amount or number of coins deposited in said game for the purpose of playing same; and each such game shall be provided with a coin box into which shall drop all receipts from the operation and play of the same, excepting only such portion thereof as are actually required and used in connection with the automatic pay-off of awards or prizes. The receipts of such game deposited in said coin-box, being the total amount deposited for the privilege of playing said game less the total amount of awards or prizes paid out by said game, shall be deemed the gross income of such game for the purposes of this amendment. If at any time it shall appear to the Secretary of State to be practicable to make use of a meter in or on any such game which will record truly and correctly the amount paid out by such game in awards or prizes, the Secretary of State may direct the installation and use of such meter as a condition for the use of such game.

(m) No trade stimulator, or other game or device authorized to be operated and played pursuant to the foregoing provisions of this amendment, shall be operated or played, or offered for operation or play in any place within the state of Oregon other than in a duly licensed location.

(n) All equipment sold, offered for sale, or used in connection with any operations under license pursuant to the provisions of this amendment, shall at all times be subject to inspection and approval or disapproval of the Secretary of State or his duly authorized representative, and no new type of equipment shall be sold, offered for sale, or used in connection with any such operations except such as has been so inspected and approved by the Secretary of State, or his duly authorized representative.

(o) In order to insure uniformity in type and style of equipment to be operated and used in the state of Oregon, and in the interests of the administration of this amendment on the part of the Secretary of State, no trade stimulator, or other game or device authorized to be operated and played pursuant to the provisions of this amendment, shall be operated or played, or offered for operation or play unless such trade stimulator, game or other device be one purchased or otherwise procured from or through a duly licensed distributor, and each trade stimulator, game or other device operated or played, or offered for operation or play hereunder shall have permanently affixed thereto the name and license number of the distributor from whom same was purchased or procured, with the date purchased or acquired; provided, however, any operator or location holding license hereunder for the purpose may operate and use any and all trade stimulators, games or other devices meeting the other requirements of this amendment and which such operator or location, as the case may be, owns or possesses at the time this amendment be-

comes effective, provided such operator or location, as the case may be, at the time of filing application for license accompanies such application with a true inventory describing in detail each and every trade stimulator, game or device so owned and possessed and which it is proposed shall be operated and used hereunder, and provided further, that such operator or location, as the case may be, shall cause to be permanently attached to such trade stimulator, game or other device the license number and name of the operator or location, as the case may be, together with the words "original equipment"; and provided further, that nothing herein contained shall be deemed to prohibit two or more operators or locations, as the case may be, exchanging trade stimulators, games or devices for use hereunder, but as to all such exchanges, due report thereof shall be made in detail to the Secretary of State within five days after such exchange is made, and provided further, nothing herein contained shall be deemed to in any manner abridge the power and authority of the Secretary of State to pass upon and approve or reject any such equipment for use under any such license.

Section 10. LICENSE APPLICATIONS TO BE IN WRITING REQUIREMENTS.—All applications for license shall be in writing and executed under oath, and in such form as may be prescribed by the Secretary of State, and shall contain true statements of all information necessary to establish applicant's right to a license, and such other information as may be required by the Secretary of State. Before acting upon any such application the Secretary of State may make or direct to be made such investigation as to him may appear necessary or proper, and it shall be the duty of all municipal county, and state police officers, upon request of the Secretary of State, to assist in any such investigation, or in any other inspection or investigation deemed necessary and proper by the Secretary of State in enforcing the provisions of this amendment.

Section 11. LICENSES NUMBERED.—Every license issued hereunder shall be given a separate and distinct number, and every game or device operated under such license shall have securely affixed thereto the name, address, and license number of the operator of the same, and in cases where the license issued is for use in any particular county, the name of the county, and such other information as may be required by the Secretary of State.

Section 12. ADDITIONAL ASSESSMENTS, HOW COLLECTED.—Subject to the right and authority hereby conferred upon the Secretary of State to adopt any other method of collection deemed by him to be more suitable and effective, and pending the adoption by him of such other method, additional fees and assessments shall be collected and paid as follows:

(a) On or before the fifth day of each calendar month, the operator of coin-operated trade stimulators and similar devices shall file with the Secretary of State a written statement under oath, setting forth a detailed account of the gross income of each and every game commercially operated by such operator during the cal-

endar month immediately preceding, and accompany such report with a payment equal to twenty per centum (20%) of such gross income. Such report shall describe each game by name or other appropriate description and show its exact location, and shall have attached thereto the original written slips hereafter referred to, and shall show the exact meter readings of each such game. Whenever any game shall have been removed from one location and installed in another location, or whenever another game has been substituted, notation of such fact shall appear on such report. Whenever the operator of any such game shall open the coin box of same for the purpose of removing all or any part of the proceeds thereof, such operator shall forthwith execute in triplicate a written slip showing the date of such transaction, the name, postoffice address, and license number of the location, the meter reading on said game, and the exact gross amount of proceeds removed from such coin box. No such coin box in or on any game or device operated by an operator shall be opened by any operator or his agent, nor any proceeds removed therefrom, except in the presence of the location or its or his agent, and no person shall at any time remove any proceeds from such box except the operator or operator's agent. The slip hereinabove referred to shall be signed by the operator or his agent and also by the location or its or his agent, and by signing the same, the parties represent the facts therein set forth to be true to all intents and purposes as though they had made oath thereto. One of such triplicate slips shall be retained by the operator, one by the location, and the original attached to the monthly report of the operator to the Secretary of State. Such slips shall be kept on file for a period of not less than eighteen (18) months from date of same. Locations holding permit to operate their own coin-operated games and equipment shall, as nearly as practicable, make similar reports and payments as required of operators. Whenever any such location holding such permit shall open the coin box and remove the proceeds therefrom, or any part thereof, such location shall do so only in the presence of some public official of the state, county, or city, preferably a peace officer, and such location shall forthwith execute in duplicate a slip containing the information required to be set forth on the slip prepared by an operator, and such slip shall be signed by the location or its or his duly authorized agent, and by such public official, giving a description of the official position occupied. The location shall retain the duplicate of such slip and attach the original to its or his monthly report to the Secretary of State. The books and records of the operator and the location in connection with the operation of the game and the receipts therefrom shall be open to inspection by the Secretary of State or his duly authorized representative, or by any state, county, or municipal police officer at all times. By signing the slip above referred to the location represents the facts therein contained to be true to all intents and purposes as though such location or its or his agent had made oath thereto.

Any other method of collection, or any alterations of or amendments to the foregoing method prescribed by the Secretary of State, and all rules and regulations of the Secretary of State relating thereto, shall be binding upon all licensees hereunder and shall have the same force and effect as the rules and regulations herein provided.

(b) Additional assessments upon punchboards and similar devices shall be evidenced by trade stamps or seals which shall be issued and sold exclusively by or under the direction and authority of the Secretary of State, and the same shall be securely affixed to the punchboard or similar device before same is set up, offered, or displayed for operation or play in any location. Such trade stamps or seals shall be issued in convenient denominations, and shall be in such form as may be prescribed by the Secretary of State. Before making use of such stamp or seal the operator or location, as the case may be, shall cause to be plainly stamped thereon the license number of such operator or location, as the case may be. Immediately upon affixing any such stamp or seal to any such punchboard or similar device, the person so affixing the same shall cancel the same by endorsing thereon with ink or indelible pencil the date same is attached, together with the initials of the person making such cancellation, or by such other method as may be prescribed by rule and regulation adopted by the Secretary of State. The Secretary of State may by rule and regulation provide for the sale of such stamps or seals by the several county clerks of the state of Oregon, and all such county clerks shall comply strictly with all such rules and regulations so adopted, and shall remit all proceeds from such sales to the Secretary of State at such times as directed by him. No seal or stamp shall be good for use in any county other than in the county where and for which the same is sold, and each such seal or stamp shall bear the name of the county in and for which sold.

It shall be unlawful to use or attempt to use any such trade stamp or seal upon more than one (1) punchboard or similar device, or to use or attempt to use same in any county other than the county for which sold, or to transfer or attempt to transfer any such stamp or seal from one punchboard or similar device to another, or to remove or attempt to remove any such trade stamp or seal from any punchboard or similar device after same has been affixed thereto, or to use or attempt to use any trade sticker or seal upon any such punchboard or similar device other than the official stamp or seal issued and sold by or under the direction of the Secretary of State.

**Section 13. MINORS NOT TO PLAY. SCHOOL ZONES.**—It shall be unlawful for any licensee or other person having in charge the operation of any trade stimulator or game licensed to operate or to be operated or played as herein provided, to knowingly permit any minor to play or attempt to play the same, or to make any wager or wagers upon the outcome or result of the play or operation of any such trade stimulator or game, or to advance

or pay the money required to operate or play the same by some other person, or to otherwise participate in the operation or play of any such trade stimulator or game, and it shall be unlawful for any minor to play or attempt to play or otherwise to participate in the play or operation of any such trade stimulator or game. It shall also be unlawful for any person, whether holding a license hereunder or not, to set up, maintain, display, use, operate, or play any game or device hereinabove authorized to be operated and played under license, within two hundred (200) feet of any public or private grade or high school building.

Section 14. BINGO GAMES MAY BE LICENSED.—Upon the terms and conditions in this amendment set forth, it shall be lawful within the state of Oregon to set up, conduct, maintain, operate, and play any collective game or contest of skill or chance such as bingo and similar games, where money or other valuable thing is hazarded or wagered, and which may be played for recreation, amusement, or the winning of a prize, stake, or award. The terms and conditions herein referred to are:

(a) Before any person, firm, company, or corporation shall set up, conduct, maintain, operate, or offer for play any such collective game of skill or chance such as bingo and similar games, such person, firm, company, or corporation shall apply to the Secretary of State for and obtain license therefor as herein provided.

(b) Before any such application is granted or license issued, the applicant shall deposit with the Secretary of State a good and sufficient bond in the penal sum of five thousand dollars (\$5,000), to be approved by the Secretary of State, and payable to the state of Oregon, or in lieu thereof, cash in the sum of five thousand dollars (\$5,000) or approved securities having a cash market value in the sum of five thousand dollars (\$5,000), and conditioned upon a faithful compliance by the licensee with all the provisions of this amendment applicable thereto. Sureties upon such bond shall qualify as required by law of sureties upon bail bond. Only one bond shall be required though licensee be issued more than one (1) license. Upon the effective date of this amendment, applications for licenses shall be acted upon as nearly as practicable in the order in which same are filed. The provisions of subdivisions lettered (c), (f), and (k) of section 9 of this amendment so far as applicable shall apply to the issuance of licenses for the operation of bingo and similar games. The Secretary of State shall adopt such rules and regulations not inconsistent herewith as may be necessary or proper to carry out the provisions hereof.

(c) Not more than one (1) license shall be issued for the conduct or operation of any such bingo or similar game in any county having less than two hundred thousand (200,000) population, and not more than two such licenses shall be issued in any county having in excess of two hundred thousand (200,000) population; population is to be determined by the last official United States Census effective at the time license is issued.

(d) The licensee of any such bingo or similar game shall pay an annual license fee of five thousand dollars (\$5,000). Such license fee shall be paid in advance, and all licenses issued hereunder shall expire December 31st of each year; no license shall be issued prior to June 1st of any year except upon payment of full year's license fee therefor, nor after June 1st of any year except upon payment of one-half the annual license fee therefor. Upon approval by the Secretary of State any such license may be transferred.

(e) In addition to the foregoing license fee, the licensee shall pay an additional assessment equal to two per centum (2%) of the face value of all prizes or awards won by or delivered to any player of any such game, whether such prizes or awards be in cash or merchandise, and such two per centum (2%) shall be collected by such licensee from the winner of any such prize or award before paying over or delivering any such prize or award. If the prize or award is in merchandise, the assessment shall be equal to two per centum (2%) of the established retail sales value of such merchandise. The licensee of any such bingo or similar game shall keep a careful, accurate, and true account of each and every game played, and of each and every prize or award given or delivered in connection with any such game, and if such prize or award be in merchandise, the announced and established retail sales value thereof, together with the name and postoffice address of the person winning such prize or award. The two per centum (2%) collected by the licensee as herein provided shall be kept in a separate fund and shall not be intermingled with other funds of the licensee. On or before the fifth day of each and every calendar month, such licensee shall file with the Secretary of State an accurate report in writing, and made under oath, in which shall be set forth in detail the number of games played, together with each and every prize or award given or delivered and the face value thereof, together with the name and postoffice address of the winner of same, and shall accompany such report with a payment equal to two per centum (2%) of the total face value of all awards or prizes given or delivered, such report and such payment to cover the operation during the calendar month immediately preceding the filing of such report. Such report shall be treated as confidential and not open to public inspection, excepting only in the event of litigation in any court or courts where such report, or the contents thereof, or some part of the same, may be or is material to prove or disprove any issue that may be involved in any such litigation.

The Secretary of State is hereby authorized and empowered to alter or amend the foregoing rules and regulations relating to such collection and payment of such additional assessment, or by rule and regulation to substitute therefor some other method of collection and payment which to him may appear more suitable and convenient, and when so adopted, any such rule or regulation shall have all the force and effect of the regulations hereinabove set forth, and shall supersede the same. Any such rules and regulations adopted and promulgated by the Secretary of State

may by him be altered or changed in any manner deemed by him to be necessary and proper.

(f) Temporary licenses may be issued for the operation of any such bingo or similar game during the period and at the site of any state or established county fair. The license fee for such temporary license shall be one hundred dollars (\$100), and shall be payable in advance, and in addition thereto the licensee shall pay to the Secretary of State two per centum (2%) of the face value of all prizes or awards given or delivered to winners thereof; and such licensee shall keep a careful and true record of each and every game and the amount and number of prizes awarded, and make due report and payment therefor immediately upon the termination of any such license, as is above required of regular licensees hereunder. No such temporary license shall be valid for use for any period exceeding seven days continuously in any one year.

