

PEPCO HELD TO BE A RAILROAD NOT A UTILITY

Salem, June 21 (AP)—The Portland Electric Power company is not a "public utility" and the public utility commissioner has no jurisdiction over its budget expenditures, the attorney general held today in an opinion to Frank C. McCulloch, commissioner.

The opinion held that because the company owns and operates a railroad, it is a railroad company, and under the 1933 utility budget control act the commissioner would have no right to control its budgetary operations. Railroads in Oregon are not classed as public utilities under the law.

In explaining the opinion Utilities Commissioner McCulloch stated that the Portland Electric company owned all the capital stock of the Portland General Electric company, Willamette Valley Railway company, Molalla Electric company, Yamhill Electric company and the Portland Traction company. These five are "public utilities" and have submitted themselves to the jurisdiction of the commissioner.

In 1933 the utilities commissioner levied an emergency assessment against public utilities and the five affiliated firms were sent statements which were paid, but did not send a statement to the Portland Electric Power company. However, in addition to making remittance for the five firms the parent company voluntarily paid \$500, which later they requested rebated. This was done by the legislature and the opinion held the act valid.

When the present commissioner assumed office he made inquiry as to why the P.E.P. company had not filed its annual budget and requested the firm to do so. The opinion of the attorney general upheld the former procedure, holding the firm did not have contracts with the five utility firms for payment of services, managerial construction, engineering or financing fees, and that the companies apparently operate independently. Therefore the firm was not compelled to file its annual budget since it was classed as a railroad company.

The Portland Electric Power company, it was brought out, owns the railroad from Portland to Gresham and Oregon City.

The so-called budget law under which the annual budgets of public utilities is filed gives the commissioner power to disapprove expenditures proposed to be charged to operating expenses which in his discretion do not properly belong in such category, McCulloch stated. The law also gives the right to levy assessments against utilities for investigations.

Continuation of—
Ex-Oregon Cons
—From page One

away from the prison when he escaped November 7 last.

Laird, a few months ago was caught at St. Paul as a counterfeiter, tried at Salt Lake City and is now in McNeil's island prison. He also was suspected of having attempted a mail train robbery after his escape.

Miehener and Laird were pals in the Oregon prison and wrote in collaboration for western story magazines under the names of Miehener & Laird. Miehener and Franzen were two of five prisoners who escaped over the prison wall July 2, 1926. They were later captured without resistance in Yamhill county.

Before doing time here the pair were inmates of the Idaho reformatory for grand larceny. They were received at the Oregon prison March 19, 1926, from Multnomah county to serve 10 years for assault and robbery. Miehener was then 19 and Franzen 20 years old. They claimed to be printers by profession. Both received their discharge November 17, 1932, two years before Laird's escape.

A one-day de luxe express railway service has been established between Batavia and Soerabaya, Netherland East Indies.

CRUISERS FAIL TO GET OUT OF HARBOR

Hongkong, June 21 (AP)—The two 37 year old Chinese rebel cruisers which on June 17 ran through land forts' fire from Canton, tried to leave Hongkong harbor today but were beaten back by a large modern cruiser.

Their foe was believed to be the 2500-ton Ning Hai, four years old, and one of the prize ships of the Nanking government.

The rebel cruisers, Hai-Chi of 4300 tons, and the Hai Chen of 3000 tons, started for Shanghai at 4:45 p.m. after taking in supplies. They had just cleared the harbor when the modern cruiser bore down on them and opened fire.

There was no immediate communication with the land and what the effect of the fire was could not be immediately determined, but the two bigger ships were seen to put back out of the way of their smaller foe.

M'KENZIE UTILITY DISTRICT SOUGHT

Petitions from Lane county residents requesting creation of the McKenzie River People's Utility district were filed with the state hydroelectric commission here today, it was announced by Charles E. Stricklin, secretary.

The proposed district includes 576 square miles, has 600 population and an assessed valuation of \$1,869,003. The purpose of the district is to construct transmission lines from the Eugene municipal power plant. A special election will be necessary to approve the proposal.

