

# 'Doctored' Insurance Policies Investigated



**CONCERNED ABOUT JOBS**—New York's Gov. Nelson Rockefeller, right, leans across the table to greet Rep. Charles Hatfield (R-Ind.) during a breakfast meeting in Washington today, attended by more than 150 House GOP members. Speaking at the meeting, Rockefeller said he was concerned about stimulating economic growth to create jobs. (UPI)

Regional Edition

## MEDFORD



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## TRIBUNE

20 Pages

MEDFORD, OREGON, WEDNESDAY, APRIL 10, 1963

No. 17

### Hatfield Talks With Leaders Of Legislature

Salem—UPI—An hour-long meeting between Gov. Mark Hatfield and the Democratic and Republican leaders in the Senate and House was held Tuesday to discuss "mutual problems."

Senate President Ben Musa (D-The Dalles) said the meeting was called by Hatfield. Musa said he had suggested to Senate minority leader Anthony Yturri (R-Ontario) that a meeting with the governor might be advisable.

Others attending were House Speaker Clarence Barton (D-Coquille) and House Minority Leader F. F. Montgomery (R-Eugene). Barton said the meeting resulted in "a meeting of the minds on mutual problems."

Musa termed it "a general discussion of close liaison with the executive," and added he thought it had been a "successful meeting."

**Program Restated**

The governor said "I restated my legislative program as outlined in my message to the legislature, and in my budget."

When asked by newsmen if he felt progress had been made, Hatfield replied "it remains to be seen how members respond on specific bills."

It was the first such meeting of the five leaders this session.

When asked to comment on the apparent lack of party discipline on the cigarette tax vote in the house, Hatfield said "historically we have never had party discipline in the Oregon Legislature."

The cigarette tax—a major piece of Hatfield's program this session—was defeated Monday when about half the House Democrats and Republicans joined to oppose the measure. Tuesday the cigarette tax measure was recalled.

and sent back to the House Tax Committee.

"I have never made an attempt to whip people into support," the governor said.

"I have been independent myself. Any legislator who cow-tows to party pressure is not doing his duty. A legislator must vote on the issues as he sees them," he added.

He said election of party whips was "to aid communication, not to deliver votes."

### Wheeling Steel Reveals \$6 a Ton Price Increase

New York—UPI—President Kennedy today delayed the start of his Easter vacation, apparently because one of the nation's smaller steel companies announced plans to boost the price of steel by \$6 a ton.

New York—UPI—Wheeling Steel Corp., one of the nation's smaller steel firms, sought today to accomplish what its giant competitor, U.S. Steel Corp., failed to do a year ago—make an average \$6 a ton steel price increase stick.

In Washington, the White House said President Kennedy is watching this latest development in the steel price situation "with great interest" and that he may delay his departure for a week end in Florida because of it.

There was no indication whether any of the other steel companies would go along with the price hike. Investors' reaction, however, was immediate as steel shares on the stock market jumped sharply.

Some steel executives expressed surprise at the timing of Wheeling's price move. The United Steelworkers of America currently are deciding whether to reopen contracts with the industry at the end of this month.

It was suggested in steel circles that some companies may be forced to delay a price decision in view of the fact that their key executives are believed to be in New York for a board meeting of the American Iron & Steel Association.

William A. Steele, president of the nation's 11th largest producer, said "a steady increase in costs of materials, services and labor with no increase in steel prices since 1958 prompted the action."

### Daylight Saving Extension Favored

Salem—UPI—A bill to extend daylight saving time to the last Sunday in October, instead of the last Saturday in September, was approved today by the Senate State and Federal Affairs Committee.

Radio, television, airline, railroad, and bus spokesmen appeared before the committee to urge extension of daylight time to match the quick-time dates observed in both California and Washington.

### MEMORIAL MASS

New York—UPI—A memorial mass was said today for Mrs. Charlene Wrightman Cassini, 38, whose death from sleeping pills took from the social set one of its richest and most beautiful young hostesses.

### WEATHER

**FORECAST:** Variable cloudiness tonight and thirday with patchy early morning fog. Chance of rain and gusty southerly winds Thursday afternoon. Low tonight near 39. High Thursday near 60.

