CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Monday, January 29, 1940.

The Senate met at ten o'clock a m., pursuant to the provisions of the proclamation of His Excellency, Culbert L. Olson, Governor of the State of California, dated January 26, 1940, convening the Legislature of the State of California on this day in extraordinary session.

Lieutenant Governor Ellis E. Patterson, President of the Senate of the fifty-third session, in the chair, called the Senate to order.

Pursuant to the provisions of section 237 of the Political Code, Joseph A. Beek, Secretary of the Senate, James Boyd Garrison, Minute Clerk, and Joseph F. Nolan, Sergeant-at-Arms, were present and occupied their respective positions.

The roll was called, and the following Senators answered to their names:

Senators Biggar, Breed, Brown, Crittenden, Cunningham, Delap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—34.

Leaves of Absence.

Senator Collier was, on motion of Senator Jespersen, granted leave of absence for this day.

Senator Keating was, on motion of Senator Powers, granted leave of absence for this day.

Prayer.

By invitation of the President, prayer was offered by the Rev. A. Raymond Grant, Chaplain of the Senate of the fifty-third session.

Proclamation of the Governor.

The President of the Senate directed the Secretary of the Senate to read the proclamation of the Governor convening the Legislature in extraordinary session.

Whereupon the Secretary read the following proclamation:

Proclamation.

EXECUTIVE DEPARTMENT, STATE OF CALIFORNIA.

WHEREAS, An extraordinary occasion has arisen and now exists, requiring that the Legislature of the State of California be convened; now, therefore,

I, Culbert L. Olson, Governor of the State of California, by virtue of the power and authority in me vested by section 9 of Article V of the Constitution of the State of California, do hereby convene the Legislature of the State of California to meet and assemble in extraordinary session, at Sacramento, California, on Monday, the twenty-ninth day of January, one thousand nine hundred and forty, at ten o'clock a.m. of said day, for the following purposes and to legislate upon the following subjects, to wit:

1. To consider and act upon an act providing an appropriation for the 91st and 92d fiscal years to the Relief Administrator and Relief Commission for the relief of hardship and destitution due to and caused by unemployment to be expended by the Relief Administrator and Relief Commission in accordance with the provisions of the California Unemployment Relief Act of 1935 for the relief of persons qualifying thereunder.

2 To consider and act upon legislation and constitutional amendments providing revenues and means for the collection thereof for the State government, including but not limited to personal income taxes, bank and corporation franchise taxes, corporation income taxes, gift taxes, inheritance taxes, alcoholic beverage taxes and fees, horse racing license fees, a severance tax on oil and gas production, and excise taxes.

3. To consider and act upon legislation transferring all duties, powers, purposes, responsibilities, property, unexpended money and jurisdiction of the State Board of Equalization regarding or pertaining to the administration and enforcement of laws relating to the licensing, regulation and control of the manufacture, transportation, sale, purchase, possession and disposition of alcoholic beverages to a new State agency to be created, and to adopt a constitutional amendment ratifying such transfer.

4. To consider and act upon a constitutional amendment authorizing any county, city and county, or city, by ordinance to limit or prohibit the sale of alcoholic beverages within its corporate limits.

5 To consider and act upon legislation and a constitutional amendment providing for the cancellation, release or other modification of agreements, liens and other claims to or against the property of recipients of aid to the aged under the Old Age Security Law, and for the removal of authority to secure such agreements, liens and other claims

6. To consider and act upon legislation revising the age qualifications for aid granted under the Old Age Security Law.

7 To consider and act upon legislation to create a public agency of the State to be known as the California Housing Authority to undertake slum clearance and projects to provide dwelling accommodations for persons of low income, defining the powers and duties of the California Housing Authority and providing for the exercise of such powers, including acquiring property, borrowing money, issuing bonds and other obligations and giving security therefor; providing for a certification of the bonds by the Attorney General; conferring remedies on obligees of the California Housing Authority; exempting its properties and securities from taxation and assessment, and authorizing certain payments in lieu of such taxation and assessments

8. To consider and act upon legislation to amend the Housing Cooperation Law relating to the California State Housing Authority and authorizing aid by public bodies to housing projects undertaken pursuant to the California State Housing Authority Law.

9 To consider and act upon legislation to enlarge the powers of the Board of State Harbor Commissioners of San Francisco Harbor to permit it to supervise, regulate, and control the receiving, handling, custody, and delivery of merchandise on the wharves and piers of San Francisco Harbor and on the property within its jurisdiction, to license and require bonds of ships' agents, and to do all things necessary for the direct operation of San Francisco Harbor facilities by the State of California.

10. To consider and act upon legislation relating to the Golden Gate International Exposition, defining the powers and duties of the California Commission for the Golden Gate International Exposition, making an appropriation to the commission, and specifying the purposes thereof, including expenditures for advertising and promotion and expenditures designed to induce national political parties to hold their conventions in California while the exposition is in progress in 1940.

11. To consider and act upon legislation to amend the Alcoholic Beverage Control Act relating to the importation, exhibition, sale and disposition of alcoholic beverages, and the rights and duties of licensees under said act, at the Golden Gate International Exposition during the year 1940.

12. To consider and act upon an act relating to soil conservation through the control of run-off and the prevention and control of soil erosion, establishing a State soil conservation commission, providing for the organization and operation of soil conservation districts and validating and confirming proceedings for the formation and organization of such districts.

13. To consider and act upon an act to amend section 1300.17 of the Agricultural Code relating to funds collected for expenses of the Director of Agriculture and for advertising and sales promotion in connection with marketing orders for agricultural commodities.

14. To consider and act upon an act making an appropriation for the support of the State Department of Social Welfare and providing for a transfer of money from the social welfare fund.

15. To approve or reject city charters and city charter amendments submitted to, approved and ratified by the electors under section 6, 8 and 8½, or any of them, of Article XI of the Constitution including but not limited to those of the cities of Albany, Long Beach, Los Angeles, Huntington Beach, and Santa Monica.

16. To approve or reject county charters and county charter amendments submitted to, approved and ratified by the electors under section 7½ of Article XI of the Constitution.

17. To approve or reject amendments to the charter of the City and County of San Francisco ratified by the electors of that city and county at an election held on November 7, 1939.

18. To consider and act upon an act to provide for and fix the compensation of the State Fire Marshal.

19. To consider and act upon an act for the furnishing by the State Fire Marshal of fire protection and prevention service at the hospitals, institutions, and schools in the State Department of Institutions, and making an appropriation therefor.

20. To consider and act upon an act validating orders and proceedings of the Industrial Welfare Commission.

21. To consider and act upon an act to appropriate all money deposited in the State Park Maintenance and Acquisition Fund to the State Park Commission for the operation, maintenance, and extension of the State park system.

22. To consider and act upon legislation to regulate the taking, possession, and utilization of yellow-tail, barracuda, and white sea bass.

23. To consider and act upon legislation amending the Gift Tax Act of 1939 providing for the taxation of transfers of property and the administration of said act.

24. To consider and act upon legislation relating to the duties of assessors in connection with the examination of property statements and office records, and the assessment value of property.

25. To consider and act upon legislation relating to the powers of the Regents of the University of California with respect to the making of loans to their employees, the members of their faculty, and their students.

26. To consider and act upon an act relating to deficiency judgments upon mortgages and deeds of trust conferring powers of sale.

27. To consider and act upon an act to amend Chapter 876 of the Statutes of 1939 to redefine itinerant merchants and to limit the operation of the act to itinerant merchants handling farm products.

28. To consider and act upon legislation to amend Chapter 769 of the Statutes of 1933 relating to horse racing, including amendments relating to the California Horse Racing Board, administration of the act, license fees, licensee's commissions, and the allocation of revenues derived by the State under the act.

29. To consider and act upon an act relating to the powers and duties of the Colorado River Board and the Colorado River Commissioner.

30. To consider and act upon an act to authorize agreements between cities of the sixth class and the United States, this State, or agencies of either, in connection with the water system of such cities and the sale and distribution of water therefrom.

31. To consider and act upon an act validating the organization, boundaries, governing officers or boards, acts, proceedings, and bonds of public bodies.

32. To consider and act upon an act to make an appropriation to the emergency fund specified in Item 212 of the Budget Act of 1939 to provide salary adjustments or increases for State officers and employees during the 91st and 92d fiscal years.

33. To consider and act upon legislation to amend the Uniform Trust Receipts Law, relating to trust receipt transactions covering motor vehicles.

34. To consider and act upon legislation to permit mutual life and disability insurers doing business on the stipulated premium plan with provision for assessment to issue certificates of advancement to obtain advances of funds.

35. To consider and act upon legislation for the classification, administration, and control of tax deeded property, the creation of a Land Classification Commission, the redemption of property, and to make an appropriation therefor.

36. To consider and act upon legislation to amend "An act defining industrial loan companies, providing for their incorporation, powers and supervision," approved May 18, 1917, to restrict the rates of interest and other charges on loans made by industrial loan companies incorporated thereunder

37. To consider and act upon legislation authorizing any city of the first and one-half class to create a commission or department with authority, when so created, to acquire or construct and maintain buildings and adjuncts for the purpose of holding and conducting trade fairs, exhibitions, conventions, public assemblies, and for other cultural and recreational purposes, including the leasing thereof to any non-profit corporation for any such purposes, and with authority to provide funds for such acquisition, construction or maintenance through the issuance of bonds of such commission or department payable out of the revenues derived from the operation or leasing of such buildings and adjuncts; and to make an appropriation of moneys of the State in furtherance of the purposes of the act.

38. To consider and act upon legislation making an appropriation for the use of aviation units of the California National Guard.

39. To consider and act upon legislation to cancel vehicle license and registration fee penalties imposed in respect to the operation of vehicles operated by public agencies as lessees under lease, lease-sale or rental-purchase agreements

40. To consider and act upon legislation to exempt public agencies operating vehicles under lease, lease-sale, or rental-purchase agreements from the payment of vehicle license and registration fees.

41. To consider and act upon legislation to amend sections 66 and 67 of the Vehicle Code so as to include within the definition of "owner" of a vehicle a public agency entitled to the possession and use of a vehicle under a lease, lease-sale or rental-purchase agreement, and within the definition of "legal owner" the renter or lessor under such agreement.

42. To consider and act upon legislation to limit to 25 miles per hour the prima facie speed limit when passing a United States Veterans Administration Facility, or the grounds thereof

43. To consider and act upon legislation relating to motor vehicle engines or motors

44. To consider and act upon legislation relating to the renewal of registration of vehicles.

45. To consider and act upon legislation relating to the records of the Department of Motor Vehicles, authorizing the charging of fees for supplying information therefrom or permitting inspection thereof, and authorizing the sale of copies of all or portions of its records or registration of vehicles

46. To consider and act upon legislation to amend Chapter 362, Statutes of 1935, relating to the licensing and taxing of vehicles, to provide an additional appropriation for the use of the Department of Motor Vehicles and to prescribe procedure for the disposition of money collected under the provisions of said act.

47. To consider and act upon legislation to authorize members of the California Highway Patrol to take bail upon the service of warrants

48. To consider and act upon legislation relating to permits to non-resident owners of motor vehicles.

49. To consider and act upon legislation relating to license plates for exempt vehicles.

50. To consider and act upon legislation providing for the creation of a joint legislative interim committee to investigate and report to the Legislature regarding motor vehicles and legislation relating thereto, and to make an appropriation for such committee.

51. To consider and act upon legislation to provide generally for temporary loans or transfers of money from such special funds or other accounts in the State treasury as are subject to the provisions of Article XXVI of the Constitution, and providing for the use or disposition of money loaned, and for the repayment thereof.

52. To consider and act upon an act to require the payment of warrants of the State of California in legal tender.

53. To consider and act upon legislation authorizing the Orange County Flood Control District to purchase and retire the outstanding bonds by using funds received from the Federal Government and by using the proceeds realized from the sale of the district's bonds.

54. To consider and act upon legislation relating to relief from direct lien special assessments, authorizing counties and cities to assist in providing such relief, and prescribing the procedure therefor.

55. To consider and act upon legislation to permit the taking of deer in fish and game district 16 during the year 1940

56. To consider and act upon legislation relating to the exemption from the Retail Sales Tax Act of 1933 and the Use Tax Act of 1935 of live stock and poultry the products of which ordinarily constitute food for human consumption.

57. To consider and act upon legislation to amend Division X of the Health and Safety Code, relating to narcotics.

58. To consider and act upon legislation providing for the submission to the people of amendments proposed to the Constitution by this extraordinary session of the Legislature

59 To consider and act upon an act permitting corporations to furnish courses of instruction and issue certificates or diplomas evidencing completion thereof in, and in connection with the operation of, hospitals owned or operated by such corporations.

60 To consider and act upon legislation to enlarge the scope of Chapter 247 of the Statutes of 1913, relating to municipal works and utilities, including provisions to permit under said act the works and improvements and procedure authorized under the Improvement Act of 1911, Chapter 397 of the Statutes of 1911, to permit projects and improvements beyond the district's boundaries, to make the act applicable to counties, cities and counties, districts and other public corporations, and to change the provisions relating to the issuance of bonds, assessments, reassessments, and the collection of assessments.

61. To consider and act upon legislation to amend the State Lands Act of 1938, relating to the powers and duties of the State Lands Commission, including the scope of such powers and duties and the production and sale of oil and gas from State lands by the commission.

62 To consider and act upon legislation to make appropriations for legislative printing, binding, etc, and for printing constitutional amendments.

63. To consider and act upon legislation to authorize revenues received by the city of Long Beach from tidelands and submerged lands to be used for the acquisition, improvement and maintenance of public parks and public beaches.

64. To consider and act upon an act relative to the issuance by the Water Project Authority of the State of California of a portion of the revenue bonds authorized by the Central Valley Project Act of 1933, as amended, in an amount not exceeding fifty millions of dollars, to carry out such of the objects and purposes of said act as may be requested or approved by the Secretary of the Interior of the United States.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this twenty-sixth day of January, A. D. One Thousand Nine Hundred and Forty.

CULBERT L. OLSON,
Governor of California.

ATTEST:
CHARLES J HAGERTY,
Deputy Secretary of State.

Senate Resolution No. 1.

The following resolution was offered:
By Senator Slater:

Resolved, That the Senate do now organize and proceed to elect the officers and employees of the Senate for this extra session.

Resolution read, and on motion of Senator Slater adopted.

Senate Resolution No. 2.

The following resolution was offered:
By Senator Rich:

Resolved, That Senator Jerrold L Seawell be and he is hereby elected President Pro Tempore of the Senate, that Joseph A Beek be and he is hereby elected Secretary of the Senate, that Joseph F. Nolan be and he is hereby elected Sergeant-at-Arms of the Senate, that James Boyd Garrison be and he is hereby elected Minute Clerk of the Senate: that Rev. A. Raymond Grant be and he is hereby elected Chaplain of the Senate

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 2 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hollister, Holohan, Jespersen, Kenny, McBride,

McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Shelley, Slater, Swing, Tickle, and Wagy—31.