(g) Upon written application to the Secretary of State with a showing that it has been an active organization within this state for at least four (4) years continuously immediately prior to date of such application, together with a payment of ten dollars (\$10) therefor, any established religious, charitable, fraternal, political, semi-political, or war veterans' organization, society, or club may obtain a temporary permit of not to exceed three days' duration in any three (3) months period for the operation of any such bingo or similar game, provided the entire proceeds thereof are to be and are used exclusively for charitable purposes, and provided further, that no person, firm, company, or corporation other than the applicant for such permit shall be interested, directly or indirectly, in any of the operations under such temporary permit, or in or to any of the profits or losses thereof, or otherwise, and the existence of these conditions shall be made to appear in the application for such permit; and provided further, a reasonable rental may be paid by such organization for the use of the necessary equipment to conduct any such game, but the contract for such rental and the amount thereof must first be submitted to and approved by the Secretary of State. Applications shall be made under oath and upon such forms as the Secretary of State may prescribe.

(h) No license shall be issued for the conduct or operation of any such bingo or similar game where same is proposed to be or is operated within two hundred (200) feet of any established church, public or private grade or high school building; provided however, this prohibition shall not be deemed to apply to operations under temporary licenses or permits as herein provided for.

(i) Any licensee holding a regular license hereunder to operate any such bingo or similar game in a county may move said game from place to place within any such county, provided notice of any such change of location be first given the Secretary of State.

(j) It shall be unlawful for any licensee or other person having in charge the conduct or operation of any bingo or similar game to knowingly permit any minor to play in or at any such game, or to make

any wager or wagers upon the result of any such game, or to advance or pay money for some other person to play or participate in any such game, or to knowingly permit any minor unless accompanied by his parent or legal guardian to be or remain in any place or establishment where any such game is conducted or played, and it shall be unlawful for any minor to play or attempt to play in or at any such game, or to wager or attempt to wager upon the result of any such game, or otherwise participate in the same either directly or indirectly, or when unaccompanied by parent or legal guardian to loiter about, be, or remain in any establishment or place where any such game is being operated or played.

Section 15. BANK NIGHTS AND SIMILAR EVENTS.—Subject to the terms and provisions of this amendment, it shall be lawful for any person, firm, company, or corporation conducting or operating an established theater in this state to hold or conduct therein drawings, contests, and events such as bank nights, cash nights, country store, and similar events, whereat and wherein prizes or awards of cash or merchandise or other article or articles of value are paid, awarded, given, or delivered to a person or persons drawing or holding winning number, ticket, or other evidence of winning; and such drawings, contests, and events shall be deemed lawful even though participation in the same is confined and limited to patrons of said theater paying an admission fee to enter same, and even though it be determined that the three elements of consideration, chance, and award or prize are present in such drawings, contests, or events; provided however, no extra consideration shall be charged or collected for participation in any such drawing, contest, or event over and above the regularly established admission fee to such theater. The terms and conditions upon which any such drawing, contest, or event may be conducted are:

(a) Before any person, firm, company, or corporation shall open up or conduct any such bank night, cash night, country store, or similar event, application for license therefor must be filed with the Secretary of State, and license obtained. The license fee shall be at the rate of twenty dollars (\$20) per year for theaters having a seating capacity for patrons not in excess of two hundred fifty (250); at the rate of forty dollars (\$40) per year for theaters having a seating capacity for patrons not in excess of five hundred (500) and more than two hundred fifty (250); at the rate of sixty dollars (\$60) per year for theaters having a seating capacity for patrons not in excess of one thousand (1,000) and more than five hundred (500); and at the rate of one hundred dollars (\$100) per year for all other theaters. All licenses hereunder shall expire on December 31st of each year, and no license shall be issued except upon payment of a full year's license fee therefor. Upon approval by the Secretary of State any such license may be transferred. The Secretary of State may adopt such rules and regulations and provide such forms as may be necessary and convenient to carry out the provisions hereof.

(b) In addition to the license fee hereinabove provided, any such licensee shall

pay to the Secretary of State two per centum (2%) of each and every cash award, and two per centum (2%) of the established retail sales value of any merchandise award, given or delivered to the winner of any such drawing, contest, or event, such two per centum (2%) to be collected from the winner of the award before same is delivered to the winner thereof, and such funds shall not be commingled with the funds of the licensee. The licensee shall keep a careful and accurate account of all awards or prizes given or delivered to winners thereof, with the number and amount thereof, and the names and postoffice addresses of the winners thereof. On or before the fifth day of each and every calendar month such licensee shall make due report in writing and under oath to the Secretary of State covering the calendar month immediately preceding, and giving the number and amount of the several awards and prizes given or delivered, the names and postoffice addresses of the winners thereof, and such other information as may be required by the Secretary of State, and accompany such report with a payment of two per centum (2%) of the total face value of all such awards or prizes so given or delivered. Such report shall be deemed confidential and not open to public inspection, excepting only in the event of litigation in any court or courts where such report, or the contents thereof, or some part of the same, may be and is material to prove or disprove any issue that may be involved in any such litigation.

The Secretary of State is authorized and empowered to alter or amend the foregoing rules and regulations relating to such collection and payment of such additional assessment, or by rule and regulation to substitute therefor some other method which to him may appear more suitable and convenient, and when so adopted, such rule or regulation shall have all of the force and effect of the regulations hereinabove set forth, and shall supersede the same. Any such rules and regulations adopted and promulgated by the Secretary of State may by him be altered or amended in any manner deemed by him to be necessary and proper.

(c) It shall be lawful for any established religious, charitable, fraternal, or war veterans' organization, society, or club to hold any such drawings, contests, or events at any regular meeting of such organization, society, or club, without payment of any license fee therefor, provided that participation therein shall be confined strictly to bona fide members of such organization, society, or club, and provided further, no consideration is charged or collected for the privilege of participating therein.

(d) It shall also be lawful for any established religious, fraternal, or war veterans' organization, society, or club to hold or conduct among its bona fide members a raffle or raffles of goods, wares, or merchandise, where the proceeds of such raffle or raffles are to be and are devoted exclusively to the established purposes of such organization, society, or club; provided however, such organization, society, or club shall obtain from the Secretary of State a certificate to the effect that it is a bona fide organization, before conducting any such raffle or raffles.

Section 16. RENEWAL OF LICENSES.—Any licensee hereunder who, during the term of his or its license shall faithfully comply with the provisions hereof applicable to such license, shall have the first option of renewing such license upon expiration thereof and before any other application for such license shall be considered. Where the number of licenses to be issued for any one county is limited herein, the determination of the Secretary of State as to which application shall be granted shall be final and conclusive.

Section 17. DISPOSITION OF LICENSE FEES, ASSESSMENTS.—The Secretary of State shall deposit all funds received hereunder with the State Treasurer, who shall keep the same in a separate fund to be designated as the "Trade Stimulator Fund," and subject to disbursement as provided herein. All expenses of the Secretary of State incident to the administration of this amendment shall be first paid out of said fund. After payment of the expenses of administration, and before any other distribution of said funds, there shall be paid out of the same annually, and in lieu of all sums of money now directed to be paid under the provisions of Section 68-2507, Oregon Code 1935 Supplement, as amended by Section 2 of Chapter 528, Laws of Oregon for 1939, the following amounts to the organizations or associations named: for the Oregon State Fair, the sum of forty thousand dollars (\$40,000); for the Pacific International Livestock Exposition held in Multnomah County, Oregon, the sum of forty thousand dollars (\$40,000); for the Eastern Oregon Livestock Show held at Union, Oregon, the sum of seven thousand five hundred dollars (\$7,500); for the Pendleton Roundup held at Pendleton, Oregon, the sum of ten thousand dollars (\$10,000); for the Northwestern Turkey Show held in Douglas County, Oregon, the sum of two thousand five hundred dollars (\$2,500); for each established county fair and in any county in which no established county fair has been or is held for the benefit of the 4-H club of such county, the sum of one thousand dollars (\$1,000); and in addition to the foregoing sums, for the Astoria Regatta held at Astoria, Oregon, the sum of five thousand dollars (\$5,000); for the Portland Rose Festival held in Portland, Oregon, the sum of fifteen thousand dollars (\$15,000).

Parí mutuel wagering upon racing by animals and also the racing by animals is hereby declared to be lawful within the state of Oregon, and all funds received by the state of Oregon for and on account of animal racing within the state, after deducting therefrom the actual expenses of administration by the Oregon Racing Commission as established by law, shall be deposited in and become a part of said Trade Stimulator Fund, and disbursed and used for the same purposes as the remainder of said Fund.

After the payment of all expenses of administration of this amendment and the other appropriations hereinabove particularly set forth, the remainder of said funds in said Trade Stimulator Fund, except the five per centum (5%) hereinafter referred to, shall be disbursed as follows: The full amount of location license fee received from locations located within the corporate limits of any city or town shall be paid to

the city or town in which such location is situated. After deducting the pro rata share of the expenses of administration and the specific appropriations made as hereinabove set forth, the remainder of said funds shall be paid to the several counties from which same were received, and for this purpose the license fees of Distributors and Dealers shall be deemed to originate in and be received from the county in which such Distributor or Dealer maintains its or his principal office and place of business within the state of Oregon. For the purpose of reducing the tax assessments now levied against real property to provide funds for old-age security benefits, all sums so paid to the several counties shall be deposited in the old-age and public assistance funds of said counties and shall be used exclusively by said counties for the purpose of paying the county's share of such old-age and public assistance benefits.

Disbursements of all funds in said Trade Stimulator Fund shall be by warrant drawn on the State Treasurer, based upon vouchers therefor prepared by or under the direction of the Secretary of State, and the distribution of said funds, less costs and expenses of administration, shall be made annually or semiannually, within the discretion of the Secretary of State, provided that if same is made annually, same shall be made on or before the 15th day of March of each year; and provided further, five per centum (5%) of the total of such fund at date of distribution shall be retained therein.

**Section 18. APPROPRIATION OF FUNDS.**—For the purpose of carrying this amendment into effect, there hereby is appropriated out of the funds of the state Treasury, not otherwise appropriated, such amount not exceeding fifty thousand dollars (\$50,000), as may be necessary for the purpose. When the receipts hereunder shall amount to one hundred thousand dollars (\$100,000), said appropriation shall be repaid therefrom with interest at five per centum (5%).

**Section 19. DUTIES OF OFFICERS.**—It is hereby made the special duty of each and every sheriff, deputy sheriff, constable, deputy constable, state, municipal, and other police officer to enforce the provisions of this amendment within their respective jurisdictions, and to lend all assistance necessary to the Secretary of State upon his request therefor in carrying out the provisions hereof.

**Section 20. LICENSE FEES EXCLUSIVE. POWER OF LEGISLATURE AND OF CITIES AND TOWNS.**—The license fees and regulations herein fixed shall be exclusive, and no city, town, or county shall impose other or additional license fees, taxes, or assessments for any of the purposes in this amendment provided, nor upon any of the equipment used in connection with any trade stimulator or games licensed hereunder. As to any games, devices, or events herein declared to be lawful within the state of Oregon and for which no license fees or regulations are specifically fixed by the provisions of this amendment, and until the legislative assembly may by Act provide for the license and regulation thereof, power and authority is hereby

vested in the several cities and towns of the state to so license and regulate the same; and in the event the legislative assembly shall by Act provide for licensing and regulating the same, or any part thereof, all license fees collected under any such Act shall be deposited to the credit of the Trade Stimulator Fund herein provided for and disbursed as other funds therein are disbursed as provided by this amendment.

**Section 21. MERCHANDISE VENDING MACHINES, MUSIC DEVICES.**—The Legislative assembly may by Act license and regulate any or all merchandise vending machines, and any or all coin-operated music devices and similar machines or devices, provided that all license fees received pursuant to any such licensing Act shall be paid into and become a part of said Trade Stimulator Fund and disbursed as other funds therein are disbursed under the provisions of this amendment.

**Section 22. PENALTIES.**—Penalties for violation of the provisions of this amendment shall be:

(a) Every person who with intent to injure or defraud shall have in his possession any machine, appliance, contrivance, tool, or other device of any description used or intended to be used for the purpose of obtaining any prize or award of cash, merchandise, or other article of value offered in connection with the play or operation of any trade stimulator or other game or device licensed under the provisions of this amendment, without depositing or paying the money necessary or required to be paid therefor, or who with intent to injure or defraud shall use or attempt to use any slug, token, or other appliance, contrivance, tool, or device other than the money necessary or required to be paid therefor, for the purpose of playing or attempting to play, or operating or attempting to operate any such trade stimulator or other game or device licensed hereunder, or who shall alter, deface, destroy or change, or attempt to alter, deface, destroy, or change any punchboard or similar game or device with intent to injure or defraud, or who shall remove or attempt to remove any such punchboard or similar game or device from the premises where the same is offered for play without the consent of the proprietor thereof, or who, with intent to injure or defraud, shall punch or attempt to punch or draw any punch or ticket from any such punchboard or similar game or device without paying the amount of money required therefor, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not less than one hundred dollars (\$100) nor more than two thousand dollars (\$2,000), or by imprisonment in the county jail not less than thirty (30) days nor more than one (1) year, or by both such fine and imprisonment, in the discretion of the court.

