

All Citizens, Irrespective of Property Ownership May Vote on Bond Issue

FULL TEXT OF \$10,000,000 BONDING BILL BILL H. B. NO. 427 NOW BEFORE LEGISLATURE

Introduced by JOINT COMMITTEE ON ROADS AND HIGHWAYS, and read first time February 7, 1919.

A BILL

For an Act to provide for the construction of roads and highways in the State of Oregon; to provide for the issuance of bonds by the State of Oregon to carry out the purposes of this Act; to authorize the State Highway Commission to take such action and perform such duties as may be necessary to meet the requirements of this Act; to designate and authorize the construction of certain hard-surfaced highways, and other roads; to re-adopt the road system outlined in Chapter 423 of the General Laws of Oregon for 1917; to designate certain funds and sources of revenues as constituting the General Road Fund, and providing for disbursements therefrom; to constitute and provide a fund to be known as the yearly State highway sinking fund, and to provide for its disbursement; to provide for the letting of contracts for the construction, paving, betterment and maintenance of roads and highways; to authorize counties to bid and enter into contracts for road construction work in the respective counties; to authorize the Highway Commission to construct the highways herein designated, by contract or by force account; to provide for cooperation with the Federal Government for road construction; to define "hard-surfaced highway;" to provide for declaring an emergency.

Be It Enacted by the People of the State of Oregon:

Section 1. State Highway Fund.—The State Highway Fund shall hereafter consist of all moneys and revenues derived under and by virtue of Chapter 423, General Laws of Oregon, 1917; under and by virtue of Chapter 175, General Laws of Oregon 1917; under and by virtue of Chapter 339, General Laws of Oregon 1913; from the moneys and revenues accruing from the one-fourth mill tax as provided in Chapter 237, General Laws of Oregon 1917; from all moneys and revenues accruing from the licensing of motor vehicles and chauffeurs and by law authorized and directed to be diverted for road and highway purposes; from moneys and revenues derived from any license tax now levied or hereafter levied on gasoline, distillate, liberty fuel or other volatile and inflammable liquid fuels and by law diverted for the improvement of roads and highways; from the moneys and revenues derived under the provisions of this Act and Acts amendatory thereof; from all moneys and revenues received from all other source or sources which, by law, are diverted for the improvement of the roads and highways of the State, and from the operation of all laws hereinafter enacted by the Legislative Assembly of Oregon which direct that the moneys, licenses, revenues, etc., shall be used in the construction and improvement of the roads and highways of the State. The State Highway Fund shall be held by the State Treasurer as a trust fund for road and highway purposes. All interest earnings on such funds shall be placed to the credit of the State Highway Fund.

Section 2. The term "Hard Surfaced Highways" as used in this Act and in all other Highway Acts, shall be deemed to mean any State road or highway constructed and surfaced or to be constructed and surfaced with such materials or combination of materials as to produce what is commonly known or styled "pavement," and not such construction of surfacing as is commonly known as Macadam.

Section 3. The secretary of the state and all other officials of the State of Oregon charged with the collection of such for in this Act, the State Highway Funds, shall, when Commission shall certify upon the first of each month to the State Treasurer, the amount necessary to meet the pay-

ment thereof. Upon receipt of such certificate by the State Treasurer he shall prepare and verify a claim for the amount mentioned therein, attaching thereto said certificate, and present the same to the Secretary of State, who shall audit such claim in like manner as other claims against the State are audited and shall issue a warrant therefor payable out of any moneys provided by law for the payment thereof. The State Treasurer is authorized and directed to make any such payments of principal or interest on said bonds at such places, other than Salem, Oregon, as the State Highway Commission may provide. All bonds and interest coupons upon payment shall be deposited by the State Treasurer with the Secretary of State to be attached to the original claim of the State Treasurer for the payment thereof.

Section 4. The State Highway Commission is hereby authorized, empowered and directed, during the next five years, to sell in addition to the bonds heretofore authorized, the bonds of the State of Oregon as hereinafter provided, in an amount sufficient to raise enough money to meet the requirements of this Act, not to exceed the sum of ten million dollars (\$10,000,000.00); provided, that said State Highway Commission may, from time to time, issue said bonds in such amount as in their judgment the efficiency of road construction may require, and in such denominations as may be most marketable.

