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Official Voters' Pamphlet

Containing

Proposed Constitutional Amendments and Measures

(With Arguments)

To Be Submitted to the Voters of Oregon

at the

SPECIAL ELECTION, MAY 18, 1934

and

Statements of Candidates for Nomination for Nonpartisan Judiciary Offices

PRIMARY ELECTION, MAY 18, 1934



Compiled and Issued by

P. J. STADELMAN

Secretary of State

Pursuant to Chapter 90, Oregon Laws, Second Special Session, 1933, and
Section 36-2404, Oregon Code 1930.

BAKER, CLACKAMAS, CLATSOP, COLUMBIA, CROOK, DES-
CHUTES, GILLIAM, HOOD RIVER, JEFFERSON, LAKE, LINN,
MARION, MORROW, POLK, SHERMAN, UMATILLA, UNION,
WALLOWA, WASCO, WHEELER, AND YAMHILL COUNTIES

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LAW DIRECTING THE HOLDING OF A SPECIAL ELECTION AND AUTHORIZING THIS COMPILATION

(From Chapter 90, Oregon Laws, Second Special Session, 1933)

Section 1. A special election shall be held in the several voting precincts throughout the state of Oregon on Friday, May 18, 1934. There shall be submitted to the people for their approval or rejection at the said special election, (1) all constitutional amendments proposed by the second special session of the thirty-seventh legislative assembly of the state of Oregon; (2) all measures and questions enacted at said session and referred to the voters, either directly by the legislature, or by referendum petition; and, (3) such constitutional amendments and measures as may be proposed by completed initiative petitions filed with the secretary of state not less than four months prior to the said special election, ordering specifically or optionally their submission thereat. The said election shall be held during the same hours on said day and in all respects in the same manner as are other elections as provided by law relating to regular general elections, and the votes cast on such constitutional amendments, measures and questions shall be counted, canvassed, returned and declared in the same manner as provided by law for measures voted upon at regular general elections.

Section 2. On or before April 3, 1934, any person or association of persons may file with the secretary of state any argument or statement favoring or opposing any of said constitutional amendments, measures or questions to be voted on by the people at such special election

on the same terms and conditions as are provided therefor by law for the filing of such arguments or statements on any amendments or measures referred to the people at a regular general election. Any argument favoring or opposing any of such constitutional amendments, measures, or questions prepared and presented by any legislative committee pursuant to authority of said thirty-seventh legislative assembly, second special session, shall be filed with the secretary of state not later than April 3, 1934.

Section 3. Immediately after the time shall have expired for filing arguments or statements, as provided in section 2 hereof, the secretary of state shall cause to be printed in pamphlet form, in the manner now provided by law, a true copy of the title and text of each constitutional amendment, measure, and question herein mentioned to be submitted at such election, together with any such arguments or statements so filed, and shall, not less than 10 days prior to the date of said election, mail to each registered voter of the state a copy of such pamphlet; provided, that if the secretary of state 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.

. . . .

(On Official Ballot, Nos. 300 and 301)

AN AMENDMENT

To section 10, article XI of the constitution of the state of Oregon, to be submitted to the legal voters of the state for their approval or rejection at the special election to be held May 18, 1934; proposed by the second special session of the thirty-seventh legislative assembly by senate joint resolution No. 2 filed in the office of the secretary of state December 12, 1933.

The following is the form and numerical designation of the proposed amendment as it will be printed on the official ballot:

Constitutional Amendment—Referred to the People by the Legislative Assembly

COUNTY INDEBTEDNESS AND FUNDING BOND CONSTITUTIONAL AMENDMENT—Purpose: Requiring two-thirds vote in counties to authorize county indebtedness exceeding \$5,000 for roads; authorizing counties to issue warrants evidencing liabilities imposed by law and which they are powerless to prevent; authorizing any county, upon approval by two-thirds vote of electors voting thereon, to issue bonds in amount equal to amount of its outstanding warrants December 31, 1933, with interest thereon to election date, but not exceeding 2½ per cent of assessed valuation of all property in such county; superseding existing special constitutional debt funding provisions for Benton, Clackamas, Crook, Curry, Klamath and Linn counties; but not releasing any existing liabilities.

300 Yes. I vote for the proposed amendment.

Vote YES or NO

301 No. I vote against the proposed amendment.

The following is the 25-word voting machine ballot title of the proposed amendment:

COUNTY INDEBTEDNESS AND FUNDING BOND CONSTITUTIONAL AMENDMENT—Purpose: Requiring two-thirds vote for county road bonding; authorizing county bonds, upon two-thirds vote, funding warrant indebtedness, December 31, 1933, equaling 2½ per cent assessed valuation

SENATE JOINT RESOLUTION NO. 2

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

That section 10, 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.

Sec. 10. No county shall create any debt or liabilities which shall singly or in the aggregate, with previous debts or liabilities exceed the sum of \$5,000, except to suppress insurrection or repel invasion or to build or maintain permanent roads within the county; and debts for permanent roads shall be incurred only on approval of two-thirds of the qualified electors therein voting upon the question, and shall not either singly or in the aggregate, with previous debts and liabilities incurred for that purpose, exceed 6 per cent of the assessed valuation of all property in the county; provided, however, that any county may issue warrants drawn on its treasurer to evidence debts and liabilities

imposed on it by law and which the county is powerless to prevent and may issue bonds not to exceed an amount equal to the amount of the warrants of said county outstanding on the thirty-first day of December, 1933, and all interest on same to date of said election, for the payment of which no funds were then available, provided that said bonds shall not at any time exceed in amount 2½ per cent of the assessed valuation of all property in the county, the proceeds from the sale of such bonds to be devoted to paying the said outstanding warrants and said interest thereon, but that such bonds shall be authorized by two-thirds of the qualified electors of the county voting on the question at any general or special election called and held for such purpose; provided further, that the county court may order a special election for said purpose and shall cause printed notices thereof, signed by the county clerk, to be posted at least 20 days before the date of election, in like manner as notices of a general election are now posted, which notices shall particularly specify the amount of bonds proposed

to be issued, the length of time they shall run, which shall not exceed 20 years, and the maximum rate of interest they shall bear, which shall not exceed the legal rate, and that said bonds shall be serial in character payable one-twentieth or more each year after the date of issuance of said bonds, and said court shall have printed for use at such election, the same number of official and sample ballots as are required by the election laws at a general election, said ballots to specify the amount of bonds to be issued, the length of time they shall run, the maximum rate of interest they shall bear; and that said bonds shall be serial in character payable one-twentieth or more each year after the date of issuance of said bonds, and said election shall be conducted by the regularly appointed election officials and in accordance with the general laws, except as herein otherwise provided; provided further, that said serial bonds may be issued with optional dates of redemption, in the discretion of the county court, in which case such bonds shall be so further described in said notices of election and in said election ballots; provided further, that said bonds, when so authorized, may be sold by the county court for the best price obtainable subject to the limitations hereinabove set forth, and shall be in such form as the county court may prescribe; provided further, that all uncollected taxes heretofore levied for the purpose of meeting obligations for the payment of which said warrants were issued and all uncollected taxes levied for the payment of said warrants and the interest thereon shall be and remain pledged to the payment of the corresponding funding bonds and the interest thereon, and, as collected, shall be set aside by the county treasurer, in a sinking fund for the payment of such bonds and such interest and that the county court shall

each year, after the issuance of such bonds, levy a special tax in such an amount as may be necessary to pay the interest on said bonds and to retire the serial amount payable in said year, such tax to be in addition to all other taxes provided by law and to be withheld by the county treasurer in the full amount of said levy and placed in said sinking fund for the payment of the principal of and interest on said bonds; and provided further, that the amendment of this section shall not release or extinguish any liability incurred under such section prior to the amendment hereof, and such amendment shall be treated as still remaining in force for the purpose of meeting the obligations heretofore incurred under said section of the constitution; be it further

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

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

Filed in the office of the secretary of state December 12, 1933.

For affirmative argument see page 5

(On Official Ballot, Nos. 300 and 301)

ARGUMENT (Affirmative)

Submitted by the joint committee of the senate and house of representatives, thirty-seventh legislative assembly, second special session, in behalf of the County Indebtedness and Funding Bond Constitutional Amendment.

In spite of the depression it was necessary that the civil government be maintained in the counties of the State of Oregon. Notwithstanding the fact that adequate tax levies were made for such expense, the taxes were not paid and several counties had to issue warrants "to evidence debts and liabilities imposed upon it by law and which the county is powerless to prevent". The quotation being the wording of the amendment.

The proposed amendment simply authorizes the voters of a county, if the question is submitted to them, to vote on the question of whether or not bonds for the funding of such warrants shall be issued. The adoption of the amendment by the people does not mean that the bonds will be issued. Each county will have the right to vote on the question itself and the adoption of the funding plan will only take place when two-thirds of the electors voting upon the question vote for the issuance of the bonds. If a majority of the voters vote "yes" on this constitutional amendment, however, it will become part of the constitution of the state.

This plan is not new. Our constitution has been amended in the past to allow Crook, Curry, Linn, Benton, Klamath and Clackamas counties to make such funding issues, and the amendment will now allow elections to correct conditions brought on by as trying times as we have ever experienced in the history of our State.

Several counties in Oregon have large amounts of warrants outstanding, all of which were issued for the purpose of continuing civil government in their jurisdictions. The power of the communities to absorb these warrants has been exhausted, and the result is that the employees of the counties are taking large losses through the discounts they find it necessary to accept when they negotiate these warrants. The counties find that when they are in the market for supplies, the seller adds to the price of the goods he is furnishing the estimated amount of the discount he will have to take when he sells the warrant. The result is a greatly increased cost of government to the people and a stagnation of credit in the communities.

The reason purchasers of warrants demand a discount on them is primarily because of the fact that the warrants have no definite maturity and therefore, they are not negotiable instruments, and no interest will be received on them until they are paid, at which time all the accumulated interest on them is paid. The counties with warrants outstanding could, if the amendment is passed, hold elections and vote on the question of issuing bonds, the form of which is specified in the amendment, and with

the proceeds from the sale of the bonds pay the warrants. The amendment provides such bonds would have to be serial bonds, some of which would mature each year and the county would be required to levy a special tax for the payment of the bonds and interest thereon, and it also provides that all uncollected taxes heretofore levied for the purpose of meeting the obligations for the payment of which warrants were issued, and all taxes levied for the purpose of retiring such warrants, shall, as collected, be used to retire such bonds.

The amendment therefore, sets up specific and complete safeguards around the bonds and the elections at which they are authorized, including a limitation on the amount of bonds which can be issued, which is the amount of warrants outstanding December 31, 1933 plus accrued interest to the date of the election on the question of the issuance of the bonds. It is anticipated that should counties vote to issue the bonds, many holders of warrants would exchange their warrants for the bonds and begin receiving interest periodically. The market for municipal bonds at this time is greatly improved, and it is further anticipated that counties issuing funding bonds will be able to secure a lower interest rate than the warrants now bear and a material saving will be made.

