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The Oregon Statesman

FOUNDED 1851

Salem, Oregon, Thursday Morning, July 7, 1932

WEATHER

Fair today and Friday, moderately warm, humidity lower; Max. Temp. Wed. 83, Min. 60, river -5 foot, northerly winds.

EIGHTY-SECOND YEAR

No. 87

MANY HURDLES FACING MEIER LICENSE PLAN

Governor, Van Winkle and Holman Confer but no Progress Reported

Numerous Puzzles to Beset Scheme to Flout Law Ament Auto Tags

Governor Julius L. Meier, with State Treasurer Holman and Attorney Van Winkle as advisors, was busy yesterday trying to work out a method in which a quarterly payment of auto license fees could be effected without the use of the facilities placed by law in the hands of Secretary of State Hoss.

No official announcement was forthcoming from the executive offices here although it was understood some serious snags had been struck in the governor's plan, announced Tuesday, to pad the license boat himself up a new stream.

The difficulties were these: 1. Who is to provide funds for the collection of the license advances by the treasurer's office? 2. Who is to apportion the money to the various counties and when will the apportionments be made?

3. When and if the fourth payments are made on the quarterly basis system, who will issue the licenses?

Van Winkle Refuses To Discuss Farley Attorney General Van Winkle said last night he conferred for more than an hour with Governor Meier, Treasurer Holman and Budget Director Hansen, but he would not state any details of their conference.

He merely advised on the legal phases of the proposed license plan, the attorney general stated. At the conclusion of the discussion held in the executive department, Holman announced that the "several minds in attendance had been unable to agree on some of the problems involved."

He added that it probably would be several days before a definite announcement as to details of the plan would be made. Governor Meier refused to discuss the license situation other than to announce that he would have no statement to release Wednesday. He indicated that the present 15 day moratorium would not be extended.

Hal E. Hoss, secretary of state, was not invited to attend the conference with Attorney General Van Winkle, and was not present. Injunction Suit May Be Instituted

There was talk at the statehouse yesterday that any attempt by the governor or his deputies to take the collection of auto licenses into his own hands would be met by prompt court action seeking an injunction to restrain him from an act thought by many to be illegal.

Under the plan tentatively suggested by Governor Meier motor vehicle owners would obtain their licenses at the state treasury department on a quarterly installment payment basis. Receipts would be issued for these payments, which would be recognized by the state police department. At the time of making final payment license plates would be issued.

As a result of the license controversy applications for motor vehicle licenses for the current year have fallen off approximately 70 per cent. Hoss said this situation may cause him to curtail his operating staff which recently was built up to take care of the usual seasonal license rush.

TWO ARE SLAIN AS BEER WAR FLARES

CHICAGO, July 6.—(AP)—Two men were shot to death and a third wounded tonight in what police described as a revival of gang strife for control of the south side beer trade.

James "Red" McGee, operator of the Del Rio roadhouse, and Vernie "The Goat" Larkin, satellite of Edward "Spike" O'Donnell, were slain when three gunmen invaded the resort. A man known as "Jim Kennedy," a waiter, was seriously wounded by the assassins, who escaped in their automobiles.

The Del Rio, which was formerly operated by "Buck" Weaver, one of the "Black Sox" baseball players, is in the south side territory in which O'Donnell, Frank McElrath, Danny McGeoghegan and other hoodlum kingpins have sought to dictate the manufacture and sale of illicit liquor.

FIRE CONTROLLED

EUGENE, Ore., July 6.—(AP)—Supervisor R. C. Shelley of the Sheslay national forest reported that two timber fires, both thought started by careless travelers in the forest, were under control.

Hop Growers' Co-op Planned at Meeting; Will Seek U. S. Aid

First Such Organization Favored as Necessary To Take Advantage of Federal Finance Act and Warehousing Act

LOOKING toward organization of a hop growers cooperative association in order that growers and dealers may take advantage of the federal finance act and warehousing act for market of their crop, a special committee of growers and dealers spent all of yesterday in session here.

As a result of the meeting, held at the Marion hotel, tentative articles of incorporation were drawn up for the Pacific Coast Hop Growers association, and the tentative setup will be presented to all growers in this area before the permanent organization is entered into.

Assisting the committee yesterday were John Marshall, of Portland, representative of the federal finance board; Mr. Savage of Portland, representative of the federal warehousing act under direction of the department of agriculture, and George Gatlin of Oregon State college extension division.