Continuation of— Corsican Bandit

Heir Andre Perrier who will succeed him in the job which has been in the family since 1879, began taking down the portable gullotine, M. Deibler is on his way up to his 900th victim.

Spada was arrested in 1933, convicted last March of four murders out of 14 he is known to have committed and of scores of which he was suspected, and sentenced to death. Presidential clemency was denied yesterday when Deibler arrived.

Spada's rule as a bandit, the last of the great ones, lasted some 12 years. His career started by accident. There was a party at an inn, with the usual music and dancing and drinking. There was a fight in which a sailor was cut. Gendarmes arrested a friend of Spada, not the one who did the cutting. Spada and the others protested vainly. Spada killed a gendarme and fled into the maquis, the interior brushwood, and assumed the title "King of the Maquis."

Murders of business, caprice and romance followed for years. He appointed municipal officials and extorted money in tribute. The government sent gendarmes and troops finally to clear the island. Spada eluded them all for 18 months. He was caught one day as he emerged from a church.

Reveals Secret



When the former Harriet Hagan (above), former Vanities dancer, brought a separation suit against Lt. Harry A. Sebastian the army learned of his violation of rules. He faces court martial for marrying the dancer before he was graduated from West Point. (Associated Press Photo)

Lightest Ballot Ever Cast In Salem Passes Both Bond Measures

In the lightest vote ever cast in Salem both bond measures carried in yesterday's special election. The \$22,000 drainage bond bill was adopted with a majority of only 13, the vote being 387 for and 374 against. The \$185,000 bond measure to take up the city's warrant debt carried overwhelmingly, 501 to 195, a majority of 306. Only 770 voters, or about 8 per cent of the registered vote, participated in the election.

The vote by wards was:

Ward	Drainage	Warrant Bonds
1.....	53 47	73 25
2.....	54 36	74 15
3.....	43 21	56 8
4.....	58 42	73 26
5.....	65 55	77 40
6.....	52 72	75 46
7.....	62 101	73 35
TOTALS	387 374	501 195

Wards 6 and 7, the former more directly to be benefitted than any other by the proposed drainage improvement, voted against the measure. All other wards were favorable by small majorities. All wards voted in favor of the larger bond issue.

Mayor V. E. Kuhn said that ordinance bills providing for the sale of the two bond issues may be introduced at the adjourned council meeting at next Monday night. The meeting was called expressly to open bids on \$1,100,000 water bonds to purchase the Salem water works.

While the \$22,000 bonding act at a final maturity in 20 years, the council may decide to make them five-year maturities in the hope of fixing an interest rate lower than even the 3 1/2 percent at which recent issues have sold. This, it was believed, would be attractive to bankers.

The drainage improvement can be started almost immediately, City Engineer Hugh Rogers said, or as soon as the Marion county relief committee has given formal approval. Federal funds to pay labor will be available in the sum of about \$70,000 and the city has some available funds in addition to the \$22,000 bonds.

The proposed storm sewer, to carry surface water only, is planned to start near 25th and State streets, lead toward Olinger field, thence along D street to Fifth and Church where it would empty into Mill creek.

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SABIN FAVORED TO WIN TENNIS TITLE

San Francisco, June 21 (AP)—Wayne Sabin, 19-year-old Portland star, today became the favorite to take to Oregon the 1935 men's singles championship of the California state tennis tournament.

The black-haired Portland youth bounded into favoritism through his performance in eliminating Edward (Bud) Chandler, seeded No. 1, in a quarter-final match on the Berkeley tennis club court yesterday.

Using a cannonball backhand drive mixed with deft lobbing, Sabin eliminated the early favorite by scores of 4-6, 12-10, 6-4. Chandler, an almost perennial state champion, bowed before a combination of better strategy and stronger legs. He was puffing badly at the end while Sabin finished with a pair of badly blistered hands.

So close was the match that in the last set seven of the ten games played went to deuce.

While Sabin was resting today for his semi-final match Saturday against Howard Biehn, San Francisco's Alice Marble held the center of the stage in the tournament.

STEINER FOR SECURITY

Washington, June 21 (AP)—Senator Steiner (R., Ore.), has notified the senate that the clerk missed his name when calling the roll on the social security bill and that he should have been polled in favor of it, making the final count 77 to 6.