(b) Any licensee or other person who with intent to injure or defraud shall willfully make any false statement of any material fact in any report or other writing required to be made by such licensee or other person under the provisions of this amendment, and any licensee or other person required to accurately account for the income from trade stimulators or other

games or events for the purpose of making payment of the percentage due the state of Oregon as herein provided who shall wilfully fail, neglect, or refuse to make such true and accurate account, or who shall take and convert to his own use more of the receipts from such trade stimulator or other game or event than due such licensee or other person, or who, with intent to defraud shall operate or attempt to operate a punchboard or similar game or device without first affixing thereto the required amount in official trade stickers or seals, or who shall use or attempt to use upon any such punchboard or similar game or device any sticker or seal other than the official sticker or seal issued and sold by and under the authority of the Secretary of State, or who shall otherwise or in any way cheat and defraud, or attempt to cheat and defraud the state of Oregon out of any funds due or becoming due the state of Oregon under the provisions of this amendment, shall be deemed guilty of a felony, and upon conviction thereof shall be punished by imprisonment in the state penitentiary not less than one (1) year nor more than ten (10) years, and by a fine of not less than five hundred dollars (\$500) nor more than five thousand dollars (\$5,000); and in addition to all other penalties provided by law, all licenses held by any such licensee so convicted shall be declared immediately revoked by the court imposing sentence, and any bond of such licensee and all unearned license fees shall be by said court imposing sentence declared immediately forfeited to the state of Oregon, and the full amount of any such bond shall be and become a part of said Trade Stimulator Fund.

(c) Any person violating any of the provisions of this amendment where no other penalty is fixed herein for such violation shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be pun-

ished by a fine of not less than twenty-five dollars (\$25) nor more than five hundred dollars (\$500), or by imprisonment in the county jail not less than ten (10) days nor more than six (6) months, or by both such fine and imprisonment in the discretion of the court; and if any such person so convicted be a licensee under this act, then in addition to all other penalties herein provided, the court imposing sentence shall declare the license of such licensee immediately revoked and the unearned portion of the license fee of such licensee immediately forfeited to the state of Oregon.

Section 23. LIBERAL CONSTRUCTION.—This amendment, and each and every part thereof, and all definitions contained herein, shall be given a liberal construction and interpretation by all courts.

Section 24. SAVING CLAUSE.—If any clause, phrase or provision of this amendment shall be held in violation of the constitution of the United States or any amendment thereof by any court of competent jurisdiction, such unconstitutionality or invalidity shall not be deemed to affect the validity of the remaining portions of this amendment, and it is hereby expressly declared that every other section, provision, clause, or part of this amendment would have been enacted irrespective of the enactment or validity of the portion thereof so declared or adjudged to be in violation of the constitution of the United States, or some amendment thereof.

Section 25. REPEALING CLAUSE.—This amendment shall be, and the same hereby is declared to be self-executing, and all provisions of the constitution of the state of Oregon, all statutes of the state of Oregon, and all municipal charters and ordinances of the several cities and towns of the state of Oregon, in conflict herewith, shall be, and the same hereby are repealed in so far as the same do conflict herewith.

## BALLOT TITLE

AMENDMENT LEGALIZING CERTAIN GAMBLING AND GAMING DEVICES AND CERTAIN LOTTERIES—Purpose: Legalizes marble boards, pin-ball games, claw or digger games and other gambling and gaming devices, punchboards, similar devices, bank night, similar lotteries and Bingo games; other games wherein skill may predominate; all to be exclusively licensed by state. Cities to license other legalized games. Pari-mutuel wagering and animal racing legalized; fees therefrom deposited in fund hereby created. Prohibits nickel-in-the-slot machines. Secretary of state to issue licenses, employ attorney, assistant, clerks; no salary thereof exceeding \$6,000 annually. Appropriates \$50,000 state funds, repayable from fees. License proceeds disbursed to public fairs, expositions, cities and to counties for old-age and public assistance.

Vote YES or NO

314 Yes. I vote for the proposed amendment.

315 No. I vote against the proposed amendment.



## ARGUMENT

### Submitted by the Oregon Merchants Legislative League, in favor of the AMENDMENT LEGALIZING CERTAIN GAMBLING AND GAMING DEVICES AND CERTAIN LOTTERIES

(Ballot Nos. 314 and 315)

#### THE PRESENT TAX BURDEN IS UN-BEARABLE!!

**THIS MEASURE WILL REDUCE TAXES!**  
"Old-age Assistance" benefits actually paid Oregon citizens are not enough to permit a decent living--the average paid is \$21.38 per month--far short of the maximum provided by law.

"Old-age and Public Assistance" funds for the calendar year 1939 came from these sources:

20.82% FROM DIRECT TAXATION (This is the share paid by counties; an increase of \$500,000 for 1941 is proposed)	\$2,115,936.26
41.60% FROM STATE FUNDS --largely from liquor revenue	4,227,438.14
37.58% FROM FEDERAL GOVERNMENT	3,819,879.94

#### COUNTY TAX BURDEN

The maximum amount paid to aged beneficiaries depends primarily upon the amount paid by the county. **THE COUNTY RAISES ALL ITS SHARE BY DIRECT TAXATION! THE REVENUE FROM THIS AMENDMENT WILL WIPE OUT THE ENTIRE TAX BURDEN OF COUNTIES AND PROVIDE A SUBSTANTIAL SURPLUS PERMITTING AN INCREASE IN MONTHLY PAYMENTS TO THE AGED.**

#### THREE MILLION DOLLARS FOR RELIEF

This amendment will raise not less than **THREE MILLION** dollars annually to be used **EXCLUSIVELY** for the County's share of "old-age and public assistance" benefits. It will also produce sufficient additional revenue to pay all administrative expenses and special appropriations.

#### GAMES LICENSED

This amendment licenses pin-ball, bingo, and punchboard games, and bank nights. **NO OTHER GAMES ARE LICENSED!!** Well-intentioned but misinformed citizens advance the theory that this measure will bring about a condition in Oregon similar to Nevada. **THAT IS IMPOSSIBLE!** The only games to be licensed are specifically named as above set forth.

#### THIS MEASURE EXPRESSLY PROHIBITS SLOT MACHINES!

All games licensed by this amendment are now being operated and played throughout Oregon--pin-ball games under sanction of the Supreme Court of Oregon--and **WHOLLY TAX FREE AND UNREGULATED.** They have been operating continuously for ten years in Oregon.

#### WHY SHOULDN'T THESE GAMES BE FORCED TO PAY TAXES?

Tax them and relieve the tax burden of the farmer, the small home owner, and other property tax-payer!

#### GAMBLERS OPPOSE MEASURE

This amendment will be fought by professional gamblers and racketeers. The gambler of today (like the bootlegger of yesterday) is bitterly opposed to license and regulation of any type. **LICENSE AND REGULATION SPELLS THE DOOM OF THIS ELEMENT AS LICENSE AND REGULATION ELIMINATED THE BOOTLEGGER.**

#### LOTTERIES NOT LICENSED

"Lotteries" as operated by Chinese, "crap games", and other vicious forms of gambling conducted behind barred doors are not legalized by this amendment. The word "lotteries" appears in the ballot title because of an interpretation placed by the Supreme Court upon the constitutional provision adopted a century ago which prohibits, but wholly fails to define "lotteries".

#### MINORS PROTECTED

Many community leaders, parents, and the better element of society have righteously objected to the operation of pin-ball and similar games because minors are permitted to play them.

This amendment provides heavy penalties and loss of business license for any person permitting minors to play such games. See: Sections 6; 9; 13; 14 (j); 22.

#### STATE SUPERVISION

The Secretary of State is the sole administrator of this amendment. He is vested with large and discretionary powers thus insuring ample protection of the public interests, and the elimination of racketeers. Aliens and nonresidents cannot obtain licenses.

#### CONCLUSION

The state of Oregon, by virtue of legislative Act, is now engaged in a large gambling enterprise, viz: Dog racing. This gambling is licensed for the purpose of raising funds for agricultural fairs, etc., which otherwise would be a burden upon the taxpayer. This law passed in 1933 has produced hundreds of thousands of dollars for the State. If the state uses the proceeds from such a large gambling enterprise to relieve the tax burden, it seems logical that the same method might be applied to petty gaming devices such as pin-ball, bingo, and punchboard games.

**READ THE AMENDMENT CAREFULLY! DO NOT BE MISLED!**

Vote 314 X Yes.

OREGON MERCHANTS LEGISLATIVE LEAGUE,

JOHN W. VAN HORNE,  
Secretary-Treasurer,  
Portland, Oregon.

(On Official Ballot, Nos. 316 and 317)

**BILL TO REPEAL THE OREGON MILK CONTROL LAW**

*Proposed by initiative petition filed in the office of the secretary of state, July 3, 1940, in accordance with the provisions of section 1 of article IV of the constitution.*

**A BILL**

For an act to repeal chapter XX, title XLI, Oregon Code 1935 Supplement, as amended by chapters 67 and 69, Oregon Laws, 1935, special session, and chapter 197, Oregon Laws, 1939.

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

Section 1. That chapter XX, title XLI, Oregon Code 1935 Supplement, as amended by chapters 67 and 69, Oregon Laws, 1935, special session, and chapter 197, Oregon Laws, 1939, be and the same hereby is repealed.

**BALLOT TITLE**

**BILL TO REPEAL THE OREGON MILK CONTROL LAW**—Purpose: To repeal the Oregon Milk Control law which provides for supervision and control of the milk industry, creates the milk control board and provides its powers and duties, among which are: to investigate, supervise and regulate the milk industry, including production, transportation, manufacture, storage, distribution and sale of milk, fix minimum wholesale and retail prices to be charged therefor in the various localities, establish and limit geographical milk marketing areas, provide for disposition of surplus milk, license all milk dealers and adopt rules, regulations and orders to carry out the provisions of the act; making violations of said act misdemeanors.

Vote YES or NO

**316** Yes. I vote for repealing the law.

**317** No. I vote against repealing the law.

## ARGUMENT

Submitted by Thomas R. Mahoney, Portland, in favor of the

### BILL TO REPEAL THE OREGON MILK CONTROL LAW

(Ballot Nos. 316 and 317)

#### TAKE MILK OUT OF POLITICS!

At long last, through the efforts of State Senator Thomas R. Mahoney the people of Oregon have an opportunity to cast off a monopoly—the MILK CONTROL LAW:

#### HISTORY

This price-fixing law was lobbied through the 1933 legislature by the big milk distributors and written by the attorneys for an alleged "cooperative". The preamble of the law states it was enacted to "coordinate with the NRA and AAA"—two agencies now defunct! Although the law has met with continuous protests from consumers and others, attempts to repeal it have failed, owing to the influence of the monopoly's lobby. Voters will recall circumstances surrounding defeat of Senator Mahoney's repeal measure at the last session of the legislature—after one senator changed his vote from yes to no! Whereupon, Senator Mahoney invoked the initiative securing over 34,000 registered voters' signatures.

#### SANITATION

Sanitation is not a function of the Milk Board Propaganda that the Milk Board assures clean, pure milk is false! The purity of milk is assured by the Milk inspection services of the City of Portland and other state agencies. In fact the Chief Milk Inspector of Portland has protested the order of the Milk Board compelling producers to charge the consumer many times the actual cost of a sanitary bottle cap—an action resulting in Oregon being one of the few states still using the old style unsanitary cap.

#### PRICES

Although Portland is in the heart of a great dairy region, milk sells from 1c to 3c cheaper in other Coast cities—and remember 4 per cent milk sold for 12c per quart until the Board dropped the price 1c in the Spring of 1938 after Senator Mahoney started his campaign. This drop in price was denounced by the Portland "Oregonian" as a political move. Bear in mind, prices quoted for other cities is the DELIVERED price—store prices (which are 1c to 2c cheaper) are not quoted. Why does the milk board forbid merchants selling milk over the counter for less than the delivered price? One Portland dairy store operator testified in Court he could sell good milk for 9c per quart and make a profit!

#### QUALITY!

When at a Senate hearing Senator Mahoney charged the Milk Board with responsibility for watered milk, apologists admitted the milk was thinned by adding "skim milk". The Milk Board has actually arrested, prosecuted and threatened with jail Oregon farmers who sold milk that was TOO RICH!

#### MILK CONSUMPTION

Startling but True, there has been an annual decrease in Portland milk consumption since enactment of the Control law. The "OREGON VOTER" in its issue of June 24, 1939, charged 17,000 fewer quarts daily were sold in Portland than when the law became effective. In fact the drop in consumption was so alarming the Milk Board in an official bulletin threatened to drop the price to the consumer.

#### FARMERS

Farmers do not get the benefit of high prices. The farmer receives but a trifle over 4c per quart. Who gets the difference? Out of a total of 30,000 dairy farmers but 1,800 benefit from Milk Control.

One of the first acts of the Milk Board was to cut up and distribute to a favored few the right to sell fluid milk. This right is called a "basic". A farmer not possessing one of these "basics" either had to go out of business or PURCHASE a "basic" from one of the Board's favorites. This policy has concentrated milk production in the hands of an alleged cooperative called the "Dairy Co-op," who boast they control 65 per cent of the milk and cream sold in Portland and Salem.

#### LABOR

"The Milk monopoly of Oregon benefits 2,400 people to the detriment of the balance of one million souls in Oregon, and many a poor, undernourished child, as well as whole families on relief who cannot afford to pay 11c per quart for milk are suffering to benefit the big milk distributors and a few others. This is NOT A LABOR MEASURE. A plain case of greed and politics." —Legislative report of Railroad Brotherhoods.