The issuing of serial bonds to take up outstanding warrants should result in counties being able to reduce their taxes through spreading out payment of their obligations over a longer term. Every possible reduction in property taxation seems necessary at this time. The property taxes are the only source from which counties receive revenue for payment of such warrants or bonds issued to fund them.

The undersigned constitute a committee appointed pursuant to senate joint resolution No. 2 by the President of the senate and the Speaker of the house to prepare this argument. We strongly recommend the enactment of this measure.

JAY H. UPTON,
State Senator,
Bend, Oregon.

JOHN D. GOSS,
State Senator,
Marshfield, Oregon

ELWIN A. McCORNACK
State Representative,
Eugene, Oregon.

M. A. LYNCH,
State Representative,
Redmond, Oregon

JOHN H. HALL,
State Representative,
Portland, Oregon

(On Official Ballot, Nos. 302 and 303)

AN AMENDMENT

To section 11, article I of the constitution of the state of Oregon, to be submitted to the legal voters of the state for their approval or rejection at the special election to be held May 18, 1934; proposed by the second special session of the thirty-seventh legislative assembly by senate joint resolution No. 4 filed in the office of the secretary of state December 12, 1933.

The following is the form and numerical designation of the proposed amendment as it will be printed on the official ballot:

Constitutional Amendment—Referred to the People by the Legislative Assembly

CRIMINAL TRIAL WITHOUT JURY AND NON-UNANIMOUS VERDICT

CONSTITUTIONAL AMENDMENT—Purpose: To provide by constitutional amendment that in criminal trials any accused person, in other than capital cases, and with the consent of the trial judge, may elect to waive trial by jury and consent to be tried by the judge of the court alone, such election to be in writing; provided, however, that in the circuit court ten members of the jury may render a verdict of guilty or not guilty, save and except a verdict of guilty of first degree murder, which shall be found only by a unanimous verdict, and not otherwise.

302 Yes. I vote for the proposed amendment.

Vote YES or NO

303 No. I vote against the proposed amendment.

The following is the 25-word voting machine ballot title of the proposed amendment:

CRIMINAL TRIAL WITHOUT JURY AND NON-UNANIMOUS VERDICT

CONSTITUTIONAL AMENDMENT—Purpose: Authorizing accused, with judge's consent, to waive jury trial, except in capital cases; verdict, except guilty of first degree murder, by ten circuit court jurors.

SENATE JOINT RESOLUTION NO. 4

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

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

ARTICLE I.

Sec. 11. *Rights of Accused in Criminal Prosecution.* In all criminal prosecutions, the accused shall have the right to public trial by an impartial jury in the county in which the offense shall have been committed; to be heard by himself and counsel; to demand the nature and cause of the accusation against him, and to have a copy thereof; to meet the witnesses face to face, and to have compulsory process for obtaining witnesses in his favor; provided, however, that any accused person, in other than capital cases, and with the consent of the trial judge, may elect to waive trial by jury and consent to be tried by the judge of the court alone, such election to be in writing; provided, however, that in the circuit court ten members of the jury may render a verdict of guilty or not guilty, save and except a verdict of guilty of first degree murder, which shall be found only by a unanimous verdict, and not otherwise; provided further, that the existing laws and constitutional provisions relative to criminal prosecutions shall be continued and remain in effect as to all prosecutions for crimes com-

mitted before the taking effect of this amendment; be it further

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

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

Filed in the office of the secretary of state December 12, 1933.

For affirmative argument see page 7.
For negative argument see page 8.

(On Official Ballot, Nos. 302 and 303)

ARGUMENT (Affirmative)

Submitted by the joint committee of the senate and house of representatives, thirty-seventh legislative assembly, second special session, in behalf of the **Criminal Trial Without Jury and Non-Unanimous Verdict Constitutional Amendment.**

The laws of Oregon now prohibit the court from commenting on the fact that the accused in a criminal case has failed to take the witness stand and testify in his own defense, and the judge is also prevented from commenting on the value of the evidence introduced on behalf of the defendant no matter how flimsy the defense of the accused may be. Our laws also require that the evidence against the defendant must be so conclusive as to the culprit's guilt that the jury must be convinced beyond any reasonable doubt or to a moral certainty of that guilt before it is privileged to find a verdict of guilty. Twelve jurors trying a criminal case must be unanimous in their decision before the defendant may be found guilty.

The proposed constitutional amendment is to prevent one or two jurors from controlling the verdict or causing a disagreement. The amendment has been endorsed by the district attorney's association of this state and is approved by the commission appointed by the governor to make recommendations amending criminal procedure.

Disagreements not only place the taxpayers to the expense of retrial which may again result in another disagreement, but congest the trial docket of the courts.

The amendment provides that a jury of ten may return a verdict save and ex-

cept in first degree murder. A notable incident of one juror controlling the verdict is found in the case of State v. Silverman recently tried in Columbia county. In this case 11 jurors were for a verdict of murder in the second degree. One juror was for acquittal. To prevent disagreement 11 jurors compromised with the one juror by returning a verdict of manslaughter. This they were compelled to do to prevent large costs of retrial.

Disagreements occasioned by one or two jurors refusing to agree with 10 or 11 other jurors is a frequent occurrence.

One unreasonable juror of the 12, or one not understanding the instructions of the court can prevent a verdict either of guilt or innocence.

We believe that the people of Oregon will clearly see the reasonableness of the proposed change and vote favorably for this measure, which certainly is a step in the right direction.

ASHBY C. DICKSON,
State Senator, Portland, Oregon.

FRANK H. HILTON,
State Representative, Portland, Oregon.

F. H. DAMMASCH,
State Representative, Portland, Oregon.

(On Official Ballot, Nos. 302 and 303)

ARGUMENT (Negative)

Submitted by Richard Deich, opposing the Criminal Trial Without Jury and Non-Unanimous Verdict Constitutional Amendment.

It has been stated through the public press and otherwise that shrewd lawyers have been enabled to defeat justice because of the age-old custom of requiring a unanimous jury in criminal cases, by centering upon one or more jurors perhaps and getting what is known as a "hung jury" and eventually winning the case or causing the dismissal thereof. But as a matter of fact, no lawyer need care whether it would be a 12 man jury, the court itself, a majority jury or a 10 man jury who decides the case, because the lawyer will take the cloth as he finds it and cut the suit accordingly and he will win or lose his case just the same; but to the citizens of our great country who have paid dearly to establish this 12 man jury, it is all important.

"LAW

Laws, as we read in ancient
sages,
Have been like cobwebs in all
ages,
Cobwebs for little flies are spread.
And Laws for little folks are
made;
But if an insect of renown,
Hornet or beetle, wasp or drone,
Be caught in quest of sport or
plunder,
The flimsy fetter flies in sun-
der."

The particular amendment in question to section 11, Article 1 of the constitution of Oregon, is objectionable for other reasons than the above. One objection that seems overwhelming to me is the fact that anyone charged with murder in the first degree which means premeditated with malice aforethought, killing of a human being, is allowed the special privilege of no conviction unless 12 jurors unanimously agree; whereas, the small fry, the embezzler, the second degree murderer, the forger, the rapist and all lesser crimes, must take his chance on 10/12 jury. It would seem that it is putting a premium on what

our law-makers and the public in general seem to believe is the worst criminal in the world. It would seem that the poet quoted above had this same idea in mind when he wrote his little known or heeded couplet.

In practically 10 years experience as a deputy prosecutor in Multnomah county, Oregon, I cannot recall a single instance in my own experience where I regretted the fact that less than a unanimous jury could bring in a conviction in a criminal case and I tried a goodly number of cases. I can remember probably a quarter of a century ago when the district attorney was considered one of the best, if not the best, lawyer in the community; whereas I do not necessarily need to call your attention to the fact that now he is possibly considered one of the poorest if not the worst. This is not necessarily a reflection on the legal ability of a district attorney of a large district like Seattle, Portland, San Francisco or Los Angeles because as a matter of course he cannot try all of the cases or even the most important ones but he should be able to organize his force whereby he would be represented by able and competent lawyers as deputies. In other words, the greatest asset of a district attorney in a large community is executive ability. This, of course, would be somewhat difficult to secure without adequate compensation for said deputies, even though the district attorney was possessed of the necessary executive qualifications.

I am against the amendment not because I feel it is an ill-advised move. It is a weak and ill-advised attempt to correct an evil that will be abortive because it will not get the results sought for. It is an attempt to repair the engine in your automobile by patching up a hole in the exhaust pipe.

RICHARD DEICH,
State Representative,
Fifth District, Portland, Ore

(On Official Ballot, Nos. 304 and 305)

A MEASURE

To provide for the location, construction, operation and maintenance of a state tuberculosis hospital in Multnomah county, submitted to the legal voters of the state of Oregon for their approval or rejection at the special election to be held May 18, 1934, pursuant to chapter 55, Oregon Laws, second special session, 1933, (house bill 130), filed in the office of the secretary of state December 15, 1933.

The following is the form and numerical designation of the proposed measure as it will be printed on the official ballot:

Proposed Law—Referred to the People by the Legislative Assembly

BILL AUTHORIZING A STATE TUBERCULOSIS HOSPITAL IN MULTNOMAH COUNTY—Purpose: To authorize the location, construction, operation and maintenance by the state of Oregon of a tuberculosis hospital in Multnomah county, Oregon, when funds are available therefor.

304 Yes. I vote for the proposed law.

Vote YES or NO

305 No. I vote against the proposed law.

The following is the 25-word voting machine ballot title of the proposed measure:

BILL AUTHORIZING A STATE TUBERCULOSIS HOSPITAL IN MULTNOMAH COUNTY—Purpose: To authorize location, construction, operation and maintenance by the state of Oregon of a tuberculosis hospital in Multnomah county, Oregon, when funds are available therefor.

OREGON LAWS, SECOND SPECIAL SESSION, 1933

Chapter 55

(House Bill No. 130, Second Special Session, Thirty-seventh Legislative Assembly)

AN ACT

To provide for the location, construction, operation and maintenance of a state tuberculosis hospital in Multnomah county, Oregon.

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

Section 1. A state tuberculosis hospital hereby is authorized and directed to be located, constructed, operated and maintained in Multnomah county, state of Oregon, and the Oregon state board of

control hereby is authorized and directed to proceed to locate, construct, operate and maintain such hospital, and to secure the necessary land therefor, when funds are available therefor, in the same manner as said board is authorized and directed to maintain other state hospitals in the state of Oregon.

Section 2. This act shall be and hereby is submitted to the legal voters of the state of Oregon for their approval or rejection, pursuant to the provisions of section 3 of article XIV of the constitution of the state of Oregon, in the same manner as provided for the submission of proposed laws to the people under the initiative and referendum.

