DECISION AFFECTS MORE THAN 25,000

20,000 Are Persons Who Have Paid Location Fees of $150; 5000 Are Intervenors.

TAX PUZZLE ARISES, TOO

Lands Assessed on Usual Basis by Counties--Railroad Attorney Says Company's Interest Recognized Only Up to $2.50 Acre.

The decision of the United States Supreme Court in the Oregon & California land grant case is of direct personal interest to thousands of persons in other states as well as in Oregon. There were 5000 individual intervenors alone, in the course of the trial, who claimed rights in the grant by virtue of having offered $2.50 an acre for 160-acre tracts there, and whose claims are definitely nullified by the Supreme Court.

The decision, it was explained last night by United States Attorney Reames, likewise definitely crushes the last hopes of more than 20,000 persons throughout the United States who have been induced by fraudulent locators to file on these lands, paying in each case a locating fee of $150. They now have no chance to get anything.

In connection with the court's ruling, an interesting question also arises as to what action the County Courts of the 18 counties in Oregon which contain portions of the land grant, will take toward collection of back taxes on these lands.

Taxes Total Big Sum.

Up to the time of the Government suit, the counties had been collecting taxes on the railroad holdings. These taxes amounted to a large sum annually. With the decree of Judge Wolverton on July 1, 1913, forfeiting the lands to the Government, however, the railroad declined to pay further taxes on the ground that as United States property, the lands were not subject to taxation.

Nevertheless the various County Courts continued to assess the land grant holdings. Accumulated unpaid taxes during the two years now amount, it is estimated, to nearly $1,000,000. There will be some interesting results when the counties attempt to collect this amount. Portions of the lands have already been advertised for sale for unpaid taxes in some of the counties.

Mr. Reames last night made the following comment and explanation of the Supreme Court's opinion, as gathered from press dispatches:

"The railroad company is, by the decree, specifically enjoined from making any sale of property in violation of the terms of the grant. While the entire grant is not by the decree declared forfeited, the manner of its disposition is left to a future action of Congress, which the opinion says must be had within six months from the date of the decision.

Cross-Complaints Ruled Out.

"One of the strongest points decided by the court is that neither the interveners nor the cross-complainants have any standing in court at all. In this particular the contention of the Government is clearly upheld.

"The Government has always contended that these lands would not be open to entry and that they could not be made the subject of any preference right until such time as Congress should by appropriate legislation provide some manner for their disposal.

"This contention the Supreme Court clearly upholds.

"As the Government has contended from the beginning, and as the court now holds, at least 20,000 applicants who have been induced by fraudulent locators to file on these lands, and to each pay $150 locating fee, will be out all they have put in. None of them will now get anything."

Despite the decision, it is improbable that the Southern Pacific will pay its delinquent taxes on any of the land in the affected Oregon counties, nor is it likely to begin paying its current taxes until the company's actual interest in the property has been established, says W. D. Fenton, attorney for the Southern Pacific.

Interest Is Not Guaranteed.

Ever since the land was granted to the company taxes have been paid on a certain percentage of its full face value, the same as other land similarly situated. When the lands were forfeited, under Judge Wolverton's decision two years ago, the company ceased paying taxes on the property, pending final decision by the Supreme Court. It stipulated at the time, however, its willingness to pay 6 per cent interest on all delinquencies in the event of its final recovery of title.

However, under yesterday's decision, says Mr. Fenton, it is apparent that the Supreme Court does not guarantee the Southern Pacific's interest in the property beyond $2.50 an acre, so it is probable, he says, that the company will be willing to pay taxes only on a basis of $2.50 as the actual value.

"It seems," said Mr. Fenton last night, "that the court recognizes our interest in the property up to $2.50 an acre and refers the whole case to Congress to designate what shall be the final disposition of the land and under what terms it is to be disposed of.

Sale of Land Enjoined.

"Pending some action by Congress, it is probable that the company can make no further payments of taxes, as the taxes are assessed on a basis of the full market value of the land.

"The court has written a long opinion, said to be 35 printed pages. A brief dispatch indicates that the court held that the land could not be forfeited and that the settlers, so-called, and the applicants to purchase could not enforce the so-called actual settlers' claims.

"A further provision in the decision is to the effect that the company be enjoined from selling any of the land for six months, until Congress elects to take such action as it may desire. This part of the opinion is not sufficiently clear in the dispatches to enable me to form any opinion as to what was really decided.

"The full scope of the opinion can only be understood when copies of it are received here."