**THE MILK BOARD DOES NOT SUPERVISE SANITATION!**

THOMAS R. MAHONEY,

420 Henry Building,  
Portland, Oregon.

## ARGUMENT

Submitted by Ray W. Gill, Portland; E. A. McCornack, Eugene; Mark Johnson, Astoria, and others, in opposition to the

### BILL TO REPEAL THE OREGON MILK CONTROL LAW (Ballot Nos. 316 and 317)

#### OREGON'S MILK CONTROL LAW SHOULD BE RETAINED

The Oregon Milk Control Law, passed by the 1933 special session of the legislature and amended in 1935, is a vehicle by which the ORDERLY MARKETING of fresh fluid milk is accomplished in the larger centers of population, where the producer has lost direct contact with the consumer.

The law has been sustained by the Supreme Court of Oregon and similar legislation has been repeatedly sustained by the Supreme Court of the United States. In New York City and various other parts of the State of New York, price regulation is now effected by a joint arrangement between the State of New York and the federal government.

Since the Oregon law was enacted, nearly half the states of the Union have adopted laws along similar lines, all of which have been sustained. All this legislation has been enacted and sustained upon the theory that a demoralized milk market was hurtful to the prosperity of the State, to the general welfare, and was a danger to the public health.

Through the operation of this law the dairy industry engaged in the production of fluid milk and cream for human consumption has in a considerable measure solved its own economic problems. During all of the years of the depression it has not asked for, nor has it received, any bonus or financial assistance from the federal government or from any department thereof or from the State of Oregon.

#### HOW HAS MILK CONTROL AFFECTED THE PRICE OF MILK TO THE CONSUMER?

In the Portland area, in the fourteen year period previous to Milk Control (which became effective January, 1934) including the fall of 1932 and all of 1933 when the price was 9c per quart at the door—the average price of 4 per cent milk delivered to the door in Portland was 12.65 cents per quart. If 1932 and 1933 are left out of the calculation, the price for the 12 years previous was 13.19 cents per quart.

For the six year period from January, 1934, to January, 1940, with Milk Control in effect the average price per quart of 4 per cent milk delivered at the door was 11.13 cents per quart and since May 16, 1938, the price has been 11 cents.

#### HOW HAS MILK CONTROL AFFECTED THE PRICE TO THE PRODUCER?

During the 14 year period previous to Milk Control the producer received as low as 33.2 per cent of the consumer's dollar on door delivered milk with an average of 40.8 per cent. Since Milk Control became effective and up to January, 1940, the farmer received an average of 45.4 per cent of the consumer's dollar.

In the Portland area, for a year and three months previous to the enactment of the Milk Control Law, the price of 4 per cent milk delivered to the consumer's door was 9 cents per quart. During a part of this time the producers were paid a little less than 3 cents per quart delivered to the distributor's plant in 10 gallon cans. They were losing their farms and herds.

At the present time the producer gets 5 cents per quart delivered to the distributing plants and the consumer pays 11 cents at the door. In other words, cheap milk means that any drop in price to the consumer comes out of the producers' pocket.

#### EFFECT OF THE MILK CONTROL LAW ON THE QUALITY OF MILK PRODUCED

In areas in the State where Milk Control is in effect and there are no municipal ordinances governing the production and distribution of milk, the Milk Control Board requires compliance with the State Department of Agriculture grade A requirements before a license may be issued for the production and/or distribution of fresh fluid milk.

In the cities where local health regulations are in force, Milk Control has only an indirect effect on milk quality. The regulations under the U. S. Public Health Standard Ordinance where strictly enforced greatly increase the cost of produc-

tion and distribution. If the price to the farmer is not adequate to cover this cost, quality is bound to suffer and an adequate supply for the market may not be maintained. One of the objects of Milk Control is to see to it that allowance is made in the price to compensate the farmer for this extra cost and enable him to keep his equipment and premises in good repair and maintain an even production for the market. The ordinance in the City of Portland has been progressively more stringently enforced since it was adopted in 1930.

While costs of production have been mounting, costs of distribution have increased also with labor, unemployment insurance and increased taxes, the principal items.

The net result of health regulations and Milk Control is that the consumer is getting a better quality product than he ever had before and at a much lower price considering the relative cost.

#### MILK PRICES IN OTHER CITIES

Of 123 cities reporting to the U. S. Department of Agriculture for the first seven months of 1940, milk was delivered to homes at:

9c and 10c per quart in 19 cities  
 11c per quart in 33 cities  
 12c to 16c per quart in 71 cities

The average test of the milk reported is less than 4 per cent. The Portland price of 11 cents for 4 per cent milk does not seem out of line.

It has been said by opponents of Milk Control that it creates a monopoly in the fluid milk business. Those who make such a claim can not have made a study of the law.

In the Portland area, by way of illustration, there are 40 pasteurizing plants. 90 producer-distributors and some 720 other farmers producing milk and cream for the market. The market is open for producers who will first qualify under the city ordinance. They then produce under the ordinance for six months prior to June 1st before they are entitled to participate in any increased sales on the market or in any part of the market lost by others. This regulation has been in effect since June, 1939, and only two new producers have seen fit to comply with the City Health Department regulations. It took many of the present producers on the market from 6 to 10 years to establish themselves on the market. Milk Control then is not the

hurdle, but the city health regulations with Milk Control undoubtedly do discourage the fly-by-night farmer who might be in one year and out the next.

It has been charged by opponents of Milk Control that it sets up an artificial price which stimulates excessive surplus production to the detriment of the many producers of factory milk and cream not under Milk Control.

What are the facts?—

In 1931 and 1932 there was over 100 per cent surplus of market milk in the Portland area. In 1939, the sixth year of Milk Control, the peak month's production was only 17 per cent over the low month. A few days in the low month, all available milk was used in the bottle and can trade.

Who produces the burdensome surplus?

2,300 factory milk and cream producers belonging to a large cooperative association produced in 1939, 67 per cent more in the peak month than the low month. Other buyers of factory milk in the area show 59 per cent and 80 per cent excess production over the low month and one organization on the coast shows an extreme of 600 per cent greater production in the peak month as compared to the low month. Factory milk and cream producers are not subject to the Milk Control act.

Opponents say the Milk Board discriminates against Oregon producers in favor of Washington producers in the Portland market.

For over 30 years about one-third of the milk supply for Portland has come from Washington. It is their natural trade area. Even though the Milk Board might wish to shut out Washington producers, they would be powerless to do so as such action would be against public policy and in restraint of interstate commerce.

#### MILK CONTROL COSTS TAXPAYERS NOTHING

The cost of administration of Milk Control is carried entirely by the milk industry itself. As a matter of fact the state derives a revenue of approximately \$4,000.00 per year from the operation of Milk Control because of the 10 per cent tithing tax on all funds collected by state boards or commissions.

The board of three are appointed by the Governor, one from each of the three con-

gressional districts and they serve at his pleasure.

Milk Control was intended by the authors of the law to be put into effect only in the larger centers of population where the farmer had lost direct contact with the consumer or in smaller communities where it is necessary to protect the interest of either the producer or the consumer or both.

The present Board have had a study made of the conditions in each county of the state and have withdrawn from nine counties where Milk Control was not indicated or where not wanted by a majority of the industry.

The present Board are men of wide business experience and high standing in their communities and throughout the State. They were practically drafted by the Governor for the job and each of them makes a personal sacrifice each day spent on control work. They are paid \$10.00 per day and expenses for each day worked and probably average from five to eight days per month.

The Milk Control Board is a tribunal set up by law to hold hearings and make equitable rules and regulations which may best facilitate the marketing of fresh fluid milk especially in the larger markets of the State and to settle all disputes between dairy farmers, distributors and consumers as to prices to be paid and charged.

The Milk Control Law and the orders of the present Board under the law have functioned to the benefit of farmers and consumers alike and have brought order out of chaos.

All who have studied the modern development in the milk industry agree that some form of regulation, including price, is necessary in the interest of public welfare and safety.

**WHY VOTE OUT MILK CONTROL  
WHEN WE HAVE NOTHING BETTER TO  
TAKE ITS PLACE?**

1. The Milk Control Law has been proved constitutional.

2. The orders under it are proved equitable and just.

3. Its operation has resulted in better quality milk at less cost to the consumer.

4. Under it the dairy farmer receives a greater share of the consumer's dollar.

5. It assures an adequate supply of milk at all times.

6. It discourages surplus production that would have to be sold in other channels.

7. It is administered by men of unquestioned character and proved business ability.

8. It costs the taxpayers nothing.

9. It is a means by which farmers and distributors settle their difference without strikes, violence or disruption of milk deliveries or inconvenience to the public.

**We respectfully request the voters of  
Oregon to vote 317 X NO.**

**RAY W. GILL,**  
Master, Oregon State Grange,  
Montavilla Station, Portland.

**E. A. McCORNACK,**  
Eugene Fruit Growers Ass'n,  
Eugene.

**MARK JOHNSON,** Dairyman,  
Route 1, Astoria.

**RALPH SHEPARD,** Dairyman,  
Route 1, Salem.

**OSCAR HAGG,** Dairyman, Reedville.

**J. M. NICHOLS,** Dairyman,  
Route 6, Salem.

**D. G. LILLY,** Dairyman,  
Route 1, Forest Grove.

**BYRON De YOUNG,** Dairyman,  
Route 1, Gresham.

**ANTON MILLER,** Dairyman,  
Route 7, Portland.

**CHESTER L. MULKEY,** Dairyman,  
Route 3, McMinnville.

# Statements and Arguments

IN BEHALF OF

## Political Party Nominees

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General Election, November 5, 1940

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### FOREWORD

The statements on the following pages are printed and distributed by the state in accordance with the provisions of sections 36-2406 and 36-2407, Oregon Code 1930, which prescribe a fee for such service.

Limited to information concerning candidates for Federal, State, and District offices, the pamphlet makes no reference to a number of such candidates for the reason that space was not engaged for them.

The statements are arranged in the general order in which the statutes require the candidates' names to be printed upon the official ballots.

Ballot numbers are assigned by the county clerks, who, when requested, provide sample ballots containing the names of all candidates to be voted upon.

Pamphlets are mailed only to registered voters whose names have been reported to the secretary of state by the county clerks.

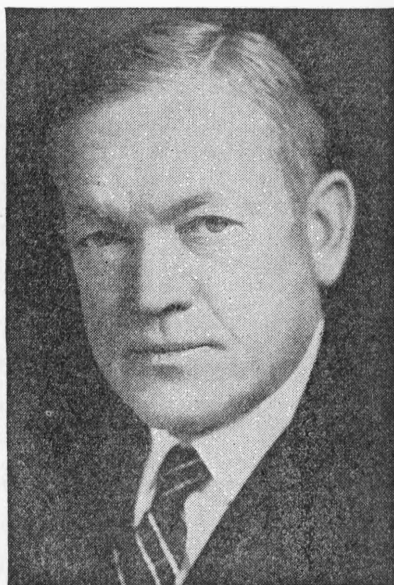
EARL SNELL,  
Secretary of State

**WENDELL L. WILLKIE**

of Indiana

**Republican Party Candidate for President****CHARLES L. McNARY**

of Oregon

**Republican Party Candidate for Vice-President**

"To form a more perfect Union; establish justice; insure domestic tranquility; provide for the common defense, promote the general welfare and secure the blessings of liberty to ourselves and our posterity."

Upon this Preamble to the Constitution of the United States stand the candidates of the Republican Party, Wendell L. Willkie, for president, and Charles L. McNary, for vice-president. The Republican Party charges that the New Deal has failed America in the objectives set forth.

Probably never before have the American people had so much at stake in a presidential election. The fate of the Republic is in the balance. This campaign is more than a contest between political parties, it is a conflict between

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(This information furnished by Republican State Central Committee;  
Kern Crandall, Chairman, Kenneth Nielsen, Secretary.)



philosophies—between the gradual adoption of a totalitarian state with a dictator at its head, or the preservation of American ideals and the American way of living.

### INDISPENSABLE MAN

Against all the traditions of the United States, Mr. Roosevelt is the first president to deliberately pull strings and create a condition where no one else could be nominated. Millions of citizens who have supported Mr. Roosevelt in the past refuse to regard him as the indispensable man—the only individual among 130,000,000 people capable of filling the position of chief executive.

In all American history there has never been an indispensable man. Always the nation has produced leaders. In the modern sense Herr Hitler is the indispensable man for Germany; Joseph Stalin the indispensable man for Soviet Russia; Mussolini the indispensable man for Italy.

If a third term is American why not a fourth or fifth? Instead of an election every four years, why not one election for life? It is not the American way, but the New Deal has been making many departures from the ideas and ideals on which generations of Americans were brought up.

That America's greatness is not dependent on a single personality was attested by Mr. Roosevelt in an address at Madison Square Garden, November 5, 1932, when he said: "The genius of America is stronger than any candidate or any party . . . I still know that the fate of America cannot depend on any one man. The greatness of America is grounded in principles and not on any single personality. I, for one, shall remember that, even as president."

Apparently, however, Mr. Roosevelt did forget. Again:

On indispensability Mr. Roosevelt declared: "To indulge in such a fantastic idea of my own individual importance would be to betray the common hope and common sense that has brought us all together this year. A great man left a watchword we can well repeat: 'There is no indispensable man.'"

On his own indispensability Mr. Roosevelt's views have changed as they have on other matters.

### NATIONAL DEFENSE

The Republican Party is firmly opposed to involving this nation in foreign war.

America must prepare at once to defend our shores, our homes, our lives and our most cherished ideals. The first line of defense is to place men in office who have faith in America and who are determined that her governmental and economic system be kept unimpaired.

Our national defense must be so strong that no unfriendly power shall ever set foot on American soil. To assure this strength our national economy, the true basis of America's defense, must be free of unwarranted government interference. Pledged to this program are Willkie and McNary, the Republican candidates.