Approved by the governor December 15, 1933.

Filed in the office of the secretary of state December 15, 1933.

(On Official Ballot, Nos. 306 and 307)

A MEASURE

To provide for the location, construction, operation and maintenance of a state insane hospital in Multnomah county, submitted to the legal voters of the state of Oregon for their approval or rejection at the special election to be held May 18, 1934, pursuant to chapter 56, Oregon Laws, second special session, 1933, (house bill 131), filed in the office of the secretary of state December 15, 1933.

The following is the form and numerical designation of the proposed measure as it will be printed on the official ballot:

Proposed Law—Referred to the People by the Legislative Assembly

BILL AUTHORIZING A STATE INSANE HOSPITAL IN MULTNOMAH COUNTY—Purpose: To authorize the location, construction, operation and maintenance by the state of Oregon of an insane hospital in Multnomah county, Oregon, when funds are available therefor.

306 Yes. I vote for the proposed law.

Vote YES or NO

307 No. I vote against the proposed law.

The following is the 25-word voting machine ballot title of the proposed measure:

BILL AUTHORIZING A STATE INSANE HOSPITAL IN MULTNOMAH COUNTY—Purpose: To authorize location, construction, operation and maintenance by the state of Oregon of an insane hospital in Multnomah county, Oregon, when funds are available therefor.

OREGON LAWS, SECOND SPECIAL SESSION, 1933

Chapter 56

(House Bill No. 131, Second Special Session, Thirty-seventh Legislative Assembly)

AN ACT

To provide for the location, construction, operation and maintenance of a state insane hospital in Multnomah county, Oregon.

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

Section 1. A state insane hospital is hereby authorized and directed to be located, constructed, operated and maintained in Multnomah county, state of Oregon, and the Oregon state board of control is hereby authorized and directed to proceed to locate, construct, operate

and maintain such hospital, and to secure the necessary land therefor, when funds are available therefor, in the same manner as said board is authorized and directed to maintain other state hospitals in the state of Oregon.

Section 2. This act shall be and is hereby submitted to the legal voters of the state of Oregon for their approval or rejection, pursuant to the provisions of section 3 of article XIV of the constitution of the state of Oregon, in the same manner as provided for the submission of proposed laws to the people under the initiative and referendum.

Approved by the governor December 15, 1933.

Filed in the office of the secretary of state December 15, 1933.

For affirmative argument see pages 11, 12.

(On Official Ballot, Nos. 306 and 307)

ARGUMENT (Affirmative)

Submitted by George Tazwell in behalf of the Bill Authorizing a State Insane Hospital in Multnomah County.

SIX OUT OF EVERY TEN PATIENTS FROM MULTNOMAH COUNTY

More than sixty per cent of the patients sent to the Oregon hospitals at Salem and Pendleton are from Multnomah County. These hospitals are overcrowded and additional room is sorely needed to take care of the increased number of patients.

SAVINGS TO THE TAXPAYER

From an economic point of view, a hospital in Multnomah County would save thousands of dollars. Large sums are expended in sending attendants from Salem and Pendleton to convey the patients to these institutions. Nearly all these expenses would be saved to the state if a hospital were located in Multnomah County, and again building a hospital in Multnomah County would not be any more expensive than building additions to the present institutions in Salem and in Pendleton, because the

STATE OWNS EIGHTY ACRES OF LAND IN MULTNOMAH COUNTY

Some years ago C. S. Jackson, the owner of the Oregon Journal, gave to the public Sam Jackson Park. On this land are situated the U. S. Veterans' Hospital, Doernbecher Memorial Hospital for Children, the County Hospital, Free Dispensary Hospital and the University of Oregon Medical School.

A HUMANE POINT OF VIEW

But aside from the purely economic aspect there is the more important feature to be considered, namely, the humane side.

In many instances both the physical and mental weaknesses of the patients, the long journey from Portland to these hospitals and the extremes of cold in winter and heat in summer have caused me many pangs of regret at being compelled to direct their being sent to a hospital so far away.

FROM DAILY CONTACT

For several years I have been vested with the legal power of a committing magistrate, sitting in judgment upon those brought before me charged with insanity, and I have been faced with the necessity of directing the commitment and detention of these defenseless people to institutions that are already overcrowded. While these hospitals are thoroughly efficient in management and equipment for their quota, it is impossible to supply the care and treatment essential to the comfort and convenience of their overflowing mass of new cases.

ASYLUMS OVERCROWDED

The institutions at Salem having been for a long time more than crowded to capacity and the one at Pendleton very rapidly assuming a similar condition, of necessity, an addition to one or the other or both must be made unless hospitals are to be built in Multnomah County.

SIXTY PER CENT FROM MULTNOMAH COUNTY

More than 60 per cent of all mental cases have their origin in Multnomah County. If a hospital is built in Multnomah County, it will relieve the congested condition in the present institutions and those patients that have been committed from Multnomah, Hood River, Clackamas, Yamhill, Clatsop, Columbia, Washington and Tillamook Counties might well be transferred to the new institutions. In this way relatives and friends would be able to visit their loved ones at a minimum of either time or expense.

MR. VOTER, THIS IS YOUR QUESTION. WHAT IS YOUR ANSWER?

Whether an institution of the kind suggested by the last session of our Legislature shall be situated in Multnomah County where over 60 per cent of the mental cases of the entire state arise or whether additions shall be built to the present state institutions at Salem and Pendleton, it is imperative that additional quarters be provided, and where more logically than in Multnomah County. This would allow better treatment by relieving the institutions to those who have been committed all over the state.

Personally, I am adverse to burdening the taxpaying public with any further taxation but we can not permit the insane to run at large to the possible harm to themselves or the public in general.

SAM JACKSON PARK AN IDEAL LOCATION

This State-owned property given by C. S. Jackson would make an ideal location for the erection of these hospitals. Portland is now and has long been regarded the medical center of the Pacific Northwest.

A BENEFIT TO THE WHOLE STATE

While Multnomah County alone contributes, as I have heretofore stated the great majority of the inmates of our state hospitals, a large number of cases are being committed from the surrounding counties of Hood River, Clackamas, Yamhill, Clatsop, Columbia, Washington and Tillamook, and the residents of these Counties, I feel confident, would welcome the prospect of having their loved ones cared for at this more convenient point of contact.

INSTRUCTED TO SEND TO PENDLETON

More than a year ago the State Board of Control, as is within their statutory powers, directed that I send no more patients to the already overcrowded State Hospital at Salem, but that future commitments be made to Pendleton. I have many times appealed to the Board

and to the State's chief executive, personally and by correspondence, in an effort to have them change their order, and, indeed, have to some extent rebelled against their ruling, and have sent to the nearer institution at Salem patients who, in my judgment, were unable to make the long and tedious journey to Pendleton.

HARDSHIPS ON FAMILIES AND FRIENDS

By sending patients to Pendleton, I know what it means, because during these hard times, I have many times had parents and other close relatives come to me, asking if transportation could not be granted them so they could go and visit their loved ones and many times it has come to my knowledge that the family has gone without the necessary food and clothing in order that they may be enabled to visit their relatives. Personally I have been so touched by their appeal that I have paid for their transportation when they did not own a machine and have furnished gas for their machine so they could make the trip to see the unfortunates that I have had to commit and send to Pendleton or Salem. This is all wrong and relatives should not be denied the privilege of visitation because they have not the time nor means to make the long trip to Pendleton.

I APPEAL TO YOU, MR. VOTER, ON BEHALF OF THE UNFORTUNATE PATIENTS AND THEIR FAMILIES. THE QUESTION IS YOURS. WHAT IS YOUR ANSWER?

As the law of the State of Oregon reads that all institutions must be built and maintained in Salem, the capital city, unless the voters of the State of Oregon vote to allow an institution to be built elsewhere, I appeal to the voters to vote 306 YES on the establishing of a hospital in Multnomah County from the standpoint of purely economic reasons as it will stop the present expensive system of sending attendants from the institutions at Salem and Pendleton to Portland and nearby counties and as well the additional cost of transportation of patients. To this must be added the further expense of the relatives and friends who desire the right of visitation and who are compelled to lose time from their daily pursuits in traveling to and from Salem and Pendleton, as the case may be, to say nothing of the incidental cost of these trips.

WHY NOT BUILD IN SAM JACKSON PARK ON THE EIGHTY ACRES OF LAND NOW OWNED BY THE STATE?

This property is ideally located for hospitals. Situated on the heights, it commands a beautiful view of the snow-clad mountains. Here the patients would breathe pure air and rest in peace and quiet. A better location could not be found. The U. S. Veterans' Hospital, the Doernbecher Memorial Hospital for Children, the County Hospital, Free Dispensary Hospital and the University of Oregon Medical School have

found the location satisfactory in every way. Why not give those less fortunate than ourselves the best location and treatment that can be had, and it would cost the taxpayers much less by so doing.

EDITORIAL ENDORSEMENTS

Oregon Daily Journal editorial of December 8, 1933—"In Humanity's Name." Extract—"In his capacity as the judicial committing official for Multnomah County, Circuit Judge Tazwell is in position to most fully understand and appreciate the problems and the trials of those who must become wards of the State Hospital, and of their relatives, whose burdens, under the most favorable conditions, are oppressive.

"Urging legislative action that will permit popular vote in 1934 on the plan to establish a branch of the State Hospital, with a psychopathic ward, in Multnomah County, Judge Tazwell points out the 'hardships to this unfortunate class, whose present plight is becoming well-nigh intolerable', if action is not taken at this time. Delay now will postpone action until 1936. * * *

"Judge Tazwell recommends a mental hospital in Multnomah County to accommodate patients from this county and from nearby counties, as the logical answer to the problem.

"In the name of humanity, the plea is sensible and worthy."

The Oregonian editorial of December 13, 1933—"The Judge and the Hospital."

Extracts—"Judge George Tazwell is the committing magistrate for Multnomah County of insane persons. In greater degree than most of us he is in a position to judge of the necessity for psychiatric hospital facilities in Portland. And he declares the necessity is pressing.

"Perhaps few of our citizens realize the imperative necessity for immediate action toward this objective", wrote the judge recently to a member of the Oregon Legislature. 'It has been constantly before me in my capacity as the judicial committing official for a considerable period, but the crying need for such an institution has never been more glaringly apparent than now.'

"That is a plea from high and highly informed authority. There is no lack of corroborating evidence. No more worthy effort on behalf of a class of people tragically unfortunate has been set under way than that for establishment of a psychiatric hospital in Portland."

BE SURE TO VOTE 306 YES

The voters of our commonwealth can sanction by their ballots no wiser or more beneficent measure, nor point with pride to no more glorious achievement than the everlasting monument such as the one I humbly present for your earnest consideration, an institution for the salvation of our mentally distressed sisters and brothers. Be sure to vote 306 YES for this hospital.