"The decision will work to the certain advantage of the state," said A. W. Lafferty, attorney for a group of 65 private locators on lands within the grant, last night.

Government Pay Held Possible.

"It would not be for the best interests of the state to have the land revert to the Government, as that would have withdrawn it from taxation and kept it bottled up along with the forest reserves and other Government lands in the state.

"It remains only for Congress now to determine how the land is to be apportioned and who is entitled to locate on it. It is apparent that the Supreme Court recognizes the railroad's interest in the property to the extent of $2.50 an acre, but as some of the land is worth much more than that it will be possible for Congress to appropriate money to pay the Southern Pacific $2.50 an acre for the property, but any such action should, in my opinion, carry with it provision for the immediate sale of the property to actual settlers who will pay taxes on it and who will develop it for the benefit of the state."

John McCourt, United States Attorney for Oregon from 1908, the year in which the suit against the Oregon & California was brought, to 1913, had much to do with the case, although it was directly in charge of B. D. Townsend, as special assistant to the Attorney-General. Mr. McCourt expressed surprise last night at the decision.

"The Government contention was that the proviso in the grant constituted a condition subsequent, violation of which entitled the Government to forfeiture of the grant," he said.

"The railroad contended that it was not a condition subsequent, but a mere covenant, unenforceable, and for breach of which there was no penalty.

"The court apparently holds that the proviso was not on condition subsequent, but on the other hand is a covenant enforceable by the Government, through Congressional action.

"The Department of Justice, I do not believe, felt that the court had authority to give the relief which it apparently has granted.

All Get Dues, Is Belief.

"However, the solution of the matter by the court may be just as satisfactory as any other. It will have the effect of enabling the several counties in which the lands lie to collect the taxes which have accumulated against the lands in the past six years, and which have not been paid by the railroad, whereas, if the Government had prevailed in its contention for a forfeiture, these taxes would not have been paid.

"The railroad company will receive just what it was contemplated at the passage of the grant that it should receive. And the land will be open to immediate settlement and purchase.

"So, take it all in all, the railroad will get what it was intended it should get; the counties will get their taxes, which amount in some cases probably to more than the $2.50 an acre which the railroad is to be allowed on its land; and the Government will get its costs of administration, increased by enough, in all probability, to cover the litigation costs, which, however, will not materially affect the total."

CAMINETTI GETS CHANCE

SUPREME COURT RECONSIDERS AND WILL REVIEW CASE.

Diggs' Conviction to Be Taken Up, Too, to Decide Contention Law Applicable Only in Commercialized Vice.

WASHINGTON, June 21.—Reversing its own action of a week ago, the Supreme Court today decided to review the conviction of F. Drew Caminetti, of San Francisco, facing prison sentence for violation of the white slave law. At the same time it agreed to review the conviction of Maury I. Diggs, found guilty with Caminetti in the cases which attracted country-wide attention two years ago. The cases will be the first in which the Supreme Court has reviewed a white-slave-law prosecution where it was contended that the law did not apply to prosecutions which failed to show evidence of the elements of commercialized vice.

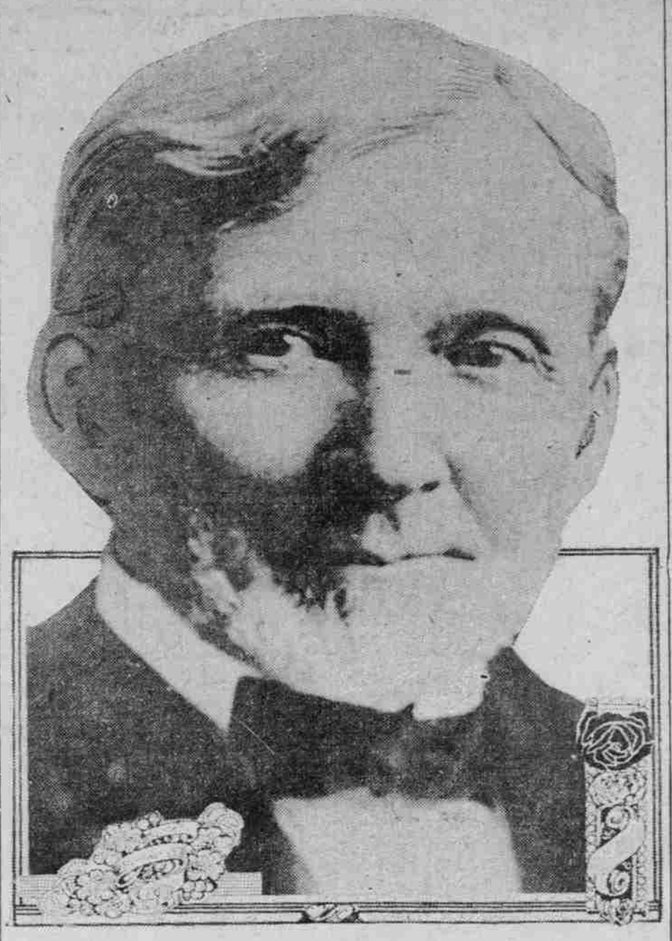
Caminetti, son of the Commissioner-General of Immigration, faces a fine of $1500 and 18 months' imprisonment in San Quentin. Diggs, ex-architect for the State of California, was fined $2000 and sentenced to two years in prison.

