

Irrigation, Drainage Survey for Valley Martin Scheme

WOULD BE IN WITH U.S. PLAN

\$7500 Asked; Storage That Would Also Avoid Flood Mentioned, Message

Drainage and irrigation of the Willamette valley in a series of unit projects was proposed to the legislature yesterday by Governor Charles H. Martin in a special message. The governor asked the legislature to appropriate \$7500 to put with federal funds to be used in making surveys, studies and investigations of the possibilities of improving the valley.

The governor tied in his proposal with the flood relief project which has been talked here for the last two years. "Proper storage facilities would to a great extent eliminate this damage and at the same time supply water for irrigation purposes during the dry season," he said.

His message, in part, follows: "I am advised that within the boundaries of the Willamette valley there are several million acres of agricultural lands susceptible for improvement by irrigation and drainage. Of this area several hundred thousand acres might be irrigated and drainage constructed without the added expense of clearing, road building, and other things which accompany the reclamation of raw lands.

Sees Good Prospect

"Although irrigation has not been practiced extensively within the Willamette valley, I am informed that experience has demonstrated such practice feasible and economically sound. By the use of proper irrigation methods applied to the raising of certain crops, the production per acre has been doubled.

"Considering the transportation facilities which are available for the carrying of the produce to the markets, the fertility of the soil, the diversity of crops which can be raised, and the absence of destructive conditions which are so hazardous to so many agriculture centers, I believe the Willamette valley has possibilities of becoming one of the most productive sections in the western states.

"If this development is to take place, it should be done in units rather than as a whole. It should be done in an orderly and cautious manner. We cannot go ahead blindly. That we may avoid the costly mistakes made during the early development of irrigation projects, certain studies and investigations should be made to determine the cost of construction of necessary irrigation works and the availability of an adequate water supply."

ALCOHOL AS MOTOR FUEL HAS BACKING

As a move to restore the use of Oregon's agricultural products, a group of five representatives yesterday introduced a proposal that all industrial alcohol in the state be manufactured in Oregon unless its cost was shown to be five per cent above the market for the product then existing in the northwest.

Another feature of the bill is a requirement that three per cent of the content of all gasoline for the next two years consist of industrial alcohol. The next two years thereafter the content would be required to be 15 per cent industrial alcohol.

Ex-Representative Lewis of Portland was here yesterday in the interest of the bill. He asserts that 20 European countries are requiring blending of their gasoline with industrial alcohol while legislation requiring such blending is now before four states in the union.

The Call Board...

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Today—"Lives of a Bengal Lancer" with Gary Cooper.
Thursday—"Biography of a Bachelor Girl" with Ann Harding.

GRAND
Today—Eddie Cantor in "Kid Millions."
Saturday—"We Live Again" with Anna Sten.

CAPITOL
Today—Double bill, Mary Astor in "Straight from the Heart" and George Arliss in "Successful Calamity."
Friday—Double bill, "The Silver Streak" with an all star cast, and "Randy Ride Alone" with John Wayne.

STATE
Today—Ginger Rogers in "The Gay Divorcee."
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Under the Dome

REPRESENTATIVE Hyde of Eugene is sponsoring a bill to subject state owned property to taxation when that property comes into competition with privately owned real estate. The legislation is in the house because Judge Shipworth of Eugene ruled last week that the University of Oregon was relieved of the tax burden on the Miner building at Eugene, a large office structure there that H. T. Miner gave in trust to the school, the proceeds to go to maintaining a chair of real estate. The university asserted that no taxes were due, this item running from \$6500 to \$3000 a year. Private owners of real estate in Eugene raised a howl, declared that the Miner building rents were being cut down to pirate tenants away from other structures—all because no taxes were paid. Hyde, being a real estate man, is sympathetic with the private owners, and wants the situation corrected by legislation. Farmers of Lane county are behind him, he says, because they do not want assessed valuations to fall and as a consequence, millages to rise. Judge Shipworth invited the legislation in his opinion which pointed out that the legislature, rather than the courts, must be looked to for correcting a situation the judge conceded was inequitable.

Let a tobacco tax come into the session—as one does biennially—and you will shortly see George E. Waters, pioneer tobacco grower in Salem, in the third house. Waters knows the ropes politically. He was the close adviser of Ben W. Olcott when the latter was secretary of state and later governor. The tobacco men assert that the federal government already takes a 40 per cent tax on the retail price of cigarettes, plus a processing tax on the raw material.

Here and there: Not one legislator in ten thinks there is any

turned last night for the Associated Seed Growers. The case occupied all day yesterday before Judge McMahon and involved damages to the plaintiffs' car in a three-way accident 15 months ago on the highway this side of Woodburn. Plaintiff sought \$310 foreman.

Case of Phil vs. Livesley is slated to come to trial before Judge McMahon today.

House Bill 305 introduced Tuesday provides for placing certain forest areas in each county on a sustained yield basis. Owners of these areas would contract with the state forestry board to cut a percentage of the timber in a stated time, at the same time placing sufficient small trees to give the area a continuous yield. Certain tax exemptions would be provided for the territory on a sustained yield basis.

Fourteen thousand dollars with which to renovate and make safe the Lewis & Clark fair forest building erected in 1906 is sought in House Bill 308.

Another measure introduced yesterday would make it illegal for wives of any officials in the state or in any of its subdivisions to be on the payroll at the same time their husbands were receiving public pay.