NOES—None.

Oath of Office Administered.

The newly elected officers of the Senate, Senator Jerrold L. Seawell, President Pro Tempore; Joseph A. Beek, Secretary; Joseph F. Nolan, Sergeant-at-Arms; James Boyd Garrison, Minute Clerk; and Rev. A. Raymond Grant, Chaplain, appeared at the bar of the Senate where the Constitutional oath of office was administered to them by the Honorable Rolfe L. Thompson, Justice, Third District Court of Appeal, and they subscribed to the same.

Senate Resolution No. 3.

The following resolution was offered:

By Senator Seawell:

Resolved, That the Standing Rules of the Senate at the fifty-third session as they appear in the official Handbook of the Legislature of that session be and the same are hereby adopted as the rules of the Senate for this extraordinary session, except that Rules 9, 16, 17, 22, 26, 28, 29, 32, 34, 41, 56, 57, and 58 be stricken out and that Rules 8, 27, 31, 54, and 78 shall read as follows:

8. The Committee on Committees shall constitute the standing Committee on Rules, and there shall be no other standing committees, except the following which shall be appointed by the Committee on Committees.

1—Finance and Revenue and Taxation, 9 members.

2—Social Problems, 9 members

3—Governmental Efficiency, 9 members.

The Committee on Rules shall perform the functions of the Committee on Engrossment, Enrollment and Printing.

27 No bill or resolution, except resolutions relating to routine business of the Senate, shall be introduced or considered by the Senate until it shall have been referred to and acted upon by the Committee on Rules. All requests for leave to introduce bills or resolutions except resolutions relating to the routine business of the Senate, shall be sent to the desk in writing under the order of "Introduction of Bills". The request shall give the title of the bill or resolution and shall be accompanied by the same. It shall thereupon be referred to the Committee on Rules, and if found to be within the proclamation of the Governor calling the extraordinary session it shall be so reported by the committee and shall be read the first time and placed on the second reading file unless otherwise directed by the Committee on Rules.

31. When an Assembly bill has been received by the Senate with a message announcing that it has passed the Assembly such bill shall be referred to the Committee on Rules and if found to be within the proclamation of the Governor calling the extra session it shall be so reported by the Committee and shall be read the first time and placed on the second reading file unless otherwise directed by the Committee on Rules.

54. Any motion to reconsider any vote taken by the Senate during this extraordinary session must be made and considered on the day on which such vote was taken and if not so made and considered it shall be deemed to be waived. Said motion for reconsideration shall have precedence over every other motion, except a motion to adjourn. It shall require twenty-one votes to carry any motion to reconsider the vote by which any bill, concurrent or joint resolution has been passed or defeated; fourteen votes to reconsider the vote by which any constitutional amendment has been passed; and twenty-seven votes to carry any motion to reconsider the vote by which any constitutional amendment has been defeated

78. Except as in these rules otherwise expressly permitted no standing rule or order of the Senate shall be rescinded or changed without a vote of a majority of the entire Senate, and one day's notice being given of the motion therefor; but a rule or order may be suspended temporarily by a vote of a majority of the members of the Senate, except that portion of Rule 14, relating to the order of enrolling bills. All proposed amendments to these rules shall upon presentation, be referred to the Committee on Rules without debate

Resolution read

The question being on the adoption of the resolution

The roll was called, and Senate Resolution No. 3 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hollister, Holohan, Jespersen, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—33.
NOES—None

Motion.

Senator Rich moved that the Committee on Committees for the fifty-third regular session be retained as the Committee on Committees for this extraordinary session.

Amendment to Motion.

Senator Kenny offered the following amendment: That the Committee on Committees be elected as before, by a caucus of both parties.

Amendment refused adoption.

The question being on the adoption of Senator Rich's motion.

The roll was called, and the motion adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hollister, Holohan, Jespersen, Mayo, McBride, McCormack, Metzger, Mixter Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—30.
NOES—Senators Kenny, and Shelley—2.

Senate Resolution No. 4.

The following resolution was offered:
By Senator Foley:

Resolved, That the President of the Senate appoint a Special Committee of three Senators to notify the Governor of the organization of the Senate and that the Senate is now ready to receive any communication he may have to make.

Resolution read, and on motion of Senator Foley adopted.

Appointment of Special Committee.

The President announced, in accordance with the above resolution, the appointment of Senators Foley, Kenny, and Swing.

Senate Resolution No. 5.

The following resolution was offered:
By Senator Parkman:

Resolved, That the President of the Senate appoint a Special Committee of three Senators to notify the Assembly of the organization of the Senate, and that the Senate is now duly organized and is ready to receive any communication it may have to make

Resolution read, and on motion of Senator Parkman adopted.

Appointment of Special Committee.

The President announced, in accordance with the above resolution, the appointment of Senators Parkman, Shelley, and McBride.

Senate Resolution No. 6.

The following resolution was offered:

By Senator Powers:

Resolved, That the Secretary of the Senate is hereby directed to notify the Assembly that the Senate elected the following statutory officers.

President Pro Tempore—Jerrold L. Seawell
Secretary of the Senate—Joseph A. Beek
Sergeant-at-Arms—Joseph F. Nolan
Minute Clerk—James Boyd Garrison
Chaplain—A. Raymond Grant

Resolution read, and on motion of Senator Powers adopted.

Senate Resolution No. 7.

The following resolution was offered:

By Senator Brown:

Resolved, That the State Controller be and he is hereby directed and ordered to draw his warrants upon the proper funds in favor of the following named Senators and officers of the Senate for the amount set opposite each of their names, and the State Treasurer is hereby directed and ordered to pay the same, being the mileage due them by law.

Senators	County	Mileage	Total at five cents per mile
Biggar, George M	Mendocino	468	$23 40
Breed, Arthur H, Jr	Alameda	178	8 90
Brown, Charles	Inyo	1,292	64 60
Collier, Randolph	Siskiyou	590	29 50
Crittenden, Bradford S	San Joaquin	98	4 90
Cunningham, R R	Kings	428	21 40
DeLap, T H	Contra Costa	160	8 00
Deuel, Charles H	Butte	228	11 40
Fletcher, Ed	San Diego	1,116	57 30
Foley, John D	Santa Clara	256	12 80
Garrison, I C	Stanislaus	164	8 20
Gordon, Frank L	Napa	110	5 50
Hays, Ray W	Fresno	338	16 90
Hollister, J James	Santa Barbara	854	42 70
Holohan, James B	Santa Cruz	396	19 80
Jespersen, Chris N	San Luis Obispo	666	33 30
Keating, Thomas F	Marin	210	10 50
Kenny, Robert W	Los Angeles	894	44 70
Mayo, Jesse M	Calaveras	170	8 50
McBride, James J	Ventura	980	49 00
McCormack, Thomas	Solano	124	6 20
Metzger, D Jack	Tehama	286	14 30
Mixter, Frank M	Tulare	432	21 60
Myhand, Peter P	Merced	222	11 10
Nielsen, Roy I	Sacramento	2	10
Parkman, Harry L	San Mateo	238	11 90
Phillips, John	Riverside	1,094	54 70
Powers, Harold J	Modoc	832	41 60
Quinn, Irwin T	Humboldt	624	31 20
Rich, Wm P	Yuba	104	5 20
Seawell, Jerrold L	Placer	108	5 40
Shelley, John F	San Francisco	180	9 00
Slater, Herbert W	Sonoma	180	9 00
Swing, Ralph E	San Bernardino	1,016	50 80
Tickle, Edward H	Monterey	474	23 70
Wagy, J I	Kern	556	27 80

Officers	County	Mileage	Total at ten cents per mile
Patterson, Ellis E, President	Los Angeles	894	$89 40
Beek, Joseph A, Secretary	Orange	990	99 00
Nolan, Joseph F, Sergeant-at-Arms	Los Angeles	894	89 40
Garrison, I B, Minute Clerk	Alameda	190	19 00

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No 7 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Garrison, Hollister, Holohan, Jespersen, McCormack, Metzger, Mixter, Myhand, Nielsen, Phillips, Powers, Quinn, Rich, Seawell, Slater, Tickle, and Wagy—25

NOES—None.

Senate Resolution No. 8.

The following resolution was offered:

By Senator Tickle:

Resolved, That the following named persons be and they are hereby appointed to the positions hereinafter set forth as provided by law, with the compensation set opposite their names, payable weekly, beginning January 29, 1940, and the Controller is hereby directed to draw his warrants in favor of the respective persons for the same respective amounts, and the Treasurer is hereby directed to pay the same:

	Six days per week
Maitland S Pennington, Assistant Secretary	$7 00
Robert Alderman, Engrossing and Enrolling Clerk	7 00
Harry Jordan, Bookkeeper to Sergeant-at-Arms	5 00
N L. Levering, Journal Clerk	7 00
John Lea, Assistant-at-desk	5 00
Vera Frank, Chief Stenographer	6 00
Flora Gilliam, Stenographer	5 00
Vera Fowler, Stenographer	5 00
Jeanne Vallee, Stenographer	5 00
Betty H Rourke, Stenographer	5 00

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 8 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hollister, Holohan, Jospersen, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—33

NOES—None.

Senate Resolution No. 9.

The following resolution was offered:

By Senator Wagy:

Resolved, That the Sergeant-at-Arms be and he is hereby authorized and directed to receipt to the Controller for warrants for members and officers of the Senate.

Resolution read, and on motion of Senator Wagy adopted.

Senate Resolution No. 10.

The following resolution was offered:

By Senator Slater:

Relative to the death of Frank C. Jordan, Secretary of State of California.

Since the Senate of the State of California met in regular session death has stepped in and called California's most beloved public official, the late Frank C. Jordan, for twenty-nine years Secretary of State of California and by reason of continuous service the dean of the Secretaries of the several States

Very genuinely happy were the associations maintained throughout the years between the members of the Senate and our devoted friend, who was at all times glad to render any assistance possible to promote the best service not only of his department, admirably conducted as it was, but involving every avenue of State

government. Consequently the members of the Senate and the people of his beloved State, deeply mourn his passing.

A prince in the realm of friendship, a man who counted his friends by the thousands, a life freighted with happiness and its bestowal of like fellowship universally, a devoted public servant and whose office was always open to the humblest person who sought entrance there; these are but a few inspirations which are indelibly written upon the pages of Memory, bright inscriptions which neither time nor death can efface

So that the Journal of the happenings of this body may contain a lasting note of affection, which will indicate to future periods in California history a token calling attention to the great and good man in public service; be it

Resolved by the Senate of the State of California, That when we adjourn this day we do so out of respect to the memory of the late Secretary of State Frank C. Jordan and thereby manifest a last note of appreciation of a splendid official and friend and; be it further

Resolved, That the Secretary of the Senate cause this resolution to be entered upon our minutes and an illuminated copy thereof be forwarded to the family of our beloved friend.

Resolution read, and on motion of Senator Slater unanimously adopted by a rising vote of the Senate.

Motion.

Senator Seawell moved that Senators Tickle (Chairman), Deuel, Swing, and Powers constitute the Committee on Attaches for the fifty-third extraordinary session.

The question being on the adoption of the motion.

The roll was called, and the motion adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hollister, Holohan, Jespersen, Kenny, Mayo, McBride, McCormack, Metzger, Mixture, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—33.

NOES—None.

Requests for Permission to Introduce Bills.

The following request for permission to introduce a bill was presented:

By Senators Swing and Crittenden:

SENATE CHAMBER, SACRAMENTO, January 29, 1940.

MR. PRESIDENT: In accordance with the provisions of the Standing Rules of the Senate, we request permission to introduce a bill, the title of which is set forth below:

An act to repeal section 2226 and to amend sections 2007, 2227 and 2229 of the Welfare and Institutions Code, relating to aid to the aged and providing for the cancellation and release of certain agreements heretofore required of recipients of aid to the aged, and declaring the urgency thereof, to take effect immediately.

Respectfully submitted.

SENATORS SWING.
CRITTENDEN.

Request referred to Committee on Rules.

The following request for permission to offer a Senate constitutional amendment was presented:

By Senator Swing:

SENATE CHAMBER, SACRAMENTO, January 29, 1940

MR PRESIDENT: In accordance with the provisions of the Standing Rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

A resolution to propose to the people of the State of California to add section 23 to Article XX of the Constitution of said State, relating to alcoholic beverages, and creating an Alcoholic Beverage Commission.

Respectfully submitted.

SENATOR SWING.

Request referred to Committee on Rules

Reports of Special Committees.

The following reports of special committees were received:

Senators Kenny, Foley and Swing, the special committee appointed to wait upon the Governor and inform him of the organization of the Senate, reported they had performed their duty and that the Governor wished the Senate to meet with the Assembly at twelve-thirty p.m. to hear his address.

Also:

Senators Parkman, Shelley and McBride, the special committee appointed to notify the Assembly of the organization of the Senate, reported that they had performed their duty.

Message from the Assembly.

At eleven o'clock and fifteen minutes a.m., a committee from the Assembly, consisting of Messrs. Desmond, Lyon and Maloney, appeared at the bar of the Senate and announced that the Assembly was duly organized and ready to proceed with the business of the State.

Recess.

At eleven o'clock and twenty minutes a.m., on motion of Senator Seawell, the President of the Senate declared recess until twelve o'clock and fifteen minutes p m.

Reconvened.

At twelve o'clock and fifteen minutes p m., the Senate reconvened.

Lieutenant Governor Ellis E. Patterson, President of the Senate, in the chair.

Secretary Joseph A. Beek at the desk.

Message from the Assembly.

The following message from the Assembly was received and read:

ASSEMBLY CHAMBER, SACRAMENTO, January 29, 1940.

MR PRESIDENT: I am directed to inform your honorable body that the Assembly on this day elected as officers of the Assembly:

Hon. Gordon H. Garland	*Speaker*
Hon. Gardiner Johnson	*Speaker Pro Tempore*
Jack Carl Greenburg	*Chief Clerk*
David V. Oliver	*Minute Clerk*
Wilkie Ogg	*Sergeant-at-Arms*
Rev. Raymond Lull Bailey	*Chaplain*

JACK CARL GREENBURG, Chief Clerk of Assembly.

Recess.

At twelve o'clock and twenty minutes p m., on motion of Senator Seawell, the President of the Senate declared recess for the purpose of meeting with the Assembly in joint convention.

IN JOINT CONVENTION.

ASSEMBLY CHAMBER, SACRAMENTO, Monday, January 29, 1940.

At twelve o'clock and thirty minutes p.m., the Senate and Assembly met in Joint Convention for the purpose of receiving the message of Governor Culbert L. Olson.

Hon. Gordon H. Garland, Speaker of the Assembly, directed that Lieutenant Governor Ellis E. Patterson, President of the Senate, be escorted to the platform.

Senate Roll Call.

The President of the Senate directed the Secretary of the Senate to call the roll of Senators.

The following members of the Senate answered to their names:

Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hollister, Holohan, Jespersen, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—33.

