

STATE CHANGES START MONDAY

Snell to Begin Job; Issues
Coming Before Solons
to Be Important

(Continued from page 1)
lowed by his speech in the house gave him a sound on the manner in which the state operates. Since his election last November, Snell has been studying the work of the office he tomorrow assumes. For the past fortnight he has been here the majority of the time, making ready to take over the work.

Snell is not planning innovations. He will go along with very largely the same crew of employees now in the office, at least until he has had ample time to study the work of the office from the inside and to decide what changes, if any, can be wisely made.

The incoming secretary of state is keeping silent for the moment on the plans which have been talked of reorganizing the state board of public welfare. His silence springs from a lack of specific plan of such reorganization to study and also from a wish not to appear hostile at the outset to the incoming governor.

Would Like to See Board Systematized

One gathers from Snell's record and his known outlook, that he would like to see the work of the board of control strengthened and made more systematic, rather than reduced to a trifling administrative responsibility. For that reason Snell is definitely in favor of regular meetings of the board of control where all matters, properly before the board, should be carefully and fully discussed and a board of three elected officials, rather than one, made the governing body for the state's institutions.

Of all statehouse posts, the secretary of state is the one to which a newcomer has the best chance of becoming his own successor. Of the 12 men who have preceded Snell in the office, eight have either been reelected or elected after appointment. One-half of the number of secretaries have served their full eight-year term.

If the state highway department has its way the "status quo" will be the order of the day during the coming session. The commission sees no need for revision of the present \$5 license. While the department has lost heavily in revenues, the additional one-cent tax on gasoline is helping bridge the gap. The commission is specifically against the assumption of any county or district debt—and this includes the coast toll bridge bonds—unless new taxes be provided to meet these obligations. It is equally specific in its objection to any further diversion of state highway funds to new purposes. After paying its bond interest and principal, maintaining existing state roads, paying \$1,600,000 a year to the counties, the commission figures it will have only \$1,000,000 for new construction in 1935-1936, a sum inadequate by half to meet federal match money.

The latest proposal to give the highway department a case of nerves is that the department take over the maintenance and new construction of all county roads in the state—a total of 41,000 miles. Representative John E. Cooter has broached the idea in a public statement which has not been endorsed as yet by Governor-elect Martin.

Counties Want to Hand Over to State

The proposal springs from a desire of counties to free themselves of the burden on real property which maintenance of local highways brings. According to the best figures available at the statehouse, expenditures last year for county road maintenance in Oregon ran to \$3,720,000. Counties spent an additional \$250,000 in new construction. This the average outlay per mile on county roads was \$100.

If the state should take over these roads and retain the \$1,600,000 it now pays the counties from the motor vehicle license funds, the difference between \$4,070,000 and \$1,600,000 or a sum of \$2,470,000 would have to come from present highway funds. This is slightly more money than the state now spends on its own road maintenance and could be made available only (1) by eliminating all funds for new construction and (2) cutting the state's maintenance in half.

Moreover, there is no assurance that the state could do an adequate maintenance job of county roads at \$100 a mile a year. Indiana has found the cost \$180 a mile on 83,000 miles of county road; North Carolina, using 6000 convicts on her roads, has not kept the cost of maintenance below \$100 a mile. One reason the counties in Oregon have done the work so cheaply is that in recent years maintenance work has been cut very heavily—and the user of the county road has taken the reduction because it lessened his taxes. If and when the state took over such maintenance work, the farmer, freed from direct taxes for roads, would demand better maintenance, hence higher per mile cost.

So the state highway department is not in the least anxious to acquire all the road problems of the state. In due time it may be necessary to take over more of the primary county roads and to merge these into the existing secondary road system. The highway department feels that such transition should come slowly—after a careful study of each road to be taken over—its probable maintenance cost, and the amount of use to which the road is put. For the next biennium the department will be very pleased to go along with its existing program of maintaining present roads so the state's capital is not lost, of meeting federal funds as far as possible and of steadily retiring the state's bonded debt for roads.

Hauptmann Jury Takes Breakfast



Guarded by a bailiff the Hauptmann jurors have breakfast at their hotel opposite the Flemington, N. J. courthouse.—International Illustrated News photo.

No pronounced changes in tax legislation will be offered by the state tax department in the coming session. There will be some minor administrative changes in existing income tax laws proposed. However, the state tax department thinks the fundamentals of the existing law on incomes sound—i. e. rates and exemptions. Higher rates would drive more incomes from the state, the tax department believes, in view of the sizeable boost given by the 1933 legislature which pushed rates from one to five per cent up to the new schedule of from two to seven per cent and reduced exemptions to \$1500 for married men and \$800 for single persons.