The Republican Party stands for Americanism, preparedness and peace. To this task the Party pledges itself when entrusted with national authority; it favors a defense for the United States, its possessions and essential outposts, from foreign attack and to efficiently uphold in war the Monroe Doctrine.

The Republican Party favors extension of necessary old age benefits on an ear-marked pay-as-you-go basis. The party favors the extension of the unemployment compensation provisions of the Social Security Act wherever practicable to those groups not now included.

For agriculture the Republican Party will promote stabilization of income through intelligent management of accumulated surpluses and through the development of markets by supplying those in need at home and abroad. The nomination of Charles L. McNary for vice-president is an assurance to farmers that they will have a champion at all times. And agriculture, in the opinion of McNary, embraces all farm crops and not five commodities; its problems are as national as national defense.

The times cry for a new administration at Washington; an administration which will recreate opportunity for American youth and restore idle millions on the pay rolls of private business, industry and agriculture; to remove the hampering restrictions which have prevented private employment and expansion of enterprise. To rescue America in a perilous hour the Republican Party offers Willkie and McNary.

#### WENDELL WILLKIE

The man offered by the Republican Party to save American institutions was born in Elwood, Indiana, February, 1892. He is a typical product of this country who worked with his hands throughout the West, taught school, evolved into a corporation lawyer and later a utility executive. While still in college he assisted his father, a lawyer, defend and win a case of some labor pickets against whom an injunction had been issued. In the army he defended soldiers up for court-martial on what he (Willkie was promoted from the ranks to captain), considered imbecile charges.

As president of Commonwealth & Southern Corporation, operating utility properties over a wide area, Willkie supervised an annual pay roll in excess of \$30,000,000. When the TVA project in the Tennessee Valley was built by the government, with facilities overlapping those of the Tennessee Power Company, a Commonwealth and Southern property, Willkie negotiated with the government and sold the property which his company controlled to the TVA.

Mr. Willkie is a rough and ready talker and will be the most aggressive occupant of the White House since Theodore Roosevelt.

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(This information furnished by Republican State Central Committee;  
Kern Crandall, Chairman, Kenneth Nielsen, Secretary.)

CHARLES L. McNARY

Voters of Oregon need no introduction to Charles L. McNary, senior senator from this state, a native son and descendant of early pioneers. Senator McNary's championship of the cause of agriculture has made him a national figure. His part in the development of the West through reclamation and water power (it was through his efforts that the Bonneville project came into being); his interest in forestry and highways and flood control are known to all familiar with these subjects. His labor record is excellent and a score of years ago he offered legislation for social security. His record has always been progressive and at times when the party was more conservative than it is today.

As leader of the minority in the Senate, the Oregon Republican has achieved a reputation for fair play and a master strategist whose sportmanship has been praised even by the administration.

Senator Charles L. McNary is Oregon's most illustrious son.

REPUBLICAN STATE CENTRAL COMMITTEE,

KERN CRANDALL, Chairman,

KENNETH NIELSEN, Secretary.

**JOHN W. AIKEN**  
of Massachusetts  
**Socialist Labor Party Candidate for President**

**AARON M. ORANGE**  
of New York  
**Socialist Labor Party Candidate for Vice-President**



#### THE TWENTIETH CENTURY DEMOCRACY

"When a man does not know what harbor he is making for," said the Roman poet, Seneca, "no wind is the right wind."

What harbor are we, the workers of America, making for? What kind of a social system do we want? Until we have a clear conception of where we are going, we cannot know how to get there and "no wind is the right wind."

On these points, however, we can all agree: We want the abolition of poverty, unemployment and war; we do not want totalitarianism in any form, be it Stalinist, Nazi or a domestic adaptation of either of these European models.

We want a world freed of the war-breeding struggle for capitalist markets, a world in which goods are produced for the use of the producers and not for sale with a view to profit. We want a world in which machinery will become a blessing to multiply our output and give to the producers leisure in which to study, travel and enjoy the product of our labor. We want to live full lives relieved forever of want and fear of want.

He who says such a world is a dream is himself a dreamer. Throughout the ages man has struggled to learn how to produce an abundance. At last that problem has been solved. All the marvelous material requirements to make this world a veritable paradise are here! This fact cannot be denied. But between the hell on earth of today and the paradise of tomorrow stands a predatory social system based on private ownership of the means of production and the exploitation, by a few owners, of the useful producers

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(This information furnished by Socialist Labor Party State Central Committee; Carl V. Soderback, Chairman, Upton A. Upton, Secretary.)

It is self-evident that we cannot produce for use and enjoy the product of our labor until we own the means of production. As we run the industries socially we must own them socially and run them democratically.

### WEALTH-CONCENTRATION AND POLITICAL GOVERNMENT

The present form of political government was suited to the material conditions prevailing in this nation 150 years ago. Then the majority of citizens either owned, or could easily acquire, property. Yet even at that early date, James Madison, The Father of the Constitution, declared that the time would come when "wealth will be concentrated in the hands of a few," and that it would be necessary "to readjust the laws of the nation to the changed conditions." Today a handful, barely one per cent of the population, according to the Federal Trade Commission Report of 1926, own 57 per cent of the nation's wealth. Included in this 57 per cent is most of the country's corporate wealth.

Today when a Congressman supports a measure in the interest of property-owners, he supports the interests of a minority and, inasmuch as property interests and the interests of the propertyless workers are decidedly antagonistic, his action injures the majority! The Political State is, in fact, nothing more nor less than the executive committee of the capitalist class, responsive to its will and its interests.

This fact was never more evident than today when, in order to defend its world markets and its spheres of economic influence abroad, the capitalist class is putting the nation into the straitjacket of militarism, aptly described by Daniel Webster as the "most abominable of oppressions."

A hundred and fifty years ago production was simple. Nearly all communities were more or less self-contained, i.e., they produced flour, leather, cloth, lumber, and most of the things they consumed, locally. Geographical representation—representation from states and Congressional areas—harmonized with the economic as well as the social needs of the people.

### INDUSTRIAL FORM OF ADMINISTRATION MANDATORY

Today our productive mechanism is as complex as it is vast. It cuts across all arbitrary boundary lines and can no more be controlled and directed by Congressmen elected from Congressional areas than you can drive a streamliner with a bull whip. To direct this huge and complicated industrial machine under a collectivist society requires an industrial form of administration. Industrial representation must take the place of geographic representation and an Industrial Congress must replace the present outworn Political State.

This is no arbitrary decision on the part of the Socialist Labor Party. It is a goal made mandatory by (1) modern mass production methods and (2) the burning need for collective ownership and democratic management. The functions of this government are as simple as the productive machinery is complex. They are to coordinate and direct production for the benefit of all. In short, the government of the future Socialist society will be an administration of things instead of a government over people.

### HOW THE INDUSTRIAL GOVERNMENT IS FORMED

Industrial Government is an entirely new conception of administration. It implies an entirely new basis of representation. Instead of Senators and Representatives from States and Congressional areas, it requires industrial constituencies and functional representatives. For example, instead of Senators from New York, Ohio, Nebraska, etc., we shall elect to the Industrial Congress engineers, statisticians, etc., from the steel industry, automobile industry, textile industry, and all the other industries of the land.

The qualifications of those elected will be vastly different from the "qualifications" of our present rhetoricians in Congress. The qualifications of those who will sit in the Socialist Industrial Congress, will be (aside from devotion to duty), a technical knowledge and the ability to coordinate and direct production. They will decide such questions as: How many pairs of shoes will we, the people, need next year; how many tons of coal; how many ton-miles of railroad transportation. They will also determine our productive capacity of these things. If it is necessary, they will see that the capacity is increased. They will coordinate research and facilitate the adoption of new techniques as these are developed. The questions are, of course, many and varied, but they are infinitely simpler than the questions which arise in a class-divided society.

We have referred to Industrial representation. It is more correct to say Industrial Union representation, for the Socialist Industrial Union forms the basis of the Industrial Union Administration. The workers who run the industries today under capitalism are the workers who will operate them tomorrow under Socialism—plus, of course, those millions who have been ruthlessly thrown upon the capitalist industrial scrap-heap. They will vote in their union, elect their foremen, management committees, and representative to local, departmental and national councils. They, the organized workers in the factories, mills, mines, stores, farms, ships and railroads of the land, will constitute the basis of a proletarian democracy—the most complete democracy ever achieved since the dissolution of the primitive gens.

We do not presume to make a rigid blue-print of the Industrial Union Administration, nor lay down arbitrary lines of demarcation. But the general outline is clearly defined in the mode of production itself. All industries will be represented on the General Executive Council which replaces the political Congress. All industries which produce goods falling into a single category, such as general manufacturing, food processing, mining, etc., will be grouped into Departments. And each industry, thus integrated, will have its National Industrial Union Council to direct and supervise production within that industry on a national scale.

Here is obviously the logical form of social organization for a highly developed industrial nation. It is the one form of organization which achieves the ultimate in both democracy and efficiency. Here is the "harbor" the American working class must make for, if it is to escape the alternative to Industrial Democracy, viz., Industrial Feudalism so familiar to workers in European Fascist nations. Once a conception of this goal is clear in the mind's eye, the means to get there are easily grasped.

#### HOW TO ACHIEVE TWENTIETH CENTURY DEMOCRACY

Capitalism has failed utterly to defend the life, liberty and pursuit of happiness of the useful producers of the land. Instead it has wrought devastation to family life, the degradations of unemployment and the nameless miseries of war. Two great American documents indicate the course we must now take to escape the darkness which will otherwise descend upon us. One is the Declaration of Independence. The other is the American Constitution. The first tells us in no uncertain terms that it is not only our right, it is our duty to abolish any government destructive of the ends of life, liberty and the pursuit of happiness and to set up new safeguards for our future welfare and security. The second supplies the means for a peaceful reconstruction of society along Socialist lines. By inserting the Amendment Clause (Article 5) in the Constitution, our forefathers made it possible for us to make such changes as we desire via the civilized means of the ballot. In the words of the immortal Abraham Lincoln: "Whenever they [the people] shall grow weary of the existing government, they can exercise their Constitutional right of amending it or their revolutionary right to dismember and overthrow it."

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(This information furnished by Socialist Labor Party State Central Committee; Carl V. Soderback, Chairman, Upton A. Upton, Secretary.)

Being a sovereign people, it is, therefore, our right to demand that the industries, land, and all the means of wealth-production become the common property of the useful workers. That is the only demand in the platform of the Socialist Labor Party—a platform accepted without qualifications by the candidates we have named to represent these principles, John W. Aiken and Aaron M. Orange.

### SOCIALIST INDUSTRIAL UNIONISM

We, therefore, call upon the workers of Oregon, and all other citizens who subscribe to these principles, to unite under the banner of the Socialist Labor Party and support its candidates at the polls. We can win this land of plenty—this land free of the stain of poverty, of onerous toil and the curse of war and militarism—if we use our sovereignty, now, intelligently to demand collective ownership. But we must take no chance on having our ballots ignored. Should the capitalist class refuse to bow to the sovereignty of the majority and rebel against the decision democratically arrived at, the working class must be prepared to carry out its decision. It must be organized into Socialist Industrial Unions embracing the employed and unemployed of every race, color and creed, a union built along industrial lines and prepared to back up the Socialist ballot by taking, holding and operating all the means of production of the land.

Socialist Industrial Unionism is indispensable to an orderly reconstruction of society: First, because it has the power to enforce the fiat of the ballot by taking possession of the industries and locking out the defeated capitalist class minority if it rebels; second, because the Socialist Industrial Union is the framework of the Industrial Republic of Labor, the form of Twentieth Century Democracy we have already elaborated upon.

Upon the signal of victory at the polls the political state is adjourned (and along with it the Socialist Labor Party) and the councils elected by the Socialist Industrial Unions take over the reins of administration.

### EITHER—OR

Voters of Oregon: The issue is crucial. It can no longer be postponed. In all the so-called "democratic" nations of the world, the capitalist class is utilizing fear and hysteria to encroach upon the civil liberties of the people and set up totalitarian controls to protect their privileges. They have come to realize that in a world where shrinking markets throw all nations into a state of crisis, "total" defense and "total" war, their only chance to prolong their rule is to adopt the very absolutism they pretend to abhor.

To those workers who have had the dagger of fear plunged into their minds and who would sacrifice their civil liberties in the hope that these liberties will some day be returned, we would recall the injunction of Abraham Lincoln, who said: "I bid the laboring people beware of surrendering the power which they possess, and which, if surrendered, will surely be used to shut the door of advancement for such as they, and fix new disabilities upon them until all of liberty shall be lost."

Instead of relinquishing civil liberty we call upon the working class to preserve those liberties by enshrining them in a system of collective ownership, peace and abundance for all.

The hour is pivotal. The need for resolute, courageous, collective action is imperious. Either we win through to an infinitely better world in which we possess that most royal of royal possessions—freedom from every form of exploitation—OR we suffer new chains to be forged upon us and allow ourselves to be dragged into a new dark ages.

This, and nothing else, is the issue of the 1940 Campaign.

SOCIALIST LABOR PARTY STATE CENTRAL COMMITTEE,  
CARL V. SODERBACK, Chairman,  
UPTON A. UPTON, Secretary.

(This information furnished by Socialist Labor Party State Central Committee;  
Carl V. Soderback, Chairman, Upton A. Upton, Secretary.)

**JAMES W. MOTT**

**Republican Party Candidate for Representative in Congress,  
First Congressional District**



The confidence and esteem in which Congressman James W. Mott is held by all the people of his District, regardless of their party affiliation, is evidenced by the fact that at each election since 1932 they have returned him as their representative in Congress by overwhelming majorities.