Thank you.

GEORGE TAZWELL
Courthouse, Portland, Oregon

(On Official Ballot, Nos. 308 and 309)

A MEASURE

To provide for school relief by imposing a privilege tax measured by gross receipts from retail sales of tangible personal property and utility service, etc., filed in the office of the secretary of state December 15, 1933; to be submitted to the legal voters of the state for their approval or rejection at the special election to be held May 18, 1934, pursuant to referendum petition filed in the office of the secretary of state March 8, 1934, in accordance with the provisions of section 1 of article IV of the constitution of the state of Oregon.

The following is the form and numerical designation of the proposed measure as it will be printed on the official ballot:

Referred Bill—Referendum Ordered by Petition of the People

SCHOOL RELIEF SALES TAX BILL—Purpose: To provide for relief of the existing serious financial condition of the public schools, due to unusual tax delinquency, by collecting a tax of one and one-half per cent of gross receipts from retail sales of tangible personal property and utility service, such tax to be paid by the seller and by him collected from the purchaser; exempting gross receipts of each person up to \$50 a month; all net revenues derived from such tax to be apportioned to school districts and the amount thereof deducted from school taxes on property; this law to be effective until June 30, 1936.

308 Yes. I vote for the proposed law.

Vote YES or NO

309 No. I vote against the proposed law.

The following is the 25-word voting machine ballot title of the proposed measure:

SCHOOL RELIEF SALES TAX BILL—Purpose: Relieve public schools by collecting 1½% tax on retail sales over \$50 monthly of tangible personal property and utility service; deducting from property taxes.

**OREGON LAWS, SECOND SPECIAL
SESSION, 1933**

Chapter 48

(House Bill No. 110, Second Special
Session, Thirty-seventh Legislative
Assembly)

AN ACT

To provide for school relief by imposing a privilege tax measured by gross receipts from retail sales of tangible personal property and utility service; providing for the levying, assessing, collecting and paying of such tax; prescribing penalties for violations of the provisions of the act; making an appropriation for the administration of the act; providing for transfers to the common school fund of net revenues derived from said tax and for apportionments therefrom to the school funds of the several counties and local districts.

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

Section 1. For the purposes of this act and unless the context clearly indicates a different meaning:

(a) The word "person" includes any individual, firm, copartnership, joint adventure, association, corporation, municipal corporation, estate, trust, receiver, syndicate or any other group or combination acting as a unit, and the plural as well as the singular number.

(b) The word "taxpayer" means any person subject to the tax imposed by this act.

(c) The word "business" includes all activities engaged in, or caused to be engaged in, by any person with the object of gain, profit, benefit or advantage, either direct or indirect.

(d) The word "sale" means any transfer, exchange, or barter, conditional or otherwise, in any manner or by any means whatsoever, of tangible personal property or utility service for a consideration, and includes the furnishing, preparing or serving for a consideration of any tangible personal property consumed on the premises of the person furnishing, preparing or serving the same. A transaction whereby the possession of tangible personal property is transferred but the seller retains the

title as security for the payment of the selling price shall be deemed a sale.

(e) A "retail sale" or "sale at retail" means any transfer of the ownership of, or title to, tangible personal property and any sale of utility service to a purchaser, for use or consumption and not for resale in any form as tangible personal property or as utility service, for a valuable consideration. Sales of building materials to contractors, builders or land owners for resale or use in the form of real estate are retail sales.

(f) The word "retailer" includes every person engaged or engaging in the business of selling tangible personal property or utility service at retail; but the isolated or occasional sale of tangible personal property or utility service by a person who does not hold himself out as engaging in the business of selling such property or service at retail does not constitute engaging in such business.

(g) The words "utility service" mean and include all services sold by telegraph, telephone, heat, light, power, water, gas, and electric companies, or by any person engaged in any such business, for consumption or use and not for resale in the form of such service.

(h) The term "gross receipts" means the total amount of the sale price of retail sales of tangible personal property or of utility service, including any services that are a part of such sales, valued in money, whether received in money or otherwise, and also any amount for which credit is allowed by the seller to the purchaser, without deduction on account of the cost of the property sold, the cost of the materials used, labor or service cost, interest paid, losses or any other expense whatsoever; provided, however, that cash discounts allowed and taken on sales shall not be included, and "gross receipts" shall not include the sale price of property returned by customers when the full sale price thereof is refunded, either in cash or by credit, nor shall "gross receipts" include the amount received for labor in installing, applying, remodeling or repairing the property sold. The total amount of the sale price above mentioned shall be deemed to be the amount received exclusive of the tax hereby imposed; provided, that a retailer shall establish to the satisfaction of the commission that said tax was added to the sale price and not absorbed by him.

(i) The words "tax commission" and "commission" mean the state tax commission of Oregon.

Section 2. For the privilege of selling tangible personal property or utility service at retail, a tax hereby is imposed upon retailers at the rate of one and one-half per cent of the gross receipts of any such retailer from all sales of tangible personal property or utility service sold at retail in this state on and after the effective date of this act and to and including June 30, 1936. Such tax shall be paid at the time and in the manner hereinafter provided and shall be in addition to all other occupation or privilege taxes imposed by the state of Oregon or by any municipal corporation or political subdivision thereof.

Section 3. From and after the effective date of this act, any person engaging in or conducting any business for which a privilege tax is imposed by this act, shall be deemed to have applied for and duly obtained from the state of Oregon a license to engage in and conduct such business, upon the condition that he shall pay the tax accruing under the provisions of this act; and such person shall be thereby duly licensed to engage in and conduct such business.

Section 4. In any case where tangible personal property or utility service is sold at retail under a contract made prior to the effective date of this act, which specifies the sale price and such sale is taxable under this act, the seller may add the tax imposed by this act to the sale price and collect it from the buyer.

Section 5. There shall be exempted from the tax imposed by this act the following:

(a) Gross receipts from sales of tangible personal property or utility service which this state is prohibited from taxing under the constitution or laws of the United States or under the constitution of this state.

(b) Gross receipts from sales of tangible personal property or utility service used for the performance of a contract on public works executed prior to the effective date of this act.

(c) Gross receipts from retail sales of motor vehicle fuels upon which a tax has heretofore been imposed by this state.

(d) Gross receipts from sales of tangible personal property or utility service by farmers, producers, manufacturers, wholesalers or jobbers to farmers, producers or other dealers for resale, but this exemption shall not apply to such retail sales of tangible personal property or utility service as may be made by farmers, producers, manufacturers, wholesalers or jobbers.

(e) Gross receipts of each person from retail sales of tangible personal property or utility service to the extent of \$50 a month.

Section 6. A governmental agency may apply to the commission for refund of the tax imposed hereunder and paid by it on purchases of tangible personal property or utility service. Such refunds may be obtained only in the manner and under conditions as follows:

(a) On forms furnished by the commission and within 60 days of the time of payment of any tax for which a refund is claimed, the governmental agency shall report to the commission the total amount or amounts, valued in money, expended by it for purchases of tangible personal property or utility service at retail within this state.

(b) On said forms the governmental agency shall separately list the persons making the sales to it, or to its order, together with the dates of the sales, and the total amounts so expended.

(c) The governmental agency must prove to the satisfaction of the commission that the person making the sales has included the amount thereof in his gross receipts and that such person has

paid the tax imposed by this act, based on such computation of gross receipts.

If the commission is satisfied that the foregoing conditions and requirements have been complied with, it shall determine the amount of the refund and draw its warrant therefor, payable to the governmental agency.

As used in this section "governmental agency" refers to the United States or to the state of Oregon, their departments and institutions, or to any county, municipality or other governmental subdivision of this state.

Section 7. It shall be unlawful for any retailer to advertise or represent to the public that the tax or any part thereof imposed by this act will be assumed or absorbed by the retailer, or that it will not be added to the selling price of the property or service sold, or if added that it or any part will be refunded. Any person selling tangible personal property or utility service under regulation of governmental rate making authority, or any municipally owned utility, may add the tax hereby imposed to the charges otherwise fixed for such property or service. Any person violating the provisions of the first sentence of this section shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined not less than \$100 nor more than \$1,000, in the discretion of the court, for each offense.

Section 8. The tax hereby imposed shall be collected by the retailer from the purchaser in so far as may reasonably be done. This section hereby is declared to be separable and distinct from all other portions of this act, and shall not be deemed a consideration or inducement for the enactment of the whole or any portion of this act. If this section shall be for any reason declared invalid, the remainder of this act shall remain in full force and effect and be completely operative, as though this section had not been included herein.

Section 9. The tax hereby imposed shall be a direct obligation of the retailer and shall be due and payable in monthly instalments on or before the tenth day of the calendar month next following, the first such instalment becoming due and payable on or before the tenth day of the month next following the calendar month in which this act shall become effective. The retailer shall, on or before the tenth day of each month, make out a return for the preceding month, in such form as may be prescribed by the commission, showing the gross receipts of the retailer, the amount of the tax for the month covered by such return and such other information as the commission may deem necessary for the proper administration of this act. The retailer shall deliver the return, together with a remittance of the amount of the tax due, to the office of the commission. The commission, if it deems it necessary in order to insure the payment of the tax, may require returns and payments to be made for other than monthly periods. Returns shall be signed and verified by the retailer or his duly authorized agent. Any retailer having cash and credit sales may report the same separately and, upon

making application therefor, may obtain from the commission an extension of time for the payment of taxes due on such credit sales. When any such extension is granted, the retailer shall thereafter include in each monthly return, as a separate item, all collections made during the month covered by the return from sales made on credit prior to said month and shall pay the tax due on such collections, in the same manner as though said collections resulted from sales made in said month. A sale on credit is deemed to include any and all conditional sales, lease contracts, and other deferred payment transactions.

Section 10. The commission may, by regulation, provide that the amount collected by the retailer from the customer, in reimbursement of taxes imposed by this act, shall be displayed separately from the list advertised in the premises, or be separately exhibited on the sales check or other proof of sale.

Section 11. The commission, for good cause shown, may extend the time for filing any return required under this act, on application of the taxpayer, but such extension of time shall not exceed 30 days. When the time for filing any return is extended at the request of the taxpayer, interest at the rate of 6 per cent per annum, from the time it was originally required to be filed to the time of payment, shall be added to and collected with the tax.

Section 12. (a) As soon as practicable after the return is filed, the commission shall examine it and compute the tax. If the amount paid exceeds the amount which should have been paid, the excess shall be refunded by the commission.

(b) If the amount found to be due exceeds the amount paid, the deficiency together with interest thereon at the rate of 1 per cent per month or fraction of a month, from the time the tax was due, shall be paid within 10 days after notice and demand by the commission. If not so paid a penalty of 5 per cent shall be added and collected.