Section 5. The State Highway Commission is hereby authorized, empowered and directed to enter into such contracts, appoint such officials, and do any other act or thing necessary to fully meet the requirements of this Act.

Section 6. The Attorney-General shall, at the request of the State Highway Commission, prepare a form of interest bearing gold bond of the State of Oregon, to be sold in order to provide funds for the carrying out of the purposes of this Act. Said bonds shall be numbered serially beginning at Number 1, and shall be payable in the order of their issuance. Said State Highway Commission is hereby authorized, empowered and directed to issue bonds of the State of Oregon for the purpose of carrying out the provisions of this Act, in such denomination as in the judgment of the State Highway Commission will be the most marketable. The bonds issued in any year under the provisions of this Act shall be payable one-twentieth each year, commencing with the fifth year after the issuance thereof. One-half of the bonds payable each year shall be payable on the first day of April and the other half on the first day of October. Said bonds shall mature within twenty-five years from the date of issue, and each bond shall bear upon its face a statement showing the date of its maturity. Said bonds shall bear interest at not to exceed the rate of four and one-half per cent per annum, payable semi-annually on April first and October first. Principal and interest on said bonds shall be payable at the office of the State Treasurer at Salem, Oregon, and if said State Highway Commission shall so direct, said bonds may also provide for payment at some other place. Said bonds shall be in a form embodying an absolute promise of the State of Oregon to pay the amount thereof in gold coin of the United States of America of the value of weight and fineness of the date of such bond, and shall be in such denomination as the State Highway Commission shall elect. They shall be signed by the Governor, Secretary of State and State Treasurer. Said bonds shall bear coupons evidencing the interest to become due thereon for each instalment of such interest, upon which shall be printed the facsimile of the signatures of said officers. Said State Highway Commission, may, at its option, cause a part or all of said bonds to be payable to the purchaser in the office of the State Treasurer and provide an appropriate indorsement upon each of such bonds to the effect that the same will be paid only to the owner appearing on the register thereof, and providing a method for re-registering the same as the title may be transferred, and it may also provide that a part or all of said bonds shall be payable to bearer and not subject to registration. Not less than ten days before the payment of the principal or interest falls due the State of Oregon charged with the collection of such for in this Act, the State Highway Funds, shall, when Commission shall certify upon the first of each month to the State Treasurer, the amount necessary to meet the pay-

ment thereof. Upon receipt of such certificate by the State Treasurer he shall prepare and verify a claim for the amount mentioned therein, attaching thereto said certificate, and present the same to the Secretary of State, who shall audit such claim in like manner as other claims against the State are audited and shall issue a warrant therefor payable out of any moneys provided by law for the payment thereof. The State Treasurer is authorized and directed to make any such payments of principal or interest on said bonds at such places, other than Salem, Oregon, as the State Highway Commission may provide. All bonds and interest coupons upon payment shall be deposited by the State Treasurer with the Secretary of State to be attached to the original claim of the State Treasurer for the payment thereof.

Section 7. The State Highway Commission shall provide such method as it may deem necessary for the advertisement of each issue of said bonds before the same are sold, and shall also require such deposit with bids as may be required, and generally shall conduct the sale and issuance of said bonds under such rules and regulations not inconsistent with this Act as shall be adopted by said commission.

Section 8.—The money arising from the sale of each issue of bonds shall be deposited in the State Treasury to the credit of the State Highway Fund, which shall be used in carrying out the provisions of this Act. The Secretary of State is hereby authorized and directed to audit all claims incurred in carrying out the provisions of this Act in the same manner as other claims against the State are audited, and he shall issue warrants for the same from any moneys provided by law for the payment thereof upon the submission of duly verified vouchers therefor approved by the Highway Commission. Said moneys shall be disbursed as follows: seventy-five per cent of said moneys shall be applied and used in the construction, paving and betterment of roads designated in Chapter 423 of the General Laws of Oregon for the year 1917, as hard-surfaced highways; and the remaining twenty-five per cent shall be expended in the discretion of the State Highway Commission in the construction of other roads of any class included in the highway system set forth in Chapter 423 of the Laws of 1917, and in preparing, and in assisting counties in preparing grades, bridges and culverts, and upon such terms and conditions as the commission may prescribe; provided, that the first roads to be constructed shall be those of the most commercial importance, and such as will contribute most to the growth and development of the State and its various resources; and, provided, further, that all of the State Highway Funds not otherwise specifically applied, shall be expended by said State Highway Commission in their discretion on the construction, maintenance, betterment or pavement of roads and highways within the State of Oregon; provided, nothing contained in this section shall prevent the Highway Commission from expending any of said moneys in carrying out the provisions of Section 15 of this Act.