Sales Tax Idea Is Quashed by Martin

Governor-elect Martin, true to democratic tradition, has quashed any move towards a uniform tax on sales so this hotly debated measure of the last two sessions will be out. The intangibles tax, as amended at the last session, dropped \$200,000 in yield the last year since numerous deductions were allowed on the tax whereas heretofore the only deduction allowed was interest paid. There may be a measure introduced to restore the old intangibles tax basis; on the other hand, some members of the incoming house are said to favor entire repeal of the intangibles tax and the inclusion of all income from intangibles in the regular income tax report.

This does not mean that a rush of tax bills will not come from the legislators themselves. There is the customary talk of luxury taxes, of higher income taxes, of a check tax and a theatre tax, but in none of these tax proposals is the state tax department taking lead.

The small loan situation in Oregon is certain to come before the coming session. Democrats like young Representative Dickson from Multnomah county have the present small-loan practices in Oregon marked down in their black book of "things to do" and the fact that Dickson was not successful in 1933 will whet his appetite this session.

There are two camps in the small loan makers: One is the group which makes loans of \$30 or less and has no restrictions whatever on the amount of interest and/or service charge which may be collected. The other group makes loans up to \$300 and cannot charge more than three per cent a month, interest and service charge included. The second class of small-loan makers would just as soon see the boys who loan \$30 or less curbed; they think that charges made are often unconscionable. The rub is this: if the "legitimate" small loaners make war with the "reformers" on the petty loan makers, they are afraid the latter will seek abolition of the entire small-loan act in the state and throw the business into confusion.

Interim Committee Will Bring in Report

The legislature rested the small loan situation last session with an interim committee. This committee will seek new legislation to curb the \$30 and under loaners; it will also ask that interest rates be scaled down to not more than 2 1/2 per cent a month on loans of \$100 or more.

Os West, who dearly loves discomforting the small-loan makers, will be on hand to prod the democrats into a new attack on the business and one can be assured that the lobbies will swarm with men trying to "save" the small-loan business for the state.

Rufus C. Holman, state treasurer, is going to make an earnest effort to go along with the new Martin administration and to make the state board of control the administrative body he believes the law intended it to be. "I believe Governor Martin is able; I believe he is a gentleman," Mr. Holman said yesterday in discussing the outlook for Oregon's New Deal.

Holman was reluctant to comment on the proposed reorganization of state government which is being talked. "I don't believe Governor Martin has fully made up his mind on such a reorganization," Holman said. He went on to state that he believed the incoming governor was a great friend of the late Governor Lowden of Illinois and that he was considering the reorganization of Oregon's government along the lines Lowden put into effect in his own state.

Holman to Attempt Peaceful Attitude

It is known that Holman has been in touch with Governor-elect Martin for the past fortnight, proffering his help to the new governor. Holman is eager to see the unsatisfactory relations of the last three years terminated, relations which in the last year

have virtually isolated him as a member of that board.

His latest resentment at the Meffer administration springs from the 1935-1936 state budget. Holman is incensed that "such a piece of work" should have been put out. He says that heads of state departments were not consulted, that no consideration was given to the increasing population of state institutions, that the budget in truth was an "office boy's budget" where all that was done was the compilation of figures of 1933-1934 and the resubmission of these figures for the forthcoming biennium.

Space limitations prevent the enumeration of all proposed legislation. The Knox law will be tightened and strengthened but not materially changed. Considerable "planning legislation" looking towards utilization of power resources impends. The fight on the criminal syndicalism law which came up in 1933 will be repeated.

Outstanding among the measures to be given legislation attention will inevitably be (1) appropriation bills and (2) provision for relief. The appropriate bills must be carefully worked out as all groups at the statehouse admit the 1935-1936 administration budget will be of little avail. Relief is certain to be a larger problem than ever, the next biennium, since the unemployment group is being turned back to the state and the counties for entire care while Washington will ask cooperation, undoubtedly, in its work program.

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Students Will Be Rotary Speakers

Student activities at Salem senior high school will be described to members of Salem Rotary club at their noon luncheon at the Marion hotel Wednesday by Robert Smith, editor of the Clarion, school newspaper, and Marjorie Tryon, manager of the Clarion yearbook. Music will be provided by the Crescendo club quartet, consisting of Jack Billiter, Delbert Anderson, Ray Drakeley and William Utley, with Maxine Case as piano accompanist.