(c) If any part of the deficiency is due to fraud with intent to evade the tax, there shall be added not more than 100 per cent of the total amount of the deficiency and, in addition, interest at the rate of 1 per cent per month or fraction of a month, from the date the tax was due until paid.

(d) All payments received shall be credited first to penalty and interest accrued and then to tax due.

Section 13. If it shall appear that an amount of tax, penalty or interest has been paid which was not due under the provisions of this act, whether as the result of a mistake of fact or an error of law, then such amount shall be credited against any tax due, or to become due, under this act from the person who made the erroneous payment, or such amount shall be refunded to such person by the commission.

Section 14. If any person who has failed to file any return required by this act, or has filed an incorrect or insufficient return, refuses or neglects to file a proper return within 10 days after being notified by the commission of his delinquency, the commission shall deter-

mine the gross receipts of such person and compute the tax from the best information available and such determination and computation shall be prima facie correct for the purposes of this act. The commission shall give such person written notice of the tax or additional tax assessed, together with notice of the time and place where he may be heard on a petition by him for reassessment; such notice may be given personally or by regular mail. The tax computed by the commission, after hearing or opportunity for hearing duly given, together with penalties and accrued interest, shall be a lien upon all the property of such person until discharged by payment and, if payment be not made within 10 days after demand therefor by the commission, there shall be added a penalty of not more than 100 per cent of the tax and interest at the rate of 1 per cent per month, or fraction of a month, from the time the tax was originally due until paid.

Section 15. The burden of proving that a sale of tangible personal property or utility service was not a sale at retail shall be upon the person who made it, unless such person shall have taken from the purchaser a certificate, signed by and bearing the name and address of the purchaser, to the effect that the property or service was purchased for resale in the form of tangible personal property or utility service. For the proper administration of this act and to prevent evasion of the tax hereby imposed, it shall be presumed that all gross receipts are subject to the tax until the contrary is established.

Section 16. For the purpose of ascertaining the correctness of any return, or for the purpose of determining the amount of tax, if any, due from any person engaged in the business of selling tangible personal property or utility service at retail, the commission, or any officer or employee thereof, may conduct investigations or hold hearings concerning any matters covered by this act and may examine any books, papers, records or memoranda bearing on the sales of tangible personal property or utility service of any such person, and may require the attendance of such person or any officer or employee of such person, or of any person having knowledge of such sales, and may take testimony and require proof for its information. In the conduct of any investigation or hearing, neither the commission nor any officer or employee thereof shall be bound by the technical rules of evidence and no informality in any proceeding, or in the manner of taking testimony, shall invalidate any order, decision, rule or regulation made or confirmed by the commission. Any officer or employee of the commission shall have power to administer oaths to such persons.

Section 17. No person shall be excused from testifying or from producing any books, papers, records or memoranda in any investigation or hearing, when ordered to do so by the commission or any officer or employee thereof, on the ground that the testimony or evidence, documentary or otherwise, may tend to incriminate him or subject him to a criminal penalty, but no person shall

be prosecuted or subjected to any criminal penalty for, or on account of, any transaction made or thing concerning which he may testify or produce evidence before the commission or an officer or employee thereof; provided, that such immunity shall extend only to a natural person who, in obedience to a subpoena, gives testimony or produces evidence, documentary or otherwise, under oath. No person so testifying shall be exempt from prosecution and punishment for perjury committed in so testifying.

Section 18. If any person liable for a tax levied hereunder shall sell out his business or stock of goods or shall quit the business, he shall make a final return within 10 days after the date of selling or quitting business. His successor, if any, shall withhold sufficient of the purchase money to cover the amount of such taxes and interest or penalties due and unpaid until such time as the former owner shall produce a receipt from the commission showing that they have been paid, or a certificate stating that no taxes are due. If the purchaser of a business or stock of goods shall fail to withhold purchase money as above provided, he shall be personally liable for the payment of the taxes, interest and penalties accrued and unpaid on account of the operation of the business by the former owner.

Section 19. In the event that any retailer is delinquent in the payment of the tax herein provided for, the commission may give notice of the amount of such delinquency by registered mail to all persons having in their possession, or under their control, any credits or other personal property belonging to such retailer, or owing any debts to such retailer at the time of receipt of such notice. Thereafter any person so notified shall neither transfer nor make any other disposition of such credits, other personal property, or debts until the commission shall have consented to a transfer or disposition, or until thirty days shall have elapsed from and after the receipt of such notice. All persons so notified must, within five days after receipt of such notice, advise the commission of any and all such credits, other personal property or debts in their possession, under their control or owing by them, as the case may be.

Section 20. (a) Any person who has paid a tax under this act may apply to the commission for revision of the tax assessed against him, at any time within six months from the filing of the return or from the date of the notice of assessment of any additional tax. The commission shall grant a hearing thereon and if, on such hearing, it shall determine that the tax is excessive or incorrect, it shall adjust the computation of the tax according to the law and facts. The commission shall notify the taxpayer of its determination and shall refund to the taxpayer the amount, if any, paid in excess of the tax found to be due.

(b) The determination of the commission, on any such application made by a taxpayer for revision of any tax, may be reviewed in any court of competent jurisdiction on complaint filed against

the commission in the county in which the taxpayer resides or has his principal place of business, within 60 days after notice by the commission of its determination. Thereupon appropriate proceedings shall be had and the relief, if any, to which the taxpayer may be entitled shall be granted and any such taxes, interest or penalties paid, found by the court to be in excess of those legally assessed, shall be refunded to the taxpayer, with interest from the date of payment. An appeal may be taken by the taxpayer or by the commission to the supreme court in the manner that appeals are taken in suits in equity, irrespective of the amount involved.

(c) No injunction shall be awarded by any court or judge to restrain the collection of taxes imposed by this act or to restrain the enforcement of this act.

Section 21. If any tax imposed by this act, or any part of such tax, be not paid within 30 days after the same becomes due, the commission shall issue a warrant, directed to the sheriff of any county, commanding him to levy upon and sell the real and personal property of the taxpayer, found within his county, for the payment of the amount thereof, with added penalties, interest and the costs of executing the warrant, and to return such warrant to the commission and pay to it the money collected by a time to be therein specified, not less than 60 days from the date of the warrant. The sheriff shall, within five days after receiving such warrant, file with the clerk of his county a copy thereof, and thereupon the clerk shall enter in the judgment docket, in the column for judgment debtors, the name of the taxpayer and, in appropriate columns, the amount of the tax, penalties and charges for which the warrant is issued and the date when such copy is filed. Thereupon the amount of such warrant, so docketed, shall become a lien upon the title to any interest in real property or personal property of the taxpayer against whom it is issued, in the same manner as a judgment duly docketed in the office of such clerk. The said sheriff shall then proceed with like effect and in the manner prescribed by law in respect to an execution issued upon judgment of a court of record, and shall be entitled to the same fees for his services in executing the warrant, to be collected in the same manner. In the discretion of the commission a warrant of like terms, force and effect may be issued and directed to any agent authorized to collect taxes imposed by this act, and in the execution thereof such agent shall have all the powers conferred by law upon sheriffs, but shall be entitled to no fee or compensation in excess of actual expenses paid in the performance of such duty. If a warrant be returned not satisfied in full, the commission shall have the same remedies to enforce the claim as though the people of the state had recovered judgment against the taxpayer for the amount of the tax, with interest, penalties and costs.

Section 22. Every tax imposed by this act, and all increases, interest and penalties thereon shall be not only a lien upon

the property of any person subject to the tax, but shall also become, from the due date of such tax, a personal debt from such person to the state of Oregon. Action may be brought at any time by the attorney general or any district attorney, at the instance of the commission, in the name of the state, to recover the amount of any tax, interest and penalties due under the provisions of this act.

Section 23. The tax commission is authorized to make, promulgate and enforce such rules and regulations relating to the administration and enforcement of the provisions of this act as may be deemed expedient. Such rules and regulations may embody schedules or methods of eliminating the computation of the tax on sales falling below certain maximum prices, or of eliminating fractions of one cent in applying the tax to sales falling within certain prices.

Section 24. All information received by the tax commission from returns filed or from investigations conducted under the provisions of this act, shall be confidential, except for official purposes, and any officer or employee of the commission who divulges any such information in any manner, except in accordance with a proper judicial order or as otherwise provided by law, shall be deemed guilty of a misdemeanor and, on conviction thereof, shall be fined not more than \$1,000, or be imprisoned in the county jail for not more than six months, or be both so fined and imprisoned, in the discretion of the court. Reports and returns shall be preserved for two years and thereafter until the commission orders them to be destroyed.

Section 25. Any person who shall fail or refuse to make any return required by this act, or shall make any false or fraudulent return with intent to evade the tax, or shall refuse to permit the commission, or its duly accredited officer or employee, to examine any book, paper, record, or memorandum bearing, directly or indirectly, on the sales of tangible personal property or utility service of such person, shall be deemed guilty of a misdemeanor and, on conviction thereof, shall be fined not more than \$1,000, or be imprisoned in the county jail for not more than six months, or be both so fined and imprisoned, in the discretion of the court. In addition to the foregoing penalties, any person who shall knowingly swear to or verify any false or fraudulent statement with intent to evade any tax imposed by this act, shall be guilty of perjury and, on conviction thereof, shall be punished in the manner provided by law.

Section 26. (a) All revenues derived from this act shall be paid forthwith by the tax commission to the state treasurer and shall be placed by said treasurer in the general fund. So much of such revenues as may be necessary for the payment of the expenses of the tax commission in administering the provisions of this act shall constitute an appropriation from the general fund for said purpose, to be disbursed in the same manner as other appropriations from said fund.

(b) After payment of such administrative expenses, the net revenues derived from this act, excepting not more than \$10,000, shall be transferred by the state treasurer, on or before the last business day of each month, from the general fund to the common school fund, for apportionment to the several counties and school districts of the state, as hereinafter provided.

Section 27. (a) Twenty-five per cent of the moneys in the common school fund shall, on the first day of July, 1934, and the first day of each month thereafter, be remitted by warrants drawn by the secretary of state on said fund in favor of the treasurers of the several counties and shall be apportioned to such counties according to the respective valuations of the taxable property therein as last equalized and determined by the state tax commission. Such amounts so paid to each county shall accrue to the county school fund and shall be apportioned to the several school districts in the manner now provided by law. Such revenue accruing to the county school fund of each county during each fiscal school year shall be applied directly to reduce the property tax otherwise required to be levied for the county school fund. On or before November 10th of each year, the state tax commission shall furnish each assessor with an estimate of the amount of revenue, as provided in this section, which will accrue to the county school fund of his county during the remainder of the current fiscal school year. This estimate, together with the amount already received to the credit of the county school fund of the county during the current fiscal school year, shall be the amount by which the assessor shall reduce the amount budgeted or levied for the county school fund, and which otherwise would be extended by him on the assessment roll of such county.