The President of the Senate declared a quorum of the Senate present.

Assembly Roll Call.

Hon. Gordon H. Garland, Speaker of the Assembly, directed the Chief Clerk of the Assembly to call the roll of Assemblymen.

The following members of the Assembly answered to their names:

Allen, Andreas, Atkinson, Bashore, Bennett, Burns, Michael J., Burson, Call, Carlson, Cassidy, Clarke, Collins, Colwin, Cronin, Crowley, Daley, Del Mutolo, Desmond, Dills, Dilworth, Donnelly, Doyle, Evans, Field, Fulcher, Gallagher, Gannon, Gilbert, Gilmore, Green, Hawkins, Heisinger, Houser, Johnson, Kellems, Kepple, Kilpatrick, King, Knight, Kuchel, Leonard, Lore, Lyon, Maloney, Massion, Meehan, Miller, Eleanor; Miller, George P., Millington, O'Day, O'Donnell, Peek, Pelletier, Phillips, Poulson, Reaves, Richie, Robertson, Rosenthal, Salsman, Sawallisch, Scudder, Sheridan, Stream, Tenney, Thorp, Thurman, Turner, Voigt, Walker, Waters, Watson, Weber, Weybret, Williamson, Wollenberg, Yorty, and Mr. Speaker—78.

The Speaker of the Assembly declared a quorum of the Assembly present.

Joint Convention Resolution.

By Mr Lyon:

Resolved by the Assembly of the State of California, That a Special Committee of Five be appointed by the Speaker to act with a like committee from the Senate, to wait upon His Excellency the Governor, and inform him that the two houses of the Legislature are in session and in readiness to receive any communication which he may have to make

Resolution read and adopted.

Appointment of Special Committee.

In accordance with the above resolution, the Speaker appointed Messrs. Lyon, Peek, Rosenthal, Allen and Mrs Daley as such special committee.

Joint Convention Resolution.

By Senator Rich:

Resolved by the Senate of the State of California, That a Special Committee of Five be appointed by the President to act with a like committee from the Assem-

bly, to wait upon His Excellency the Governor and inform him that the two houses of the Legislature are in session and in readiness to receive any communication which he may have to make

Resolution read and adopted.

Appointment of Special Committee.

In accordance with the above resolution, the President of the Senate announced the appointment of Senators Seawell, Foley, Shelley, Rich and Quinn.

Committee of Escort.

The Joint Committee of Escort, consisting of Senators Seawell, Foley, Shelley, Rich and Quinn, and Assemblymen Lyon, Peek, Rosenthal, Allen and Mrs. Daley, appointed to wait upon His Excellency Governor Culbert L. Olson to inform him that the Joint Convention was now in session, and to escort him to the convention, appeared at the bar of the House and announced the presence of His Excellency, Culbert L. Olson, Governor of the State of California.

Presentation of Governor Culbert L. Olson.

Hon. Gordon H. Garland, Speaker of the Assembly, presented Governor Culbert L. Olson to the Joint Convention. The Governor delivered the following message:

Governor's Message to Legislators.

Members of the Senate and Assembly
of the California Legislature:

Your special session, called to convene on this date, is held in accordance with your own plans at the conclusion of the regular session last year in recognition of the fact that the funds you appropriated for unemployment relief would be exhausted at about this time and of the State's inescapable need for new revenue, which you failed to provide at the regular session.

Unemployment Relief.

In considering and determining the amount of your appropriation to the Relief Administration and the Relief Commission for continuation of unemployment relief during the remainder of the present biennium, it is my duty to present to you the following information and carefully considered estimates:

During the 90th fiscal year, ended June 30, 1939, there was expended for unemployment relief the sum of $42,577,872 71. The corresponding figure for the first six months of the current fiscal year was $27,152,279 75. The unexpended balance of the $35,000,000 appropriated for relief at your regular session last year, as of December 31, 1939, was $7,847,720 25. Although this balance is sufficient to carry a portion of the present case-load for the next twenty days, because of the time required for administrative operations, audits and check writing by the State Controller, no new intake or further relief payments can be made after February 5. If your appropriation of funds for the remainder of the biennium can not be made before that date, it will be necessary for me to ask for an emergency appropriation.

Based upon carefully prepared estimates of need, an appropriation of $95,500,000 for relief is necessary to carry on for the balance of the biennium. This estimate is predicated upon the continuance of the same basic rules of eligibility as to destitution and residence and the same minimum budgetary standards that have been in effect since the inauguration of the program pursuant to the Unemployment Relief Act of 1935. It is also predicated upon a continuance of the present scope of Federal W P A. employment and all other factors involved.

While the total sum to cover existing needs for which this appropriation is urged appears large, it should be understood that approximately 350,000 persons within the State draw their entire subsistence therefrom. This large proportion of our population faces starvation unless these funds are provided.

Only 4 per cent of the entire amount of the appropriation required is proposed for expenditure upon our works program designed as an attack on the whole dole system by way of gradually making the unemployed self-supporting.

Economies in administering the program have been instituted. Others are in the process of development, such as a continuous independent audit of the relief rolls by the Department of Finance, which I am recommending, and the efficient functioning of the S.R.A. Personnel Standards Board, which I have recently appointed.

From time to time restrictions have been urged with a view to decreasing the total cost of unemployment relief. Included among these have been the fixing of a ceiling of $65.00 for monthly family budgets, the establishment of a three year State residence requirement for relief, and the establishment of still more rigid rules for eligibility than have heretofore been adopted. Should the Legislature adopt all these restrictions, I am advised that a saving of as much as $30,000,000 *may* be effected. If this should be your action, the appropriation necessary for the remainder of the biennium will be $66,000,000.

However, I submit that no such reduction is possible without causing untold misery and hardship.

These estimates are shocking to me, as they no doubt are to you. In my budget message last January the total amount estimated for unemployment relief during the current biennium was $73,660,000. That estimate did not contemplate the drastic W.P.A. curtailment which followed, throwing back onto S.R.A. 30,000 case-loads. The W.P.A. case-load was thereby decreased from 67 per cent to 46 per cent of the total unemployment relief load of the State, while the S.R.A. case-load further augmented by all normal increases due to population rise and from other employment, has increased from 33 per cent to 54 per cent of the total aid. On December 14, 1938, its case-load was 59,000; on December 13, 1939, it was 100,000.

We would all condemn any laxity in accepting relief cases, any relief generosities inspired by political consideration; any waste or inefficiency in the administration of relief. But, obviously, if sporadic instances of such things are found by our intensive drives to prevent them, the total of increased or unnecessary costs attributable to such instances would be negligible and infinitesimal. They can not truthfully be considered a factor in accounting for the tremendous increase in the S.R.A. case-load and in the cost of unemployment relief.

As to costs of the administration of relief, I have insisted that continuous effort be made to reduce the same to not more than 15 per cent, which is considerably below the cost thereof during the previous administration. Progress has been and is being made in lowering the administrative costs to that level or below it. I do not believe the cost of administration need be higher. As an aid in keeping the cost within that limit, I recommend that provision be made in your appropriation that the costs of administration shall not exceed 15 per cent.

In considering the extent to which the relief load may be decreased by a pick-up in business activities and employment opportunities, we should bear in mind the highly important fact that the number of unemployed who receive relief is the smaller part of the total number of employable unemployed men and women in the State who are seeking jobs. Available statistics show that on November 30, 1939, approximately 176,000 cases, representing 228,000 workers in California, were receiving unemployment relief from all unemployment relief agencies—the S.R.A., the W.P.A., and the Farm Security Administration. At the same time there were in the State between 550,000 and 600,000 unemployed workers, approximately 350,000 of whom were receiving no relief at all.

It is these unemployed workers, not on relief, who are the first to return to private employments during any upswing in industrial activities. Their resources are generally greater, which is one important reason they are not on relief; their employment records are more recent, their health is better, and in a general way they are more employable than those on relief and thus have the advantage in competition for a limited number of jobs.

The State's Need for Additional Revenue.

The State's need for additional revenue is, of course, well known to you, as it is to all persons familiar with the fiscal condition of the State. We face serious financial problems in meeting the fixed charges of the Constitution, the requirements of the laws passed by the Legislature, the operating expenditures which you have budgeted, and your appropriations for unemployment relief.

On June 30, 1939, the General Fund deficit was $38,711,723. Since adjournment of your regular session last June without providing additional revenue, that deficit has been and is still increasing at the rate of $2,400,000 per month.

An appropriation for relief of $66,000,000, the minimum and inadequate figure already mentioned, when added to budgeted appropriations and fixed charges now in force, will bring authorized General Fund expenditures for the 1939-1941 biennium to a total of $397,797,173. Existing revenue laws, on the other hand, are estimated to yield only $351,486,923 to the General Fund during the same two year period. This leaves a current budget deficiency, or shortage of revenues, with which to meet required expenditures for this present biennium amounting to $46,310,250. This sum, added to the carry-over deficit of $38,711,723, inherited from

previous administrations, means unless you provide new revenue at this session, that on June 30, 1941, the State would be confronted with an accumulated deficit in excess of $85,000,000. This would be by far the largest deficit in the history of the State and would seriously threaten its credit

Thus far the deficit has been financed through the sale of General Fund warrants to banks and other financial institutions. Nearly $92,000,000 of these warrants are now outstanding It is expected that the total will mount as high as $108,000,000 by the end of the biennium, unless you enact new revenue measures at this session I am competently advised that we are rapidly approaching a saturation point beyond which it will be difficult, if not impossible, to find a market for the State's warrants If our warrants can not be sold under the present system, the State will be forced to return to the procedure of issuing registered warrants to each of its State employees, and to merchants, contractors, and other individual creditors, who would find difficulty in converting them into cash, except at heavy discounts Such a situation in the State's financial affairs would be chaotic

Moreover, the interest charges alone on this mounting registered warrant debt constitutes a heavy burden on the taxpayer. Such charges will amount to $3,800,000 during the present biennium, equivalent to the entire receipts from the State's tax on beer and wines

Ordinary prudence and common business sense in the management of the State's fiscal affairs imperatively demands that measures be adopted now which will at least balance the budget for the current biennium and prevent any further increase in the accumulated deficit. Common sense should indicate the wisdom and economy of immediately adopting a relatively moderate additional revenue program rather than facing the necessity of making the radical increases which would be necessary eighteen months hence, if you continue this mounting deficit.

Estimates by the Department of Finance of receipts to be derived under existing law have been carefully prepared Every effort has been made to foresee probable trends of economic conditions and to make allowance for continued improvement in California business. It is anticipated that tax receipts under existing laws will be the largest in the history of the State. These anticipations agree almost exactly with forecasts made independently by the State agencies administering the respective taxes, and are considerably in excess of estimated General Fund revenue receipts as projected by the State Controller. It is possible, of course, that a marked and prolonged increase in business and prices above the levels of 1937 would result in greater revenue than is now estimated There is no positive assurance at the present time, however, that the business pickup will attain any such proportions, unless induced by demands arising out of intensified war activities abroad In the latter event the State should prepare for the inevitable dislocations which would accompany the cessation of such a war. We should husband any additional receipts occurring by reason of war-time prosperity, to wipe out all past deficits and to cushion the certain shrinkage in the State revenues that would result from an ensuing depression Those who claim the State's budget will be balanced through increased prosperity must prove their case. They must be prepared to take the responsibility for any policies adopted as a result of accepting their views Responsibility for failing to balance our budget can not be escaped by accepting assertions made in behalf of those who would avoid their just share of the tax burden. It is unstatesmanlike and unbusinesslike to gamble with the financial soundness of the State.

I, therefore, emphasize that you are called in this special session to enact such revenue measures as will produce, in the remaining seventeen months of the current biennium, receipts sufficient to balance the 1939-1941 budget, and to reduce the carry-over deficit by approximately $4,000,000. On the basis of the minimum mentioned as your possible appropriation for unemployment relief, additional revenue amounting to $50,000,000 in the present biennium would be required to accomplish that objective. If you make provision for any further appropriations at this session, as for instance further old age security assistance, the amount of additional revenue required therefor must be added to these figures

Before suggesting or recommending to you definite sources of new revenue and specific measures to obtain it, I wish to restate my concept of the fundamental principle which should control taxation. Taxes should have a direct relationship to ability to pay. Governments should, so far as possible, avoid those levies which fall with particular severity upon low income groups, and should utilize taxes which increase in accordance with the income of the taxpayer. In keeping with this principle, it is obvious that the State of California should not increase its present retail sales tax nor enact a general gross receipts tax. It should not levy a property tax for State revenue. Each of these possible means of raising additional revenue would throw the State tax system further out of balance on the side of regressive taxation It would operate to further curtail consumption, and increase unemployment.

Sound, equitable and progressive principles of taxation require that additional revenue, needed to continue the essential services of government and maintain the State's credit, be obtained through adjustments in: net income taxes; a severance tax on the depletion of our rich and irreplaceable natural resources; levies upon

luxuries and non essential items of consumption. Such measures, together with legislation to close loopholes in our existing tax laws, and increases in horse-racing license fees, will provide ample revenue to meet the State's current fiscal emergency. Therefore, I suggest to you the following revenue sources and recommend the enactment of tax measures which will yield therefrom the funds necessary to balance the current State budget.

In order to expedite your consideration of such measures I have had bills prepared for introduction, specifically responding to the suggestions outlined in the following paragraphs.

Personal Income Tax.

Adjustments in Rates.

A comparative analysis of State personal income taxes in the United States shows that the tax imposed in California upon annual incomes of $50,000 or less is well below the average tax in other States. Today the California taxpayer with $5,000 of taxable net income pays a State income tax of only $50. This is extremely low when compared with the $245 required in Oregon, $210 in New York, or $139 in Minnesota and Iowa. An adjustment can be made in the present rate schedule sufficient to produce from $5,000,000 to $10,000,000 a year in additional State revenue without placing an undue hardship upon the citizens and residents of California.

Personal Deduction.

The present income tax law allows the taxpayer a flat exemption of $1,000 if a single person, or $2,500 if married or the head of a family, and a credit of $400 for each dependent. Personal exemptions and credits for dependents are, of course, entirely equitable features of any income tax. However, under our existing law they operate as a deduction from net income in computing the amount subject to taxation, with the result that the smallest taxpayer is granted a reduction in tax liability equivalent to $10 if he is single, or $25 if married, and the equivalent of $4 for each dependent. The largest taxpayer, on the other hand, is granted a reduction in tax liability of $150 if single, $375 if married or head of a family, and a credit equivalent of $60 for each dependent. California might well follow the lead of five other income tax states by providing a credit against tax in the amount of $10 for each single person, $25 for each married person or head of a family, and $4 for each dependent. If this change were made, all taxpayers would be treated impartially, and the State would receive from $2,000,000 to $7,000,000 additional tax revenue per year, depending upon the rate schedule adopted.

Loophole-Closing Amendments.