Growers and dealers propose to take advantage of the federal finance act, if possible, to obtain loans, Dean Walker of Independence, (Turn to page 2, col. 3)

BAN UPON MERGER PETITIONS DENIED

Dunlap and Harding Request Injunction but McMahan Refuses to Issue

A move to restrain the circulation of university-college merger petitions as well as their receipt by the secretary of state, was blocked here Wednesday afternoon when Judge L. H. McMahan refused to grant an injunction restraining further work by circulators or the acceptance of the petitions by the state's officials.

R. L. Dunlap and Roy C. Harding, plaintiffs, declared in their complaint against the Marion County Taxpayers Equalization and Reduction league, that as taxpayers in some of the cities of Eugene, Monmouth, LaGrande and Ashland, they would lose heavily in property values. The plaintiffs set forth that the state government had contracted 50 years ago to maintain a university at Eugene by prescribing the value of a building to be (Turn to page 2, col. 1)

QUESTION ON DAVIS BEQUEST IS RAISED

Whether a home for the needy will be located at Turner as contemplated under the terms of the will of the late Cornelia A. Davis, or whether its establishment will be impossible under the provisions of the state law regarding trusts, is a question brought into court here yesterday by the filing of a friendly action on Mrs. Davis' will. S. M. Endicott, executor of the will, appears as plaintiff while J. M. Sharp, only heir at law and a resident of California, is named defendant along with all other parties who may have an interest in the estate.

Aside from \$5000 in legacies to various individuals, Mrs. Davis left her entire estate, estimated at \$135,000 toward the establishment and endowment of a home for the needy on a tract of land near Turner and on the Turner - Amuseville road. The plaintiff declares that it was Mrs. Davis' intent to name a trustee in her will but this action was overruled.

The complaint asks the court to determine whether it has power to designate a trustee and if so, the court is asked to name the trustee. In event the bequest for the home was held illegal, Sharp would probably be the principal heir under the Oregon law.

ARMY WORMS INVADE Klamath Falls, Ore., July 6.—(AP)—A heavy toll of agricultural crops in the Klamath basin has been taken by army worms which have invaded the district for the first time in two years.

Oregon Briefs

PLAN ROAD TO TAP GRANTS PASS, Ore., July 6.—(AP)—Colonel J. C. Johnson of Gold Beach, reported here today that a careful inspection of the Mule Creek section, 55 miles down the Rogue river from Grants Pass, is potentially one of the richest mineral sections in the United States.

The road down the Rogue ends at Galice, and forestry officials are considering construction of 20 miles more to tap the Mule Creek section.

STEELHAMMER HEAD SEASIDE, Ore., July 6.—(AP)—The 43rd annual convention of the Oregon State Pharmaceutical association opened here today with some 250 pharmacists in attendance.

Joe W. Steelhammer, of Silverton, presided at the opening session.

HALL HAS SCIATICA EUGENE, Ore., July 6.—(AP)—An attack of Sciatica confined Dr. Arnold Bennett Hall, president of the University of Oregon, to his bed today. His physician, who said the malady was the result of overwork, ordered Dr.

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BORAH ASSURED OF NOMINATION BY DRY FORCES

Name Before Convention at Indianapolis; Hasn't Indicated Course

Platform However Contains Plank for World Court Which he Opposes

INDIANAPOLIS, July 6.—(AP)—Senator William E. Borah was placed in nomination tonight as the prohibition party's presidential candidate, but after a telephone conference with the Idaho senator party leaders indicated they would wait further developments before definitely making him the nominee.

The leaders made the following statement after talking with Borah, who is in Washington: "The senator very greatly appreciates the compliment which the convention confers upon him in wishing to nominate him for the presidency. He advises, however, that the convention not take this action as such a call should come, if at all, from a great national uprising of the people to be called subsequently by the united moral forces of the nation."

Leaders of the convention had agreed earlier that one of their own number should be named the party candidate with the proviso he be willing to withdraw if Borah or some other nationally known figure could be obtained to represent the united drys in a third party.

The oration which greeted presentation of Senator Borah's name, however, made it apparent he would be nominated, and the (Turn to page 2, col. 3)

MORE COUNTERFEIT MONEY NOTED HERE

Four more counterfeit \$20 bills turned up in Marion and Polk counties yesterday. One was received by Ladd and Bush bank from Stayton; state police obtained one from Independence and one more from Dallas. Two were reported at Dallas on Tuesday.

