

Representative Duncan Discusses Special Session of Legislature

(Editor's note: The following article by State Representative Robert Duncan discusses the special session, and what it is attempting to accomplish.)

By ROBERT DUNCAN
State Representative

Most everyone has read in the news releases from Salem something of the problems and the progress of the Special Session of the Legislature. We have tried to attack the basic problem for which the session was called, solve it and adjourn.

This requires us to postpone consideration of other problems until the next general session and, regrettably, we are doing so. To open the doors to general legislation would soon convert the special session into a general one of interminable and intolerable length. The number of requests for legislation points up the fact that Oregon is rapidly getting to the point where they must have an annual session. In addition to this, the magnitude of the problems and the time and study required for their intelligent solution makes it apparent that the days of the part time legislature are also numbered.

Only three committees were appointed in the House. Taxation, Rules and Ways and Means. I was appointed vice-chairman of the latter.

Special Rule
A special rule was adopted to provide that all bills introduced must be approved by the rules

committee before it could receive the further consideration of the House. This is a self imposed limitation to prevent the session from considering all types of legislation; to keep it a "special session."

The rule follows the pattern set in prior special sessions and is much less stringent than the rule in force in the Congress. In many other state legislatures and in our own regular sessions after the 35th day. Although there is a majority of Democrats on Rules, most of the bills which have been passed out have been Republican sponsored measures. It's actions have been far from arbitrary.

Bills Introduced
As soon as the Governor's message had been received, bills were introduced to implement his program and were in the hands of the proper committees without delay. Together with other proposals they were considered and reported back to the House on Wednesday. We hoped to consider them immediately so that the business of the session could be concluded as soon as possible, but an attempt to suspend the rules for that purpose failed and they were not debated and passed until Thursday.

They were then sent to the Senate where most of the opposition to the Governor's program is centered. The increase in ba-

sic school support was promptly approved by the committee and will be considered by the Senate on Monday. The income tax reduction bill is still in committee in the Senate and will be considered in amended form by them on Monday.

Until the Senate acts the House had no more business and so adjourned until Monday. Some members objected to the adjournment but there was no reason to meet and adjourn with nothing to consider. During the recess many interim committees had an opportunity to meet and consider the problem assigned to them.

All of us remember the tremendous sentiment during the

regular session to increase basic school support to \$120. At that time revenue estimates were such that we felt that we could not prudently vote more than a \$15 increase making the total state aid \$95 per census child. The bill requested by the Governor and approved by the House increases this by \$10 to \$105, another significant step toward the goal of many people that the state should provide half of the cost of educating the children.

This furnishes really property tax relief because every dollar of state support means one less dollar that must be raised from real property for we all know that we must educate our children and that it will cost money.

About 80 per cent of the increase will go to direct property tax offset according to the best figures I have been able to obtain but all of it really represents money that will support the school, and thus relieve real property of that burden.

Belton's Proposal
Sen. Belton's proposal for the state to assume the county school levy would not help Jackson county at all in any year, such as this, in which we did not levy any tax. It was for these reasons that I supported the increase in basic school support.

In the income tax field the Governor asked for a 10 per cent cut and such was approved by the House. If present estimates of revenue are correct this coupled with the basic school bill, will leave a surplus of about \$51 million at the end of the biennium and should enable us to finance the 1959-61 biennium with no further increase in taxes.

The citizens of the state could look forward to a state income tax below the 1955 level for at least the next three years. This is important when we consider that the state is still growing, and that, without any new state program, the cost of the present level of state service will continue to increase.

Estimated Budget
It is estimated that the budget for the 1959-61 biennium will be somewhere between \$300 and \$330 million even if no new programs are approved. Planning that far into the future with a lower tax than prior to the '55 legislature seems to me to be a real accomplishment.

Should the Republican proposals for income tax reduction prevail, some \$60 million will not be collected. We would end the biennium, on June 30, 1959, with about \$10 million. If the same tax rates are maintained and the budget estimates mentioned above prove correct we would end the 1959-61 biennium with a deficit of \$85 to \$70 million. The only alternative would be a drastic increase in taxes during the next biennium that would make the surtaxes of the past look like tax relief.

One other factor to consider is that the so called surplus is merely an estimate of how much the revenue of the state will exceed the expenditures during the remainder of the biennium. The money is not piled up in some vault. Estimates have been wrong before.

Industry in Trouble
The lumber industry in Oregon is in trouble perhaps because the hard money policy in Washington, adopted to halt inflation, has gone too far and, in Oregon at least, the medicine is proving worse than the disease. Because we have been content to rely on a one industry economy, we now have little other industry to pick up the slack and furnish employment.