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ROL-A-RAY Aids Nature's Way To Health

When the former Harriet Hagan (above), former Vanities dancer, brought a separation suit against Lt. Harry A. Sebastian the army learned of his violation of rules. He faces court martial for marrying the dancer before he was graduated from West Point. (Associated Press Photo)

COMMERCIAL PHOTOGRAPHY

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PATRIOT ORDERS ELECT OFFICERS CLOSE MEETINGS

Portland, June 20 (AP)—All five patriotic organizations meeting here in connection with the 54th annual encampment of the Grand Army of the Republic were nearing adjournment today, with most of the new officers already seated and the remainder to be chosen in final sessions.

The G. A. R. closed its colorful meeting yesterday after indicating this year's encampment would not be the final meeting of its kind and re-electing its officers, including H. V. Gates of Hillsboro as commander.

The ladies of the Grand Army of the Republic elected Mrs. Mary Jones, Milton, president; Mrs. Berrie Rowe, Portland, senior vice commander; Mrs. Lillian Cutler, Portland, junior vice commander; Mrs. Stella Keller, Portland, treasurer; Mrs. Ethel Piper, Baker, chaplain; Miss Marie Hays, Dallas, patriotic instructor; Mrs. Jennie Rowen, Portland, registrar. Other officers were named today.

The Women's Relief Corps Thursday named Mrs. Nettie Greenough of Portland as president and Mrs. Sophia Urel, Cushing of Astoria as senior vice commander. The W. R. C. also was to complete its slate today.

Patrick R. Davis, Eugene, was named new department commander of the Sons of Union Veterans of the Civil War. Other officers chosen included J. A. McKee, Portland, senior vice commander; Frank Perrin, Salem, junior vice commander; W. C. Harmon, Grants Pass, secretary-treasurer. Members of the state council were named as follows: Dr. L. L. Baker of Eugene, G. P. Dibbel of Portland and H. L. Howe of Hood River.

The auxiliary to the Sons of Union Veterans of the Civil War chose Mary Lickel of Salem as the new president. Other officers: Mrs. Alta Schneider, Salem, vice commander; Mrs. Frances Horner, Cook Wash., treasurer; Mrs. Helen Butler, Portland, patriotic instructor; Mrs. Nettie Schram, Salem, chaplain; Mrs. Belle Crowford, Portland, secretary; Mrs. Mabel Pritchard, Portland, past department president delegate to the national convention; Mrs. Marie Green, Portland, first delegate to the national convention; Mrs. Rose Buchanan, Portland, second convention delegate, at Mrs. Mae Mellon, Portland, alternate. Members of the new state council include Mrs. Hatie Cameron, Mrs. Mary Reel and Mrs. Mae Mellon, all of Portland.

The daughters of Union war veterans were to name new officers today.

PLAYGROUNDS AWARD LETTERS

The point system of awarding children who participate in the playground activities at Leslie and Olinger will be used during the season, Gurnee Fleisher, acting superintendent of recreation announced today. Under this plan it is hoped to interest boys and girls in several activities instead of the one or two in which they are particularly interested. At the end of the season the 12 youngsters at Leslie and the 15 at Olinger who have earned the largest number of points will be awarded letters.

In order to be eligible for letters, however, each child must earn points in four different activities, aside from free play and general swimming, allowing five points maximum weekly in each department. Additional points will be given for first, second and place awards in any event, pet parades, dress up day, softball, swimming, horseshoe, or any other tournaments. First place in these events will be worth 15 points, second 10 points and third five points.

Thirteen activities have been listed on which points will be awarded—Softball, raffia, woodworking, clay modeling, knitting, crocheting, sewing; general swimming, swimming tests and awards, free play, kindergarten, orchestra or any other musical activity; tumbling and tap dancing, tennis, horseshoe, croquet, story hour.

MARTIN CONFERS ON NEW CAPITOL

Governor Martin went to Portland today to confer with prominent business men, whom he would not name, on plans for Oregon's new state capitol building. The governor was to attend a meeting of the Portland chamber of commerce tonight to discuss agricultural problems.

