

Legislature Faces Problem Needed To Balance Budget Of Finding \$50 Million

By PAUL W. HARVEY JR.
SALEM (AP)—Oregon's Legislature, which meets in only five more months, probably will have to find at least 50 million dollars of new revenue to finance the state general fund for the next two-year budget period.

This bad news means that there probably will have to be 50 million dollars worth of new taxes. It will give the lawmakers a serious financial problem.

The picture looked just as dark at this time four years ago. But suddenly, the income tax yield—major source of state finances—took a big spurt with a pickup in

business, and that balanced the budget.

But now, prospects are that income tax receipts will decline. With so many unemployed and with business suffering from the lumber strike, it looks like income tax receipts will drop. The deficit could be more than 50 million.

The 1953 Legislature had a surplus fund amounting to 44 million, but the surplus facing the next Legislature will be down to 7 million. That means the last Legislature was 37 million dollars better off than the next one will be.

On top of that, the new Legislature will have to find an extra 5 million for public welfare, and some money for new college and institution buildings.

Add this to increased costs in other branches of government, and you have the extra 50 million that are needed.

The two-year budget of the 1953 Legislature totaled 193 million. The new budget will be well over 200 million.

Where will the needed 50 million dollars come from?

The Legislature could levy 24 million of it by a tax on property. Oregon hasn't had a state property tax since 1940. There's a law that limits a state property levy to 6 mills, or about 24 million.

The rest of the needed money could be collected by new taxes. However, this would be difficult, because the voters have a habit of slapping down new taxes.

The property tax could be assessed without the voters getting a chance to defeat it.

People often blame the Legislature for spending money. But the people, who don't like new taxes, don't hesitate much when it comes to voting to spend money.

Of the 193 millions appropriated by the 1953 Legislature, the people

voted to spend 77 millions of it. This latter amount includes 66 million in basic school aid to school districts.

Reducing state expenses is a lot harder than it sounds.

In the first place, 53 per cent of the budget is used for education. This includes 36 per cent for grade and high schools, and 17 per cent for colleges and the university.

Another 14 per cent goes for public welfare, and 19 per cent is used for state institutions.

Those costs are hard to cut, because the number of children in the schools is increasing, the population of state institutions is on the rise, and demands for state welfare help grow.

The cost of general government totals only 6.7 per cent of the budget, so you can't cut much there.

Of the total budget, 75 per cent comes from income taxes. This is a good source when economic conditions are good. A small improvement in business nets a big gain in

state income tax receipts.

But when business declines a little, income tax receipts can take a big drop.

Income tax receipts are down about 10 per cent from a year ago, and the prospect of a further drop causes considerable worry among the men who have to balance the budget.

MUST GET APPROVAL
SALEM (AP)—Students at Salem high schools will have to have permits and their parents' permission in order to drive their automobiles to and from school, the Salem School Board decided Tuesday night.

ORDERED TO PAY
PORTLAND (AP)—Federal Judge Gus J. Solomon ordered the Martin Music Co. of Grants Pass Tuesday to pay the federal government \$12,978 for charging above ceiling prices on juke box service after 1950.

Baldock Proposes More State Gasoline Tax

PORTLAND (AP)—Oregon needs more money for its highways, and a 2-cent-a-gallon increase in the state gasoline tax is the best way to get it.

So said R. H. Baldock, state highway engineer, in a talk before the Kiwanis Club here Tuesday.

The engineer said present funds were allowing the state to meet current road problems, but he said more money will be needed as the population grows.

He said the state now gets \$47 a year in gas tax and license payments from the average motorist. A 2-cent-a-gallon tax boost would up this to \$50, he said.

Baldock noted that the number of toll roads is increasing, but said he opposed toll systems as a way to meet highway problems.

Normal human beings blink their eyes at intervals of from 2 to 10 seconds.