A youth, buying automobile license plates at the state motor vehicle department, proffered one of the bills, it was reported. Deputy C. N. Lauridsen discovered the counterfeit and took back the plates. The youth was believed to be innocent of wrong intent.

While state police are collecting the bills as fast as they are discovered, they are leaving the search for the counterfeiters the making of federal operating, Superintendent Charles Pray said last night.

The bills are said all to bear the same numbers. They are printed on an inferior grade of paper.

INSTALL OFFICERS OF DISABLED VETS

State officials of the Disabled American Veterans' organization last night installed new officers in Salem chapter No. 6 at the meeting at the armory. H. F. Field, first commander of the chapter, was placed in that office for the second term.

Other new officers are: George Malstrom, senior vice-commander; Dr. George Lewis, junior vice-commander; Ed Clarke, chaplain; R. A. Hooper, sergeant-at-arms; Archibald MacDonald and Miller B. Hayden, executive committee-men.

Commander Field announced the appointment of J. C. McDonald as adjutant. Visiting officials included Lyle Daley, Portland commander, and Mrs. Sabiston, Paul Doyle, senior state vice-commander, and Mrs. Doyle.

McDonald and Field reported on their attendance at the national convention at San Diego last month. The carnival sponsored at Olinger field last month netted the chapter around \$200. Appreciation for the public's patronage was expressed by the veterans.

Mexican Admits Slaying; Claim Is Self Defense

ALBANY, July 6.—(AP)—Gregorio Perez, Mexican, wanted here in connection with the fatal shooting of Gerardo Martinez, another Mexican, was today charged with first degree murder, after giving himself up last night.

Police here said Perez claimed he shot in self defense. They said they were told the shooting followed a quarrel over a Mexican girl, Consuelo Cacho.

WORKMEN DROWN

LA SALLE, Ill., July 6.—(AP)—Four workmen drowned today when an Illinois waterway tugboat sank on which they were working enlaged in the Illinois river.

Kidnaped Youth Is Found, Safe



HASKELL BOHN

ABDUCTION VICTIM FOUND; UNHARMED

Deputy Sheriffs act Upon Tip, Bohn Discovered At Lake Resort

MINNEAPOLIS, July 6.—(AP)—Haskell Bohn, 20 years old, son of a St. Paul manufacturer, missing since last Thursday when he was reported seized by two men, was found by deputy sheriffs at a lake resort near here tonight.

Acting on a "tip," the deputies went to the lake, where Bohn was said to have been found unharmed. This development followed reports from Crookston, Minn., that Jack Thompson, alias Roy White, of Tulsa, Okla., had confessed Bohn was being held at a farm home near Emerson, Minn.

When news of the finding of Bohn was received, Thomas E. Dahill, chief of police of St. Paul, and two detectives had just finished questioning Thompson and expressed belief he was not one of the men sought for the Bohn affair.

When Bohn was seized by the two men at the residence of his father, Gebhard Bohn, a note was left with the family chauffeur, E. Meyers, demanding \$25,000 for the youth's safe return. Later the amount was reduced to \$5000.

POLICE AID SOUGHT IN DEATH MYSTERY

PORTLAND, Ore., July 6.—(AP)—Aid of Portland police was sought today by H. S. Sackett, Seattle consulting engineer, in solving the mystery surrounding the death of Mrs. Marie G. Newton, 58, of San Francisco, whose body, found floating in Columbia river near Altona, Wash., he identified last Saturday.

Sackett, Mrs. Newton's son-in-law, told police that when Mrs. Newton left his home in Seattle June 30 bound for San Francisco, she wore a platinum, diamond-studded wedding ring, an emerald ring and a rectangular wrist watch and carried a black leather hatbox stamped with her initials. All these articles, valued at \$500, were missing when the body was recovered June 24.

Mrs. Newton was in good health and good spirits when she left Seattle, Sackett said. The day following she wrote from Portland, observing that her hotel room here was pleasant. Sackett today was attempting to locate the hotel where she stayed here, as she neglected to name it or give its location.

Clatsop Court Lifts Penalty On Late Taxes

ASTORIA, Ore., July 6.—(AP)—The Clatsop county court today authorized the cancellation of penalty and interest on delinquent taxes for which payment is made before November 5, when the second-half taxes are due.

The action was taken, it was pointed out, in an effort to get taxes paid up to date. The action will apply to all years after 1927. Foreclosure suits against several thousand pieces of property in Clatsop county are now under way because of delinquent taxes of 1925, 1926 and 1927.