(b) Seventy-five per cent of the moneys in the common school fund shall, on the first day of July, 1934, and on the first day of each month thereafter, be remitted by warrants drawn by the secretary of state on said fund in favor of the several county treasurers and shall be apportioned on the basis of the respective numbers of classroom units in such counties, as hereinafter provided.

Section 28. (a) The number of the elementary classroom units in each county shall be determined on the following basis of pupils in average daily attendance in the first eight grades of each elementary school district or subdistrict maintaining a standard school, as prescribed by the state board of education, and shall be based on the average daily attendance as shown in the last annual report of each such district:

27 elementary pupils or less in average daily attendance, 1 classroom unit.

28 to 56 elementary pupils in average daily attendance, 2 classroom units.

57 to 88 elementary pupils in average daily attendance, 3 classroom units.

89 to 120 elementary pupils in average daily attendance, 4 classroom units.

121 to 150 elementary pupils in average daily attendance, 5 classroom units.

Over 150 elementary pupils in average daily attendance, 1 classroom unit for each 30 pupils in average daily attendance or one-fifth fraction thereof.

A joint district shall be credited with such part of its total elementary classroom units as the number of its resident elementary pupils in average daily attendance in the county bears to the total number of elementary pupils in average daily attendance in the school. No elementary school district or sub-district shall be entitled to elementary classroom units in excess of the actual number of elementary teachers, principals, and supervisors employed.

(b) The number of the high school classroom units in each county shall be determined on the following basis of pupils in average daily attendance in the high school grades of each district or sub-district maintaining a standard high school, as prescribed by the state board of education, and shall be based on the average daily attendance as shown in the last annual report of each such district:

21 pupils or less in average daily attendance, 1 classroom unit.

22 to 42 pupils in average daily attendance, 2 classroom units.

43 to 70 pupils in average daily attendance, 3 classroom units.

71 to 96 pupils in average daily attendance, 4 classroom units.

97 to 125 pupils in average daily attendance, 5 classroom units.

126 to 150 pupils in average daily attendance, 6 classroom units.

Over 150 pupils in average daily attendance one high school classroom unit for each 25 pupils in average daily attendance or one-fifth fraction thereof.

A joint high school district shall be credited with such part of its total high school classroom units as the number of its resident high school pupils in average daily attendance in the county bears to the total number of high school pupils in average daily attendance in the school. No high school district or sub-district shall be entitled to high school classroom units in excess of the actual number of teachers, supervisors, principals and superintendents employed. In computing the cost of educating pupils from the non-high school district in any county, the revenue received by any high school district from said common school fund shall be proportionately deducted from the cost for each such non-high school district pupil otherwise charged against the non-high school district. The state board of education shall have express authority to make rules and regulations modifying the method of determining the number of elementary and high school classroom units, as provided herein, in cases where a modification is justified and necessary to carry out the spirit and purpose of this act.

Section 29. (a) All such apportionments to the several counties shall be based on certified statements furnished to the secretary of state by the superintendent of public instruction, showing the amount to which each county is entitled and the manner in which such common school fund shall be apportioned

to each of the several elementary and high school districts or subdistricts within the county. A copy of such certified statement shall be furnished by the superintendent of public instruction to each county school superintendent, county treasurer, and county assessor of the several counties.

(b) The county school superintendent shall apportion to each of the districts in his county the amounts due them as set forth in the certified statement of the superintendent of public instruction; provided, that no district shall be apportioned for its elementary classroom units an amount which, when added to the district's apportionment from the state elementary school fund, will exceed \$900 per elementary classroom unit. Such amount as may remain by reason of the excess amounts, if any, shall be prorated and apportioned by the county school superintendent to the districts or sub-districts that maintain standard high schools on the basis of the number of high school classroom units in each.

(c) It shall be the duty of the superintendent of public instruction on or before November 10 of each year to furnish to the county assessor of each county an estimate of the amount of revenue which will accrue to each of the school districts levying property taxes in his county during the current fiscal school year. Any funds received by a school district pursuant to the provisions of this act shall be used exclusively to reduce the property tax of such district. The county assessor shall deduct the revenue received and to be received by each district from the common school fund dur-

ing the current fiscal school year from the amount levied as a property tax by said district and shall extend on the assessment roll, as the tax levy of such district, no more than the amount so remaining.

Section 30. The tax imposed by this act shall not apply to the gross receipts of any person from retail sales of tangible personal property made on and after July 1, 1936, but this act shall continue in full force and effect for the collection and payment of all taxes based on such receipts from sales made prior to said date.

Section 31. If any section, subdivision, provision, clause or exemption of this act or the application thereof to any taxpayer shall, for any reason, be adjudged or declared by any court of competent jurisdiction to be unconstitutional or invalid, such judgment or decision shall not affect the validity of the remaining portions of this act, and it hereby is expressly declared that every other section, subdivision, provision or clause of this act would have been enacted, irrespective of the enactment or validity of the portion hereof declared or adjudged to be unconstitutional or invalid.

Approved by the governor December 15, 1933.

Filed in the office of the secretary of state December 15, 1933.

For affirmative argument see pages 20-22.

For negative arguments see pages 23, 24.

(On Official Ballot, Nos. 303 and 309)

ARGUMENT (Affirmative)

Submitted by School Relief and Property Tax Reduction League, and others, in behalf of the School Relief Sales Tax Bill.

You want lower property taxes, don't you? Every owner of a farm, a home or business property, wants and should have lower property taxes.

What is the first thing to do, to get lower taxes? The first thing to do is to make EVERYBODY who can vote bond issues or tax levies, TAX CONSCIOUS! Make people careful about voting their money, and they won't be so free with YOUR money.

How can you make people tax conscious? By making everybody pay a tax. How can you make everybody pay a tax? By sustaining the 2-year emergency sales tax for relief of property taxes for schools. Make the non-taxpayer in Oregon TAX CONSCIOUS, and you will then be on the road to LOWER PROPERTY TAXES!

Gill Admits Tax Saving

"As far as my brother and I are concerned we would save money by the adoption of the sales tax, for the reduction on our property would be about \$110."—Signed statement of Ray W. Gill in Lakeview Tribune, March 22, 1934.

Mr. Gill and his brother would have to spend \$618 a month on taxable items before their sales tax would equal what they saved on their property tax.

SUGGESTION: Before you make up your mind about the sales tax, take your last tax statement to your county courthouse and find out what YOUR property tax saving will be.

Lest We Forget!

An income tax in some form has been voted down nine times in Oregon. (See your Oregon Blue Book.) During some of the income tax campaigns the Oregon Journal used as an editorial refrain. Nothing Is Settled Until It Is Settled Right. Perhaps owners of real property in Oregon feel the same way about securing help from the 300,000 non-taxpayers.

Think it over—and then read the following argument.

For Emergency Only

The relief sales tax is designed to tide over the present emergency only. The tax expires automatically June 30, 1936. Its object is to prevent threatened wholesale closing or curtailment of elementary schools upon which more than 200,000 Oregon children depend for an elementary education.

Its second objective is to secure actual reduction of property taxes. All taxes for schools are now assessed exclusively against property.

300,000 Adults Are Tax Free!

The relief sales tax will procure these urgently needed funds largely from the largest untaxed group in Oregon. The tax-free represent the majority of the people in Oregon. It includes more than 300,000 adults who now pay no direct property taxes and no income taxes.

The relief sales tax asks them, for the first time in history, to assume temporarily less than one-twentieth of the tax load which home owners, farmers, merchants and home industries have carried alone during the last 75 years for maintenance of schools, public libraries and protection and services furnished by cities, counties and state, services now enjoyed equally by all. The relief sales tax asks them to contribute only one-eighth of the funds normally required to keep schools open. All the money must be used exclusively for elementary schools (see section 29 of the bill). An amount equal to all sales tax revenues must be deducted from property taxes in every school district.

154,000 Farm and Home Owners Helped

Oregon's 154,000 farm and home owners will be the largest taxpaying group to benefit from the sales tax. With the aid of new money from the now untaxed 300,000 adults in Oregon, the Relief Sales Tax will reduce property taxes \$4,000,000 a year, according to official estimates. It will also enable taxpayers to escape the RISK OF EXTRA TAXES, that the still-able-to-pay must make up in taxes for those who lose their property or cannot pay!

The Relief Tax is extremely modest. It cannot harm the poor, and is so graduated that it falls proportionately heavier upon those who have more to spend. It is fair and square to everybody.

No Sales Tax On Farm Feed

For example, there is no tax on purchases of food or merchandise up to 25 cents, and only 1-cent on purchases from 25 cents to \$1.00, according to the preliminary schedule already published.

Big household items, such as rent, doctor bills, insurance, sale of personal or real property are NOT TAXED. There is NO TAX on such things as cattle and poultry feed when bought by farmers for their own use, and no added tax on gasoline.

The Relief Tax will be paid at the rate of 1½ per cent on gross sales monthly by merchants and retailers of tangible property and utility services. It will be collected by retailers from customers. No merchant or public service corporation that collects the tax for the state, can use it as an offset against any taxes they now pay. The sales tax does not replace any other tax. It does not affect the income tax.

Every Other Scheme Found Impractical

The legislature adopted the two-year 1½ per cent Relief Sales Tax because there was absolutely no other source of desperately needed emergency funds. Faced by the fact that schools must close or new sources of revenue must be

found, the Governor and the legislature and various organizations studied every available plan. They considered all suggestions, including those offered by the so-called Gill-Osborne group that now so violently opposes this school and property relief measure.

The Gill-Osborne group offered nothing acceptable. State Grange Master Gill's recommendations included a 10-year bond issue for millions, another debt on your property. Representative Oleen introduced an income tax bill bringing exemptions down to as low as \$400. This bill would have compelled tens of thousands of working men, farmers and women to pay income tax on wages under \$9 weekly. Representative Hilton introduced three bills. These would have merely transferred state income tax and lesser funds to the schools. But the Hilton bills provided nothing to replace these funds that now are used to support state hospitals, blind schools, etc. All plans were thrown out as impractical.

Granger Sponsored This Sales Tax

Then the Relief Sales Tax bill was suggested. It was conceived more than two and one-half years ago by C. P. Strain, a Grants Pass farmer, the chairman of the legislative committee of the Josephine county Pomona Grange, and a man who had formerly served as assessor of Umatilla county for 18 years. As assessor, Mr. Strain made corporations pay higher taxes. He certainly is no "tool of Wall Street".

The farmers and grange members of the legislature joined with their colleagues in voting overwhelmingly in favor of Mr. Strain's Relief Tax as the only way to meet the emergency.

95% of Oregon's Tax Bill Paid by Real Property

Oregon operates 189 municipalities, 36 counties, her state and educational institutions. Ninety-five per cent of the above bill is paid from property taxes. The remaining 5% is paid by 2% of our people who pay income, corporation excise and intangible taxes.