The people know Congressman Mott. His first election to Congress was a tribute to his known achievements at home, as a prominent and successful lawyer, as a leader for eight years in his own State Legislature, as the author of many of Oregon's most important laws and as Corporation Commissioner of his State.

Now in his fourth successive term in Congress, he is one of the recognized leaders of the National House of Representatives. He has placed the First Congressional District of Oregon in the most commanding position it has ever occupied in that body, and has secured for it more beneficial legislation and more federal revenue than it has ever received before.

**MOTT'S COMMITTEES CONTROL OREGON LEGISLATION**

Congressman Mott is a member of the three standing committees of the House of Representatives (Naval Affairs, Roads and Public Lands) which together control most of the national legislation directly affecting the First Oregon District, and is a member of the special committees which control the procedure on the floor of the House.

He is also a member of the Committee on Committees, which selects the entire Republican membership of all standing committees of the House.

He holds an important place in the official floor organization of his Party in the House and is a member of the council which determines its legislative policy in that body.

**MOTT'S RECORD IN NATIONAL LEGISLATION**

In national legislation Congressman Mott has become nationally known and has been accorded a position of leadership in the House in its consideration of such vital problems as national defense, road legislation, industrial and farm legislation, veterans legislation and old-age security.

**NATIONAL DEFENSE.** As a member of the Naval Affairs Committee, Congressman Mott early took the initiative in advocating a two ocean navy, and he subsequently helped to draft the legislation under which it was authorized and is now being constructed. He sponsored the resolution creating the Hepburn Naval Board, from whose surveys the present Naval Air Base Expansion Program was developed. From its inception he has been instrumental in the legislative advancement of the entire National Defense program.

**ROADS.** Congressman Mott is ranking minority member of the committee on Roads and will become Chairman next year in event the Republicans should

(This information furnished by Republican State Central Committee;  
Kern Crandall, Chairman, Kenneth Nielsen, Secretary.)



gain a majority in the House. He played a dominant part in the making of the present Federal Aid Highway legislation, under which Oregon is receiving an average of \$4,000,000 a year in Federal funds for road building, and is the author of the amendment to the 1940 act, which permits the States to use Federal Aid Highway funds for the purchase of timber and other roadside lands to preserve the natural scenic beauty of highways.

**INDUSTRIAL AND FARM PROBLEMS.** He was instrumental in shaping the minority programs on farm solvency and refinancing, and on industrial reemployment. He is a leader in the present fight to secure enactment of the Frazier-Lemke Farm Mortgage Refinancing Bill, the Farmers Cost of Production Bill and the bills to insure the American market to the American farmer.

**VETERANS.** A veteran himself, Congressman Mott was actively engaged in the entire series of House battles which resulted in the repeal of the Economy Act, the passage of the Bonus Bill, the restoration of Spanish War Veterans' pensions, and all other remedial veteran legislation.

**OLD-AGE PENSIONS.** He has been one of the foremost in the field of old-age pension legislation. He believes that a proper solution of the problem of old-age security is one of the most important tasks facing the Congress, and that the General Welfare Bill, H. R. 8264, offers the best practical approach.

#### MOTT'S RECORD IN LEGISLATION AFFECTING OREGON

**FLOOD CONTROL.** Congressman Mott initiated the Oregon Flood Control program in the House which culminated in the enactment of the \$62,000,000 Willamette Valley Flood Control Project now in course of construction. Under other bills sponsored by him every stream in his District has been surveyed for flood control.

**DEFENSE OF THE OREGON COAST.** He is the author of the Act establishing the Tongue Point Naval Air Base which is now being constructed under appropriations totaling to date \$3,500,000.

**O. & C. GRANT LANDS.** As a member of the vitally important Committee on Public Lands, he sponsored and piloted through to enactment the new law which permanently settles the Oregon & California Grant Land revenue problem and which now pays to the sixteen land grant counties of Oregon more than a half million dollars a year in tax loss reimbursement.

**OTHER LEGISLATION AFFECTING OREGON.** Congressman Mott is co-author of the Act creating the Bonneville Authority. He introduced in the House and secured enactment of all present laws authorizing new harbor improvements in his district. He was sponsor in the House of the bills authorizing the Oregon Coast Highway bridges and the establishment of Federal fish hatcheries on the Columbia and Willamette, and is the author of the series of bills under which public lands have been conveyed to counties and municipalities in his district for parks and watershed protection. Every county in the First Oregon District has been the direct beneficiary of his legislation.

#### RECOGNITION ACCORDED CONGRESSMAN MOTT

The advancement of Congressman Mott to a position of power in the National House of Representatives has been rapid and steady. Both party organizations have fully recognized his exceptional ability and skill in debate, his forceful and dynamic personality, his thorough legislative knowledge and experience and his invariable success in securing enactment of his own legislation. On both the Majority and the Minority sides of the aisle he is rated as one of the outstanding members of the House.

REPUBLICAN STATE CENTRAL COMMITTEE,  
KERN CRANDALL, Chairman,  
KENNETH NIELSEN, Secretary.

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(This information furnished by Republican State Central Committee;  
Kern Crandall, Chairman, Kenneth Nielsen, Secretary.)

**CHARLES A. ROBERTSON**

**Democratic Party Candidate for Representative in Congress,  
First Congressional District**



Charles A. Robertson came to Oregon in 1904 and bought a stock ranch in Union County. In 1909 he purchased a farm in Polk County on the present site of West Salem and Kingwood Heights, where he now resides.

Mr. Robertson has been a member of the Oregon Bar since 1905, at which time he graduated from the Law Department of the University of Michigan, after both a classical and a legal education.

In 1913, Mr. Robertson became engaged in legal work abroad for American industry. He speaks six languages, having studied abroad, specializing in economics and political science. He served throughout the World War, the first year in Infantry (1917-18), and as Assistant Military Attache at Rome, Italy, 1918-1919, being demobilized in June, 1919.

He returned abroad at once to resume work as representative of American industries seeking foreign trade expansion. His work covered all of

Europe, the Near East, and all of Northern Africa.

Mr. Robertson was chosen a member of the Army War College at Washington, D. C., for the 1931-32 Session, and was then promoted to Lieut. Colonel, M. I. Reserve. He is a member of Kingwood Post No. 81, American Legion, and Marion Post No. 661, Veterans of Foreign Wars.

Since 1933, Mr. Robertson has spent most of his time in Oregon, taking an active interest in public affairs, and writing on World problems, and has been much in demand as a lecturer on International Relations.

In view of totalitarian dangers, Mr. Robertson warns against all foreign "isms", and the regimentation of labor.

He urges complete National defense, and is definitely opposed to war, unless attacked. He is against provoking a foreign war or trying to shoot democracy into foreign nations. He opposes all war profiteering.

He urges the broadest possible use of our natural heritage of hydro-electric power, free from utility racketeering and Holding-Company domination.

He believes our farmers are better able to work out their own problems than professional politicians, and that the solution of our farm problems should be based upon the programs of our state and national farm organizations.

He urges more effective Social Security legislation, and definite provision for adequate old age pensions,—which he has strongly advocated since 1932.

He believes our workers must be given a fair deal in this land of plenty, if democracy is to endure; that our economic, social, and political problems can be solved by democratic processes, in the American way, and that our greatest National Defense is to make democracy work as it should within our own borders.

He believes the State of Oregon deserves much greater Federal appropriations for aerial and naval defense, in which we are greatly surpassed by California and Washington.

**DEMOCRATIC STATE CENTRAL COMMITTEE,  
CHARLES H. LEACH, Chairman,  
FLAVEL TEMPLE, Secretary.**

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(This information furnished by Democratic State Central Committee;  
Charles H. Leach, Chairman, Flavel Temple, Secretary.)

**A. L. (AL) BROWN**  
**Democratic Party Candidate for State Treasurer**



Al Brown, Auditor of Multnomah County, has had many years experience in auditing and accounting. He has a broad knowledge of the problems confronting business enterprises as a result of his connections with railroad companies and contracting firms. He is, moreover, thoroughly acquainted with the administrative problems connected with the operations of an important department of the state government such as the office of State Treasurer. Indeed as a result of the wise and economical administration of the office of Auditor in Oregon's largest county, Multnomah, savings of thousands of dollars have been effected. This has been in line with Al Brown's belief that a taxpayer's dollar is easier saved than earned.

Contrary to the opinion held by his opponent, Brown does not believe that economies in government should be effected through the reduction in salaries of employees. There are other and infinitely more important sources of savings than wage-cuts, he believes.

Brown's friends induced him to run for the office of State Treasurer because they felt it necessary that the man who holds the purse-strings be familiar with public finance and administration and that he also have a broad and sympathetic viewpoint of the problems confronting the people of the State. They believe that Al Brown, an ordinary citizen who has risen

to public recognition through his ability as an administrator, his loyalty to principle and his devotion to ideals, and who has all his life, met the vexations and problems that confront most of the citizens in their every-day life, is eminently better qualified for this responsibility than one who has not had these problems to deal with.

While the responsibility for providing adequate pensions, unemployment insurance and social security laws rests with the legislature, nevertheless Brown thinks the citizens are entitled to know his stand on these things of primary importance and will strive toward their accomplishment.

Al Brown believes that true prosperity is only attained when the farmers are able to sell their products at parity prices and when labor commands good wages. Prosperity, he says, grows upward from the grass roots, not downward from the place of privilege.

Prominently identified with the Fraternal Order of Eagles, the Woodmen of the World, a member of Lents Grange, the Loyal Order of Moose, the East Side Commercial Club, the Jackson Club, Willamette Society, and other organizations, Brown has an immense civic consciousness.

Brown, unlike his opponent, believes that we must go forward with Roosevelt.

DEMOCRATIC STATE CENTRAL COMMITTEE,  
 CHARLES H. LEACH, Chairman,  
 FLAVEL TEMPLE, Secretary.

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(This information furnished by Democratic State Central Committee;  
 Charles H. Leach, Chairman, Flavel Temple, Secretary.)

**LESLIE M. SCOTT****Republican Party Candidate for State Treasurer**

The state treasurer handles each year more than seventy-five millions of dollars of public moneys in cash, and approximately one hundred millions of dollars in total transactions.

The state treasurer not only is invested with a high public trust as executive head of the treasury department, but he also has very responsible duties as a member of the State Board of Control, which manages the institutions in charge of state wards; the State Land Board, which administers the state irreducible school fund and other trust funds totaling more than \$9,000,000; and the State Bond Commission, which makes bond investments aggregating approximately \$4,000,000 per year for state funds.

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(This information furnished by Republican State Central Committee; Kern Crandall, Chairman, Kenneth Nielsen, Secretary.)

The state treasurer further is a member of the State Printing Board, Banking Board, and Reclamation Commission; all are charged with important duties and functions.

The people of Oregon wish positive assurance that state funds will be carefully guarded and invested; that their administrative boards will function efficiently; that their institutions will be ably and humanely managed.

Leslie M. Scott, Republican candidate for state treasurer, is capable, of high character, unquestioned integrity, seasoned judgment, and is well trained in finance and public business.

He was born in Portland in 1878, was educated in the public schools of Oregon, and is a graduate of the University of Oregon.

He has been active in civic and fraternal associations and has served in many capacities as a protector and conservator of the funds and investments of persons and societies.

He has served as United States Marshal and was Chairman of the State Highway Commission from 1932 to 1935.

During his term as Chairman of the Highway Commission, the state constructed \$18,000,000 in roads, in the meantime reducing the state highway bonded debt, \$4,862,500.

He was chairman of the State Industrial Welfare Commission in 1928-30, relating to wages, hours, and working conditions of women and children.

Few men in Oregon are more familiar with the needs and resources of the state; none is better fitted to bring in and effect sound and creative policies.

His past experience in positions of responsibility and public trust eminently qualifies him for the office.

In his campaign for the nomination, Mr. Scott made the following pledge to the voters, which he now renews:

"If elected State Treasurer, I shall do my part, as a member of the several state boards and commissions, to apply sound policies; to give careful consideration to the expenditures; to promote employment, business, agriculture, education; to protect employers, farmers and workers.

"If elected, I pledge continuance of the able performance that has distinguished this office, in the conservation of funds and investments.

"If elected, I trust my record for good work, in public and private office, will continue to earn your trust."

REPUBLICAN STATE CENTRAL COMMITTEE,

KERN CRANDALL, Chairman,

KENNETH NIELSEN, Secretary.

**BRUCE SPAULDING****Democratic Party Candidate for Attorney-General**

At thirty-four years of age, Bruce Spaulding combines with youthful initiative and energy a maturity of judgment born of 10 years' successful experience in the practice of law.

Twice elected District Attorney for Polk county, his unwavering allegiance to the principles of fair play; to the high ethics of his chosen profession; and to his own fine sense of justice has earned him the confidence of the people of his district.

A native Oregonian—grandson of a pioneer family—Bruce Spaulding attended grade and high schools in eastern Oregon and the Willamette Valley. He graduated from the Willamette University with the degree of A. B. and earned the degree of LL.B. upon graduation from that university's College of Law. He is married and has two daughters.

Bruce Spaulding's election to the office of Attorney-General of Oregon is urged by sincere, thinking members of both the Democratic and Republican parties who realize that such office should be free from domination by special privilege-seeking groups and divorced from the influence of politics. These citizens believe that, if elected Attorney-General, Bruce Spaulding will be just what the law contemplates—a fearless and impartial law enforcement officer and a diligent, capable and honest legal adviser of other public officials in the performance of their duties.

Mr. Spaulding knows the problems of labor at first hand. Since boyhood he has depended for his livelihood largely upon his own labors on the farm, in the logging camp, and in numerous other occupations.