Hoover and Garner Spar Vigorously Over Relief

WASHINGTON, July 6.—(AP)—The highly charged controversy between President Hoover and Speaker Garner burst vigorously into the open today as they exchanged blows for blow in a verbal battle over the \$2,123,000,000 relief legislation.

Garner charged the other with responsibility for failure to reach a complete compromise on the Garner-Wagner measure. Meanwhile senate and house conferees revised it to meet all the president's objections except one and planned for house action tomorrow.

Garner assailed President Hoover in a dramatic speech on the house floor, charging the chief executive with desiring a "select clientele" to reap the benefits of the projected \$3,500,000,000 reconstruction finance corporation loan fund. The speaker urged congress to remove restrictions so

GLOBE GIRDLING FLYERS MISSING EAST OF BERLIN

Fail to Reach Moscow, but May be Continuing to Omsk; Mark set

Griffin - Mattern Ship Cuts Time Across Atlantic; Fliers Jubilant

MOSCOW, July 7.—(AP)—Air officials at the Moscow airport began a series of inquiries along the route taken by James Griffin and Bennett Griffin, American round-the-world fliers, from Berlin to Moscow when the fliers had not reached here at 9:30 a. m. (8:30 a. m. E.S.T.) today.

NEW YORK, July 7.—(AP)—At 1:10 (E.S.T.)—This morning, Clarence Page, backer of the Griffin-Mattern flight, on being informed that the fliers had not been heard from since leaving Berlin, said "it looks sort of bad."

Page was sure, he said, that the round the world pair would not have tried to go to Omsk, without stopping at Moscow, where they were due around 10 (E.S.T.) last night, provided they kept up the average time set on the two legs from New York to Berlin.

BERLIN, July 6.—(AP)—James Mattern and Bennett Griffin, two young Americans who are itching to girdle the globe by air faster than any other flier has, brought their red, white and blue monoplane down at Tempelhof airfield this afternoon after a record breaking trans-Atlantic crossing, and three hours and 20 minutes later they roared into the air again, enroute to Moscow. They were 10 hours and 43 (Turn to page 2, col. 1)

TWO-CENT STAMPS STILL ON LETTERS

Postal clerks had to keep a watchful eye out for two-cent stamped letters yesterday. A large number of pieces of first class mail were found bearing insufficient postage under the new rate increase. A few airmail letters with five-cent instead of eight-cent stamps also were discovered.

The postal regulations require that mail which is not stamped to at least the minimum rate at which that class can be forwarded, must be returned for more postage. If a letter, for instance, now carries only a two-cent stamp, it must be returned to a sender, rather than forwarded to the receiver with charges for postage due.

No confusion existed as to post cards, clerks said. The rate on these remains one cent. A sudden rush of mailing, which started Tuesday while the letter rate was still two cents, continued over into yesterday.

Company Gives Up Contract on Federal Block

ASTORIA, July 6.—(AP)—Halbauer-Labauz Chicago construction firm, has surrendered its contract for the new federal building here, and work of construction has been stopped. Any further construction rests with the Detroit Fidelity & Surety company of Detroit, Mich., bonding officials said.

No reason for surrendering the contract was advanced. The time limit for completion of the \$250,000 edifice had been extended from October 27 to November 15. It is about 20 per cent completed.

Press Club Has Small Fire Loss

PORTLAND, Ore., July 6.—(AP)—The building occupied here by the Portland Press club suffered damage estimated at \$1000 as the result of a fire that started from a spark and burned through the roof today.

Coal Oil Burns Fatal to Miner

GRANTS PASS, Ore., July 6.—(AP)—The body of J. J. Eastman, 70, mining man, was found at his home in Meritt yesterday by Frank Bailey, a neighbor.

Death is believed to have resulted from some time ago when he applied coal oil on his leg to cure an ailment, then backed against the stove, igniting the oil.

Petition Race Nears Finish Line; Several Issues Face Defeat

Stolen Petitions Not Found; Rush To Fill Quotas

PORTLAND, July 6.—(AP)—Police detectives working on the reported theft here by two armed men of petitions bearing 20,500 signatures and favoring the physical consolidation of Oregon's institutions of higher learning tonight reported that little or no progress has been made in solving the case. They said the investigation will continue tomorrow.

Meanwhile, sponsors of the so-called Zorn-MacPherson bill were directing a last-minute drive to retrieve enough signatures to assure the proposed measure a place on the November ballot.