Under the present law many taxpayers are allowed to take large deductions on account of interest and taxes with respect to the purchase and ownership of expensive pleasure yachts and cars, valuable jewelry, and expensive residences and estates, thereby greatly reducing the amount of income taxes they pay. Such expenditures are personal or living expenses and should be disallowed as are other personal or living expenses in the computation of income taxes. In order positively to assure that the equitable feature of this change in the law would not operate to impose additional burdens upon the ownership of homes by persons of moderate means, any taxpayer should be allowed a deduction from gross income in the amount paid out for interest and taxes, but not to exceed $500 for any taxable year. It is estimated that this revision in the law would produce approximately $700,000 additional revenue per year under the present rate schedule, and substantially in excess of this amount if the tax rates were increased.

Treatment of capital gains and losses is a perplexing problem in determining an equitable method of taxing incomes. Approximately $900,000 in additional taxes could be obtained by amending the present law to provide that gains from the sale of capital assets shall be accorded the same treatment as other gains, that capital losses may be deducted from capital gains, and that the excess of losses over gains in a particular year may be deducted from gains in a subsequent year. While immediate additional revenue would result from such a change as that outlined, it should be observed that a decrease in revenue below that obtaining under the existing law would result during periods of great financial crisis and deep depression. At such a time losses would offset gains, with the result that the State would receive little revenue from investment operations of its income taxpayers.

Two further amendments to the personal income tax law should be considered, although in each instance the amount of additional revenue realized would be extremely small as compared with that which would result from the changes above outlined. Income from trusts established by parents for the support of their minor children should be taxed to the parent; and deductions for gifts and donations should be limited to gifts and donations actually made during the taxable year, and, where consisting of property, the deduction should be limited to the cost of such property to the taxpayer. The former amendment will close one of the loopholes most frequently utilized by wealthy taxpayers; the latter involves only a strengthening and simplification of the present law with respect to gifts and

donations Sufficient information is not available from which an accurate estimate could be given of the additional revenue that might be thus realized; but its amount would be comparatively small.

It should be pointed out that any upward adjustment in the present rate schedule would result in corresponding increases in the income to be derived from these loophole-closing amendments.

Bank and Corporation Franchise Tax.

Tax Rates.

Banks and corporations operating in California pay a franchise tax in accordance with the amount of net income earned on their operations. In keeping with the principle of taxation according to ability to pay and in view of the present financial needs of the State, the Legislature should re-appraise the present rates imposed under this tax law. An increase from 4 per cent to 5 per cent in the rate on general corporations and from a maximum of 8 per cent to a maximum of 9 per cent in the bank tax rate would produce approximately $5,000,000 in additional revenue annually.

Minimum Tax.

Under the Bank and Corporation Franchise Tax Act, corporations, regardless of their size and the extent of their operations, are required to pay a minimum tax of only $25 per year With such a provision in effect, if no net income is realized, a corporation having an investment of many millions of dollars in this State pays the same for its operating franchise as a small firm with an investment of only a few thousand dollars. The privilege of doing business as a corporation is of immense value to the company with large holdings, regardless of the temporary condition of its current income It is recommended, therefore, that the minimum tax provision of the franchise tax act be amended to require a minimum tax of $25 per year or an amount equal to one-twentieth of 1 per cent of the corporation's assets situated in California, whichever is the larger, but such minimum tax in no event to exceed $10,000. This change in the existing law would result in additional taxes amounting to $2,200,000 per year.

Loophole-Closing Amendments

Three loophole-closing amendments should be considered with a view to strengthening the present Bank and Corporation Franchise Tax Act These, in brief, are as follows:

1. Provide that inter-corporate dividends should be treated in the same manner as other income in computing the franchise tax, except where the subsidiary corporation is at least 95 per cent owned by the taxpayer corporation Present provisions of the law with respect to the taxation of dividends received by corporations present one of the most vexing problems of administration of this tax An amendment such as that outlined not only would produce approximately $400,000 additional yearly revenue at the present tax rate and $500,000 with a 1 per cent increase in rate, but also would materially reduce the cost of administering this tax.
2. Disallow the deduction for interest on notes or other evidence of indebtedness if the obligation to pay interest upon such indebtedness is conditioned upon or measured by the amount of earnings or profits of the taxpayer corporation, or if the evidence of indebtedness has no fixed date of maturity.
3. Strengthen the existing law to prevent avoidance of tax by contractual arrangements between affiliated corporations
4. Amend the franchise tax act with respect to gifts and donations as outlined above for the personal income tax.

No accurate estimates of additional revenue that may be realized from the last three amendments itemized are available

Alcoholic Beverage Taxes and License Fees.

In comparison with similar taxes in other States the present State excise taxes on distilled spirits, beer and wine are very low. An increase in the tax on distilled spirits from the present rate of 80 cents per gallon to the national average of approximately $1.00 per gallon would produce an additional $2,000,000 per year, while an increase in the tax on beer from 3 cents to 5 cents per gallon (the national average) would result in $2,400,000 more revenue than is now received from that source

With respect to the tax on wine, the present California rate is below that of any other State. An increase to the lowest rates in effect elsewhere, namely 5 cents per gallon on dry wine and 10 cents on sweet wine, would produce annually $1,300,000 more in sorely needed State revenue. Certain of the present liquor license fees can be adjusted with equity It should be possible to obtain at least $1,400,000 per year for the State General Fund through adjustments in the charges for these licenses

In connection with the increases recommended here, it should be noted that these excise taxes and fees are levied upon non-essential items of consumption from which the taxpayer may well abstain, at least to the extent that he believes his indulgence is overtaxing himself.

Inheritance and Gift Taxes.

An amendment of the inheritance tax law involving a moderate increase in the rates on all inheritances except those under $25,000 received by direct heirs was proposed at the regular session last year. This recommendation merits reconsideration, and if adopted, it would produce additional revenue to the extent of $2,000,000 per year.

The gift tax enacted in 1939 should also be amended to provide rates paralleling those now recommended under the inheritance tax. If this is done, at least $175,000 more can be anticipated from this source

Severance Tax.

Petroleum, natural gas, and natural gasoline are our richest natural underground resources. They are fugitive substances subject to capture and drainage from the reservoirs and structures containing them wherever they extend. They are irreplaceable and will be exhausted in a comparatively few years, probably during this generation. The consumer now pays heavy sales taxes on gasoline and other petroleum products, but the producer and royalty owner pay no tax to the State in their exploitation and depletion of these natural resources. The principal argument of representatives of large oil producing interests, even before legislative committees, in opposition to a severance tax on oil, natural gas and natural gasoline, has been that it can not be passed on to the consumer All recognized authorities on taxation approve severance taxes on mineral resources, such as oil, natural gas and natural gasoline as a sound and equitable tax base Nineteen States now have severance taxes on one or more of their natural resources, and in many of these States this is the source of a substantial amount of revenue With one exception, all other major oil-producing States have a severance tax on petroleum production. California is the second largest oil- and gas-producing State. A 2 per cent tax upon petroleum, natural gas and natural gasoline as produced, would yield revenue amounting to approximately $6,000,000 per year, while a 3 per cent tax would amount to $9,000,000.

Tobacco Tax.

In selecting sources of additional State revenue, consideration should be given to the enactment of a cigarette and tobacco tax in California At the present time, twenty-five of the forty-eight States have imposed levies either upon cigarettes alone or upon all tobacco products. It is estimated that a tax of 2 cents per package on cigarettes, 1 cent per ounce on smoking tobacco, 1 cent on each cigar retailing for over 5 cents, and varying rates on other tobacco products, would return $8,250,000 in State revenue per year. Of this amount, approximately $5,800,000 would come from the 2 cent tax on cigarettes and the remainder, $2,450,000 from the tax on other products.

Motor Vehicle Transportation License Tax.

The present 3 per cent gross receipts tax upon motor carriers applies only to operations upon State highways and does not extend to operations conducted within city limits This appears to be an entirely arbitrary limitation, and this tax might well apply to all commercial operations in the State. In addition to the $1,200,000 of annual State revenue which would be obtained by extending this tax to city carriers, the administration of the existing law would be greatly simplified with respect to the determination of tax upon operations partly within and partly without city limits.

Insurance Gross Premiums Tax.

In view of the fact that the existing tax was established in 1921 and revisions in taxes upon other types of business have been made since that time, the insurance tax should be analyzed with a view toward obtaining an increase in the yield. This could be done by raising the existing 2.6 per cent tax rate or by eliminating certain deductions allowed under the existing law. An increase in the present rate to 3 per cent could yield approximately $1,300,000 annual revenue At present, insurance companies offset taxes paid upon real property located in California against the gross premiums tax imposed by the State. The original intent of this provision was to encourage and assist California insurance companies. In actual practice, however, the larger part of the benefit accrues to out-of-State companies having extensive real estate holdings here Furthermore, this benefit accrues to relatively few companies. In view of this fact, it would seem logical to amend the State Constitution to eliminate the so-called real estate offset. Although no additional revenue would be received during the current biennium, if this constitutional amendment were approved by the voters, approximately $1,500,000 more General Fund revenue would be received annually in subsequent periods. It has been held that dividends paid to policy-holders may be deducted in computing taxable gross

premiums. An amendment to the law disallowing this deduction would result in a $250,000 increase in the annual tax.

Horse Racing License Fees.

At the present time the license fee for conducting horse race meetings is 4 per cent of the money handled in the pari-mutuel betting pools operated in connection with such meetings. The revenue from this source is expended principally for the support of agricultural fairs throughout the State, and for the maintenance of agricultural schools. At your regular session last year, it was recommended that the State obtain a part of its needed General Fund revenue by imposing a graduated fee ranging from the present 4 per cent to 8 per cent, depending upon the volume of money handled at any particular race track. It is estimated that a graduated fee of this type requiring 8 per cent of all amounts in excess of $10,000,000 would return approximately $1,500,000 in revenue for the General Fund each year, and if the State takes all or any part of the "breakage," this return would be further increased very substantially.

$50,000,000 in New Revenue.

From the sources here outlined, a tax program to yield the $50,000,000 necessary to balance the State budget during the current biennium can be obtained without violating the principle of taxation according to ability to pay and without having an unduly burdensome effect upon business or upon taxpayers generally

Golden Gate Exposition Appropriation.

In order to assist the exposition on Treasure Island, in San Francisco Bay, to continue in 1940, I recommend that an appropriation be made to the California Commission for the Golden Gate International Exposition The only way, perhaps, that any of the $5,000,000 appropriated and already expended by the State in the building and conduct of this fair will be realized, is in increased revenues from sales, gas, and other taxes which are augmented by the expenditures of fair visitors. There remains unexpended the sum of $550,000 of the $5,000,000 originally appropriated for this exposition The commission has presented a budget which calls for an appropriation of $591,756 in addition to this balance on hand of $550,000.

I am convinced that $430,000 in addition to the balance on hand is sufficient, and recommend such appropriation, and also an additional $85,000, which the commission may expend for maintenance and operation of county exhibits which the county budgets have not included this year. These recommendations are made with the proviso that sufficient revenue be raised to meet such appropriations.

The San Francisco Convention and Tourist Bureau and other interested civic and business groups have requested me to allow the consideration of an additional appropriation to the commission to be expended for the purpose of bringing political conventions to the State during the fair. I am informed that an appropriation of $150,000 for this purpose might result in the success of their efforts to bring such conventions to San Francisco. I am assured that this would undoubtedly bring large numbers of people to the fair, contribute to business activities and aid the fair's success in 1940 Such an appropriation, if made, should be ear-marked so that it will be returned to the General Fund in the event a convention of either of the two major political parties is not held in California in 1940

Old Age Pensions.

Another subject submitted for your consideration is that of amending our old age security law so as to cancel and remove authority to secure liens or other claims against the small property holdings of recipients of old age assistance

The present provision authorizing boards of supervisors, in administering this aid, to require agreements imposing such liens when exercised is, I am advised, of little net value to the State, county or Federal government, considering costs of its enforcement Besides it places an unnecessary hardship upon many elderly persons deserving and eligible for old age assistance

I am advised that not more than 20 per cent of the eligible applicants for old age assistance have any interest—present or prospective—in any real property. Such interest, when found to exist, usually consists of doubtful equities held by those who have lived thrifty lives only to see their savings lost as a result of economic depression. Such persons cling tenaciously to the hope that changed conditions may take them out of the class of eligibles for old age assistance

I, therefore, recommend appropriate amendments to our old age assistance laws, so as to eliminate the lien on property agreement provisions found in sections 2226 and 2229 of the Welfare and Institutions Code

Liberalization of Old Age Assistance.

There is submitted to you also the question of reducing the age qualifications for the aid granted under our old age security law. The granting of such aid is now generally accepted as both a social responsibility and sound public policy.

Old age assistance in California was first authorized by an act passed in 1929 It has been amended and liberalized by amendments adopted in the legislative sessions of 1931, 1935, 1936, and in your session of 1937

Along with its phenomenal growth in population in capital investments and industrial development, California, because of its marvelous climate and other natural advantages, has attracted elderly citizens of other states who come here to retire upon the savings of their productive years. In the decade prior to the depression of the past ten years, chambers of commerce and representatives of commercial and promotional activities, through systematic advertising urged such people to make their homes here and enjoy California's climate and agreeable environment. As a result, there was an influx of elderly persons with resources adequate for their maintenance the rest of their lives. During the depression of the past ten years many of these elderly people lost their resources, incomes and their investments made in California.

This fact, added to the displacement from private employment of people of advanced age, and the hardships, want and suffering generally resulting from unemployment, has caused this State to take the lead in expressing sentiment in favor of old age pensions and the liberalization of existing old age assistance acts.

The fact that this sentiment has at times been seized upon by self-seeking demagogues or racketeers primarily interested in propagandizing for and securing contributions of huge funds in the promotion of unworkable schemes offering promises for payment of pensions to the aged which could not possibly be fulfilled, should not prejudice the principles of social justice These call for liberalization of the Old Age Security Act to the maximum of the public's financial ability to pay The tremendous support thus aroused and the sincerity of that support should rather be considered as a manifestation of conditions of hardship and destitution in which our elderly people find themselves and as their attempt to articulate their demands for relief.

The platform on which I was elected declares: "For purposes of uniformity, old age pensions, in their entirety, should be financed and administered by the Federal government Until that is accomplished, we shall favor State provision for the aged to the extent that public finances will permit."

Up to now Congress has failed to provide for Federal financing and administration of old age pensions, still leaving it to the several states to determine whether they shall match or exceed the amounts presently given by the Federal government to the respective states toward old age assistance. This aid, as you know, now amounts to $20 per month The State and counties of California are required under our present act to pay an equal amount on the basis of need to eligible persons who have reached the age of 65 years.

On the basis of need and merit and from the standpoint of social justice senior citizens between the ages of 60 and 65 years are equally entitled to this assistance with those who have reached the age of 65.

It is anticipated that the present session of Congress may at least extend to all eligible needy over the age of 60, the aid now given eligible needy who have reached the age of 65 I urge the Legislature to memorialize Congress to take that action.