Section 9. The roads and highways established by the Legislative Assembly of the State of Oregon as set forth and designated in Chapter 423 of the General Laws of Oregon for the year 1917, are hereby adopted as the road system to be improved, bettered or paved from State Highway Funds; the intention being to make effective the will of the people as expressed at the special election held June 4, A. D. 1917.

Section 10. No description of any highway provided for herein shall be construed to prevent the State Highway Commission from making such local changes in the location thereof as the commission may deem proper; and the State Highway Commission is authorized and empowered to designate and define any State earned by said sinking fund sale.

Section 11. The State Highway Commission shall pay the interest upon said bonds as the same shall become due, from any funds subject to its control, from whatever source the same may come, and the payments upon the principal of said bonds, as the same shall become due, shall be paid by the State Highway Commission from any funds within its control, without regard to the origin of said funds.

Section 12. Any surplus or unexpended balance of the fees received under the operation of House Bill No. 509, passed by the legislative session of 1917, and amendments thereto, which bill is entitled "For an Act to amend Chapter 174 of the General Laws of Oregon for 1911, as amended by Chapter 135 of the General Laws of Oregon for 1913 and as amended by Chapter 350 of the General Laws of the State of Oregon for 1915; providing for and regulating the use, registration, license, identification, conduct and operation of vehicles operated upon the public roads, streets and highways of the State of Oregon; to regulate and license the persons who drive the same; to prescribe penalties for violation hereof and to prohibit the unauthorized possession or use of a vehicle and to provide a penalty therefor; to license and identify all motor vehicles; to limit the authority of cities and towns on like subjects concerned with said vehicles; to prescribe the duties of the Secretary of State as to certain provisions of this Act; to provide for the handling and distribution of the funds derived from the operation of this Act and to repeal all Acts and parts of Acts in conflict herewith;" remaining after the payment of all claims incurred in carrying out the provisions thereof or estimated by the Secretary of State as necessary to defray any further administrative expenses for the balance of any license year, and remaining after the appropriation of so much of said fund as has been or shall hereafter be made to make effective and carry out the provisions of Chapter 423 of the General Laws of Oregon for 1917, shall be transferred on the first day of April and the first day of October in each year by the Secretary of State to the Highway Fund to be expended under the jurisdiction of the State Highway Commission in payment of the interest and principal as same shall become due upon bonded indebtedness of the State of Oregon, contracted for road purposes under the provisions of this Act and prior highway legislation.

Section 13. In carrying out the provisions of Section 12 herein, on or before the tenth day of January of each year, the State Highway Commission shall certify to the State Treasurer the amount necessary to pay all interest and principal on State Highway bonds for the ensuing year and the State Treasurer during the month of January of each year, or as soon thereafter as sufficient funds are available, shall transfer from said State Highway Funds a sufficient sum to pay all interest and principal which shall become due during the year in which said transfer is made on all State Highway bonds herein authorized to be issued and all interest and principal on State Highway bonds heretofore issued or to be issued under any prior Act of the Legislative Assembly of the State of Oregon which funds so transferred shall be held and designated as the yearly State Highway Bond Sinking Fund and shall be expended under the jurisdiction of the State Highway Commission in the payment of interest and principal as the same shall become due upon bonded indebtedness of the State of Oregon, contracted for road purposes of the State of Oregon; provided, that this Act take effect immediately after it is passed by the Legislature and approved by the Governor; therefore, this Act shall be in full force and effect from and after its passage.