Four years of depression have ground property taxpayers to the bone. Tax delinquencies in some counties have passed 70%. The state tax delinquency averages about 40%. More than \$314,000,000 of \$784,000,000 of property outside of utilities is delinquent! Over \$700,000,000 of this property represents homes, farms and payroll industries. Most of the tax delinquencies are AGAINST FARMS, HOMES and small business.

School Debt Piles Up Against Farms, Homes

More than 900 elementary school districts, practically one-half, are without funds. Hundreds of other districts have no prospects of securing adequate funds because they depend upon property taxes. School district warrant indebtedness, already more than \$6,000,000, soon will amount to more than \$7,000,000.

Now with this \$6,000,000 of interest bearing debt, and millions of back taxes delinquent, Oregon's taxpayers, or the minority, face another \$41,000,000 of NEW PROPERTY TAXES, already announced for next year. It doesn't require much imagination to see that property cannot pay such a bill during the next year and keep the schools open.

Income Tax Returns Prove Oregon Has No Vast Wealthy Class That Can Be Soaked

Last year only 15,915 payable income tax returns were filed, out of a population of 953,000 people. Of these returns there were exactly 19 returns on incomes of \$25,000 or better and only 1 was for \$50,000, and it was under \$100,000. These facts prove that there are no "big fellows" to soak in Oregon and that they exist, so far as concerns Oregon, in the minds of those not fully acquainted with the facts.

This year more people of smaller incomes will pay income taxes. The 1933 legislature again lowered exemptions and raised the rates. About 31,500 filed taxable returns, but revenues fell below estimates. By the year's end, it may total \$1,500,000. This proves again that taxation of incomes has been pushed to its limit in this state. From now on income taxes in Oregon must "soak" the wage earner, small farmer and small salaried man if the income tax is to produce increasing revenues.

Even though income tax rates are raised, there will be thousands of Oregon citizens paying no taxes directly. Raising income tax rates could have only an infinitesimal effect upon your property taxes, because proceeds go only for state purposes.

Teachers Get Less Than Survival Wage

Scores of elementary schools have closed already. Hundreds of others are open simply because several thousand teachers have cooperated to their limit. Teachers have accepted salary cuts repeatedly until today 1,000 of them are teaching for less than \$10 weekly on annual basis. This is lower than the "survival wage" set by the state under minimum wage law to protect women from exploitation.

Rural schools, rural teachers, and many small town schools, cannot continue to operate with \$314,000,000 of property delinquent in taxes, with some school warrants not cashable at all, and no immediate method, except the Relief Sales Tax, to relieve the situation.

Idleness for Children is Destructive of Character

The Relief Sales Tax simply asks everybody to help out on the old American principle that every citizen should contribute some direct support to government and schools.

Certainly a tax so modest that it collects nothing on sales up to 25 cents.

and only 1 cent on sales up to \$1, isn't oppressive for anyone. But a few coppers a week from everybody according to their TENDENCY TO SPEND, for the children means the difference between closed or curtailed schools, and will uphold the kiddies' sacred right to an elementary education. Enforced idleness for children of school age is destructive of character.

Can't Go Forward With Half of People Taxed Beyond Ability to Pay

Oregon cannot go forward, economically or educationally, with one-half of her people taxed beyond their ability to pay, while the other half of her people goes tax free.

To protect your own property from tax confiscation, to establish tax equality and justice in Oregon—vote to sustain the Relief Sales Tax—Vote 308 X Yes.

WARNING!

Scores of wild misrepresentations about provisions of the sales tax have been circulated, mouth-to-mouth, over the state. We mention a few of these fairy stories to illustrate what fair-minded people must be on guard against:

1. That school districts must levy a tax to raise money to collect the sales tax. False in every way. State Tax Commission will collect the sales tax.

2. Rural school districts get only money raised from sales tax in that district. Utterly false. Fact is that rural districts will benefit greatly, in some cases to 100% reduction of district property tax for schools, from money raised by sales to people in cities. A gift to rural farm and home owners!

3. \$10,000 a month will be withheld from sales tax money turned over to schools by State Treasurer. Law provides a \$10,000 revolving fund shall be established to pay expenses, take care of refunds, etc. Gasoline and income tax laws have same provision. Have those provisions been abused? Fund will be maintained at \$10,000, but that amount will NOT be deducted monthly.

4. Sales taxes are experimental. Answer: 16 states now have sales taxes, including Washington and California. In California property taxes have been reduced materially.

5. Merchants will not collect sales tax. Answer: Have you ever found a gasoline station that did not collect the Oregon gasoline sales tax?

6. Sales taxes are unjust to the poor. Answer: Have you heard of any loud complaints against the Federal "processing" tax (which is another name for Federal sales tax) on flour that goes into bread, on cotton and wool that goes into clothing, on meats, flax and other products? Farmers of America are bene-

ficiaries of the Federal "sales" tax. Why should not Oregon property owners become beneficiaries of an Oregon sales tax?

7. IMPORTANT—April 6, the Oregon Journal helped circulate an utterly erroneous statement to the effect that a citizen's home or farm could be seized for non-payment of sales tax. The state does not collect the sales tax from private citizens. They are not liable for penalty in any way. The law says specifically that "The tax hereby imposed shall be a direct obligation of the retailer". The retailer likewise has full right of appeal to the courts. The same provision as to tax enforcement is found in the income, corporation excise and intangible tax laws.

BEWARE false rumors and wild mis-statements. Get the facts. Write for more information.

ENDORSEMENTS

The Relief Sales Tax has been endorsed by Oregon Congress of Parents and Teachers; Lane County Tax Conservation League; Coos Bay Mutual Creamery Ass'n; Property Tax Relief League, Polk county; Jacksonville Grange; Roxy Ann Grange; Willamette Grange; Broadbent Grange; Most-Western Grange; Eastern Oregon Wheat League; Mayville Grange; and scores of other Oregon farmer and business groups, and school boards.

In addition to actual signers, this affirmative argument has been sponsored by: Astoria Business & Professional Women's Club; Klamath Falls Women's Auxiliary, American Legion; Klamath Falls League of Women Voters; Parent-Teacher Association Council, Forest Grove; executive committee Mvrtle Point Chamber of Commerce; Non-High School Board of Coos County.

SCHOOL RELIEF & PROPERTY TAX REDUCTION LEAGUE.

907 Spalding Bldg., Portland.
PAUL T. SHAW, Chairman.
F. H. YOUNG, Manager.

YAMHILL SCHOOL SAVINGS TAX LEAGUE,

W. W. RUSSELL, Secretary,
McMinnville.

DOUGLAS COUNTY PROPERTY TAX REDUCTION LEAGUE,

D. N. BUSENBARK, Chairman,
Roseburg.

BENTON COUNTY SALES TAX LEAGUE,

CLAUDE BUCHANAN, Chairman,
Corvallis.

JACKSON COUNTY FARMERS AND HOME OWNERS ASS'N.

C. C. HOOVER, Secretary,
Medford.

(On Official Ballot, Nos. 308 and 309)

ARGUMENT (Negative)

Submitted by the Oregon State Grange opposing the School Relief Sales Tax Bill.

12 GOOD REASONS FOR DEFEAT OF SALES TAX

1. There is a national movement sponsored by "Big Business", which attempts to put on sales taxes state by state until congressional resistance has broken down, so that a federal sales tax can be passed. In both State and Nation "Big Business" then plans to reduce or eliminate income taxes.

2. The main issue is Income Taxes versus Sales Taxes. It means—shall we have income taxes based on ability to pay or sales taxes based on the necessity to live? Reports on the California Sales Tax indicate one-third of the collections are paid on foods.

3. Expense accounts filed at Salem show who put up over \$6,000 to promote the sales tax last July. It shows \$1,500 by three railroads; more than one-third by banks and investment houses, and another one-third by timber and lumber companies. Where were the farmers, laborers and trades people? They generally opposed the sales tax.

4. Several worthy bills, including income taxes and inheritance taxes were offered in the Legislature, but were pushed aside to make way for the sales tax. Sales tax bills were proposed in the regular and two special sessions and in each case came to a vote the last day of the session in the Senate.

5. The Sales Tax Bill submitted to the voters last July was full of baits for the voters. It exempted personal property, it gave part of its proceeds to Veterans State Aid Commission, part to the unemployed, and exempted farmers' sales at wholesale. The big vote getting idea this time is school aid. This bill exempts amusements, professional services, wholesalers, and transportation companies.

6. This Sales Tax Bill provides that the purchaser must pay the tax. There is a \$50 monthly exemption to the seller, but there is no exemption to the buyer. The seller cannot absorb the tax and so must even collect on the \$50 exemption.

7. The school situation developed because of delinquent taxes. The record breaking payments of delinquent and current taxes have greatly relieved the school situation. The Sales Tax does not relieve the delinquent taxes, and to most of our people it means an additional tax. Old warrants must be paid first, thus giving the first aid to financial houses and warrant scalpers.

8. This sales tax bill would create a match money feature. The net proceeds go to the schools, one-fourth on basis of assessed valuations and three-fourths on classroom unit basis. Supt. Howard estimates the amount at \$400 per unit. But the schools cannot get this money unless they have a teacher for each unit. For illustration, a school having 60 pupils

enrolled is entitled to three classroom units. Such a school now would likely have two teachers, but under the sales tax they can get \$400 more if they provide another teacher. Schools receiving \$900 per unit of state elementary school funds cannot get any of the sales tax money, but their people would pay the sales tax.

9. Who will get the benefit from property tax reductions? Investigations in Marion County show that about 70% of those on the assessment rolls are assessed at \$1,200 or less. Taking this for a basis of illustration, we find that if the average reduction, as claimed by the proponents is 4 mills, this means a taxpayer assessed at \$1,200 would save \$4.80. If he only spent \$50 per month subject to the sales tax, his tax at 1 1/2% would be \$9.00 or a new tax to him of \$4.20. These figures indicate that only 10 to 15% of the property taxpayers will gain from the sales tax and the balance will be compelled to pay a new tax to benefit those few who are large holders of property.

10. The sales tax is unfair and unequitable. The family with an income of \$600 per year will spend 85 to 90% of it subject to the sales tax, but the man with a \$5,000 income is not likely to spend more than 25% subject to the sales tax. The larger the income the smaller the percentage that is subject to the sales tax. The smaller the income the larger the percentage that is subject to the tax. This is why the sales tax is called an upside down income tax.

11. Small purchases will carry the heavy end of the tax. Those who are compelled to buy hand to mouth will be hit hardest. This bill gives the tax commission authority to make rules and regulations. In California the law comprises 16 pages and there are now 19 pages of rules which have the same force as law. The tax commission is subject to political change and they can revoke rules and make new regulations. In California the tax starts with a penny tax on a 15c sale, that being a 6 2/3% tax. One cent tax on a 25-cent purchase is 4%; 1-cent on a 40-cent sale is 2 1/2%. Therefore, the tax as collected will be more than 1 1/2% on small purchases.

