

# STATE CAPITAL NEWS

By A. L. LINDBECK

- Exempt PUD's
- School Redistricting
- Favored Oregon

Salem.—While the people of Oregon contributed an average of \$28.77 per capita toward the support of state government in 1939, it cost the people of Washington \$38.23 per capita and the people of California, \$50.88 per capita to finance the activities of their respective state governments.

These figures compiled by Wallace S. Wharton, state tax commissioner, include all revenues collected for the support of state government including property taxes, income taxes, gasoline taxes, motor vehicle licenses, etc.

Gasoline taxes alone cost the people of Oregon an average of \$11.25 per capita, compared to \$9.36 in Washington and \$7.72 in California. Motor vehicle licenses accounted for another \$3.07 per capita in Oregon, \$2.66 in Washington and \$2.15 in California. Comparison of these figures would indicate that the people of Oregon not only own more automobiles in proportion to the state's population but that they also bought more gasoline than did the people of either of the neighboring states.

While Oregon residents were contributing at the rate of \$4.75 per capita through the medium of the income tax, residents of Washington, which state has no income tax, were contributing at the rate of \$9.88 per capita through the medium of the sales tax. At the same time residents of California were being tapped through both of these taxes, at the rate of \$14.29 per capita via the sales tax and \$6.65 through the income tax.

Payroll taxes for financing the unemployment compensation funds of the three coast states averaged \$6.27 per capita in Oregon, \$6.07 in Washington and \$12.25 in California. Oregon levied no taxes against property for state purposes in 1939 but in Washington property taxes averaged \$2.45 per capita while in California revenues from this source averaged \$1.80 per capita.

Attorney General Van Winkle this week filed with the United States supreme court Oregon's brief in the suit filed by the Standard Oil company of California in an effort to establish title to certain valuable oil lands in the southern state. Oregon's interest in the case lies in the fact that the lands in dispute are school lands to which Secretary of the Interior Ickes has filed claim on the ground that they are mineral lands. If Secretary Ickes makes good his claim it is feared that title to Oregon's school lands may also be jeopardized.

Regarded by state officials as one of the most fantastic pension schemes ever presented to the voters of Oregon the Oregon Retirement Payments League this week initiated a measure under which every citizen of Oregon over the age of 50 years would be guaranteed a monthly income of \$100. Payment of the retirement pension would be made through the "Peoples State Bank of Oregon," although it is not clear as to just what the proposed state bank would use for money except for \$1,000,000 which is to be appropriated for its use. A number of lucrative jobs would be created by the proposed constitutional amendment. The administrator of the pension program would receive an annual salary of \$7000 while three deputy administrators, one from each Congressional district, would be paid \$5000 a year each. All public funds would be deposited in the proposed state banks and private depositors would be encouraged to patronize the state institution with an offer of two per cent interest on their deposits.

Attorney General Van Winkle this week advised T. Leland Brown, district attorney for Wasco county, that the six per cent constitutional limitation on tax increases does not apply to peoples utility districts.

The opinion of the attorney general also holds that the directors of a PUD may levy taxes up to a maximum of two mills to finance operations of the district.

This ruling is in direct contrast to an opinion given a few weeks ago by Chas. V. Galloway, member of the state tax commission and a recognized authority on tax legislation, to the effect that peoples utility districts, lacking any base from which to start, could not levy any tax except by vote of the people in the district.

That the state legislators shared the view expressed by Galloway is indicated by the fact that the last legislature referred to the voters a proposed constitutional amendment providing that the average of tax levies approved by the voters during three successive years should be made the tax base of a tax levying unit.

While the recently enacted school district reorganization act has stirred up a lot of interest in school consolidations most of the actual mergers are being worked out under the provisions of an old law, according to Rex Putnam, state superintendent of public instruction. This situation was explained by Putnam as due to the fact that the old consolidation law holds out a number of financial inducements that are not contained in the new reorganization act. These inducements include substantially larger apportionments from the county school fund as well as from the elementary school fund. While a number of school districts have turned down consolidation schemes recommended by the new county reorganization boards Putnam reports an unusually larger number of consolidations under the new law.

Still another old age pension proposal was dropped into the Oregon hopper this week when preliminary petitions for an initiative measure sponsored by the Oregon Commonwealth Federation were filed with Secretary of State Snell. The CCF's measure which is referred to as a "senior citizen's grants act" calls for a flat pension of \$40 a month for all needy persons 65 years of age or over, to be financed on a 50-50 basis by the state and federal governments. Oregon's share of the pension money would be raised by new tax levies other than a sales tax. In addition to the cash pension, beneficiaries of the act would also be entitled to free medical, dental, surgical, optical, hospital and nursing service. Artificial eyes and limbs are also to be provided free of cost and \$100 allowed for burial purposes.

Approximately 150 educators from all sections of the state are expected to attend the fifth annual city school superintendents' conference to be held in Salem Friday and Saturday of this week. A number of school problems are on the two days program for consideration.

In spite of the fact that the state levy on property was restored this year 16 Oregon counties show a reduction in their combined county-state levy as compared with that of a year ago. The 16 include Benton, Clackamas, Columbia, Coos, Deschutes, Douglas, Hood River, Malheur, Polk, Sherman and Washington. Eighteen other counties show slightly higher levies for state and county purposes. These include Gilliam, Marion, Multnomah, Wasco and Yamhill.

## WILLOWS GRANGE NEWS

By MARY LUNDELL

A correction for Willows grange calendar as given in last week's Gazette Times: The regular meeting is March 23, and on March 30 the men of the grange will entertain grange ladies with a program and lunch. On Sunday, March 17, grange Sunday will be observed in Ione. There will be a pot-luck dinner in the hall at noon. In the afternoon the officers of Lexington grange will exemplify the 1st and 2nd degrees; tableaux by Willows grange. Candidates of both Willows and Lexington granges will be initiated.