COLLEGES NEED ALL OF INCOME

Half of Salary Cuts Should
Be Restored, or Equal
of Other Groups

(Continued from page 1)
Income for higher education under the millage laws will be required," the chancellor's report said.

"This millage income has steadily decreased throughout the entire period that the single board has been in control and is estimated to decrease still further in the next biennium. The shrinkage for the current biennium because of decrease in assessed property valuations is \$458,766, as compared with the previous biennium. The estimated further shrinkage for the biennium 1935-1936 is \$188,423."

STATE PROCEDURE CHANGE PROPOSED

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thing tax law, provided that the merging of all funds in the general fund was not accomplished by the legislature.

In the administrative reforms proposed by Mr. Stadelman are changes in state procedure long advocated by students of executive practice in Oregon. The growth of "self-sustained" departments, which collect their own income and disburse it as they see fit, has been severely criticized heretofore. The growth of places of deposit apart from the state treasurer's office has also been a subject for criticism.

Stadelman's recommendations on making more rigid the requirements by which independent candidates for state offices may file is undoubtedly an offshoot of the "beer hall" nominations of candidates last summer. Under the existing initiative system in Oregon, requests for a ballot title are frequently made with the sole purpose of frightening a section of citizens and with no manifest intention to carry the petition through to the ballot. A nominal charge which compensates the sec-

'He' Is Her 'It'



The pronoun in the life of Clara Bow, famous "It" girl of the screen, now is "He"—meaning the eight-pound bouncing boy born to the star at a Santa Clara, Cal., hospital. Clara is the wife of Rex Bell, movie cowboy actor, with whom she is shown above.

retary of state's office for a fraction of the expense incurred in preparing the ballot titles, is judged sound.

Open House at Hotel de Minto Is Set Tuesday

Another open house program will be presented at Hotel de Minto, federal transients' station, on the third floor of the city hall here, Tuesday night, Supervisor R. R. Boardman announced yesterday. The public is invited to come at 7:30 p. m. and see what is being done for the transient man.

Starting at 8 p. m., a program of orchestra music, instrumental and vocal solos and readings, arranged by the Van Slyke entertainers will be presented.

BEARCATS NOSED OUT IN OVERTIME

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veteran guard, pulled ahead in a stirring second half. Just as Ashland fans believed the sensational winning streak of the Sons would be halted, they started climbing back up and the crowd went literally crazy.

The game was played at a terrific pace and was rough from start to finish. The Sons were unable to penetrate Willamette's airtight defense and took to the ether for long shots which were their salvation.

Howell was the only Ashland player "on" tonight, but he was half a team in himself, scoring 17 points and appearing at his best in the rough, fast play.

Coach Spec Keene sent in an entirely new team for the overtime period, but the new men were unable to score. Frantz was high scorer for Willamette with nine points.

Lineups:

Willamette Normal
Burdett 4 F. 6 Patterson
Lemmon F. 6 Braddock
Vagt 2 C. 17 Howell
Frantz 9 G. 7 Courtney
Erickson 6 G. 7 Jockisch
Petters 6 S
Referee: Croxdale, Medford.

Business Men to Discuss Schemes Of Job Insurance

A conference of local merchants and business leaders has been called for tomorrow noon at The Spa here to discuss three forms of unemployment insurance which are being considered nationally. Men at the conference of which Ralph Cooley will be chairman are expected to discuss these plans and to express their views as to the form of unemployment insurance which will best serve the state's needs.

Cooley was named conference chairman last week by Aaron Frank of Portland who is northwest chairman of a group of similar conferences, all to be held tomorrow by business men throughout the northwest. The results of the group meetings are to be forwarded to Washington to advise a national organization of merchants of the preference felt by local groups.

BABE PEACE ENVOY SAYS CONNIE MACK

(Continued from page 1)

didn't look good at all. "And then—Babe Ruth knuckled a home run, and all the ill feeling and underground war sentiment vanished just like that!"

Mack's clear eyes shone as he described the welcome given the players, particularly the Babe. "The instant they saw him, and no one anywhere, especially in Japan, where large men are rare, could possibly mistake the gigantic Babe for any other person on earth, they gave a tremendous 'banza'!"

"Babe, with that knock he has for doing the right thing in the right way, at once waved his hand and shouted a 'banza'! Right back at them. My, how that pleased the Japanese!"

Mack, who has been visiting his son, Roy Mack, here, flatly denied he planned to make Babe Ruth his successor.



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