Section 14. The State Highway Commission is hereby authorized and empowered to enter into contracts for the purpose of construction of the roads provided in this Act; provided, however, that all contracts shall be let according to law and in open and public session of said commission; provided, further, that any or all county courts or boards of county commissioners of any county within the State of Oregon may bid on and enter into contracts for the construction of any unit of highway construction wholly within their respective counties on the same terms and conditions as other contractors; provided, further, that if, in the opinion of the majority of the members of said commission, it would be for the best interest of the State to construct such roads and highways by the commission without contracting the same, then, and in that event, said commission shall have the right, and it is hereby empowered and authorized, to reject all bids and to construct under its own direction and supervision, all of such roads or any part thereof, and to this end said commission is hereby authorized and empowered to purchase or lease all necessary machinery, equipment, tools and appliances, and to employ all necessary help and labor and to do all things necessary and convenient to carry out the provisions of this Act; provided, no part of the money expended for the hard surfacing of State Highways shall be used directly or indirectly for the payment of any premium or royalty on any patent or proprietary material, specification, process or type of construction unless the same be purchased or obtained at the same or at less cost than unpatented articles or methods equally suitable for the same purpose, having regard to durability, resistance to wear and other elements of worth and value.

Section 15. The State Highway Commission is hereby authorized, empowered and directed to use any moneys derived under the provisions of this Act to meet any sum or sums heretofore or hereafter apportioned to the State of Oregon by Federal enactment for the construction, betterment or improvement of post roads, forest roads, and other permanent highways; and said commission is hereby authorized, empowered and directed to enter into such contracts, appoint such officers and do any act or thing necessary to fully meet the requirements of the United States and the officers acting under such Federal Act.

Section 16. Inasmuch as the condition of the roads and highways of the State of Oregon demand that road construction, betterment and pavement should be prosecuted with diligence before the inclement weather of the Fall of the year begins; and, inasmuch as it is necessary to provide the State Highway Commission with sufficient funds to construct, better and pave the roads and highways designated by Chapter 423 of the General Laws of Oregon for the year 1917, and to make effective the will of the people as expressed at the special election held June 4, A. D. 1917; and, inasmuch as it is necessary to provide employment for the Soldiers, Sailors and Marines returning from the service of our Country and to provide a means of relieving the stress of industrial activities and provide employment for the laborer unemployed; and inasmuch as the health, peace and safety of the people of the State of Oregon depends upon immediate construction, repair, betterment and pavement of said roads and highways; it is hereby declared that an emergency exists, and that it is necessary that this Act take effect immediately after it is passed by the Legislature and approved by the Governor; therefore, this Act shall be in full force and effect from and after its passage.

Section 17. The State Highway Commission is hereby authorized and empowered to enter into contracts for the purpose of construction of the roads provided in this Act; provided, however, that all contracts shall be let according to law and in open and public session of said commission; provided, further, that any or all county courts or boards of county commissioners of any county within the State of Oregon may bid on and enter into contracts for the construction of any unit of highway construction wholly within their respective counties on the same terms and conditions as other contractors; provided, further, that if, in the opinion of the majority of the members of said commission, it would be for the best interest of the State to construct such roads and highways by the commission without contracting the same, then, and in that event, said commission shall have the right, and it is hereby empowered and authorized, to reject all bids and to construct under its own direction and supervision, all of such roads or any part thereof, and to this end said commission is hereby authorized and empowered to purchase or lease all necessary machinery, equipment, tools and appliances, and to employ all necessary help and labor and to do all things necessary and convenient to carry out the provisions of this Act; provided, no part of the money expended for the hard surfacing of State Highways shall be used directly or indirectly for the payment of any premium or royalty on any patent or proprietary material, specification, process or type of construction unless the same be purchased or obtained at the same or at less cost than unpatented articles or methods equally suitable for the same purpose, having regard to durability, resistance to wear and other elements of worth and value.