Highest Yesterday	52
Lowest This Morning	32
Temp. at 10 a.m. Today	32

### Our Skies Tonight

Sunset today 6:17 p.m.  
Sunrise tomorrow 5:29 a.m.  
Moonset tonight 8:22 p.m.  
Lark Quarter April 16  
Next year at this time a bright "star" will be shining in the west between Aldebaran and the Pleiades. The "star" will be Venus. The planet has been seen in the east a little before sunrise.



**APRIL SQUALL**—A big dark cloud that rolled over the Rogue River valley this morning turned the day into twilight, and deposited a chilly mixture of rain, snow and sleet on downtown Medford. Comments like "what an awful spring we're having this year," and others not quite so nicely put could be heard most anywhere. The picture above shows an unidentified woman with an umbrella scurrying across Central ave. during the height of the storm. Later in the morning the sun came out, and a dusting of snow was visible in the foothills.

### Stored Water to 'Save the Day' for Valley Irrigators

The water supply outlook for the 1963 irrigation season in the Rogue-Umpqua area is varied with stored water supply "saving the day" for the major irrigation districts, the soil conservation service has reported.

Other irrigators, dependent upon natural flow of streams, can expect little water past the middle of summer, the service cautioned.

March storms produced additional snow at the highest elevations, but did not reduce the huge deficit in the snowpack which is at a record low. Water content of the snow on April 1 was 28 per cent of average.

**Soils Are Re-primed**

The soil conservation service reported that all soils in the upper watersheds are adequately re-primed.

Stored water for the Talent Irrigation district now totals 97,000 acre feet, compared to 65,100 acre feet last year on April 1. This is adequate for all uses, the conservation service stated.

The Medford and Rogue Valley Irrigation districts have 13,800 acre feet in their reservoirs, compared to 9,100 acre feet last year. Additional storage water can be obtained from the Talent district.

Flow of the Rogue river at Raygold has been only 61 per cent average in March and the forecast for the April-September period is 52 per cent average. Grants Pass Irrigation district can expect canal rotation by about Aug. 15.

The Applegate and Illinois rivers are forecast at 53 and 55 per cent of average for the April-September period.

### RECEIVES COPY

London—UPI—Sir Winston Churchill today received a copy of the proclamation making him an honorary citizen of the United States and his honorary passport.

### Committee Hopes To Complete Work On Budget Tuesday

The Jackson county budget committee hopes to complete its budget studies Tuesday. Further "trimming" may be necessary to meet expected receipts, it was indicated this morning.

County Auditor George Stacey was to confer with County Purchasing Coordinator William Cochran today. Only major remaining item for study is the county school fund. Law requires the county to provide \$10 per census child, which amounts to \$249,560, plus \$24,956 to cover uncollected taxes.

The budget committee has received letters from county school districts requesting the allocation be raised to \$25 per census child. This would mean a total of \$623,900. This money is used mainly for school district operating expenses.

Before noon yesterday, the county budget committee approved the county watermaster's budget at \$19,611, an increase of \$758. Requested was \$20,369.

The county surveyor's budget was approved at \$10,908, which is down \$1,028. The county agent's allocation was approved at \$28,390 as requested, slightly down from the \$29,042 allocated for the current year.

The capital improvement fund has been approved at \$230,000. This includes \$130,000 as the county's share of the estimated construction cost of the new public health building, \$70,000 for county ball park construction, \$15,000 for miscellaneous building and \$6,500 for other improvements.

Miscellaneous building in excess of \$1,000 for materials for extension of the roof over the county dog pound and \$7,500 for improvements at Mt. Ashland for water and restroom facilities in the tentatively proposed picnic area.

Other improvements at \$6,500 include construction of a small warehouse at the juvenile detention home for storage of clothing and housing of laundry facilities.

**County Planning Commission to Meet**

A discussion of the Rogue Basin project and pending legislation will be held at the monthly meeting of the Jackson county planning commission at 9 o'clock tonight.

Residents are reminded that the meeting is open to the public, according to C. O. Lovejoy, president. Reports from the various committees, including subdivision, will be given.