The dance last Saturday night was well attended. Jack Daugherty's orchestra of Pendleton played. Supper was served by the Home Economics club.

## HARDMAN NEWS

### Scholarship Fund Program Arranged

By HARDMAN HIGH SCHOOL

Mrs. Stanley Robinson was a business visitor in Heppner on Wednesday.

The program for raising money for the 4-H club scholarship is well under way. It will be given on March 30. It is also hoped that the Rebekahs will give a dance at the Odd Fellows hall on that night.

Lewis McDonald, who is working at Lotus Robison ranch, was in town on Saturday night.

Bunny Steers went to work at the Ball-Mahoney ranch.

County and state men and equipment were out during the week and fixed the Heppner-Spray road which had washed out in two places.

On Thursday evening the Seven Seamly Stitches met and after the regular sewing period they practiced their songs for the March 30 program.

Owen and Carl Leathers went to tag Canon's sheep Monday.

A meeting of the clothing I club under the leadership of Mildred Clary was held on March 8. Most of the meeting was spent in practicing parts in the program to be held on March 30.

The Happy Health club met on March 4. Reports were given by Jean Leathers and Nona Inskip. On March 11, reports were given by Vern McDaniel and Irl Clary. The next meeting will be held on March 18, and will be the monthly social time.

The high school is working on the numbers which they will put on at the Speech Acts festival at La Grande on April 6. All the high school pupils will go up and put on a one-act play. Also Vera McDaniel and Mildred Clary will take part in the poetry reading section.

Misses Irene Zinter and Ramona McDaniel visited at Mrs. Ethel McDaniel's home on Sunday.

Dallas McDaniel was visiting in town on Sunday. He is working for Harvey Harshman.

The high school students had dinner and supper together on Friday at the school. In the afternoon they all played softball and other games. In the evening the groups sang a special song at the church services which are being held in the high school auditorium.

Miss Oleta Raimey and Darrel Farrens took Mrs. John Van Duser of California to Monument Sunday where she will visit her son, Lyle Van Dusen.

Mr. and Mrs. J. B. Adams with sons Forrest and La Vonne visited at the home of their daughter, Mrs. Clarence Rodgers at Kinzua from Friday to Sunday.

Everett Hadley cut his hand while chopping wood Sunday. Charlie McDaniel took him to a physician where he had 26 stitches taken.

The services being held in the high school have been very well liked in the community, and there has been an average attendance of more than 40. Lee Hall of Bend, who is conducting the meeting, is a guest at the Clark Stephens home.

Mrs. Marvin Brannon visited Mrs. Neal Knighten at Alpine last week.

Fan Miller, accompanied by Owen McDaniel, made a business call on Brisbons in Haystack district near Spray, Saturday.

Roy Robinson was in town Friday going to Condon on business and returning Saturday.

Mrs. Owen Leathers visited at the Mrs. Catherine McIntyre home Wednesday.

Everett Hadley came home Saturday sick from Lake Beckner where he had been working. Mrs. Victor Lovgren brought him home.

Mr. and Mrs. C. C. Carmichael visited Sunday at Owen Leathers' home, after returning from Monument where they visited Mr. and Mrs. N. H. Leathers and Ivan Leathers.

Mrs. Raymond Reid suffered a painful injury to her ankle last week when she slipped going home from church. Consulting a doctor they found that a bone was out of place.

Mr. and Mrs. Bud Cannon and Miss Mary McIntyre visited in Hardman on Friday.

Visitors in Heppner on Saturday and Sunday were Mr. and Mrs.

Charlie McDaniel, Misses Vern and Vera McDaniel and Frances Inskip, also Donald and Creston Robinson.

The weather has been variable. There have been siftings of snow almost every day with sleet and a little rain on Sunday. On Saturday evening there was a heavy sudden rainfall. In spite of many clouds the week began with much cheering sunshine, and roads reasonably dry.

## PINE CITY NEWS

By BERNICE WATTENBURGER

Mrs. Lois Kent spent the week end in Portland with her sister, Mrs. Izel Connley.

Mr. and Mrs. R. E. McGreer and John Edward Harrison went to La Grande Sunday to be fitted with glasses.

Miss Lilly Rauch who has been assisting at the Harrison home the last two months returned home Sunday evening.

Mr. and Mrs. Fred Rauch, Jr., of Pendleton attended the basket social at Alpine Saturday night.

Mrs. Frank Ayers of Stanfield spent Sunday at the Clayton Ayers home.

Mr. and Mrs. E. B. Wattenburger spent Friday evening at the Walter Wigglesworth home in Echo.

Mr. and Mrs. Frank Helms and daughters, Charlotte, Henrietta and Harriette are leaving Friday evening to spend the week end in Spokane.

Mrs. Burt Young and son and Mrs. Wilma Roberts and son of The Dalles are spending the week with their parents, Mr. and Mrs. Bill McCarty.

Bert Barnes, government trapper, spent the week end with his wife at the C. H. Bartholomew home.

Mr. and Mrs. E. H. Wattenburger and daughter Darlyne were Pendleton callers Thursday. Miss Darlyne spent Friday night with Shirley McGreer.

Dr. J. P. Stewart, Eye-Sight Specialist of Pendleton will be at the HEPNER HOTEL on WEDNESDAY, MARCH 20th.

Registered Hereford 4-yr.-old bull to trade for calves, yearlings or anything. 11-months-old Chester White boar to trade for pigs. W. H. French, Hardman, Ore. 2tf.

The time for safety is all the time.

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