Attention was focused on these cases when John L. McNab, United States Attorney at San Francisco, resigned and in an open letter to President Wilson charged that political influence was being brought to bear on Attorney-General McReynolds to keep the cases from trial. In the controversy which followed, Secretary Wilson, of the Department of Labor, the Immigration Commissioner's chief, figured. President Wilson closed the incident by appointing a special prosecutor.

Sherwood Depot Robbed.

SHERWOOD, Or., June 21.—(Special.)—The Portland, Eugene & Eastern depot here last night was the target of robbers, who pried open the cash drawer and obtained a roll of 50 pennies for their night's work. The thieves or thief attempted to pry open one of the windows with a straightened horseshoe, which had been stolen from a nearby blacksmith shop. The men left a number of stamps in the drawer.

UNITED STATES SUPREME COURT JUSTICE WHO WROTE OPINION IN OREGON & CALIFORNIA LAND GRANT CASE.



JOSEPH M 'KENNA.

VOTE DECISION GIVEN

Supreme Court Decides Southern Restrictions Illegal.

EX-REBEL GIVES OPINION

Oklahoma and Maryland Laws Affecting Negro Voters Are Declared Violation of 15th Constitutional Amendment.

WASHINGTON, June 21.—In probably one of the most important race decisions in its history, the Supreme Court today annulled as unconstitutional the Oklahoma constitutional amendment and the Annapolis, Md., voters' qualification law restricting the suffrage rights of those who could not vote or whose ancestors could not vote prior to the ratification of the 15th amendment to the Federal Constitution.

Chief Justice White, a native of the South, and an ex-Confederate soldier, announced the court's decision, which was unanimous.

By holding that conditions that existed before the 15th amendment, which provides that the right to vote shall not be denied or abridged on account of race, color or previous condition of servitude, could not be brought over to the present day in disregard of this self-executing amendment, it is generally believed that the court went a long way toward invalidating much of the so-called "grandfather clause" legislation of Southern States.

The immediate effect of the court's decision was to uphold the conviction of two Oklahoma election officials who denied negroes the right to vote in a Congressional election and to award three Maryland negroes damages from election officials in Annapolis who refused to register them. The court held that these election officials could not ignore the potency of the 15th amendment in wiping out of state constitutions the word "white" as a qualification for voting.

In the Maryland case the court's decision established the point that the 15th amendment applies alike to municipal as well as to Federal elections.

Discussing the Oklahoma cases, Chief Justice White said the suffrage amendment to the state constitution first fixed a literacy standard and then followed it with a provision creating a standard based on the condition existing January 1, 1866, prior to the adoption of the 15th amendment, and eliminated those coming under that standard from the inclusion of the literacy test.

The court had difficulty, he said, in finding words to demonstrate more clearly its conviction that this action of the state recreated and perpetuated the very conditions which the 15th amendment was intended to destroy, than the language used in the amendment.

R. C. PETERSON IS KILLED

Portland Agent of Adding Machine Company Dies in Auto Accident.

PITTSBURG, Pa., June 21.—(Special.)—R. C. Peterson, an agent of the Burroughs Adding Machine Company at Portland, was killed here today in an automobile accident.

Mr. Peterson had been a resident of Portland for about five years, according to friends in this city, and during most of that period he had represented the Burroughs Adding Machine Company. He was 28 years of age and unmarried. A brother, K. W. Peterson, represents the same company at Spokane, and his other relatives are said to live in Pittsburg.

For the past year and a half Mr. Peterson had made his home at the residence of Mr. and Mrs. S. W. Paris, 689 East Ankeny street.