His belief in the rights of laboring men to organize and to bargain collectively is the outgrowth of these experiences and those of the men among whom his boyhood and young manhood were spent.

But his strong conviction that labor's objectives must not be reached by other than lawful methods is shared by every right-minded citizen—union or non-union.

His fearless and vigorous prosecution of the Rosser case and other similar cases—where terroristic defiance of law shocked the nation—was the result of those beliefs and the determination to fulfill the trust imposed upon him by his office.

His successful prosecutions of the anti-gambling law violations were also notable.

During his ten years of active law practice—six of them as public prosecutor—Bruce Spaulding has earned recognition as one of the foremost younger attorneys of the state. He is president of the bar association for the district in which he lives, secretary of the Oregon Association of District Attorneys, and was formerly chairman of the legislative committee of that association.

Believing that the high qualities, ability, and experience upon which this record is built make Bruce Spaulding the ideal candidate for the office of Attorney-General of Oregon, the "Spaulding for Attorney-General Committee" and the Democratic State Central Committee urge his election to that office.

**SPAULDING FOR ATTORNEY-GENERAL COMMITTEE,**

By OSCAR HAYTER (of Dallas, Oregon), Chairman.

**DEMOCRATIC STATE CENTRAL COMMITTEE,**

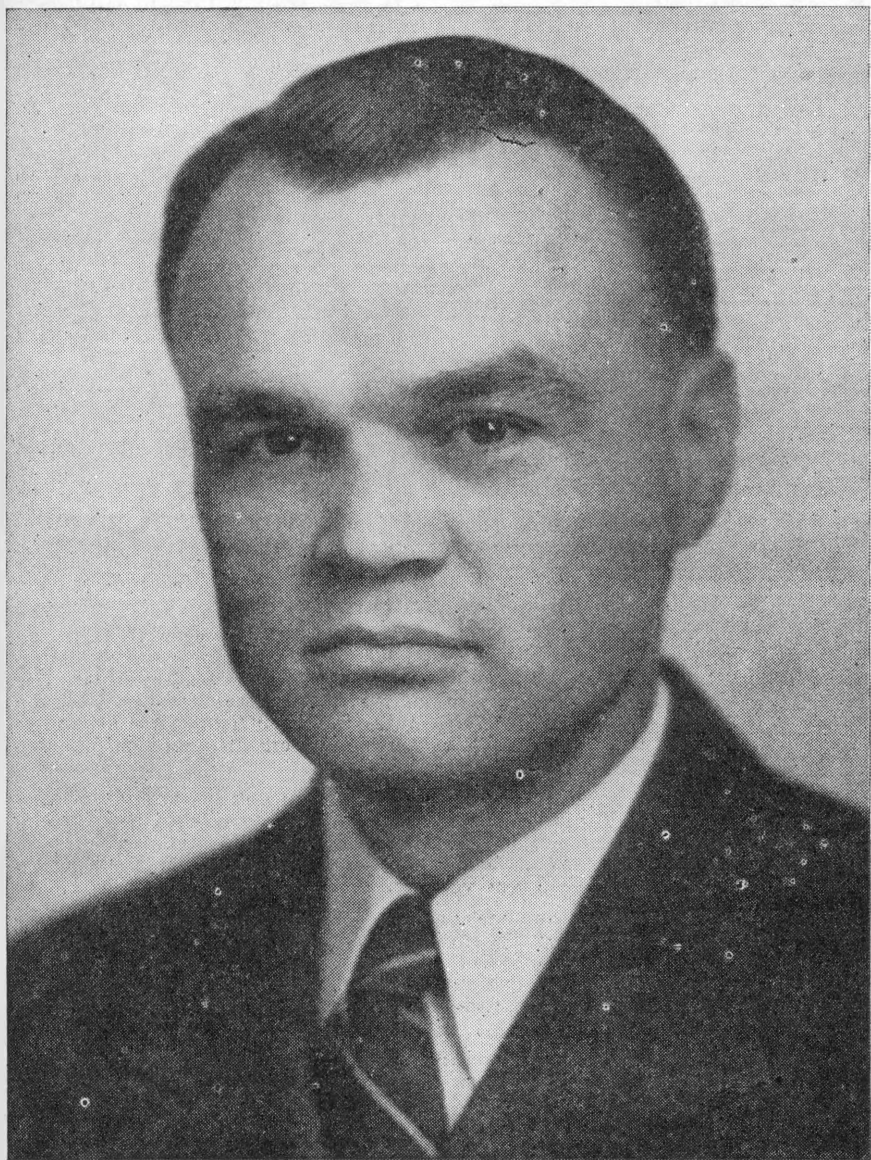
CHARLES H. LEACH, Chairman,

FLAVEL TEMPLE, Secretary.

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(This information furnished by Democratic State Central Committee;  
Charles H. Leach, Chairman, Flavel Temple, Secretary.)

**BRUCE SPAULDING**  
**Democratic Party Candidate for Attorney-General**



**AGGRESSIVE, CAPABLE, THOROUGHLY TRAINED AND EXPERIENCED**

(This information furnished by Democratic State Central Committee;  
Charles H. Leach, Chairman, Flavel Temple, Secretary.)

**I. H. VAN WINKLE**  
**Republican Party Candidate for Attorney-General**



I. H. Van Winkle, present Attorney-General, is a native of Oregon, born and reared on a farm near Halsey, Linn County, educated in the public schools there and later at Willamette University, Salem, where he graduated in both liberal arts and law. For many years he has served as trustee of Willamette University, and for fourteen years was Dean of its College of Law and is now Dean Emeritus.

His many years of experience as Attorney-General, and previously as assistant in that office, have given him an understanding of the state's governmental functions, business and legal problems which can be acquired in no other way.

With Mr. Van Winkle serving as its legal adviser the state receives the benefit of this invaluable experience in the administration of its laws.

His official service has been marked by fitness, fearlessness, economy and efficiency. His legal interpretations have been characterized by accuracy and fi-

delity to the law, independent of other influence, and his public duties constantly have had his personal supervision in every detail.

He is recognized as one of the foremost attorneys of Oregon in legal interpretation and construction of laws, and is known as being careful, painstaking and thorough in the work of the office he has so capably filled. His judgment has been sound and his opinions rarely have been reversed by the courts. It is extremely important to the state that the office of the Attorney-General, as well as the courts, should be kept free from influence or domination by other officials or politics.

By his liberal but sound interpretation of the law and his active and untiring efforts Mr. Van Winkle has rendered effective service of great value in materially helping aged and other unfortunate needy citizens in securing necessary assistance. He has always given his help generously in securing compensation and assistance to war veterans and unemployed labor.

The common school fund has been very materially increased and will continue to increase indefinitely, by royalties from public resources, without adding to taxes, through operation of the law which he wrote and of which he secured enactment. He has also succeeded in saving and securing for the benefit of the common school fund title to more than 23,000 acres of public land.

He has given fair and impartial service promptly and as economically as consistent with efficiency. He has met the ever-increasing volume of state legal business with effective action which protects the State of Oregon and its citizens.

Mr. Van Winkle is always "on the job".

REPUBLICAN STATE CENTRAL COMMITTEE,  
 KERN CRANDALL, Chairman,  
 KENNETH NIELSEN, Secretary.

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(This information furnished by Republican State Central Committee;  
 Kern Crandall, Chairman, Kenneth Nielsen, Secretary.)



**ALLAN G. CARSON**

**Republican Party Candidate for Representative in the Legislative Assembly,  
Twelfth Representative District, Comprising Marion County**



Mr. Carson was born in 1897 at Salem, Oregon, where he has lived ever since, except for several years in the U. S. Army and two years at Corvallis, Oregon.

He saw active service in 1916 on the Mexican Border with the Third Oregon Infantry, and actual combat service in 1917, 1918 and 1919 in France and Germany with the infantry of the 1st, 27th, 42nd and 6th Divisions, enlisting in the Regular Army as a private, and being honorably discharged as a first lieutenant. He believes that such experience has immeasurably increased his fund of understanding of life, men and things.

Mr. Carson's formal education was received in the public schools of Salem, Willamette University, University of Oregon, and private study.

Continuously since September, 1922, Mr. Carson has been engaged in the active practice of the law, serving clients of all walks

of life, and in almost every conceivable field. In 1927 and 1929, he served as Legislative Legal Counsel to the Governor of Oregon. He is just rounding out his fifth year as one of the governors of the Oregon State Bar, to which office he was twice elected by the lawyers of the First Congressional District. He served as president of the Oregon State Bar in 1937-8 and as a member of its Legislative Committee throughout its existence to date (Chairman, 1938-9, 1939-40). Although Mr. Carson has never been a member of any legislative assembly, or held other public office, he has had many years of valuable training and experience in legislation and legislative procedure and practice.

Mr. Carson has always believed that service to his Country is the highest office of a citizen, and he therefore now humbly offers his services to the people of his native County and State. He would like to do something constructive, and believes that he can. He promises, if elected, to be wholly fair and impartial, as those who know him will expect.

Lastly, but not least, Mr. Carson is a family man and taxpayer of long standing.

**SLOGAN**

**"For Integrity, Intelligence and Independence in Government."**

Respectfully submitted,

**REPUBLICAN STATE CENTRAL COMMITTEE,  
KERN CRANDALL, Chairman,  
KENNETH NIELSEN, Secretary.**

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(This information furnished by Republican State Central Committee;  
Kern Crandall, Chairman, Kenneth Nielsen, Secretary.)

**GEO. R. DUNCAN**

**Republican Party Candidate for Representative in the Legislative Assembly,  
Twelfth Representative District, Comprising Marion County**



In seeking re-election as State Representative for Marion County, Mr. Duncan makes the following statement:

"It is my desire to work only for legislation that is fair to all citizens, and I particularly welcome the views of all those having a practical working knowledge of the subject matter of any proposed legislation.

"During the 1939 session I made a special effort to increase the funds to be used for old age pensions, without increasing the real property tax, and will continue my efforts along this line until such time as an adequate and uniform Federal pension law is enacted.

"Oregon's highway system is one of our greatest assets and I will continue to work for the necessary maintenance and extension of our roads, and particularly for the early completion of the North Santiam Highway.

"I promise a fair and courteous hearing to all Citizens."

Mr. Duncan served in the U. S. Navy during the World War; is a graduate of Willamette University Law School; and has had 15 years of active law practice and practical experience in state, county and municipal business affairs.

REPUBLICAN STATE CENTRAL COMMITTEE,  
KERN CRANDALL, Chairman,  
KENNETH NIELSEN, Secretary.

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(This information furnished by Republican State Central Committee;  
Kern Crandall, Chairman, Kenneth Nielsen, Secretary.)

**H. R. (FARMER) JONES**

**Republican Party Candidate for Representative in the Legislative Assembly,  
Twelfth Representative District, Comprising Marion County**



I respectfully submit myself to Marion County as a Republican Candidate to the House of Representatives.

I have been a farmer and fruit buyer in this county nearly twenty-five years and feel that as a farmer, knowing farm problems, rural Marion County should have a member in the house as its active and direct spokesman. Agriculture and horticulture constitutes the major resources of Marion County and unless their interests be properly safeguarded it would affect the well being of all urban as well as rural residents of our county.

Better understanding and cooperation between agriculture, labor and industry could and would produce solutions to some of the more distressing social and economic problems that confront us today.

Any and all legislation seeking to bring this about would have my active and sincere support.

I am an American who is deeply thankful for the privilege of living in America and partaking of the liberties she grants her citizens and if elected you will find me extremely vigilant in safeguarding America and Americans to the utmost of my ability, never tolerating any unwise, vicious or un-American legislation.

Legislation designed to help restore prosperity and happiness to our farmers, our aged, our wage earner and our business associates would have my sincere and constant support.

I am fifty-five years old, have been married thirty years, have two daughters, one son and a lovely granddaughter.

If selected as one of your four representatives I pledge that the confidences you may repose in me will not be betrayed and that at all times I will truly represent Marion County.

I shall be deeply appreciative of your support and vote on election day.

H. R. "FARMER" JONES.

REPUBLICAN STATE CENTRAL COMMITTEE,

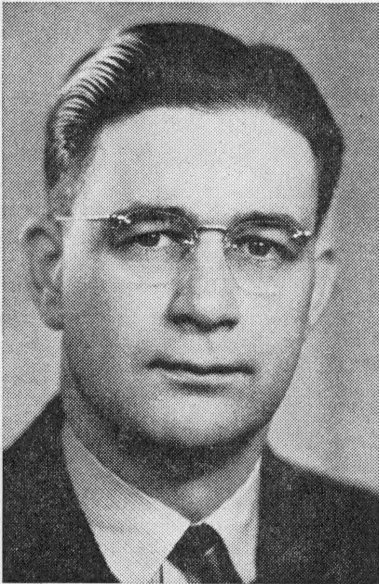
KERN CRANDALL, Chairman,

KENNETH NIELSEN, Secretary.

(This information furnished by Republican State Central Committee;  
Kern Crandall, Chairman, Kenneth Nielsen, Secretary.)

**JOHN F. STEELHAMMER**

**Republican Party Candidate for Representative in the Legislative Assembly,  
Twelfth Representative District, Comprising Marion County**



To the People of Marion County:

Mr. Steelhammer was born in Woodburn and received his education in the public schools of that city, graduating from the Woodburn High School. He subsequently attended Willamette University and later graduated from the Oregon Normal School at Monmouth, Oregon. For two years was engaged in teaching at Boardman in Eastern Oregon in order to supply himself with sufficient funds to continue his education. He then returned to Willamette University, completing the law course of that institution, and since that time has been engaged in the practice of his profession in Salem. With the exception of the time spent in Eastern Oregon, he has been a continuous resident of Marion County.