For California to do likewise and provide $20 per month to those over 60 would require approximately $12,000,000 per year, and remove many relief cases from S.R.A. Approximately 75 per cent of our present old age assistance cases comprise citizens who have resided in California more than 15 years. The door for this aid is not open to newcomers.

In view of the tax burden now carried by the counties and the clamor by the counties for the State to aid them in carrying their share of the amount required to meet the present old age assistance provisions, the counties can not very well be expected to carry a larger old age assistance tax burden at the present time. Any amendment made to lower the age limit from 65 to 60 should therefore provide for the payment by the State of the full amount of assistance given to eligibles coming within that category.

This would mean that if $20 per month is immediately paid for old age assistance to those between 60 and 65, State revenues to the extent of $12,000,000 must be provided. If you provide for this additional revenue, which I recommend, in addition to revenue needed to balance the current budget, I also recommend that this liberalization of the present law be made immediately

If you do not provide for revenue to presently meet the requirements of such an amendment, then in any event I recommend that such an amendment be made, to become effective whenever the Federal government shall furnish the State the same Federal assistance for old age pensions to those between 60 and 65 as is now furnished to those over 65

In addition to such legislation and memorial, I also urge the passage of a memorial to the President and the Congress of the United States, asking that the Federal government take over the financing and administration of old age pensions in their entirety and provide, on a basis of need, at least $60 per month for all eligible citizens who are over the age of 60 years.

State Housing Authority.

Another subject submitted for your consideration is legislation to create a State Housing Authority; to undertake slum clearance and projects, to provide dwelling accommodations for persons of low income and to take advantage of the provisions of the United States Housing Act of 1937.

There is now pending in the Congress of the United States a bill which doubles the present $800,000,000 program of the United States Housing Authority. It specifically earmarks $200,000,000 of said funds for the assistance of projects to provide housing for families of low income in rural areas. The State of California will be eligible to receive $80,000,000 of these funds for low cost housing, if this bill is passed It is important, therefore, that legislation be enacted immediately to enable California to fully participate in this program.

As you all know, the existence of unsafe, insanitary and unfit dwelling accommodations, particularly for migratory workers, has produced an alarming economic and social condition in the State of California. From both our urban and rural districts have come the documented stories of the menace of the slums to the health, safety, morals and welfare of the citizens of our State

Our housing problem, in its most *acute* form, is essentially a problem of *rural* housing.

Contrary to most public opinion, the State government, as such, is already deeply involved in the housing problem The Relief Administrator is spending millions in rent for the most miserable housing for relief clients

In the San Joaquin Valley counties alone, the State is spending from $100,000 to $125,000 a *month* for relief client rents; for shacks, hovels, cheap auto camps and tent camping space The fruit of these rent payments is this: rural slums have become highly profitable to their owners, while demoralizing and destroying the health of their occupants

For a great many years, most of the seasonal agricultural workers, numbering from 175,000 to 200,000 people, were aliens who left the rural valleys at the conclusion of the season Today, as a result of the Dust Bowl influx, and many other causes, a very large percentage of these workers are *Americans* who are trying to settle down. Thousands of them have taken root and have become residents

These people have been housed in labor camps, shack towns and auto camps Last year there were some 4,500 farm labor camps with a population of 145,000 As the name implies, these camps are designed merely for temporary, seasonal occupation and are wholly inadequate for permanent housing. Last year the cotton camps were 60 per cent to 70 per cent occupied throughout the winter. The overcrowding was appalling, with as many as eight persons living in a one-room cabin.

Many of these workers, not permitted to remain in the labor camps after the season, have moved into shack towns adjacent to the valley cities and towns. These shack towns present a most distressing problem because they are located, for the most part, in areas not subject to adequate public regulations. They are mushroom communities, flimsy, unplanned, unregulated and uncontrolled. For the most part, they are devoid of sanitary facilities. They are located on river banks, ditch banks and other unlikely spots. The housing is primitive, consisting of shacks, tents, lean-to's, and dugouts, shockingly overcrowded.

Because of the peculiar origin and nature of California's rural housing problem, the only practical approach possible is from the point of view of the State as a whole A housing authority predicated upon decentralization with initiative and responsibility assumed primarily by cities and counties serves very well and we already have a few very active housing authorities operating under the authority of our enabling acts passed in 1938. But, where rural housing is the major element, I find that it is the *State*, rather than the counties or towns, that must assume initiative and responsibility. This is true for a number of definite reasons

In the first place, the rural counties of California have shown no indication that they realize the seriousness of the problem, or that they accept the responsibility for doing anything about it.

In the face of a growing housing shortage, which has been acute since 1935, no functioning authority has been established thus far in any of the rural counties. This demonstrates the necessity for State action.

In the second place, for the purposes of planning, the State is in a much better position to view the problem in its broadest aspects and to plan on a much more comprehensive basis than any one county could possibly hope to do. The State is in a better position than any of the counties to analyze this problem and to locate housing projects where they are to be of the most benefit.

In the third and final place, for the purposes of administrative economy and efficiency, a State Housing Authority offers many advantages over a number of separate, uncoordinated, independent county or small city authorities Once a project has been constructed, administrative expense becomes very important, because it has a direct bearing upon the amount of rent to be charged A single State agency can manage many projects with much less overhead cost than if each project be a separate unit under a county authority. Likewise, the State can attack the job of construction with mass production methods, and build more

cheaply, because of the larger scale of operations. The program, in other words, can be supervised as a whole, and the relation of every project to the other can be carefully weighed and considered.

A State Housing Authority would operate essentially in the same manner as city and county authorities operate under the Housing Authorities Law of the State of California. However, the State Authority would not be empowered to function in any city or county in California where a local authority is authorized to function and is functioning. I wish to make it clear that it is not the intention, in submitting a State Housing Authority bill, to permit interference of any kind with existing local housing authorities who are functioning, or who expect to function, under the provisions of the present Housing Authorities Law of California

The State Housing Authority should be composed of five members appointed by the Governor. Aside from the administrative expense for the first year of operation, the State would assume no direct obligation. All other funds would come from the United States Housing Authority.

Practically no expense to the State is contemplated in this proposed legislation. The United States Housing Authority has informed me that the legislation, in the form in which it is to be introduced, meets the necessary Federal requirements. Therefore, I wish to caution against any changes in the form of the bill submitted, without the approval of the United States Housing Authority.

Proposed Amendment to Central Valley Authority Act.

By the narrow margin of two votes you failed to pass amendments proposed at your regular session last year to the Central Valley Authority Act which would enable California to keep faith with the Federal government and perform its duty to the people in the development of the Central Valley Project.

I have considered carefully whether such legislation could be further delayed until the next regular session, without injury to the public interest and without ignoring requests received from the Federal administration. I am convinced that can not be done and that the need for this legislation is so urgent that it would be a dereliction of duty on my part if I failed to include it in the subjects submitted for your consideration.

The Federal government will surely complete this project if California will do the things needed to be done and give the people its full benefit in the delivery to them, at the lowest possible cost, of the water and power from this project. That objective can only be obtained through public distribution.

I have received messages from President Roosevelt, from the Secretary of the Interior, from the United States Commissioner of Reclamation, and others representing the Federal government, urging that the State place itself in a position to do just that in the discharge of its responsibilities in connection with this project

In addition, the State Director of Public Works and the executive officer of the Project Authority have advised me that such enabling legislation should be enacted at this special session

Immediately after the defeat at your regular session last year of the so-called Pierovich Bill (Senate Bill No. 863) containing such legislation, United States Reclamation Commissioner John C. Page proposed that State and Federal representatives, together with local groups, continue consideration of the matter.

During the fall numerous conferences were held and letters exchanged between the State and Federal governments concerning this needed legislation. Secretary of the Interior Harold L. Ickes already had urged that the State concern itself with providing distribution facilities for the water and power from this project, and President Roosevelt telegraphed his endorsement. These conferences culminated in a two-day meeting in Sacramento in December, attended by Federal, State and local representatives. As a result of this meeting an amendment to the Central Valley Project Act was again drafted That proposed amendment in simple language would free up to $50,000,000 of the $170,000,000 of revenue bonds authorized in the present act to be used by the State in carrying out the purposes and objects of the act itself. It would place the State in a position to contract with the Federal government for distribution of the electric power developed by the project, instead of leaving the Federal government and the people to be served at the mercy of a private power distribution monopoly which would be its only purchaser

Federal government officials are well aware of the need for haste in having this legislation enacted They know the inevitable delays which follow if the distribution and marketing features of a project are left untouched until the project is completed. The Federal government and the people suffered loss from delays in providing for public distribution of power upon the completion of the Bonneville project in the State of Washington. Such a condition in California should be prevented by your action at this session.

Providing the means for public distribution of the water and power from the Central Valley Project should go hand in hand with the construction of the project, if the people are to realize the full benefits of both the water and the power furnished by this project.

In the last few weeks I have received many communications from all parts of the valley, urging that I include this necessary legislation in the agenda for the special session. Only last week a meeting of two hundred farmers from the San Joaquin and Sacramento Valleys, many of whom were officials of irrigation and reclamation districts, unanimously adopted a resolution urging this action on my part. In view of its importance to the people of the Central Valley, to the Federal government and the State as a whole, I hope you will enact this proposed bill.

Liquor Control.

I am submitting for your consideration and recommending a constitutional amendment and fitting legislation transferring the administration and enforcement of laws relating to the licensing, regulation and distribution of alcoholic beverages from the Board of Equalization to a new State agency to be created.

The Board of Equalization was originally created in 1879 to equalize property valuations for taxation purposes, as between the counties; to assess the value of certain public utility properties, and generally to supervise tax law administration.

Since that time other duties have been assigned, and the administration of other laws have been committed to this board, including the collection of gasoline and sales taxes, motor vehicle transportation taxes, etc., also that of administering and enforcing liquor control and liquor license laws.

There is now a strong public demand that all liquor control administration be removed from the Board of Equalization and vested in another separately constituted State commission, exclusively devoted to that work. This will, I believe, accomplish better liquor control administration. It will also insure that the entire attention of the Board of Equalization may be devoted to its other manifold and important duties.

During the past year this demand has become more general and more emphatic because of evils which have become *very* apparent in the board's administration of the liquor laws. Since the board members are directly elected by the people, various liquor interests spend huge sums of money to influence their election As a result there have been recurring scandals in such elections as well as in connection with the performance of the administrative duties of the board.

Furthermore, the vast amount of time and attention required in properly handling the administration of the liquor control laws and the perplexing problems in connection therewith, so as to maintain honesty and efficiency in the service and carry out the provisions of the laws intended to minimize the evils of the liquor traffic, makes it essential that these duties be performed by a separate State agency or commission. Naturally the other work and tremendously important duties of the Board of Equalization can not be handled as efficiently as they should be unless the board be relieved of the administration of liquor control laws.

I therefore strongly urge that this be done, and that a separate State appointive commission be provided for to take over the entire administration and duties of administration of all State liquor control and liquor licensing acts.

San Francisco Harbor Operations.

Recent and previous protracted tie-ups of the San Francisco Harbor, due to strikes and the inability of the waterfront employers and certain groups of their employees to adjust their differences, have resulted in huge losses to the public generally.

In order to avoid such recurring interruptions of the normal movement of commodities shipped through the State's harbor facilities at San Francisco, I strongly urge you to enact legislation enlarging the powers of the Board of State Harbor Commissioners by permitting it to supervise, regulate and control the receiving, handling, custody, and delivery of merchandise on the wharves and piers of San Francisco Harbor and on the property within its jurisdiction, to license and require bonds of ships' agents, and to do all things necessary for the direct operation of San Francisco Harbor facilities by the State of California.

The Port of San Francisco is one of the few ports in the United States that provides facilities only and that does not provide services necessary in connection with cargo movement. Shippers located long distances from ports require certain services in connection with their shipments and, because of the fact that they are not present to arrange for them with various agencies, require that they be performed by one authority with complete control and responsibility. That authority, of course, must be the harbor authority. It has become increasingly important that all harbors perform these services in order that cargo handling may be more efficient and economical. If the Port of San Francisco is to be placed on a comparable basis with other ports, it must be in a position to perform these terminal services.

There is nothing new or radical in this proposal. Terminal services of this character are performed in various degrees by most of the ports of the world. Oakland, under its city charter, is permitted to and does perform terminal operations. The harbor of Long Beach, also under municipal control, has the privilege

of doing all the things asked for in these amendments. Seattle, Portland, New Orleans, Camden, Houston and Galveston, and other important ports are permitted to and do perform such terminal operations.

In 1922 the Philippine Legislature passed an act conferring similar authority in the Manila Harbor Board. Manila soon became the most efficient and economical port in the Orient and is recognized as one of the most efficient in the world.

If the Port of San Francisco is to hold its position among the ports of the nation, it must be able to provide complete services. Necessary functions in the handling of cargo must be concentrated in order that duplication of effort may be eliminated.

It should also be borne in mind that the revenues of the Port of San Francisco have decreased recently because of the withdrawal of ferry services, the falling off in water-borne commerce generally throughout the country, and are seriously reduced by recurring strikes and lockouts which the services authorized by this proposal would help to restore.

Statement Regarding Fire Marshal.

A survey has shown that appalling fire hazards exist in the State institutions due to over-crowding, inadequate buildings and equipment, and lack of trained fire protection personnel. Experience has shown that institutional fires almost always result in the death of a high percentage of inmates. A fire of major proportions in one of our State institutions would result in a tremendous loss of life and the destruction of millions of dollars in State property. The whole subject of the correction of these conditions should be taken up by the Legislature as soon as possible. I believe that it is imperative that legislation be enacted at once to furnish trained persons at each institution to supervise fire prevention and fire fighting in order to minimize the danger. At present this important duty is left to nurses, janitors and others inexperienced in fire problems. I have, therefore, asked you to consider the subject of the furnishing by the State Fire Marshal of fire prevention and protection service at the State institutions and providing an appropriation therefor.

I have also asked you to consider the subject of providing an adequate salary for the State Fire Marshal. The present law provides that he shall serve without compensation. Until recently, the State Fire Marshal was paid adequately by the fire insurance companies. This practice has been discontinued.

The office of State Fire Marshal, entailing as it does the enforcement of the fire prevention laws relating to some 900 theaters, some 6,000 cleaning and pressing shops and countless other establishments and institutions in addition to the supervision of fire prevention and safety education, requires the full time of the person holding the office of State Fire Marshal.

A public official should not be dependent upon either private corporations or individuals for compensation for services rendered to the State; in fact, it should be unlawful for an official to receive compensation from private sources for his services. In order to secure the proper administration of the laws, provision should be made for a salary commensurate with the duties of the State Fire Marshal.

Amendments to Vehicle Code.