12. The non-resident corporation or property owner will not pay sales taxes in Oregon, yet he will secure the property tax reductions. Corporations are large property owners, but pay very little sales tax. They are the group who receive large benefits.

Kill the Sales Tax

Vote 309 X No

OREGON STATE GRANGE,
By RAY W. GILL, Master,
Montavilla Sta., Portland, Oregon.
BERTHA J. BECK, Secretary,
Albany, Oregon.

(On Official Ballot Nos. 308 and 309)

ARGUMENT (Negative)

Submitted by the Oregon State Federation of Labor, opposing the **School Relief Sales Tax Bill.**

Organized labor has traditionally supported the public schools; it yields to no other group in its defense of public education, and one of the major reasons for the opposition of the State Federation of Labor to the sales tax bill is that the federation desires to protect the schools from the exploiters who have seized upon school needs to attempt to fasten on the state a sales tax system. For this reason and because the Federation deems the sales tax the most unjust and unsound tax proposal yet made we urge defeat of the present bill.

Supporters of the bill in the same breath tell us that the tax is offered only to meet an emergency and that it will afford property tax relief. If the sales tax is to be imposed for only two years, how can it provide any relief from property tax beyond that time? In fact the emergency argument and the plea for the schools are subterfuges to induce the voters to permit the establishment of the sales tax. In other states the same pleas, with slight variations, have been used, yet in all cases investigated the proponents have fought bitterly to retain the tax, once it was established. In Mississippi the sales tax was enacted for a limited period. At the end of that period it was reenacted and the rate was raised and is now 3 per cent. It is evident that the sales tax is inconsistent with democratic government, for in every case in which it has been submitted to a vote of the people, it has been overwhelmingly defeated.

It is significant that in Illinois and California, the two states which are put forth as examples of sales tax success, neither state has a state income tax law. Wealthy interests have prevented adoption of state income tax laws and, using the same power, these interests inflicted the sales tax through the legislatures and the citizens were denied the opportunity to vote on the issue. Minnesota, New York and South Dakota are among the states which decisively rejected it, and very recently Alabama did the same. In a number of states which have adopted the sales tax, the chief motive was to raise money to pay interest on bonds. This purpose and the desire to shift the burden of taxes from the wealthy to the poor have been the causes for enactment of every state sales tax law.

Supporters of the present Oregon bill are attempting to deceive small home owners into believing that the sales tax will mean a saving to them in tax payments. The opposite is true. Few owners of town homes or small farms pay more than \$100 in taxes. At best the saving which would be made by enactment of

the sales tax would be \$8; it will probably be not more than half that figure. Most of the citizens who own properties of this value will pay \$15 per year or more in sales taxes. Instead of a saving ranging from \$4 to \$8, the small home owner will pay, by reason of the sales tax, from \$7 to \$11 more per year. Compare this with the saving of the telephone company which, on the basis of its tax bill this year, would save more than \$60,000 annually if the property levy were reduced to an extent to save the small home owner \$8 on his property tax while placing a tax of \$15 on his purchases. Under the sales tax, the public utilities and other large business concerns and wealthy land owners would save huge sums, and those huge sums would be paid by the small property owner and by those who own no property and have but meager incomes.

At least 75 per cent—and perhaps much more—of consumption is by the wage earner and others of low income. Citizens on the boarderline of existence would pay 75 per cent of the sales tax. It is the antithesis of the income tax system which exempts income to a certain point and which increases rates as income rises above the amount of personal needs. The sales tax imposes the heaviest burden upon those least able to pay and for the purpose of relieving those best able to pay.

The sales tax is a tax on consumption and restricts consumption, thus operating to prevent economic recovery.

The federal government is ready to provide funds for the rural schools; in the larger centers tax collections are improving, so that there is not the dire need which sales tax proponents claim. Those who are conducting the campaign for the sales tax for the schools were advocates of the sales tax which was defeated by the people in 1933. There is no essential difference between the former bill and the present bill. The purpose behind the defeated bill is the purpose behind this one; the difference between them is the branches of government which would receive the revenues.

The present bill will be defeated. But it should be defeated by a majority so large that it will end all attempts to foist a sales tax on the state. When it is defeated, labor, as in the past, will support the schools and will defend the schools against many of those who are now supporting the sales tax.

OREGON STATE FEDERATION
OF LABOR,

By BEN T. OSBORNE,

Executive Secretary, Labor
Temple, Portland, Oregon

STATEMENTS OF CANDIDATES

for Nomination for

Nonpartisan Judiciary Offices

Primary Election
May 18, 1934

FOREWORD

THE NONPARTISAN JUDICIARY LAW

Chapter 347, Oregon Laws, 1931, as amended by Chapter 152, Oregon Laws, 1933, provides that no reference shall be made on the official election records, and ballots, to the political party affiliation of candidates for nomination for judge of the supreme court, judge of the circuit court or judge of the (Multnomah County) district court. These offices are to be strictly non-partisan.

THE JUDICIARY BALLOT

In every polling place on the day of the Primary Election, May 18, 1934, there will be furnished to each voter a separate "judiciary ballot" upon which will appear the names of candidates for nomination for nonpartisan judicial offices only.

ALL REGISTERED VOTERS MAY VOTE ON JUDGES

Every registered voter, irrespective of his or her party designation or affiliation, or lack of same, is entitled to vote the judiciary ballot. The only qualification is that the voter be registered.

PARTISAN NOMINATIONS UNCHANGED

In all other respects, the Primary Election is, as heretofore, confined to the selection of Republican and Democratic nominees for offices to be filled at the regular election November 6, 1934. Only registered members of the two major political parties may vote the general nominating ballots at the Primary.

NONPARTISAN JUDICIARY PAMPHLET

The following pages contain the statements of those candidates for judgeships who have paid the state the prescribed charge for using the official campaign book provided by Sections 36-2402 to 36-2405, Oregon Code 1930. A number of candidates have not taken space in the book.

GEO. R. BAGLEY

Candidate for Nomination for Judge of the Supreme Court, Position No. 4
(Nonpartisan Judiciary Ballot)



Believing that any form of campaign that may rightfully be followed by candidates for other offices is unethical for a candidate seeking a judicial position, this short and plain statement in the state pamphlet is the only pre-election means that I personally will use to advise legal voters of my candidacy and qualifications for Justice of the Supreme Court:

Born at Canton, Ohio; age 63 years; resident of Washington county, Oregon, continuously since July 7, 1885; admitted to the Oregon bar June 1, 1895; practiced law at Hillsboro, Oregon, until May 22, 1915; upon that date, by appointment of the governor, became circuit judge of the Nineteenth Judicial district comprising Washington and Tillamook counties and have been elected three times to and now occupy that position—twenty years experience in active practice; eighteen years experience upon the trial bench.

GEO. R. BAGLEY.

GEO. R. BAGLEY**Candidate for Nomination for Judge of the Supreme Court, Position No. 4
(Nonpartisan Judiciary Ballot)**

No candidate for judicial office has ever followed higher ideals in submitting his candidacy to the voters of Oregon, than Judge Geo. R. Bagley. It is his belief that the judiciary should remain entirely free from political influences, and he has declined to employ any of the accepted means of gaining votes.

The undersigned friends and neighbors of Judge Bagley believe that in justice to him and to the people of the State of Oregon, we should make a brief statement of his qualifications for service upon the Supreme bench, and make known to the voters facts which he will not disclose.

Judge Bagley was denied the advantages of either high school or college education, and is truly a self made man. As a young man he worked on farms and in logging camps in Oregon. After hours and at night, he studied law in the office of the late Congressman Thomas H. Tongue, and was admitted to the bar in 1895. Since his admission to the bar, he has advanced and grown with the law until today there is not a better informed man nor a more able judge in Oregon.

For twenty years, he practiced his profession in Hillsboro where he served his community in capacity of legal advisor and counselor, and won for himself a distinguished position as a member of the Oregon bar. Upon creation of the 19th Judicial District comprising Washington and Tillamook counties, he was appointed to the circuit bench by the late Governor Withycombe. The confidence reposed in Judge Bagley by the people of his judicial district is attested by the fact that he has three times been elected to the bench by the people with whom he is best acquainted and whom he has so ably served. The high regard in which he is held as a jurist by litigants and attorneys is attested by the fact that he has many times been selected to hear and determine important civil and criminal causes in various parts of the state outside of his own district.

As a judge, he represents the highest ideals of the bench. His conduct has been marked by courageous administration of justice. His decisions have been entirely free from personal or political influences, and he has never been swayed by passion or prejudice. No judge has been more intolerant of the so-called laws delay. No litigant in his court has ever had cause to complain because of his failure to give prompt attention to his cause. His decisions have been prompt.

To those of us who know him best, Judge Bagley has proven himself to be a man of broad human sympathies, an able attorney and counselor, and a just and courageous jurist. He is the type of man Oregon needs on our supreme bench. We sincerely recommend him to the voters of the state of Oregon as an outstanding candidate to serve his state in the capacity of judge.

F. E. CORNELIUS
J. W. BAILEY
W. E. PEGG
JAMES H. SEWELL
A. B. FLINT
JOHN NYBERG
THOMAS CONNELL
W. E. MAYS

JAY GIBSON
F. L. BROWN
HENRY HESSE
L. L. CRAWFORD
T. P. GOODIN
J. A. THORNBURGH
WM. L. MOORE
EDW. C. LUCE

E. L. JOHNSON
HENRY KURATLI
A. J. HARTRAMPF
J. W. RAYNARD
LESTER IRELAND
W. C. CHRISTENSEN
J. E. REEVES
L. A. LONG

(This information furnished by F. E. Cornelius and others.)

JOHN L. RAND

**Candidate for Nomination for Judge of the Supreme Court, Position No. 4
(Nonpartisan Judiciary Ballot)**



In October, 1921, Governor Ben W. Olcott appointed me as judge of the Oregon supreme court to succeed the Honorable Henry L. Benson and I was elected to that position in 1922 and again in 1928, and am at present chief justice.

I was born in Portsmouth, N. H., and am a graduate of Dartmouth College. I was twice elected district attorney for the Sixth Judicial District which then comprised the counties of Umatilla, Union, Wallowa, Baker, Malheur, Grant and Harney, and once elected state senator for Baker, Malheur and Harney counties. I was also elected by the people of this state as a delegate at large to the National Convention held in Chicago in 1920.

When I first became chief justice in September, 1928, the court was more than two years behind in its work. Its business is now practically up to date. There are now seven members of the supreme court, two from eastern Oregon, two from Multnomah county and three from the Willamette Valley.

If re-elected, I will endeavor to serve the people in the future as I have in the past.

JOHN L. RAND.

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