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Fill the Spaces

ACROSS
1 Talk of the
5 — in the back
9 Corn on the
12 Great Lake
13 — and hearty
14 Eggs
15 French general
17 Cover
18 Vigilant
19 — a horse
21 — Spangled Banner
23 — and Bud
24 Passing fancy
27 — to the occasion
29 Without or favor
32 Isis and
34 Human
36 Fasten again
37 Dreary
38 Russian news agency
39 Lived happily after
41 — as a fox
42 Slippery as an
44 Revise
46 Incomplete
49 Nephew and
53 Metropolitan Museum of
54 Riddled
58 Do or —
57 French novelist
58 Notion
59 — sack

DOWN
1 Tissue
2 An examination
3 Man and
4 Approaches
5 He and
6 Mongols
7 High notes
8 Vegetables
9 Stacia
10 Roman poet
11 Commanded
12 Heavy white powder
13 Fissures
14 Corridor
15 — Knox
25 Bewildered
26 Discouraged
28 Finished
30 Russian sea
31 Depend
32 Place again
33 — the facts
34 With a palate
35 Cotton thread
36 Connect (two words)
37 Depend
38 Place again
39 — the facts
40 With a palate
41 Cotton thread
42 Connect (two words)
43 Cushions
44 Operatic solo
48 Upon
49 Religious book
50 Religious book
51 — and skittles
52 — cheese
53 "O wad some Pow" the giftie — us"

FROM NINE TO FIVE By Jo Fischer

Gosh, Sadie... this firm could save an awful lot of money by going out of business.

MODEST MAIDENS Trademark Registered U. S. Patent Office

"I like going steady. You've always got a fellow to go out with until you find somebody to marry!"

CAPTAIN EASY

NOW LOOK, WICKY... MY GRANDFATHER REFUSES TO PAY ANY MORE OF MY GAMBLING PESTS!

THAT'S YOUR PROBLEM HOW YOU RAISE THE DOLLAR POTTERY BUT GET IT!

BUT HE HAS A BAD HEART! HE CAN'T LAST MUCH LONGER, AND YOU KNOW I'LL RECEIVE THE BULK OF HIS ESTATE!

ALL I KNOW IS I'M FED UP WITH YOUR PROMISES, PAUL, YOU'RE PAIN' UP OR ELSE!

SURE, I'LL PAY YOU THE MINUTE I GET MY HANDS ON HIS MILLIONS—

I'M GIVIN' YOU EXACTLY ONE WEEK! IF IT AIN'T PAID BY THEN YOU WON'T BE IN NO CONDITION TO ANSWER ME! C'MON, BOYS!

FUNNY BUSINESS. By Hershberger

MATERNITY WARD

BOY WANTED

"Mr. Jones, the hospital frowns on this sort of picketing!"

FRECKLES AND HIS FRIENDS

I LOVE THAT DARLING COLLAR YOU'RE WEARING! HILDA!

NOT HALF AS COOL AS YOUR NEW PLASTIC ONE, AND FLUFFY SCARF, JUNIE!

YOUR I.D. BRACELET IS REAL MAD!

JUNK, JUST JUNK!

AND DIG THOSE SCRUMPTIOUS NEW LOAFERS!

NOTHING, REALLY, COMPARED TO THOSE DREAM BALLERINAS YOU'RE WEARING!

SHALL WE TAKE IT ONCE MORE FROM THE BEGINNING?

LET'S DO! I'M FEELING BETTER ALREADY!

LI'L ABNER

THERE'S NO FOOL LIKE AN OLD FOOL— ESPECIALLY WHEN SURROUNDED BY SOFT, CUDDLY YOUNG THINGS!

THAT'S RIDICULOUS!!— ALL I THINK OF IS— THE BABY!!

GULP!

I-I MUST TAKE MY MIND OFF SOFT, CUDDLY YOUNG THINGS!!

SIX-FINGER STEVE ESCAPES FROM STATE PRISON LEAVES NOTE HIM UP— I-Y, Y, CRAGNOSE!!

ALLEY OOP

AWRIGHT, NOW— Y-SURE YOU WANTA GO THROUGH WITH THIS? I AINT NO CRIPPLED SQUAW YIKON!

ROMAN BARBARIAN, SAVAGE... I'VE YET TO MEET ONE WHO CAN BEST BRUNNEHILDE IN COMBAT!

WELL, HOW 'BOUT IT, GAL... DYA FIGGER YOU'VE HAD ENOUGH FOR TODAY?

BLONDIE

THIS IS AWFUL... IT'S PAYDAY AND I'M TOO SICK TO GO IN TO THE OFFICE!

I DON'T WORRY ABOUT THAT, DEAR— I'M GOING SHOPPING TODAY AND I'LL PICK UP YOUR PAY WHILE I'M DOWN THERE!

I'M SICK, BUT I'M NOT THAT SICK!

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