The Department of Motor Vehicles is faced with the necessity of making many adjustments in order that it may operate more efficiently and economically. In this connection, a legislative program has been prepared which, it is believed, will enable the department to operate within its budget for the first time in several years. This program includes relieving political subdivisions from the payment of fees on vehicles operated but not yet owned by them; the creation of an Interim Motor Vehicle Advisory Committee composed of three members of the Senate and four members of the Assembly; the stabilizing of expense of collection of the in lieu tax at a figure in keeping with actual costs; the regulation of furnishing information relative to the physical condition of drivers; setting a charge for furnishing information to commercial concerns and a per diem charge for bonded persons who search department records; the sale of registration information to interested parties; relieving the department from the duty of mailing to legal owners notices of successive renewals of registration; authorizing officers of the California Highway Patrol to accept bail upon service of warrants; providing for the collection of a single fee for motor vehicle engine changes; abolishing non-resident permits and authorizing the issuance of certain license plates to law enforcement officers and agencies.

Salary Readjustments.

At the regular session of the Legislature in 1939 there was eliminated from the budget bill for the present biennium the estimated necessary moneys for the salary and wage adjustments prescribed in the State Civil Service Act, for employees in State departments supported from the General Fund. It has been impossible to make these adjustments from other moneys appropriated, with the result that during the last six months only those employees in State departments supported

from special funds have received the adjustments to which under the law all are entitled, provided their merit rating is sufficiently high With about one half of the employees receiving the adjustments and the other half not, a situation has been created which is most confusing and demoralizing, and should be remedied with an appropriation to eliminate these inequalities

Considerable time and effort have been devoted in stabilizing and equalizing State salary and wage ranges and in making provisions for normal advancement within those ranges on the basis of merit, and certainly if this principle is to be preserved, provision should be made to that end by an appropriation to take care of the employees in departments supported from the General Fund.

I recommend that this be done if sufficient additional revenues are provided therefor by measures passed by you at this special session.

Proposal for State to Drill Oil and Gas Wells on State Lands.

I am also submitting a measure empowering the State, through the State Lands Commission, to drill for oil and gas in State lands subject to certain safeguards and conditions.

The immediate problem prompting the inclusion of this subject in the call has grown out of a situation at and in the vicinity of Rio Vista, California. A little more than two years ago dry gas was discovered in that locality.

Through this field runs the Sacramento River, the bed of which is owned by the State of California. While the limits of the field are not now definitely known, it is estimated that the State may control as much as 15 per cent of the field.

The State, through the State Lands Commission, has power now to lease such lands for oil and gas production and, in certain circumstances, may enter into compensatory agreements Both of these methods involve a substantial payment of the proceeds to the particular lessee operator Whereas, were the State to drill its own wells in proven areas such as the Rio Vista gas field, the cost of drilling the well or wells would be negligible and the risk definitely minimized I am informed that a gas well in this field may be drilled for as little as $45,000. Were the State to enter into a lease or leases at the prevailing royalty in the field of 12½ per cent, the State's return would approximate $500,000. On the other hand, were the State to drill its own wells, its gross return could amount to as much as $4,000,000, from which the cost of drilling and small operating costs would need to be deducted. On this estimate alone there appears to be a difference of $3,500,000, less, of course, drilling and operating costs.

For several years I have studied proposals to enable the State to do its own drilling and have actively worked for the passage of legislation to accomplish this program. During this period I have never heard a logical argument voiced against the proposition Everyone is familiar with the powers of the State with respect to its own property It is now and for years has been empowered to sell, lease, and deal generally with its property in the same manner as an individual and as all know, it may lease private property for its own use and when it has a surplus space it may lease that to private parties. It seems there remains only this power for the State to further protect itself.

Other Subjects.

There are included in the proclamation a number of items to allow you to consider ratification of charter amendments, validation of bonds, legislative printing, submission of proposed constitutional amendments, technical amendments of acts recently enacted, and a few like items such as the one to consider a soil conservation act which was passed at the 1938 special session, but which was held by the Attorney General to be of doubtful constitutionality because passed under a supplement to the proclamation calling the special session.

There are also a number of items to allow you to consider other measures which will substantially affect the welfare of large groups of people or subdivisions of the State. I have been assured that they are extremely urgent measures and of such well-recognized merit as will not unduly extend this session Needless to say, the items included are but a small percentage of those urged for inclusion. I have been forced to refuse a large number of requests from sincere people, including members of the Legislature, that additional items be included These must await the regular session of the Legislature.

Conclusion.

I realize the hardship which a prolonged special session would impose on individual members, attributive to the fact that their compensation at the rate of $100 a month is insufficient to meet their expenses and that their legislative work takes them from their usual employments upon which they rely for their personal and family needs.

In preparing the agenda I have had this in mind and it is far from my purpose to compel a prolonged session. In fact, it was far from my purpose to compel any special session at this time As already stated, this session is called in accordance with your own plans at the adjournment of the regular session last year.

Because new revenue to meet your appropriations was not provided and the appropriation made for unemployment relief was made to cover only the period now expired, these are the major subjects contained in the official call, and you will observe upon careful analysis that there are not more than five other subjects that should occupy your time for any considerable period in determining your action thereon. As already indicated the remaining 57 subjects refer for the most part to routine and urgently needed technical amendments, charter ratifications, etc, which would not require any prolonged session

Many other matters for important legislation should receive your attention without delay, but are not included in the call because of my purpose to limit the agenda to matters of emergency and utmost need for immediate action

This situation emphasizes the need for a change in the constitution of our legislative branch of the government so as to provide not only for adequate compensation to members sufficient to command their entire time, but also to provide for a one-house body which will meet every year for as long as it is necessary to act upon legislation requiring statutory changes, and constructive measures for the progress and welfare of the people of the State.

Respectfully submitted

CULBERT L OLSON,
Governor of California.

Adjournment of Joint Convention.

There being no further business, at one o'clock and fifty-three minutes p m, the President of the Senate declared the Joint Convention adjourned.

IN SENATE.

Reconvened.

At one o'clock and fifty-five minutes p m., the Senate reconvened. Lieutenant Governor Ellis E. Patterson, President of the Senate, in the chair.

Secretary Joseph A Beek at the desk.

Request for Permission to Introduce a Bill.

The following request for permission to introduce a bill was presented:

By Senator Metzger:

SENATE CHAMBER, SACRAMENTO, January 29, 1940

MR. PRESIDENT: In accordance with the provisions of the Standing Rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act to add section 2501 to the Fish and Game Code, relating to deer in fish and game district 1G

Respectfully submitted

SENATOR METZGER.

Request referred to Committee on Rules.

Adjournment.

On motion of Senator Seawell, at two o'clock p m., the President of the Senate declared the Senate adjourned out of respect to the memory of the late Frank C Jordan, Secretary of State of California, until eleven o'clock a.m., Tuesday, January 30, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Tuesday, January 30, 1940.

The Senate met at eleven o'clock a.m.
Hon. Ellis E Patterson, President of the Senate, in the chair.
Secretary Joseph A. Beek at the desk.

Roll Call.

The roll was called, and the following answered to their names:

Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—35.

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev. A. Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Monday, January 29, 1940, the further reading was dispensed with, on motion of Senator Slater.

Leave of Absence.

Senator Keating was, on motion of Senator Powers, granted leave of absence for this day.

Privilege of Floor of Senate Extended.

On request of Senator Foley, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mr and Mrs. Frank G. White of Denver, Colorado.

On request of Senator Tickle, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mrs. Jessie Williamson of Berkeley and Mrs H. E. Baltrusch of Oakland.

Senate Resolution No. 11.

The following resolution was offered:

By Senator Fletcher:

WHEREAS, Word has come to the members of the Senate that since the adjournment of our last session the Honorable Edwin P. Sample has been called from this life; and

WHEREAS, Senator Sample represented the Fortieth Senatorial District in the Senate for eight years, embracing the Forty-third, Forty-fourth, Forty-fifth and Forty-sixth Sessions of the Legislature; and

WHEREAS, Senator Sample was an old and respected resident of San Diego where he is mourned by a host of friends; and

WHEREAS, Senator Sample during his years of service in the Senate distinguished himself as a militant fighter for those causes which commended themselves to him, a man of keen, analytical mind, high purposes and loyal friendship and one whose ringing voice focused the attention of all within its range and thrilled his listeners far beyond the power of less talented orators, and

WHEREAS, The members of the Senate who served with Senator Sample, together with his numerous friends throughout the State, deplore his passing; now, therefore, be it

Resolved, That the Senate expresses its grief at the passing of this beloved former member and when it adjourns this day it do so out of respect to his memory; and, be it further

Resolved, That the Secretary of the Senate be and he hereby is directed to have copies of this resolution duly engrossed and presented to the members of the family of Senator Edwin P. Sample.

Resolution read, and on motion of Senator Fletcher unanimously adopted by a rising vote of the Senate.

Senate Resolution No. 12.

The following resolution was offered:

By Senator Tickle:

Resolved, That the following named persons be and they are hereby appointed to the positions hereinafter set forth as provided by law, with the compensation set opposite their names, payable weekly, beginning January 29, 1940, and the Controller is hereby directed to draw his warrants in favor of the respective persons for the same respective amounts, and the Treasurer is hereby directed to pay the same:

	Six days per week
Frank H Moore, Assistant Sergeant-at-Arms	$5 00
Desmond Sullivan, Assistant Sergeant-at-Arms	5 00

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No 12 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Gordon, Hays, Hollister, Holohan, Jespersen, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—33.

NOES—None.

Motion.

On motion of Senator Seawell the Committees on Revenue and Taxation, on Social Problems and on Governmental Efficiency were increased from nine members to eleven members.

Motion.

Senator Seawell moved that a Committee on Contingent Expenses be created with a membership of three

Motion carried, and such was the order.

Report of Standing Committee.

The following report of standing committee was received and read:

MR. PRESIDENT: Your Committee on Committees hereby advises you that it has appointed the following members of the Senate to the Committee on Finance, Revenue and Taxation:

Senators Tickle, McCormack, Kenny, Collier, Quinn, Rich, Breed, DeLap, Swing, Parkman, and Hollister.

Also,

Senators Phillips, Crittenden, Cunningham, Foley, Metzger, Mixter, Nielsen, Shelley, McBride, Biggar, and Wagy

as members of the Committee on Social Problems.

Also,

Senators Hays, Powers, Slater, Myhand, Deuel, Fletcher, Mayo, Brown, Gordon, Jespersen, and Garrison

as members of the Committee on Governmental Efficiency

Also,

Senators Keating, Holohan, and Seawell

as members of the Committee on Contingent Expenses.

The first named Senator in each instance is to be Chairman of the respective committees.

SENATOR SEAWELL, Chairman

Requests for Permission to Introduce Bills.

The following requests for permission to introduce bills were presented:

By Senator Foley:

SENATE CHAMBER, SACRAMENTO, January 30, 1940.

MR. PRESIDENT: In accordance with the provisions of the Standing Rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act to repeal sections 2226 and 2229 of, and to amend section 2227 of the Welfare and Institutions Code, relating to aid to the aged, and providing for the cancellation and release of certain agreements affecting real property heretofore required of recipients of aid to the aged and their heirs, declaring the urgency thereof, to take effect immediately.

Respectfully submitted.

SENATOR FOLEY

Request referred to Committee on Rules.

By Senators Biggar, Gordon and Crittenden:

SENATE CHAMBER, SACRAMENTO, January 30, 1940.

MR PRESIDENT: In accordance with the provisions of the Standing Rules of the Senate, we request permission to introduce a bill, the title of which is set forth below.

An act to amend section 70 of the State Civil Service Act, relating to salary adjustments of civil service employees.

Respectfully submitted

SENATORS BIGGAR
GORDON,
CRITTENDEN.

Request referred to Committee on Rules.

By Senator Kenny:

SENATE CHAMBER, SACRAMENTO, January 29, 1940.

MR. PRESIDENT: In accordance with the provisions of the Standing Rules of the Senate, I request permission to offer a Concurrent Resolution, the title of which is set forth below.

Relative to approving a certain amendment to the charter of the city of Los Angeles, a municipal corporation, in the county of Los Angeles, State of California, voted for and ratified by the electors of said city at a special municipal election held therein on the twelfth day of December, 1939.

Respectfully submitted.

SENATOR KENNY

Request referred to Committee on Rules.

By Senator Kenny:

SENATE CHAMBER, SACRAMENTO, January 29, 1940.

MR. PRESIDENT: In accordance with the provisions of the Standing Rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act to amend section 11 of an act entitled "An act relating to licensing and taxing of vehicles, providing for license fees for the privilege of operating certain vehicles, providing for the exemption of such vehicles from all taxes according to value for State, county or municipal purposes, providing for the administration and enforcement of this act, creating a fund to be known as the motor vehicle license fee fund, and making an appropriation of the moneys therein," approved June 25, 1935, relating to the disposition of moneys collected under the provisions of said act making an appropriation, and providing that this act shall take effect immediately.

Respectfully submitted.

SENATOR KENNY.

Request referred to Committee on Rules

By Senator Brown:

SENATE CHAMBER, SACRAMENTO, January 30, 1940.

MR. PRESIDENT: In accordance with the provisions of the Standing Rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act to add section 862c to an act entitled "An act to provide for the organization, incorporation, and government of municipal corporations," approved March 13, 1883, relating to water systems of sixth-class cities and the sale and distribution of water therefrom.

Respectfully submitted.

SENATOR BROWN.

Request referred to Committee on Rules

By Senator Breed:

SENATE CHAMBER, SACRAMENTO, January 30, 1940

MR. PRESIDENT: In accordance with the provisions of the Standing Rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act to amend section 374 of the Vehicle Code, relating to vehicle registration, including the payment of fees therefor by public agencies operating vehicles under lease, lease-sale or rental-purchase agreements, to take effect immediately.

Respectfully submitted.

SENATOR BREED.

Request referred to Committee on Rules.

By Senator Breed:

SENATE CHAMBER, SACRAMENTO, January 30, 1940.

MR. PRESIDENT: In accordance with the provisions of the Standing Rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act to amend section 164 of the Vehicle Code, relating to renewal of registration of vehicles.

Respectfully submitted.

SENATOR BREED.

Request referred to Committee on Rules

By Senator Breed:

SENATE CHAMBER, SACRAMENTO, January 30, 1940.

MR PRESIDENT: In accordance with the provisions of the Standing Rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act to amend sections 210 and 252 of the Vehicle Code, and to repeal sections 211, 212, 213 and 214, thereof, relating to permits to nonresident owners of motor vehicles.

Respectfully submitted.

SENATOR BREED.

Request referred to Committee on Rules.

By Senator Breed:

SENATE CHAMBER, SACRAMENTO, January 30, 1940.

MR. PRESIDENT: In accordance with the provisions of the Standing Rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act to add section 2.5 to an act entitled "An act relating to licensing and taxing of vehicles, providing for license fees for the privilege of operating certain vehicles, providing for the exemption of such vehicles from all taxes according to value for State, county or municipal purposes, providing for the administration and enforcement of this act, creating a fund to be known as the motor vehicle license fee fund, and making an appropriation of the moneys therein," approved June 25, 1935, relating to exemptions from vehicle license fees, to take effect immediately.

Respectfully submitted

SENATOR BREED.

Request referred to Committee on Rules.