**MEASURE APPROVED**

Salem—UPI—The Senate today approved a measure which would establish a continuous substantive law revision program. The measure now goes to the House.

**Included Appropriation**

The President has included the appropriation for the construction in his budget request. If the applications come in promptly the irrigation district will be able to get the necessary forms filed in time for early appropriation of the initial funds.

The proposal is to take in lands that are adjacent to the district's distribution system if the landowners desire water. This action will be taken on the basis of an order of initial inclusion which is conditional upon the land subsequently qualifying under the standards of the bureau of reclamation.

There will be people in the Rogue Valley Irrigation district offices to issue application forms during the next two weeks, each week day from 10 a.m. to 4 p.m. Van

Dyke said. The issuance of application forms started today.

plus the publication costs. These applications may be made by a group, if the land involved is contiguous and adjacent to the boundaries of the district, or by an individual. In either case the filing fee will be \$25 for each application, plus the publication charges.

After the water is made available, the owners of new lands will have to pay the regular assessment charges of the irrigation district but not anything toward the cost of the repayment plan of the project for five years. Then, an annual charge of \$2 per acre will be imposed for a 50-year period, Van Dyke explained.

**Must Pay Own Costs**

The property owner must pay his own costs for connecting to the distribution system exclusive of lateral enlarge-

### School Districts Finding Coverage Misrepresented

Friendly Test Suit Filed in Portland

By United Press International

The Multnomah county district attorney's office is investigating complaints that a group of agents "doctored" insurance policies they sold to a number of Oregon school districts.

The school districts have been discovering in recent weeks that parts of the policies they hold are considered invalid by the insurance home office.

Meanwhile, a friendly civil test suit was being filed in Portland to determine liability.

State Insurance Commissioner Walter Korlann said in Salem the policies were "generally sold throughout the state," but there was no full estimate of the amount of insurance involved.

The home office involved is the California Life Insurance Co., which Korlann stressed is "very reputable." He said California Life has promised to honor any legitimate claims.

Particularly involved are riders on the policies held by the school districts giving coverage for such accidents as football injuries.

The matter came to light, Korlann said, when California Life recently began rejecting Oregon school district accident claims written by agents operating under the name of an agency that since has disappeared.

The agents also have "skipped," Korlann said. California Life said there were discrepancies between the policies written by the agents for the school districts, and those sent into the home office.

Korlann said California Life contacted the agents alerted applications for the school districts to show broader and more expensive insurance, charging higher premiums, but sent lower cost applications back to the home office.

The school districts thought they were buying the fuller coverage, California Life said, according to the applications it received, they did not.

The test suit is being filed by California Life and the David Douglas School District of Portland. Its intent is to determine how much California Life should pay on the policies.

The Ashland Daily Tidings carried a story in its Tuesday edition saying irregularities in student health and accident insurance coverage were revealed by the school board Monday night. The newspaper quoted Korlann as saying "this is quite a mess."

### Cuban Exiles Call For Closing Ranks

Miami, Fla.—UPI—Cuban exile leaders broke with a Kennedy administration today over the latter's "soft" attitude towards Fidel Castro and called on the estimated 250,000 Cuban refugees in the United States to close ranks.

The Cuban Revolutionary Council recognized by Washington as a spokesman for exiles in this country rejected a proffered resignation to Jose Miro Cardona, its president, and vowed to continue to fight Castro whether the U.S. government approves or not.

A council spokesman bitterly attacked a Washington "leak" to some newsmen that Miro had sought a \$50 million credit from the United States for a new exile army, or alternatively, a key role in future anti-Castro plans.

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### \$450 Million for Public Works Voted by House

Washington—UPI—The administration won a House fight today for \$450 million to continue a public works program designed to provide temporary jobs in the nation's labor surplus areas.

The 202-172 nonrecord vote marked the first big defeat for a Republican drive to make large cuts in President Kennedy's record-high spending budget. Some Republicans had denounced the public works program as a wasteful "leaf-raking... boondoggle."

**No Chance for Veto**

Although the vote was subject to challenge on a later roll call, both sides agreed there was no chance it could be upset. The initial vote was crucial. Had administration forces been defeated on the initial test, the parliamentary situation would have barred them from forcing a record vote on the issue.