Mrs. Paris said last night that Mr. Peterson's mother and sister had been West last March and that Mr. Peterson had visited the fair at San Francisco with them. They then visited him in Portland and he accompanied them on their return trip East early in April, intending to return to Portland by automobile.

Mrs. Paris received a card a few days ago from Mr. Peterson telling her that he had bought a new automobile, in which he planned to make the trip to Portland.

HARVESTER CASE TO BE REARGUED

Supreme Court Reopens Suit, Although Not Requested by Government or Defense.

RULING PUT OFF TILL FALL

Possibility Is That Tribunal Stands Close and Hopes to Give Unanimous Opinion Because of Importance of Decision.

WASHINGTON, June 21.—The International Harvester case, foremost of all the Government's anti-trust prosecutions now in the Supreme Court, was reopened today for a new argument at the Fall term, beginning in October.

Neither the Government nor the company had asked a rehearing; the court's action was a complete surprise to attorneys for both sides and was announced without explanation.

From precedent and practice it was inferred in some quarters that the court stands close on the case and desires reargument for its own benefit; or that, in view of the prime importance of the case to the interpretation of the Sherman law in new lights, a reargument has been ordered in the hope of getting a unanimous decision. That was the situation in the Standard Oil litigation. Although it was assumed that the court stood close in that case, there was only one dissent.

Decision Delayed Until Fall.

Close observers of the court's procedure and the Government's anti-trust proceedings point out, too, that a reargument of the Harvester suit may have been ordered because of the many questions involved which have not been raised in trust cases heretofore and because many of them came within the purview of the recently enacted trade commission and Clayton trust laws.

The case, which is regarded as of first importance, particularly in view of its similarity to the Steel case, which the Government recently lost in the lower courts, cannot now be decided before the Fall. A decision has anxiously been awaited in business and financial circles for months.

Trust Act Depends on Ruling.

Attorney-General Gregory is known to have expressed the view recently that the usefulness of the Sherman law in the future regulation of business depends largely upon the attitude of the Supreme Court in the Harvester case. Pending a decision, it was said tonight, the Department of Justice probably will not institute any important anti-trust cases.

The Government's policy in the Steel "trust" has been announced and Mr. Gregory, in conformity with his announcement, will make the customary appeal from the decision of the lower courts.

LACKAWANNA CONTRACT VOIDED

Railroad's Sale of Coal to Company It Organized Is Illegal.

WASHINGTON, June 21.—A contract by which the Delaware, Lackawanna & Western Railroad Company sold in 1909 the annual output of 7,000,000 tons from its anthracite coal mines to the Delaware, Lackawanna & Western Coal Company, which it had just organized, was annulled today by the Supreme Court as a violation, both of the commodities clause of the Hepburn rate law and of the Sherman anti-trust law.

The decision directed the Federal District Court of New Jersey to enjoin the railroad from transporting coal under the provisions of the contract. The court specifically preserved to the Government a right to proceed in a new suit against the railroad to test the latter's right to purchase coal for sale.

The decision was hailed by Government officials as a great victory, likely to have an important bearing on the fight which has been waged for years to break up the so-called "hard coal trust." Attorneys conversant with interstate commerce affairs wondered, too, whether the decision would affect the Interstate Commerce Commission's ruling on various phases of the anthracite coal business under investigation for months by that body.

Justice Lamar said it was not illegal for the stockholders of the railroad to take stock in the coal company, but added that where two companies, one of which was organized by another with common stockholders as a rule and officers of one to a large degree officers of the other, made contracts which affected the interest of minority stockholders, or of third persons or of the public, the fact of their unity of management had to be considered in testing the good faith of the transaction.

RAILROAD MANAGER PLEASED

D. W. Campbell Gives Attorney Fenton Credit for Result.

CORVALLIS, Or., June 21.—(Special.)—D. W. Campbell, general manager of the Southern Pacific lines, who is in Corvallis today with other officials on business connected with the electrification of the Whiteson-Corvallis unit of the West Side line, said, in speaking of the decision of the Supreme Court in the Oregon & California Railroad land grant suit:

"I am glad to note that the railroad has won the suit, and I believe great credit is due W. D. Fenton, of Portland, who prepared the brief that I consider was largely responsible for winning the case. The case has been in the hands of the company's California legal department and Mr. Fenton, and I am not conversant on the subject. I had not come to the company when the case was started and am not familiar enough with it to make a statement."