By Senator Breed:

SENATE CHAMBER, SACRAMENTO, January 30, 1940.

MR. PRESIDENT: In accordance with the provisions of the Standing Rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act to amend sections 232 and 377.5 of the Vehicle Code, relating to the installation of motor vehicle engines or motors.

Respectfully submitted

SENATOR BREED.

Request referred to Committee on Rules.

By Senator Breed:

SENATE CHAMBER, SACRAMENTO, January 30, 1940.

MR. PRESIDENT: In accordance with the provisions of the Standing Rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act providing for the cancellation of license and registration fee penalties in connection with vehicles operated by public agencies as lessees under lease, lease sale or rental-purchase agreements.

Respectfully submitted.

SENATOR BREED.

Request referred to Committee on Rules.

By Senator Breed:

SENATE CHAMBER, SACRAMENTO, January 30, 1940.

MR. PRESIDENT: In accordance with the provisions of the Standing Rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act to amend sections 66 and 67 of the Vehicle Code, to include within the definition of "owner" of a vehicle a public agency entitled to the possession and use of a vehicle under a lease, lease-sale or rental purchase agreement, and within the definition of "legal owner" the renter or lessor under such agreement, to take effect immediately

Respectfully submitted.

SENATOR BREED.

Request referred to Committee on Rules.

By Senator Fletcher:

SENATE CHAMBER, SACRAMENTO, January 30, 1940.

MR. PRESIDENT: In accordance with the provisions of the Standing Rules of the Senate, I request permission to offer a Concurrent Resolution, the title of which is set forth below

Relative to the disposition of a statue of John Rodriquez Cabrillo.

Respectfully submitted.

SENATOR FLETCHER

Request referred to Committee on Rules.

By Senator Kenny:

SENATE CHAMBER, SACRAMENTO, January 30, 1940

MR PRESIDENT: In accordance with the provisions of the Standing Rules of the Senate, I request permission to introduce a bill, the title of which is set forth below.

An act to add section 374.5 to the Vehicle Code, relating to license plates for exempt vehicles, and declaring the urgency of this act

Respectfully submitted.

SENATOR KENNY.

Request referred to Committee on Rules.

Recess.

At eleven o'clock and twenty minutes a m, on motion of Senator Seawell, the President of the Senate declared recess until two o'clock p m.

Reconvened.

At two o'clock p m, the Senate reconvened.

Lieutenant Governor Ellis E. Patterson, President of the Senate, in the chair.

Secretary Joseph A. Beek at the desk.

Requests for Permission to Introduce Bills.

The following requests for permission to introduce bills were presented:

By Senator Kenny:

SENATE CHAMBER, SACRAMENTO, January 30, 1940.

MR. PRESIDENT: In accordance with the provisions of the Standing Rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act to promote the general welfare by levying an excise tax upon employers for the purpose of more adequately providing for the health and security of the citizens of this State, and to that end encouraging employers to provide for the health and security of their employees, both during their working years and after their retirement, and providing additional revenue with which the State may adequately provide for those persons dependent upon it for aid and assistance.

Respectfully submitted

SENATOR KENNY.

Request referred to Committee on Rules.

By Senators Garrison, Wagy, Powers and Hollister:

SENATE CHAMBER, SACRAMENTO, January 30, 1940

MR. PRESIDENT: In accordance with the provisions of the Standing Rules of the Senate, we request permission to introduce a bill, the title of which is set forth below:

An act to add section 5 1/8 to the Retail Sales Tax Act of 1933, and section 4.11 to the Use Tax Act of 1935, relating to exemptions, including the exemption of live stock and poultry of a kind the products of which ordinarily constitute food for human consumption

Respectfully submitted

SENATORS GARRISON.
POWERS
WAGY
HOLLISTER.

Request referred to Committee on Rules.

By Senators Fletcher and Kenny:

SENATE CHAMBER, SACRAMENTO, January 30, 1940

MR. PRESIDENT: In accordance with the provisions of the Standing Rules of the Senate, we request permission to introduce a bill, the title of which is set forth below:

An act amending sections 3 and 5 of an act entitled "An act creating the Colorado River Board of California and the office of Colorado River Commissioner of California, prescribing the powers and duties of said board and commissioner," approved July 1, 1937, relating to powers and duties of the board and commissioner.

Respectfully submitted.

SENATORS FLETCHER.
KENNY

Request referred to Committee on Rules.

By Senator Kenny:

SENATE CHAMBER, SACRAMENTO, January 30, 1940.

MR. PRESIDENT: In accordance with the provisions of the Standing Rules of the Senate, I request permission to introduce the following bills, the titles of which are set forth below:

An act to amend section 5 of The Personal Income Tax Act, relating to taxes on income of individuals, estates and trusts, to take effect immediately;

An act to amend section 5 of The Personal Income Tax Act, relating to rates of taxation on income of individuals, estates and trusts, to take effect immediately;

An act to amend section 10 of The Personal Income Tax Act, relating to taxes on income of individuals, estates and trusts, including credits thereon and exemptions therefrom, to take effect immediately;

An act to amend sections 8 and 9 3 of The Personal Income Tax Act, relating to taxes on income of individuals, estates and trusts, to take effect immediately;

An act to amend sections 7 and 9 4 of The Personal Income Tax Act, relating to taxes on income of individuals, estates and trusts, to take effect immediately;

An act to amend section 12 of The Personal Income Tax Act, relating to taxes on income of individuals, estates, and trusts, to take effect immediately;

An act to amend sections 4, 4a and 23 of the Bank and Corporation Franchise Tax Act, relating to taxes on banks and corporations, to take effect immediately;

An act to amend sections 4 and 23 of the Bank and Corporation Franchise Tax Act, relating to taxes on banks and corporations, to take effect immediately;

An act to amend section 8 of the Bank and Corporation Franchise Tax Act, relating to taxes on banks and corporations, to take effect immediately;

An act to amend section 8 of the Bank and Corporation Franchise Tax Act, *relating to taxes on banks and corporations, to take effect immediately*;

An act to amend section 14 of the Bank and Corporation Franchise Tax Act, relating to taxes on banks and corporations and to provide that this act shall take effect immediately;

An act to amend section 3 of The Corporation Income Tax Act of 1937, relating to taxes on corporations, to take effect immediately;

An act to amend section 7 of The Corporation Income Tax Act of 1937, relating to taxes on corporations, to take effect immediately;

An act to amend section 7 of The Corporation Income Tax Act of 1937, relating to taxes on corporations, to take effect immediately;

An act to amend section 14 of The Corporation Income Tax Act of 1937, relating *to taxes on corporations, to take effect immediately*;

An act to amend section 24 of the Alcoholic Beverage Control Act, and to add thereto section 24.1, relating to an excise tax upon distilled spirits, and to provide that this act shall take effect immediately;

An act to amend section 23 of the Alcoholic Beverage Control Act, relating to an excise tax upon beer and wine, and to provide that this act shall take effect immediately;

An act to amend section 23 of the Alcoholic Beverage Control Act, relating to an excise tax upon beer and wine, and to provide that this act shall take effect immediately;

An act to amend section 5 of the Alcoholic Beverage Control Act, relating to license fees, and to provide that this act shall take effect immediately;

An act to amend sections 4 and 5 of the Inheritance Tax Act of 1935, relating to the inheritance tax, including the rates thereof, to take effect immediately;

An act to amend sections 14, 15, 16, 17 and 18 of the Gift Tax Act of 1939, relating to taxes upon transfers of property by way of gift, including the rates thereof, to take effect immediately;

An act imposing an excise tax for the privilege of severing petroleum, natural gas or natural gasoline from the earth, providing for permits to producers, providing for the levying, assessing, collecting, paying and disposing of such tax, making an appropriation for the administration hereof, prescribing penalties for violations hereof, and providing that this act shall take effect immediately;

An act imposing a tax upon the sale of cigarettes, cigars, smoking tobacco, plug tobacco, snuff and other forms of tobacco, and making an appropriation for the administration thereof, to take effect immediately;

An act imposing a tax upon the storage, use or other consumption in this State of cigarettes, cigars, smoking tobacco, plug tobacco, snuff and other forms of

tobacco, and making an appropriation of the proceeds of such tax, to take effect immediately;

An act to amend section 22 of an act entitled "An act imposing a license fee or tax for the transportation of persons or property for hire or compensation upon the public streets, roads and highways in the State of California by motor vehicle and providing that this act shall take effect immediately," approved May 15, 1935, relating to exemptions;

An act to amend sections 9, 11, 12 and 14 of, and to add sections 12a, 13a and 20 to, an act entitled "An act to provide for the regulation and licensing of horse racing, horse race meetings, and the wagering on the results thereof; to create the California Horse Racing Board for the regulation, licensing and supervision of said horse racing and wagering thereon; to provide penalties for the violation of the provisions of this act, and to provide that this act shall take effect upon the adoption of a constitutional amendment ratifying its provisions," approved June 5, 1933, relating to the regulation and licensing of horse racing, the amount and payment of license fees, the commissions of licensees and deposits made by them under the act, providing for the retroactive operation of this act, and providing that this act shall take effect immediately.

Respectfully submitted.

SENATOR KENNY.

Request referred to Committee on Rules.

Report.

The following report was received, and ordered printed in the Journal:

Preliminary Report of Senate Interim Committee on Relief.

During the closing days of the regular session, the Senate appointed an interim committee to study the problems of relief which had been very much before both houses during the entire session

No money was provided for the work of the committee and, under a decision of the Supreme Court, was without the authority of holding an investigation with power to subpoena or to receive under oath such information as might be given it.

The committee felt that it might profitably study the report of the Governor's Commission on Reemployment, of which Mr. John R Richards was the chairman, and a meeting was called in San Francisco early in the fall However, before the date of the meeting, it was learned that the so-called Richards Report was not ready and consequently, while the chairman met with one member of the committee for luncheon, and another for dinner, no formal meeting was held.

The committee met Saturday, January 27, 1940. At that time there was presented to it information regarding conditions in the State Relief Administration and concerning its handling of the relief problem, which information had accumulated in the hands of the chairman of the committee.

Obviously, in so short a time it is impossible for the committee to evaluate this material. It can be said, however, that the material may not be ignored.

Therefore, this committee recommends:

(1) That the committee request permission of the Senate to print in the Senate Journal the report, which has been presented to the committee by its chairman, dated November 7, 1939, "In re State Relief Administration" signed by Edwin N. Atherton and Associates, and the statement of resignation of H Dewey Anderson, State Relief Administrator, dated August 14, 1939,

(2) That the committee meet early in the week following this meeting for a further discussion of the material submitted and for the purpose of determining whether or not it shall recommend to the Senate a thorough investigation of the accuracy of the statements in this material.

PHILLIPS, Chairman.

Statement of Resignation of H. Dewey Anderson, State Relief Administrator—August 14, 1939.

MY DEAR GOVERNOR: In leaving the State's service I wish to make certain observations concerning my stewardship of the State Relief Administration and the circumstances which compel me to sever my association with your administration In doing so I am motivated by a warm personal attachment to you and a high regard for many things which you symbolize.

As you and other leaders in the Olson administration and the Democratic party well know, I have been a progressive in political faith and social viewpoint for many years. I took an active part in the Olson campaign; being a member of your Statewide Coordinating Committee, a member of the State Democratic Convention, and the person to whom was assigned the task of drafting the party platform upon which

you were elected to office To that platform both you and I have professed our political allegiance Its significance as a progressive document can not be minimized It records the attitude of mind and the aspirations of those who cherish democratic principles of self-government and sincerely seek to have such principles translated into practice by their public officials I repeat, that party platform and its principles have my sworn allegiance It is because I believe them to be seriously jeopardized by certain acts of your administration that I feel it necessary to voice my opinions in a critical but what I believe to be a constructive manner

The Office of Relief Administrator.

May I recall to you the conditions under which I was induced to become the Administrator of Relief in California. After your election in November your regard for me was sufficiently high that you asked me to become your budgeteer, sitting with you during a month of budget hearings prior to your induction into office, in order to construct a budget of State services which could be offered the Legislature in January. I freely gave that service, for which no compensation was asked and none received. I did so, motivated by my sincere belief that for once California would be given an administration so strongly committed to sound and progressive principles that we could make those strides forward which are necessary to give the people the kind of government which meets their needs I appreciate to this day that close daily association with you and the privilege of rendering a service to my fellow citizens.

You will remember that during the month of December you and our mutual friends repeatedly made insistent demand upon me to accept the post of Relief Administrator, and that I, who had made an intimate study of the unemployment problem in California and the operations of the SRA, was thoroughly convinced that no one could assume administrative responsibility for the SRA with even small hope of success unless his Governor had down certain immutable essentials of *administration, and wholeheartedly supported the Administrator in the practice* of such essentials. These considerations were placed before you They included the Administrator's complete control over operation of the SRA as established by law, the strict adherence to the nonpartisan merit system in the appointment and retention of administrative personnel, and that under no circumstances would spoils politics enter into the operation of or the service rendered by the State Relief Administration. Guided by the high purpose which controlled our administration in the beginning days in January, you assented fully to these requirements, and it was only after such complete support being assured by you that I accepted your appointment as Relief Administrator.

It is hardly necessary for me to point to the vital importance of the State Relief Administration in the life of our State You have, yourself, on more than one occasion given voice to your conviction that the relief and unemployment problem transcends in urgency and consequence all other problems of your administration. The SRA is the most important single department of State Government, because it spends the enormous sum of approximately five million dollars per month, has an employed staff of 6,000, extends to practically every community, and prevents the starvation of 300,000 people. It is a difficult department to administer, not only because of its size and financial importance, but because it deals most intimately with the personal destinies of so great a number of men, women, and children. The work is made more difficult by the fact that funds have never been available to care for more than half of all these needy unemployed who apply. It began as an emergency agency during the trough of the depression and has never had a continuous program or a continuity of administrative control Consequently, its operations are uneven and, at many points, ragged Although difficult and technical to administer, to the outside public and uninformed citizens generally the administration of relief is considered a simple matter which anybody can do. Its staff is unprotected by civil service and is, therefore, exposed to political patronage and the spoils system It is the weakest link in the entire administrative organization, and consequently the object of both internal pressure and external politics.

During the past eight months it has been necessary for me to devote almost continuous time to legislative aspects of the State Relief Administration. I was forced to appear before the Legislature upon numerous occasions and to secure three appropriations from that body in order to carry on the cash relief program of the SRA. The Legislature was by no means always friendly or cooperative in meeting our needs. Yet we were successful in securing an appropriation at the end of the biennial session for a period of six months or more, which, if judiciously spent, will keep destitute unemployed families from starvation We have also made considerable gain in solving some of the more serious problems of administration

Much yet remains to be done, however, in this direction, and the State Relief Administration today is by no means a smoothly operating, well-administered organization. For this I do not propose to take the blame, as the two months which have elapsed since the Legislature closed is too brief a time in which to correct all of the principal administrative defects of the SRA. Furthermore, there has not been a week since I took command in January when pressures of a political character

have not harrassed us in time-consuming ways, seriously interfering with the operation of this administration

Are We to Stand for Spoils System Control of the SRA?