Our greatest natural resource, water, has not been developed as it should have been to furnish large blocks of low cost power that might have made the Pacific Northwest the center of a great electrometallurgical industry even now able to furnish employment to large numbers of men. We have gotten so concerned over whether the power should be public or private that we have lost sight of the goal—which is power. TVA, Bonneville and Grand Coulee all were opposed and violently. Yet all have contributed greatly to our economic well being and our military success in World War II.

Economy Not Healthy
However, that may be, it is still true that our economy is not as healthy as it has been and that the estimates of revenues may never materialize. I for one do not intend to vote for huge tax reductions, no matter how popular that might be politically, when I can see just over the horizon the spectre of

Matter of Fact By Stewart Alsop

EXIT KNIGHT

Washington—There is an excellent chance that the Republican political picture will very soon be changed in a most important way, by the withdrawal of Gov. Goodwin Knight of California as a candidate for renomination. Knight would leave the field completely free for Sen. William Knowland, a leading candidate for the 1960 Republican presidential nomination.

If Knight withdraws, he will try for the Senatorial nomination instead. Knight has repeatedly said, of course, that he will not withdraw in favor of Knowland. He has not yet flatly committed himself to do so. But the pressure on him to bow out is very heavy and those who should know are convinced that Knight's withdrawal is almost certainly imminent.

There are two cogent reasons why Knight is under such heavy pressure to withdraw from the gubernatorial race. One is the simple fact that it has become clear to every leading Republican in California that, if Knight does not withdraw from the race with Knowland, the resulting donnybrook may tear the California party to shreds.

KNIGHT, by taking a liberal and pro-labor position, is forcing Knowland, by the inexorable laws of politics, to take a far more conservative position than he might otherwise have done. Knowland is centering his campaign on a "right to work" bill outlawing the closed shop. In terms of beating Knight for the nomination, this is good politics, since anti-closed shop legis-

lation is popular among Republican voters — by a margin of five to one, according to some soundings.

YET in terms of the election, Knowland's stand may not be good politics at all, in a state with a heavy labor vote and a big majority of registered Democrats. Moreover, a bitter primary contest between Knight and Knowland, lasting for months, could only do the Republican cause in California the maximum of harm. Thus influential Republican leaders in California are doing everything they can to persuade Knight to withdraw from the gubernatorial race and run for the Senate instead.

The role of Nixon in the situation has been interesting. Knowland is, of course, Nixon's leading rival for the 1960 Presidential nomination. Thus it might be supposed that it was in Nixon's interest to permit Knowland and Knight to fight it out, perhaps destroying each other in the process. But Nixon has not only made it clear that he intends to support Knowland, he has also been instrumental in the attempt to persuade Knight to change his mind and run for the Senate.

Nixon is not, of course, personally close to Knight — on the contrary, Knight has never made any bones about his almost pathological dislike of Nixon. Yet some of Nixon's supporters, especially in northern California, have also been Knight supporters. And these Nixon men have been among those trying to persuade Knight to withdraw.

THE explanation for the role Nixon has played is simple enough. For one thing, he admires Knowland, although the two are not close friends, and thinks he would make a good Governor. For another thing, Nixon is a thorough-going party man, and he is quite aware of what an all-out battle between Knight and Knowland might do to the Republican party in California.

Finally, he is also aware that a severe weakening of the party in his home state would do his own political fortunes no good whatever, even if Knowland might also be weakened in the process. Knight's withdrawal will of course greatly strengthen Knowland's chances to challenge Nixon for the 1960 nomination from a position of great political strength. Yet there has been no deal between Knowland and Nixon. And there has been no deal between Knowland and Knight.

Ag Council Needed, Steward Tells Board

Salem — Oregon should have an agriculture council to deal with freight rates and similar economic problems, Agriculture Director Robert Steward told a meeting of the agriculture board here Friday.

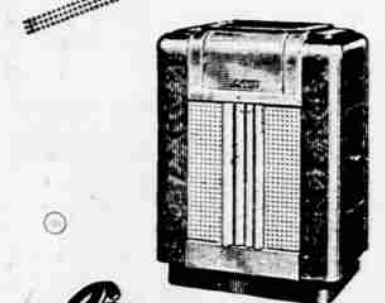
The board said it felt a council could effectively work on problems of tariff, state and federal taxes on agricultural business, marketing research, consumer education, promotion of Oregon products and other problems.

It was the feeling of the board that the existing Oregon research and advisory council, composed of 26 independent producer and processor groups, might be able to function as an agriculture council.

Until now, the existing council has worked exclusively on research problems.

Chicago — Patrolman Charles Mueller arrested James Davis, 22, for not having license plates on his car, took a second look at Davis to discover he was wearing a sports coat stolen from Mueller's car last year.

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