Section 18. Inasmuch as the condition of the roads and highways of the State of Oregon demand that road construction, betterment and pavement should be prosecuted with diligence before the inclement weather of the Fall of the year begins; and, inasmuch as it is necessary to provide the State Highway Commission with sufficient funds to construct, better and pave the roads and highways designated by Chapter 423 of the General Laws of Oregon for the year 1917, and to make effective the will of the people as expressed at the special election held June 4, A. D. 1917; and, inasmuch as it is necessary to provide employment for the Soldiers, Sailors and Marines returning from the service of our Country and to provide a means of relieving the stress of industrial activities and provide employment for the laborer unemployed; and inasmuch as the health, peace and safety of the people of the State of Oregon depends upon immediate construction, repair, betterment and pavement of said roads and highways; it is hereby declared that an emergency exists, and that it is necessary that this Act take effect immediately after it is passed by the Legislature and approved by the Governor; therefore, this Act shall be in full force and effect from and after its passage.

Section 19. The State Highway Commission is hereby authorized, empowered and directed to use any moneys derived under the provisions of this Act to meet any sum or sums heretofore or hereafter apportioned to the State of Oregon by Federal enactment for the construction, betterment or improvement of post roads, forest roads, and other permanent highways; and said commission is hereby authorized, empowered and directed to enter into such contracts, appoint such officers and do any act or thing necessary to fully meet the requirements of the United States and the officers acting under such Federal Act.

Section 20. The State Highway Commission is hereby authorized, empowered and directed to use any moneys derived under the provisions of this Act to meet any sum or sums heretofore or hereafter apportioned to the State of Oregon by Federal enactment for the construction, betterment or improvement of post roads, forest roads, and other permanent highways; and said commission is hereby authorized, empowered and directed to enter into such contracts, appoint such officers and do any act or thing necessary to fully meet the requirements of the United States and the officers acting under such Federal Act.

Section 21. The State Highway Commission is hereby authorized, empowered and directed to use any moneys derived under the provisions of this Act to meet any sum or sums heretofore or hereafter apportioned to the State of Oregon by Federal enactment for the construction, betterment or improvement of post roads, forest roads, and other permanent highways; and said commission is hereby authorized, empowered and directed to enter into such contracts, appoint such officers and do any act or thing necessary to fully meet the requirements of the United States and the officers acting under such Federal Act.

Section 22. The State Highway Commission is hereby authorized, empowered and directed to use any moneys derived under the provisions of this Act to meet any sum or sums heretofore or hereafter apportioned to the State of Oregon by Federal enactment for the construction, betterment or improvement of post roads, forest roads, and other permanent highways; and said commission is hereby authorized, empowered and directed to enter into such contracts, appoint such officers and do any act or thing necessary to fully meet the requirements of the United States and the officers acting under such Federal Act.

Section 23. The State Highway Commission is hereby authorized, empowered and directed to use any moneys derived under the provisions of this Act to meet any sum or sums heretofore or hereafter apportioned to the State of Oregon by Federal enactment for the construction, betterment or improvement of post roads, forest roads, and other permanent highways; and said commission is hereby authorized, empowered and directed to enter into such contracts, appoint such officers and do any act or thing necessary to fully meet the requirements of the United States and the officers acting under such Federal Act.

shall be accounted for in the State Highway Funds.

Section 14. The State Highway Commission is hereby authorized and empowered to enter into contracts for the purpose of construction of the roads provided in this Act; provided, however, that all contracts shall be let according to law and in open and public session of said commission; provided, further, that any or all county courts or boards of county commissioners of any county within the State of Oregon may bid on and enter into contracts for the construction of any unit of highway construction wholly within their respective counties on the same terms and conditions as other contractors; provided, further, that if, in the opinion of the majority of the members of said commission, it would be for the best interest of the State to construct such roads and highways by the commission without contracting the same, then, and in that event, said commission shall have the right, and it is hereby empowered and authorized, to reject all bids and to construct under its own direction and supervision, all of such roads or any part thereof, and to this end said commission is hereby authorized and empowered to purchase or lease all necessary machinery, equipment, tools and appliances, and to employ all necessary help and labor and to do all things necessary and convenient to carry out the provisions of this Act; provided, no part of the money expended for the hard surfacing of State Highways shall be used directly or indirectly for the payment of any premium or royalty on any patent or proprietary material, specification, process or type of construction unless the same be purchased or obtained at the same or at less cost than unpatented articles or methods equally suitable for the same purpose, having regard to durability, resistance to wear and other elements of worth and value.

