Six Per Cent Law Limits County's Post-War Reserve

By L. D. Felsheim, County Judge

Coos county's post-war program was not enhanced to the extent intended by the recent budget committee when it was decided to place all remaining funds after regular current approprjations were made, to the post-war reserve fund, leaving the tax millage about the same as for last year. The millage is to be less.

During recent years large sums have been placed in the budget for debt reduction. Now that the debt program is almost accomplished, it was intended by the budget committee to shift the funds formerly earmarked for debt reduction to the post-war reserve, so that the county would have a goodly sum of cash on hand to match federal money after the war, when a nationwide employment program will have to be met.

The intention of the budget committee has been thwartd by the "six per cent limitation" provision—that restrictive clause in Oregon that safeguards expenditures for the taxpayers but that occasionally works to a disadvantage.

In short, budgetary funds for debt reduction are exempt from the six per cent limitation provision, while post-war reserve funds are not exempt. Therefore, the only amount that could be placed in the budget for post-war reserve was the balance left within the six per cent limitation, or $75,000.

If the limitation did not apply the county could have placed at least $150,000 in the reserve fund, without increasing the tax levy for county purposes. As it is, the county tax levy will be reduced for the next tax year from 14.8 mills to 12.22 mills, according to figures computed by Assessor Charles W. Forrest. The reduction of 2.6 mills will be appreciated by taxpayers, but it would have been better if the tax levy were maintained at 14.8 mills and the added funds raised were made available for post-war match money.

It is practically assured that the federal government will match dollars in providing post-war employment, which means that those local government units participating will get two dollars worth of work for one, if they are in position to take advantage of the federal offer.

At any rate, Coos county is today in better financial circumstances than at any time in its history, and, if the war should end suddenly, there is always opportunity to call for a vote of the people to provide such funds as might be considered necessary, or advantageous, in providing the county's share of an adequate post-war program.

Farm Ownership Applications to F.S.A.

Farm ownership funds for purchase of three to six farms by Coos county tenant farmers are available if diversified family units can be found at normal prices and meet standards of the Bankhead-Jones act, announces Ed Detlefsen, chairman, County Farm Security Administration committe.

"Difficulties in locating family farm units that fall within price limitations and at the same time will pay for themselves from farm income over a period of years, make it imperative applications be filed as soon as possible," Detlefsen said. "All tenant farmers and returned veterans with farm backgrounds are eligible to apply. Those with livestock and equipment to operate a farm, and those with families will be given preference."

Farm ownership loans are repayable over a period up to 40 years and bear three per cent interest, it was explained. Payments are set up on a variable basis, calling for more in good price years and less in poor years. Farms may be paid out in full any time after the first five years. Emphasis is placed on good family-type units where there is an opportunity for successful farm ownership and family living.

"All applications are reviewed by the County FSA Committee and farms suggested for purchase are carefully appraised," Detlefesn said. "Those believed best qualified for successful ownership are recommended for loans. Applicants should have farms in mind for purchase but it is not necessary."

Six tenant purchase loans already made in the county show paid up from one to two years in advance. Application blanks may be secured through the County FSA Supervisor Ed Hughes, Bank Building, Coquille, or from members of the committee, including Bob Geaney, Coquille, or Quincy Corrie, Prosper.

Weekly Letter

By Congressman Ellsworth

Washington, D. C., August 19, 1944—When Congress recessed June 24, it was scheduled to resume active sessions after Labor Day. Sudden and victorious developments in Europe indicated a possibility of earlier peace in at least one war theatre than was thought possible in June. For this reason the Congress went back into active session a month earlier than planned. The present sessions are for the specific purpose of acting upon certain legislation for the postwar period.

Practically all attention is being focused upon just two major bills—one covering the problem of the disposal of surplus government war property, the other having to do with the reconversion of war industrial production and employment into civilian peacetime production. After these two pieces of legislation are handled, it is generally anticipated that the Congress will again recess, perhaps until after the November election.

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The first postwar bill to be considered by the House is H. R. 5125 to provide for the disposal of surplus government property and plants. This bill has been under consideration on the floor of the House all of this week. Numerous amendments have been offered, so final action was not reached by adjournment time last evening. Final roll call on the bill will probably be called early next week.

The bill now under consideration, which will be known as the Surplus Property Act of 1944, was developed out of the studies conducted by the House Special Committe on Postwar Economic Policy and Planning. Recommendations in the Baruch Report are also found included in the text. As a matter of fact, the above mentioned committee, as long ago as May 27, 1943, reported a comprehensive bill to the House (H.R. 2795). This bill was passed by the House on June, 9, and is now pending in the Senate.

However, with the passage of time, the rapid changes in the war procurement program, the resultant large number of contract terminations, and the progress of the war with Germany, the temporary problem of disposal of current and future war surpluses has currently over-shadowed the permanent matters dealt with in H. R. 2795.

On February 19, 1944, the President created by Executive Order, in the Office of War Mobilization, a Surplus Property Administration. W. L. Clayton was named administrator of this agency, in which capacity he continue to function.

It has become more and more apparent, however, that complete legislation covering this subject should be enacted. Mr. Clayton himself took a leading part by holding conferences with the heads of interested agencies, and by conferring with representaives of the various interested committees of Congress. The results of the work of Administrator Clayton, the House Committee on Postwar Economic Policy and Planning, Bernard Baruch and the House Committee on Expenditures in the Executive Departments are incorporated in the bill now under discussion.

The objectives of the bill are set forth in Section 1 as follows:

"The Congress hereby declares that the objectives of this Act are to facilitate and regulate the orderly disposal of surplus property so as—

(a) to assure the most effective use of such property for the purposes of war and national defense;

(b) to facilitate the transition of enterprises from wartime to peacetime production and of individuals from wartime to peacetime employment;

(c) to promote production, employment of labor ,and utilization of the productive capacity and the natural and agricultural resources, of the country;

(d) to avoid dislocations of the domestic economy and of international economic relations;

(e) to discourage monopolistic practices, preserve and strengthen the competitive position of small business;

(f) to foster the wide distribution of surplus commodities to consumers at fair prices;

(g) to effect broad and equitable distribution of surplus property; and

(h) to realize the highest obtainable return for the Goverment consistent with the maintenance and encouragement of a healthy competitive economy.