In approving \$450 million of the \$500 million Kennedy requested for the program, the House overrode the recommendations of its Appropriations Committee which voted 22-19 Friday to deny all of the funds.

Some Republicans representing communities with chronic unemployment problems refused to heed the economy pleas of their leadership.

### State Senator's Property Attached

Portland—UPI—The Internal Revenue Service has filed liens on property of State Sen. Thomas R. Mahoney of Portland, his wife and his former wife in seeking some \$33,000 in federal taxes it claims is due, local IRS director Arthur G. Erickson said today.

Notices of the liens were filed Tuesday with the recorder in the Multnomah county clerk's office, Erickson said.

Erickson said one lien was for the years 1949 through 1954 in the amount of \$26,357. The other, he said, was for 1955 through 1960 in the amount of \$6,941.

### Majority Indicates Opposition to Doe Killing in Oregon

The Jackson county extension service auditorium was jammed to the doors by southern Oregon hunters and other persons interested in management of Oregon game last night when the state game commission came to Medford to hear the views of "all people" on big game hunting.

The "standing-room only" audience extended into the hallways as Rollin Bowles, who presided, announced that the commission would hear everyone if it took "all night."

A show of hands, late in the program, which continued until approximately midnight, revealed that the majority was opposed to the killing of does.

More than 40 persons gave testimony which was tape recorded for inclusion in the big game hearing scheduled May 24, although last night's meeting was not a formal hearing.

### Hoffa's Slander Suit Dismissed

Detroit—UPI—A \$1 million slander suit filed by Teamster President James R. Hoffa against AFL-CIO President George Meany and other AFL-CIO officers was dismissed in Federal Court Tuesday by a judge who called the suit "a public relations document."

Hoffa had charged in the suit that during a speech in New York on Oct. 10, 1961, Meany said:

"There is every indication that the Teamsters are now, more than ever, under the influence of criminal and corrupt elements."

Judge Stephen J. Roth, however, said in dismissing the case that the Teamster boss failed to obtain legal service on the defendants and did not exercise ordinary diligence in the prosecution of the action.

"It would be hard to find a lawsuit with more fatal defects and less staying power than this one," Roth said. "It is important that this be terminated as a dry run."

## NEWS BRIEFS

**ARMS NEGOTIATORS CUT EASTER RECESS**

Geneva—UPI—The 17-nation Disarmament Conference today cut its Easter recess from four weeks to one because of lack of progress on a nuclear test ban and other issues.

**CLAY SAYS FURTHER CUTS POSSIBLE**

Washington—UPI—Gen. Lucius D. Clay told the House Foreign Affairs Committee today that "some further cuts are possible" in President Kennedy's already-curtailed \$4.5 billion foreign aid program.

**DO NOVAN OPTIMISTIC ABOUT PRISONERS**

Homestead AFB, Fla.—UPI—Attorney James B. Donovan said Tuesday talks with Cuban Premier Fidel Castro left him "very optimistic about the early return" of the remaining Americans imprisoned in Cuba.

**LAOS AID REQUEST WOULD BE CONSIDERED**

Washington—UPI—The State Department said today it would "consider" any request from the neutral government of Laos for assistance in the form of arms in its fight against the Communists.

### Bill for Public Safety Department Tabled

Salem—UPI—A measure to create a department of public safety—one of the governor's reorganization proposals—was tabled today by the House State and Federal Affairs Committee.

About \$500 worth of damage was discovered at the cemetery last week. Forty-five tombstones were knocked over. Many of them were broken, some beyond repair.

### Boys Held For Cemetery Damage

Jacksonville—Two Prospect boys, one 12, the other 11, have been apprehended in connection with the damage discovered last week at the Jacksonville cemetery, it was learned from juvenile authorities this morning.

One of the boys was reported in custody at the Jackson county juvenile detention home, while the other was scheduled to be brought in today.

The boys were apprehended by state police yesterday afternoon, after investigation revealed they had been reported picking mushrooms in the Jacksonville area about the time the damage to the cemetery was discovered.