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Section 16. Inasmuch as the condition of the roads and highways of the State of Oregon demand that road construction, betterment and pavement should be prosecuted with diligence before the inclement weather of the Fall of the year begins; and, inasmuch as it is necessary to provide the State Highway Commission with sufficient funds to construct, better and pave the roads and highways designated by Chapter 423 of the General Laws of Oregon for the year 1917, and to make effective the will of the people as expressed at the special election held June 4, A. D. 1917; and, inasmuch as it is necessary to provide employment for the Soldiers, Sailors and Marines returning from the service of our Country and to provide a means of relieving the stress of industrial activities and provide employment for the laborer unemployed; and inasmuch as the health, peace and safety of the people of the State of Oregon depends upon immediate construction, repair, betterment and pavement of said roads and highways; it is hereby declared that an emergency exists, and that it is necessary that this Act take effect immediately after it is passed by the Legislature and approved by the Governor; therefore, this Act shall be in full force and effect from and after its passage.

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Section 18. Inasmuch as the condition of the roads and highways of the State of Oregon demand that road construction, betterment and pavement should be prosecuted with diligence before the inclement weather of the Fall of the year begins; and, inasmuch as it is necessary to provide the State Highway Commission with sufficient funds to construct, better and pave the roads and highways designated by Chapter 423 of the General Laws of Oregon for the year 1917, and to make effective the will of the people as expressed at the special election held June 4, A. D. 1917; and, inasmuch as it is necessary to provide employment for the Soldiers, Sailors and Marines returning from the service of our Country and to provide a means of relieving the stress of industrial activities and provide employment for the laborer unemployed; and inasmuch as the health, peace and safety of the people of the State of Oregon depends upon immediate construction, repair, betterment and pavement of said roads and highways; it is hereby declared that an emergency exists, and that it is necessary that this Act take effect immediately after it is passed by the Legislature and approved by the Governor; therefore, this Act shall be in full force and effect from and after its passage.

C.P. STRAIN SHOWS

(Continued from page 1.)

larger city in the distance near where she has a wider range of choice through larger stocks of goods to select from.

The Cost.

The cost, to the county in money raised by ten year bonds will be principal \$1,050,000 and the interest about \$267,750, making \$1,317,750 in all, which if paid in ten years, will average \$131,775 each year. This would require an average tax on the present assessed value of the county each year for ten years of about 2 1/2 mills. At this rate the tax would be 25 cents on each \$100 assessed value for each year and \$2.50 in all. On each \$1000 the tax would be \$25 each year and \$250 in all. On \$100,000 the tax would be \$2,500 each year and \$25,000 in all. The ordinary home in Pendleton is assessed at around \$2000 and in the small towns where lots are cheaper at \$1500 and less. Each taxpayer can readily determine his share of the tax by noting the value on his last tax receipt, and then making the computation as aforesaid. Three or four million American boys are being released from the army and navy now. Industry is changing from a war basis to one of peace. One of two million women took the places made vacant by the departing soldier boys. With the prospect of falling prices, manufacturers will probably not risk production of surplus stocks. The federal administration urges public works to sustain wages while living costs are high and to supply employment during the period of transition. This road program would probably require three years for completion, which ought to carry us into a period of normal conditions.

Not Like Former Move.

Those who opposed the county bonding scheme of four years ago may consistently support this one. This is more comprehensive and it makes much greater provision for market roads. It contemplates proven lands or construction and it brings to us \$825,000 of outside aid. This six million dollar bonding act of two years ago was proposed when our boys were joining the colors. It was conceived in Portland and financed, many believed, by concerns with patent pavements to sell. It proposed the impossible to accomplish with the bonds provided, and in many ways aroused the just suspicions of honest people. But so far as I know this plan originated here and is advanced in good faith and gives promise of doing what is claimed for it.