Electors would meet the first Monday after the second Wednesday in December instead of the first Monday in January under the terms of a bill proposed to correct existing inconsistencies in the electoral college law brought on by the adoption of the Norris amendment to the federal constitution.

House Bill 327 introduced by Bolvin would license and regulate all contractors in the state.

Attorney's fees paid in the liquidation of state banks in Oregon in the four-year period, 1931-1934, totaled \$44,924, according to a report filed yesterday by A. A. Schramm with members of the legislature. Schramm reported that attorney's fees constituted only .62 of one per cent of the disbursement from liquidations and only 15.9 per cent of the total expense in liquidations.

The report showed the assets of the suspended banks as \$28,370,031.87 with total disbursements of \$17,892,300.37. Expenses and interest paid aggregated \$707,782.37. Net earnings were \$346,150.23 with attorney fees paid in the amount of \$38,587.18. Fees paid from January 1, 1931, to December 31, 1934, totaled \$44,924.89.

Schramm's report was requested in connection with a recent proposal to disperse with members of the legislature by state departments. Under two bills now before the legislature, all state litigation would be handled by the attorney general and district attorneys.

County attorneys employed by the state land board and the world war veterans state commission would not be affected by the measures.

Seed Firm Given Verdict Against Alexander Best

Jury verdict for \$158 against both the defendants, J. H. Alexander and J. A. Best, was re-

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WOULD CREATE POWER GROUPS

Constitutionality is First Question Raised; PWA Proposals Scanned

(Continued from page 1)

pushed the measures out of his office and into the legislative session in a message to the members of both houses in which he declared he had not been given "opportunity to examine these proposed bills and to make specific recommendations except to say that they should receive your careful consideration."

Constitutionality to Be Studied First

The governor noted that Harold L. Ickes, PWA administrator, suggested that the measures be referred to the attorney-general's office for examination as to form and constitutionality. The assembly was quick to adopt the suggestion and bundled the 15 measures over to the attorney-general, Winkie, to thresh over without waiting for them to be introduced into either house.

Most important of the measures, legislators agreed, are four dealing with municipal, district or state development of electrical distribution systems.

Under PWA's bill 13, improvement authorities could be set up under which municipalities could engage in water, sewage, gas or light and power businesses, without power to levy taxes and with power to issue obligations secured entirely from the operations of the cities' utilities thus created.

PWA's bill 13 would authorize the creation of a rural electrification authority for Oregon "to promote and encourage the fullest possible use of electric energy in the state."

The 14th bill proposed by PWA would authorize the creation of power districts to produce, transmit or distribute electrical energy.

The final measure sent by PWA provides for the formation of non-profit "electric membership corporations" for the distribution of electrical energy in the state.

Enable Districts to Engage in Projects

The first two bills proposed by PWA confer upon cities, school districts and other governmental units in Oregon authority to engage in public works projects in which present laws do not definitely permit them to construct.

The next two measures would authorize school districts to issue bonds for improving or repairing buildings and other governmental units in the state.

Four additional measures are validating acts, designed by PWA to remove all taint of illegality from numerous advances already made by the federal organization in the state.

The other three measures deal with a low-cost housing program of the government which will enable public groups in Oregon to participate in such a program.

The power-distribution measures immediately evoked criticism from the statehouse. It was pointed out that Oregon already has a power district law whereas creation of a state power authority has been proposed in legislation now pending in the house.

Grange leaders at the session said they were going to study each of the Ickes proposals with care and that they would withhold the power bill, planned to be introduced today, until the federal government's enactments could be studied and evaluated.

Don't Legality of Bond Selling Bill

Authority of the legislature to authorize bonded debts being incurred by governmental subdivisions was doubted by many members who pointed to constitutional limitations on such debts in Oregon as an effective bar to the passage of such legislation.

In his message to the two houses, Governor Martin said: "Particular attention is called to the last four of the proposed bills, providing for the creation of power districts and rural electrification authorities for the purpose of promoting the fullest possible use of electric energy in the state by making it available at the lowest cost, consistent with sound economy and prudent management. The creation of these authorities and power districts will enable them to borrow money from the federal government against their anticipated revenues without placing the taxing power back to the districts and authorities so created. These measures should receive careful consideration as affording an opportunity to fit the program of the state in with the apparent program of the federal government with reference to the utilization of power to be developed at Bonneville and other places."

The bus and truck bill, one of the most controversial measures of the present legislature, will be discussed at a public hearing to be held in the house of representatives on the night of February 13 at 7:30.

The hearing will be conducted by the joint house and senate committees on roads and highways.

STATE THEATRE

HELD OVER! Today Only!

'The Gay Divorcee' with GINGER ROGERS FRED ASTAIRE

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SEVEN MEASURES ARE SIGNED BY MARTIN

Bills signed by Governor Martin Tuesday follow:

S. B. 33, by Hallett—Relating to the operation of the county high school fund and repealing certain sections of the existing laws.

S. B. 76, by Education Committee—Relating to county school districts in counties of 25,000 or more school population.

S. B. 77, by Education Committee—Relating to the duties of county school superintendent in counties of 25,000 or more population.

S. B. 25, by Goss—Relating to the classification of first, second and third class school districts.

S. B. 19, by Fisher—Relating to taxes collected under Union high school tuition law and providing for distribution of the same.

S. B. 83, by Dickson—To provide