He is the grandson of A. G. Steelhammer, one of the Oregon pioneers of the Silverton District, and his parents at the present time reside on a farm in the Central Howell District.

If re-elected, he pledges himself to render to the people of Marion County the same honest and conscientious service

that he rendered in the last legislative session as your representative.

As a candidate for re-election to this position, he makes only one pledge—to continue his efforts advocating sane, sensible and progressive legislation, and to continue his opposition to nuisance bills, freak measures and political quackery.

He will actively favor retention of all departments of state and buildings at the seat of government.

He is interested in sound measures to further establish the economic security of aged and dependent people.

He believes in the great principle of popular representation in government, and he has been, and will continue to be open to discussion on any measure which he introduces, favors or opposes.

**HE IS NOT THE CANDIDATE OF ANY SPECIAL INTEREST OR GROUP AND HAS MADE NO PLEDGES TO, OR RECEIVED ANY ASSISTANCE, FINANCIAL OR OTHERWISE, FROM ANY SPECIAL INTEREST OR GROUP.**

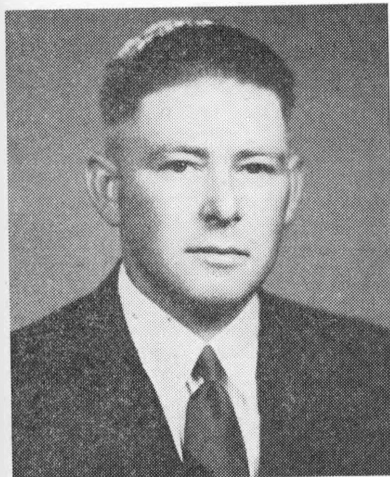
**SLOGAN:** "Re-elect. My record as your representative assures you active and efficient representation."

**REPUBLICAN STATE CENTRAL COMMITTEE,  
KERN CRANDALL, Chairman,  
KENNETH NIELSEN, Secretary.**

(This information furnished by Republican State Central Committee;  
Kern Crandall, Chairman, Kenneth Nielsen, Secretary.)

**WENDELL E. BARNETT**

**Democratic Party Candidate for Representative in the Legislative Assembly,  
Twelfth Representative District, Comprising Marion County**



I am a native Oregonian, 37 years of age and have spent virtually all my life in Western Oregon. Married Alice Col-lard in 1925. After graduating from the public schools, I spent the following 8 years working in mills, factories, con-struction camps and on farms. I know from first hand experience the many problems confronting those who work for a daily wage. For the past 14 years I have made my living by farming in the Gervais vicinity.

I am a charter member of the Gervais Local of the Farmers' Union, a member of the Gervais I.O.O.F. and second Vice-President of the Oregon Commonwealth Federation.

I consider the following to be major issues to be acted upon by the Oregon Legislature.

**CONSERVATION:** Timber is one of the principal resources of the State. For the worker it means employment, for the farmer it means the natural protection of the watersheds and to the business man it means sales. Our forests are being cut off three times as fast as they are being replaced. Selective cutting of timber should be mandatory.

**POWER:** I favor the public ownership and distribution of electrical energy.

**PENSIONS:** Adequate Old Age Pensions can come only through national legislation. The State should match Federal funds to the extent of securing a minimum pension of \$40 per month.

**LIQUOR CONTROL:** The Knox Law should be strengthened and not weakened. The sale of fortified wines should be confined to the State Liquor Stores.

**TAXES:** All tax laws should be based on ability to pay. I am opposed to the sales tax under any name. The enactment of a homestead exemption and graduated land tax for the protection of the family sized farm against excessive land taxes and the encroachment of corporation farming.

**COOPERATIVES:** Both the producer and consumer cooperatives should be encouraged and protected.

**STATE INSTITUTIONS:** Modernize our state institutions and place them under non-political control.

I solicit your vote on the basis of my stand on these issues.

**DEMOCRATIC STATE CENTRAL COMMITTEE,  
CHARLES H. LEACH, Chairman,  
FLAVEL TEMPLE, Secretary.**

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(This information furnished by Democratic State Central Committee;  
Charles H. Leach, Chairman, Flavel Temple, Secretary.)

**ROY R. HEWITT**

**Democratic Party Candidate for Representative in the Legislative Assembly,  
Twelfth Representative District, Comprising Marion County**



Through his public addresses and writings, Roy R. Hewitt is well-known in Marion County and his strongest recommendation is that the "kept press" finds it worth while to oppose his election.

He will continue his efforts towards securing cost of production to farmers, and improving the conditions of other workers; protecting civil liberties; providing adequate and honorable provision for senior citizens; encouraging industry; increasing employment; caring for the unemployed; securing public ownership of natural monopolies; and enforcing economy and efficiency in government.

He was born near Salem and reared on an Oregon farm. He worked as a tradesman while securing his education in the Oregon public schools and Willamette University. He attended Clark University, the University of Southern California, Japanese Imperial University; travelled widely and conducted expeditions in Asia and South America. He was senior fellow and lecturer on jurisprudence at Clark University; assistant and associate professor of political science at Oregon State College, and Dean of Willamette University's College of Law. He pioneered in conducting schools for law-enforcement officers and served on the commission that installed the Oregon State Police.

He is the author of numerous articles on social, economic, and political subjects; "Observations" in the Capital Press; the Oregon supplement to the State-adopted text on government used in the public schools, and co-author of the "Outline of Oregon Government" used in the institutions of higher learning of the State.

He practices law at Salem for farmers and workers. He has followed the Oregon legislatures since 1909; has drafted a number of its bills and has appeared before many of its committees. He has observed the inadequate care of Oregon's unfortunate wards, and drew Senate Bill 414 to improve the conditions of Oregon's "living dead."

He participated in the organization of Company A, 3d Oregon Infantry; served with it on the Mexican Border; was honorably discharged; and during the World War he did morale work with the American army overseas.

He will work for the men and women who do the work.

**DEMOCRATIC STATE CENTRAL COMMITTEE,  
CHARLES H. LEACH, Chairman,  
FLAVEL TEMPLE, Secretary.**

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(This information furnished by Democratic State Central Committee;  
Charles H. Leach, Chairman, Flavel Temple, Secretary.)

**FRANCIS E. MANLEY**

**Democratic Party Candidate for Representative in the Legislative Assembly,  
Twelfth Representative District, Comprising Marion County**



I respectfully submit my candidacy to the voters of Marion county for Representative to the State Legislature.

I am 55 years of age, married, and have lived and owned property in Marion county for the past seventeen years. Previous to settling in Marion county I was a successful wheat farmer, garage owner, and building contractor.

Since coming to Marion county I have engaged in building and contracting for three years and for the past fourteen years I have been employed by the Valley Motor Company.

If elected, I pledge myself to consider all legislative problems with an open mind lending my support only to those problems which in my opinion are to the best interests of all the people.

I do not believe additional legislation is necessary in solving some of the problems with which we are confronted, but that the active cooperation of the legislature can be of great assistance in bringing about a mutual understanding, and that legislation should be enacted when the farmers, laborer or consumer ask

assistance or present measures, based on the "GOLDEN RULE".

While interested chiefly in questions affecting the farmer and the laborer, I would certainly consider it my duty as a legislator to introduce and support measures designed to restore prosperity to the businessmen of our cities, as one cannot survive and prosper without the other.

High taxes are one of the greatest problems with which we are confronted today and I pledge myself to work consistently for a reduction of taxes on property. I am in favor of a uniform National Old Age pension on a pay-as-you-go basis such as the Townsend Plan. This would take a direct property tax load off the state and counties, and would be of material benefit to the old people by giving them greater assistance.

If the statement and pledges as set forth above are in harmony with your views I would appreciate your help in my campaign at the November 5th election. Marion county must elect four Representatives; I ask for one of your votes.

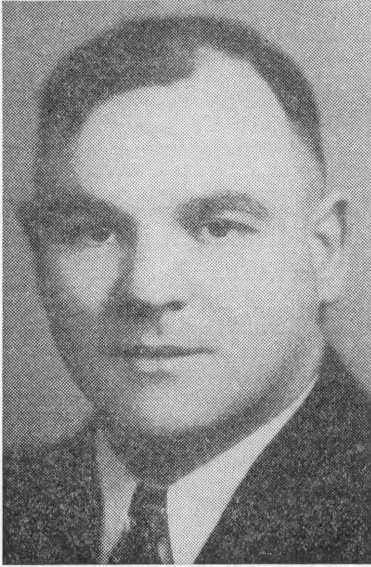
**SLOGAN**

I shall view each new measure with an open mind.

· DEMOCRATIC STATE CENTRAL COMMITTEE,  
CHARLES H. LEACH, Chairman,  
FLAVEL TEMPLE, Secretary.

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(This information furnished by Democratic State Central Committee;  
Charles H. Leach, Chairman, Flavel Temple, Secretary.)

**M. B. HAYDEN****Republican Party Candidate for District Attorney for Marion County**

To the Voters of Marion County:

Judge Hayden was born in Salem, Marion County, Oregon, October 5th, 1895, the son of Samuel L. Hayden and Mamie M. Hayden. His Grandfather, Judge Ben Hayden, came to Oregon territory in 1849, and his family has resided continuously in Marion and Polk Counties to the present date.

Judge Hayden's education was received in the public schools, and Willamette University in Salem, Oregon, from which latter institution he was graduated in 1920. He served with Company M, 3rd Infantry, Oregon National Guard, on the Mexican Border in 1916, and later enlisted in the World War in the United States aviation forces; served overseas.

The Supreme Court of the State of Oregon admitted him to practice law on May 23, 1917, when he was 21 years of age. His eighteen years of experience in the practice of law, together with the fact that he has been engaged for more than ten years in a law enforcement capacity, especially qualify him for the important office of District Attorney. Serving present term as a local Judge, Salem District.

The office of District Attorney should be maintained in the Marion County Courthouse. Unfortunately by reason of insufficient space this office (the same as the Salem Justice Court) is maintained elsewhere. It will be Judge Hayden's policy for reasons of economy to Marion county, if he is elected, to request the State Legislature by legislative act, to remedy this condition, the District Attorney being a state officer by law situated in Marion County, Oregon.

The office of District Attorney is one of the most important legal positions in Marion County, and requires an attorney of long and wide experience.

If elected District Attorney of Marion County, Oregon, Judge Hayden faithfully pledges himself to an able, honest and conscientious enforcement of all laws, with fairness to both the public and the offender.

Your support for this important office will be appreciated.

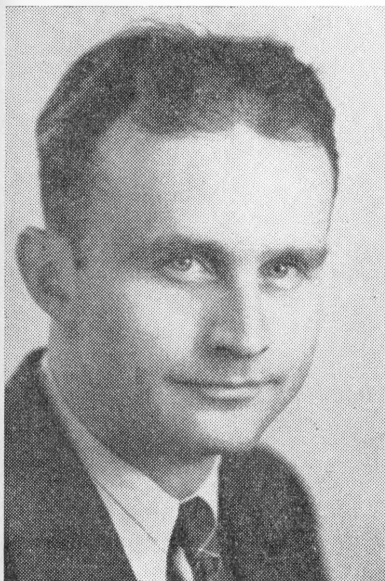
REPUBLICAN STATE CENTRAL COMMITTEE,  
KERN CRANDALL, Chairman,  
KENNETH NIELSEN, Secretary.

(This information furnished by Republican State Central Committee;  
Kern Crandall, Chairman, Kenneth Nielsen, Secretary.)



## **AVERY THOMPSON**

**Democratic Party Candidate for District Attorney for Marion County**



Mr. Thompson was born in Marion County. Since his graduation from the University of Oregon Law School in 1932, he has practiced law in Salem.

Mr. Thompson will vigorously enforce all criminal statutes and submits the following platform for the consideration of the people of Marion County:

### **GAMBLING**

He stands for the strict enforcement of the laws against gambling. Gambling has heretofore been temporarily suppressed by special prosecutors in Marion County. But, like other illegal practices that are profitable to a few in the business, gambling creeps back. To those who conduct gambling establishments, Mr. Thompson directs this part of his platform, and wishes it to be known that the anti-gambling statutes are as important as any other criminal statute, and violation will be relentlessly prosecuted.

### **FORTIFIED WINE**

The legislature has passed an act designed to eliminate the evils arising from the unrestricted manufacture and sale of fortified wine. Illegal fortified

wine is so injurious to the consumers that the law has made it illegal. The next step is the enforcement of the law. Mr. Thompson will prosecute with diligence those who violate this act.

### **DRUNKEN DRIVING**

If one so disregards the rights and lives of others, as to drive an automobile while under the influence of intoxicating liquor, he deserves to be prosecuted. Mr. Thompson believes that such a person should be prosecuted without discrimination as a drunken driver and that the charge should not be reduced because it would be easier to convict him as a reckless driver.

### **LIVESTOCK THIEVES**

It appears that the turkey thief has supplanted the cattle rustler. In whatever form, however, Mr. Thompson shall vigorously prosecute the livestock thieves.

### **MALFEASANCE IN OFFICE**

The Grand Jury with the aid of the District Attorney has the duty to inquire into the conduct of public office. The careful exercise of this duty could have saved the taxpayers of Marion County a considerable amount of money in the past ten years. As District Attorney, Mr. Thompson shall lend every aid to the various Grand Juries in this regard. He believes that a public office is a public trust. A violation of this trust should be ascertained early and quickly prosecuted.

**DEMOCRATIC STATE CENTRAL COMMITTEE,**  
CHARLES H. LEACH, Chairman,  
FLAVEL TEMPLE, Secretary.

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(This information furnished by Democratic State Central Committee;  
Charles H. Leach, Chairman, Flavel Temple, Secretary.)

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