My own attitude towards cooperating with the state and nation has been largely influenced by new methods of finance adopted by them. Four years ago there was no means in sight to pay for road construction except from taxes upon the property of this county. Now that portion of the funds to come from the state we expect to be taken care of in large part by a license tax upon motor vehicles and gasoline tax. Two years ago the federal government derived most of its revenue from taxes upon goods which the whole people, the rich and the

poor, consumed according to their needs, and not in accordance with their respective abilities to pay for them. Under that plan I was unwilling to accept aid from the federal government, because I was averse to that form of starting money from the poor.

Incomes Pay Taxes.

Now since the federal revenues are derived so largely from taxes upon the incomes and fortunes of the rich, and not through tribute laid upon the poor by taxing the food which they must eat, the clothing they must wear, the tobacco they use, and the booze they drink, it does not disturb me so much to accept aid from Uncle Sam's bank roll. Under our federal income tax law the millionaires, multimillionaires, and billionaires of New York and a tremendous share of the whole, because they harvest a corresponding portion of the nation's prosperity.

And I venture here to predict that when the extraordinary financial stress occasioned by the war shall have passed, permitting a reduction of federal taxation then the state of Oregon will adopt an income tax law. If indeed it does not do so this year, in that case the struggling business man and home owner, be he laborer, merchant, farmer or stockman who operates on borrowed capital will pay at least a part of his tax upon his net income and not upon the full face value of his mortgaged property.

In conclusion let me suggest that the near future does not promise to be a favorable time to invest in improved land. It is not to be expected that existing high prices can rise. There is pretty certain to be a surplus of local capital seeking investment. The proposed road bonds, if exempted from taxation, would supply this need. Why not ask the legislature to exempt public debts from taxation?

FACTS VOTERS MAY WISH

(Continued from page one.)

own road-making plant and equipment shall not be required to let out any road work by contract where such work is intended to be done by the county court with its own equipment."

Section 17 of the above law reads:

"Before letting any contract for road improvement work the county court shall cause to be published in at least two newspapers of general circulation within such county at least once each week for two successive weeks, stating the time and place where bids for such work will be received, and therein stating briefly the nature of the work to be let.

Proof of such publication shall be made in the same manner and form as proof of the publication of other legal notices are required and made.

Section 18 of the above law provides that before any contract is let that the county court shall cause complete specifications of such road or bridge improvement to be prepared.

Other sections of the law provide for the safeguarding of the letting of contracts by receiving competing bids, and for the execution of a proper bond from the person or persons taking the contract, and for payments to the contractor as work progresses and is completed.

TOWNS PAY MORE THAN A THIRD OF COUNTY TAXES

Assessor C. P. Strain has prepared a tabulated statement of the tax roll payable for 1919. It contains much interesting information, showing the valuation of property in each incorporated town of the county with the rate of tax and amount paid by each. While the assessed valuation of the town is considerable less than one-third the total of the county it will be noted that they pay more than one-third the taxes of the county. The table follows:

Taxes 1918 Tax Roll Payable 1919.			
	Valuation	Comb. Rate Mills	Total Tax.
Adams	99,815	28.8	\$ 2,874.67
Athens	512,215	32.7	16,752.13
Echo	294,926	23.7	9,329.38
Fresewater	304,587	34.1	10,386.41
Helix	164,000	19.3	3,165.20
Hermiston	325,560	27.4	12,175.96
Milton	942,656	34.5	32,521.63
Pendleton	6,268,464	27.6	173,009.61
Pilot Rock	199,623	30.6	6,108.79
Stanfield	256,340	26.0	6,664.44
Umatilla	186,425	25.2	4,692.16
Wenton	265,567	26.9	7,159.42
Total	\$9,921,154	Average 28.67	\$294,116.78
Outside of towns	\$42,957,292	Average 14.63	\$425,858.22
Grand total	\$52,878,446	Average 14.34	\$720,975.00

Distribution of Tax.			
State	\$126,319.60	Special City	133,541.92
County Road	119,691.67	Special School	251,904.25
County School	76,400.00	High School Tuition	8,796.92
County Library	7,000.00	Union High School No. 1.	2,254.04
School Library	800.00	Union High School No. 2.	2,253.91
County General Fund	57,761.73	Forest Fire-Fairford	1,132.82
		Forest Fire-Fairford	688.56

There Is No Campaign Fund for Boosting this Election; Necessary Incidental Expenses are Met by the County Court