Tomorrow Martin will go to Fort Lewis, Wash., where Sunday he will review the 41st division of the national guards of Oregon, Washington and Idaho. Until the time the governor is back in the state, Harry L. Corbett, Portland, president of the senate, will be acting governor. It will be the second time the honor has fallen to Corbett during Martin's administration.

MADE STRIKE

Tuscarora, Nev. (AP)—The first excitement of decades in this ghost town of early mining days came when Forest Kilborn found \$1,500 worth of nuggets in a rusty tin can.

Lindy Co-Inventor of Mechanism to Keep Body Organs Moving

New York, June 21 (AP)—The mechanical genius of Col. Charles A. Lindbergh, switched to science, inaugurates a new cycle in medical progress announced today. He has perfected a new mechanical heart and lungs at the Rockefeller institute, where he has been working for several years in seclusion of his own health.

Heretofore the handicap has been that the removed organs died—they caught bacterial infections just like a person. Lindbergh's new apparatus has wiped out the infections.

His part of the contribution is the mechanical side. He teamed with Dr. Alexis Carrel, and with him signed the announcement made in science. Dr. Carrel won the Nobel prize for achievements in keeping tissues alive outside the body. But this new work is in no sense the old tissue culture.

"It's techniques, as well as its purposes," the announcement said, "are quite different."

"Its ultimate purposes are the manufacture in vitro artificially of the secretions of endocrine glands, the isolation of the substances essential to the growth, differentiation and functional activity of those glands, the discovery of the laws of association of organs, the production in vitro and the treatment of organic and arterial diseases, etc."

To date 26 experiments have been made. They include kidneys, spleen, heart, thyroid gland, ovaries and suprarenal glands.

The mechanical heart furnishes artificial blood. It revives organs an hour after death of the animal from which they came.

This reaches a goal medicine has sought 123 years. The goal is to make whole parts of the body live in glass chambers where scientists could see them and learn at first hand how they fight disease and how they secrete the sinews of health.

It enables surgeons to remove a whole organ, such as kidney, heart, spleen or glands from an animal's body, and keep it alive indefinitely, growing independently, in an artificial chamber.

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TRUP REVIEW AT FORT LEWIS STAGED SUNDAY

Camp A. H. Hankins, Murray Station, June 21 (AP)—Their overnight bivouac concluded, the 7,500 officers and men of the 41st national guard division encamped here, were participating today in an official critique of the maneuver. Final preparations also were going forward for the governor's review of the entire personnel, to be held Sunday. Because of the increased number of troops that will participate, the review has been transferred to the main parade ground at Fort Lewis. Promptly at 2 p.m., the entire 41st division will begin passing in review before the governors of Washington, and Oregon and Maj. Gen. Paul B. Malone, commanding the 9th corps area of the regular army, who have accepted invitations to attend. There also is possibility that the governors of Idaho and Montana may be in the reviewing stand.

The maneuvers have taken on an international aspect, with the arrival of nine officers of the Vancouver garrison of the non-permanent active militia of Canada. These officers, after paying respects to Maj. Gen. George A. White, commanding the 41st division and to Brig. Gen. Albert H. Bebe, commanding the 6th field artillery brigade, participated as observers in the two day maneuvers that ended yesterday. They also will attend Sunday's review.

The 248th coast artillery has arrived here from Fort Worden by truck convoy and will participate in Sunday's review.

Colonel John T. Geary, from headquarters of the 9th corps area, has concluded his inspection of the units here, in progress for the last several days, and has gone to Fort Stevens, Oregon, for further inspection of Oregon coast artillery units. Because of the heavy attendance anticipated at Sunday's review, General White has ordered headquarters troops of the 24th cavalry division on special mounted police duty to assist in handling traffic. General White also has selected his mounted orderlies for the review from this troop in recognition of outstanding service the organization has performed during the encampment.

The departure of troops for their home stations will start Monday, when some of the Idaho troops will leave for their home stations by motor truck convoy and by train. The remainder of the troops will leave by train and by motor truck convoy early Tuesday. A rear detail and supply team will remain a few days for policing and settling old accounts.

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