Announcement was made here today that if the necessary 17,888 signatures are obtained and certified, the petitions will be rushed to Salem by armored car, accompanied by a heavily-armed guard. There they will be filed with the secretary of state.

SILVERTON WATER RATES PROTESTED

Committee to Take Matter Up is Appointed After Petition Received

SILVERTON, July 6.—(Special)—As the result of a petition, bearing the signatures of 715 citizens asking a change in water rates at Silverton, Mayor L. C. Eastman appointed an independent committee composed of H. B. Lathrop, B. Duncan and P. L. Brown, to meet with the water commission and make any suggestions the three see fit.

The water commission is composed of Dr. C. W. Keene, J. A. Campbell and Dr. A. W. Simons. The petition which was presented at the July meeting of the city council held Tuesday night, reads:

"To the Honorable Mayor and councilmen and water commission of the city of Silverton: "We the undersigned resident patrons and users of water furnished by the city of Silverton do hereby protest against the rates now being charged for water used by the patrons of the city of Silverton.

"The people of Silverton wish to help beautify the city by the use of water on the lawns. "There is an abundance of water now going to waste and doing no one any good. "Therefore, we, the citizens and patrons of the city of Silverton, respectfully ask that immediate action be taken to readjust the rates before the season for watering lawns has passed. We believe that the rates should be adjusted so that patrons secure something for the \$1 minimum now being charged."

In reply to the petition presented by Attorney Sylvester Mayor Eastman said that although the city council had no authority over the water commission, he would, with the approval of the council members, appoint a committee to wait upon the commission and leave the matter in the hands of the commission.

Other matters attended to at (Turn to page 2, col. 1)

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School Consolidation Initiative Likely To Miss Ballot

Governor's Financial Measures Deemed Doubtful now

With only a few hours left until the 5 p. m. July 7 closing limit for ballot measures at the November election, it appeared certain Wednesday that a number of moot questions were to be omitted from the issues voters are to decide in four months.

Observers at the statehouse yesterday felt reasonably certain that the school consolidation and moving measure would not receive the necessary 17,800 signatures to place it on the ballot. Information from well-informed Portlanders indicated there was less than 10,000 names on certified petitions 48 hours before the closing time arrives today.

The status of the governor's three tax measures was uncertain. Two of the proposals are initiative measures to provide the machinery for increasing tax rates and controlling tax levies while the third measure provides a constitutional check on the amount of debt a tax levying district may create and a check is also provided on the way the debt may be incurred.

Several Already Assured of Place The status of 10 various protective constitutional amendments for which ballot titles have been secured is:

Taxpayer's voting qualifications: Referred by legislature and thereby on November ballot. Waiver of trial by jury in criminal cases by defendant: Referred by legislature and thereby on November ballot. Revising six per cent tax limitation bases: Referred by legislature and thereby on November ballot.

Recall of officers proposed by Bylander: petition circulation abandoned. Recall of constitution prohibition amendment: proposed by Bylander: circulation of petitions abandoned. Recall of state constitution prohibition amendment proposed by Kirby: circulation of petitions abandoned.

Constitutional amendment to limit motor vehicle license to \$3 proposed by Stallard: petition circulation abandoned. Cigarette smokers' need have no fur: Anti-cigarette constitutional amendment proposed by Atchley: circulation of petitions abandoned.

State water power and hydroelectric amendment proposed by state grange: petitions being circulated and checked; final outcome uncertain. Thirteen measures not including the constitutional amendment proposals, and their status, are:

The tax on oleomargarine, the ban on commercial fishing on the Rogue river and the referendum on the 1931 legislative appropriation to higher educational institutions in the state were all referred to the people by the 1931 legislative session and therefore come up on the November ballot. Recall of the state prohibition laws, not the constitutional amendment, as proposed by Critchlow, has received sufficient petition signatures and will go on the ballot.

Freight Truck and Bus Bill Initiated The freight truck and bus bill has likewise received enough support to place it on the November ballot. Measures for which ballot titles were secured by which apparently have been abandoned by the petitioners and therefore will not be on the November ballot include: Old-age pension law, repeal of criminal syndicalism law, repeal of county civil service law, repeal of state prohibition statutes and chain store tax measure.

The remaining three measures for which ballot titles have been granted include the school consolidation measure, presumably "let" the personal income tax bill providing higher rates and lower exemptions and the tax supervision and conservation measure, all of which are being pushed by petitioners whose results will be in doubt until tonight.