The most serious of all problems, however, and the one which makes necessary this resignation, is my refusal to accede to certain demands made upon me to play partisan politics with the administration of the SRA. I call your attention once more to the fact that I assumed the responsibilities of Administrator with the very definite understanding that there would be no partisan politics in relief. I proceeded upon that premise, and from January until late in March the 1,400 administrative employees required by a rising caseload entered the employ of the SRA strictly upon the basis of merit and their ability to do the jobs assigned them.

However, the insistent demand of political followers for patronage was answered by you in placing Mr. Walter Ballou, then Secretary of the Democratic State Central Committee, on my administrative staff to have responsibility for the political clearance of employees. You will recall my refusal on several occasions to place Mr. Ballou in charge of the Personnel Department of the SRA, as that department had been operated for several years as a technical personnel division in which job standards and the merit system prevailed in the selection, dismissal, transfer, promotion, and demotion of employees. I was convinced then, as I am now, that Mr. Ballou was not qualified either by training, experience or outlook to administer the Personnel Division of the State Relief Administration. My conviction finally prevailed in a meeting between yourself, Mr. John R Richards and me, held in your rooms at the Fairmont Hotel in San Francisco, the day before you left for Los Angeles in July You agreed with me then that Mr. Ballou was not qualified to conduct the operations of the Personnel Division and that I should relieve him of any such responsibility. This I immediately proceeded to do, placing in charge of that division Mr. Walter Chambers.

However, you did hold tenaciously to the demand that Mr. Ballou be retained as an administrative assistant of mine, and that under him political clearance be made of applicants for positions in the SRA and of employees within the organization.

When you went to Los Angeles you were waited upon by members of the Democratic County Central Committee who urged upon you a hearing concerning my conduct of the SRA, and while you apparently refused such a hearing, a conference was held in which I was present, when twenty-six members of the Democratic County Central Committee laid before you and me their insistent demand that the State Relief Administration personnel be subjected to political clearance and that new appointments be made from the ranks of the Olson Democrats only. You will remember that on the day following that conference you had a meeting with Mr. John R. Richards and myself, and that I indicated at that time my unwillingness to accede to this demand I wish to set forth in some detail my reasons for taking this position, believing them to be of great importance to you, to the success of your administration, and to the Progressive Movement

In the first place, I regard the State Relief Administration as a department of government. Its emergency character has long since passed, and its presumed emergency character is the only reason advanced for the fact that its personnel has not as yet been included in the Civil Service. The State Relief Administration is engaged in a vitally important work which requires impartial, fair, and efficient application from all its administrative staff. This work is concerned with the life and death needs of hundreds of thousands of people. It requires the expenditure of vast sums of taxpayers' money.

I presume there is no lay person in the State of California more conversant with the operations of the SRA under the Merriam-Pomeroy regime than I My criticism of that administration was based upon the fact that I did not agree with its policies nor with its program of meager dole relief. However, I know positively that as bad as the Merriam-Pomeroy regime became, it never established a system of political clearance in the appointment of its staff As a matter of fact, we now know that the vast majority of the staff, even under the Republican administration, were registered as Democrats So far as I have ever been able to ascertain, no person seeking work in the State Relief Administration was ever asked his party affiliation. This I believe was due to the fact that the first Relief Commission, acting under the domination of the Federal Government, established working relationships with the State Personnel Board and laid down principles of Civil Service, which made for a nonpartisan staff of qualified personnel. These Civil Service principles still govern in our many cooperative activities between the Federal and State relief and unemployment agencies It is my profound conviction that the introduction of the political spoils system into the SRA will have far-reaching damaging effects on Federal cooperation and assistance, to the great detriment of the people needing relief, and resulting in greater financial burden for the State. It is to the ability of SRA personnel and its devotion to service that the credit must go for California never having had a major relief scandal in all the years since the trough of the depression.

This background is essential to an understanding of the problems which now confront us As you are well aware, there are two divergent points of view concerning the staff of the State Relief Administration. One is that the SRA, being a department of government, which expends public funds, must be safeguarded in its operations by the application of the Civil Service principle and the merit system. That is the point of view which I maintain is the only sound and defensible one. I further believe it to be best practical politics and the strongest defense which your administration can erect. The other point of view is that expressed recently in an official communication to me by Mr. Sam Houston Allen, Director of SRA in Los Angeles County, appointed to that position by and through you In seeking to establish as district directors politically prominent persons untrained in social welfare work, in the fourteen districts under his control in Los Angeles County, Mr. Allen advances the following justification of his point of view:

> "In trying to sound out social service workers' reactions to this proposal I have met with only one fear on their part, which is the fear of relinquishing to 'patronage appointees' a control which they have so long safeguarded from political machination.
>
> "I have two things to say about the above, firstly, it has been safeguarded so well that the resentment of the people is very high because of the utter exclusion, which has resulted in a loss of respect for social work methods; and secondly, that social workers have shown a lack of understanding of the fundamental economic structure, which is undeniably a structure based on a spoils and patronage system, not only in politics, but in business and in social activities It is certainly impractical and shortsighted on the part of social workers to want to safeguard just one aspect of our living from such influences, when the whole structure is infested with it
>
> "They have no reason to be more inordinately fearful of the effects of patronage administration in this setup than in any other The people's demands for their turn to share in the spoils of the last election is a real social phenomenon This plan will show recognition of this by releasing some of these controls to those whom the people think they should be released to, and at the same time holding on to a social service standard If this is not done, and the gesture does not come from us as a compromise, we can not even hope to preserve this aspect."

I wish to go on record as standing definitely opposed to the principle and practice urged in the last two paragraphs quoted above. In my opinion, they run counter to the program you, as Governor, stand for. Furthermore, they have been discarded by every efficient and successful administrator of large affairs in government and private business

I maintain that this spoils system approach to the operation of the State Relief Administration will prove disastrous It is vicious sophistry to presume that it is possible to staff the administration of the SRA on a partisan political basis and not have it reach down to the masses of reliefers with most harmful results in discriminatory and wasteful practices.

We have had some experience, since Mr. Ballou was inducted into our service, in the partial operation of a personnel division under the influence of partisanship

Let me recite what has occurred I have caused a check study to be made of a hundred persons placed in our employ since January 1st as a result of political indorsement and clearance Following strict personnel procedures, these hundred workers, now on the State payroll, were judged by personnel technicians as to whether or not they possessed the minimum qualifications necessary to satisfactorily perform the functions of their occupations. Of the hundred, twenty-four had such doubtful experience and educational backgrounds as to be judged unsuited for their work in the SRA

Another important fact which was brought to light in this study was that because of the insistent demand for employment and the pressure exerted through political channels, insufficient time was given the employing officers so that only nine of the hundred had had their references checked before they were put on the payroll Subsequently, we have learned that a number of the persons on the list had actually falsified their statements concerning educational and experience background

Another example of the fact that partisan approach to the personnel problem in the SRA can not result in anything other than a lowering of efficiency of the staff is to be found in the selection of county directors. As you are aware, county directors are the key to the sound operations of the State Relief Administration. They are the employing officers within their counties, and have under their jurisdiction all matters pertaining to the operation of the State Relief Administration in their territory. Immediately upon the insistence of political clearance in the appointment of county directorships, several county committees and political groups have advanced the names of politically prominent persons in their community, seeking to replace with their candidates county directors long in the SRA service. As a matter of fact, it often occurred that political factions within a given county

each advanced a candidate, so that the resultant confusion and dissatisfaction not only added greatly to the problems of the SRA but have brought conflicts to the party itself which can not be resolved.

As you are aware, the State Relief Administration is engaged in a social welfare program, the administration of which requires technical qualifications and social welfare experience. When I assumed the directorship of the SRA in January, I found upon examination that every county director in California had had long experience in the SRA and most had come up through the ranks from case aide positions, so that they were quite familiar with all the operations of the organization. However, when political appointments have been made to county directorships, these experienced workers have been lost to the State service and were replaced with inexperienced directors, with a consequent lowering of morale and operating standards. Not has there been any indication to date that the persons sponsored for county directorships as candidates of political groups are comparable in educational background and social welfare or professional experience to the incumbents in those positions.

May I call your attention to one appointment already made as indicative of what has occurred and what may likely occur in a political approach to the problem of staffing the counties. I refer to the dismissal in Imperial County of the county director and the appointment of his successor. The former director had his degree in social science from Pomona College and a master of arts in social work from the University of Southern California. He had had three years of social case work and two years of administrative experience as an SRA director. From the professional and technical standpoint and the efficient, business-like operation of his county, there had never been established a valid criticism of the former director. Yet with the political approach introduced, delegations waited upon you and me and succeeded in having him removed. The person whom you selected to replace this man is Chairman of the Democratic County Committee of Imperial County. While we did not have time to check his references before placing him, his application blank indicates that he had three years of high school, had had no public welfare or private welfare experience of any kind, that he had begun as a clerk in a grocery store and finally had become salesman and owner-manager of a grocery and candy store in his county.

This illustration is made in no disparaging manner, but in order to pointedly demonstrate that while the administration of the SRA is distinctly social welfare, the director appointed in Imperial County has had no experience even remotely connected with such operations. Yet upon him will depend decisions concerning the eligibility of persons for relief which are embodied in law and regulations; decisions which can only be made satisfactorily by one who has long experience and possesses an impartial, professional point of view.

Another reason why I am opposed to the partisan political approach in staffing the Relief Administration is that that approach inevitably results in intrigue and pressure brought to bear by political groups or cliques to dismiss persons who have been in administrative positions in the State Relief Administration for several years, and who for that reason are regarded by outsiders as persons owing their allegiance to the former Republican regime. You will remember that I have already called to your attention a glaring example of such intrigue, directed at the head of the Surplus Commodity Division of the SRA, a man who has loyally and ably served the Relief Administration for more than five years. The intrigue began in an attempt of a subordinate employee, who had political connections, to use them to secure the replacement of his chief by himself. Every conceivable pressure, including defamatory and libelous charges, was brought to bear until the matter finally came to the attention of the Federal authorities, who insisted that they would take drastic action were this competent administrator removed. This is but an illustration of several such instances which have already occurred, and a harbinger of what will happen if the SRA administrative staff is subjected to the spoils system. The bad effect of such political intrigues upon the day by day operation of this important administration can not be calculated.

Not the least objection to partisan politics as the method of placement of administrative officers in the SRA is the fact that those so placed owe their allegiance not to their superiors in line but to the political groups who have sponsored their candidacies. When an appointment is made of one who has come with direct clearance from the Governor himself, then the situation may become unusually bad, as witness the example of the assistant director in Los Angeles County, who has been repeatedly insubordinate to her administrator in her working activities. It is not long before such insubordination has an effect upon the staff associates of these politically sponsored appointees who owe a higher allegiance to their political affiliations than they do to their own administrative officers. This sets up in the State department an intolerable situation, and one which had much to do with the repudiation by the people of the spoils system in American public affairs. It inevitably means the loss of morale and working efficiency within the State Relief Administration.

I have said earlier in this statement that the SRA is a department of State government. It is not the adjunct or servant of any political party any more than is the Department of Public Works, of Education, or of Social Welfare. The party in power has a responsibility in determining the policies of the department, but the administration of the SRA must be carried on in a businesslike and impartial manner. There is no room in modern government for partisan administration. It is wasteful of public funds and destructive in its accomplishment. The party and party leadership have no right to interfere with the internal affairs of any State department, yet when partisanship is used as a basis of selection of SRA staff, inevitably groups and cliques make it their business to resolve internal problems of the administration.

You are well aware of the fact that the Civil Service Act, overwhelmingly voted in California by the people in 1934, placed all departments of State government except the Emergency Relief Administration under Civil Service regulations. The only reason for not including the SERA was that it was presumed to be an emergency agency which would disappear within a year. Had there been any thought of it being permanent in character, there is no doubt that it would also have been included in the Civil Service. As it became clear that it would be a permanent department, there was soon developed a Civil Service approach which staffed the SRA according to standards laid down by the State Personnel Board and which protected the SRA in a contract between the State Relief Administration and that board. You, Governor, have seen fit to refuse the continuance of that contract. To this I have objected most strenuously, and my objection rests in the fact that by the Civil Service contract we have had an impartial board reviewing job standards and pay, which has kept the 6,000 jobs available in the SRA in line with sound Civil Service practices and in keeping with the merit system. Continued refusal to resume this contractual relationship can end only in a lowering of standards.

As you well know, both your office and mine is besieged daily with numerous job seekers; fine people who served loyally in your campaign but for whom there are no available positions. In fact, something more than 20,000 applications are on file, but among that mass there are too few qualified persons making application for the kind of work which is done by the SRA administrative staff. Yet the pressure for jobs does not lessen, and unless the impartial Personnel Board of the State continues to be the judge of job standards, there is no question whatsoever that the horde of job seekers will only be satisfied by a lowering of the standards of employment in the administrative positions in the SRA.

The spoils system has already entered the State Relief Administration, and is particularly noticeable in a jockeying for positions and a frantic attempt on the part of old employees to retain their jobs. Every county director knows that without the protection of Civil Service, regardless of his long years of faithful work, he is subject to summary dismissal. Some county directors who maintained their work on an impartial and professional basis all through the Merriam administration are now forced for the first time, and in a Progressive administration, to seek political protection to maintain their positions. I call your attention to the vigorous activity in this direction of the Director of the SRA in San Bernardino County who has found it necessary for the first time in his professional career to obtain political support to keep his job. Such activity inevitably will break down the level of performance of the administration of the SRA. If not summarily stopped it will result in a spoils system which will be reflected in a sharply rising case load with many people receiving relief who should not have it, and a general inefficiency of administration which will be indefensible before the citizens of the State of California.

Once having launched upon a partisan approach in staffing the SRA, it is inevitable that a "clean-up" be made, resulting in the dismissal of many workers who carried on during the years of the Merriam-Pomeroy regime. There is likelihood that this "clean-up" will take on the proportions of a purge. I call your attention to the fact that one of the first moves made by Mr. Ballou when he entered our employ was to make an analysis of the registration of all persons on the administrative pay roll of the SRA in San Francisco County. This analysis was brought to your attention, and disclosed a fact of great significance; that at the time of the registration for the gubernatorial election of last year, among those registered to vote in the SRA staff, 82 per cent were registered Democratic, 12 per cent Republicans, and 6 per cent other parties. This is incontrovertible proof of the fact that the previous administration of SRA was not staffed on a partisan basis.

This scrutiny of political affiliations of present staff has gone to such an extent that a recent communication from the Governor's office indicated pointedly that in the medical staff employed as certifying physicians in Los Angeles County there were several physicians whose places might well be taken by deserving Democratic M.D.'s. This, my dear Governor, is a charge which has been vigorously advanced by leaders in the California Medical Association and the American Medical Association of what may well occur when any aspect of medicine is subjected to political control. It is a dangerous step to take, for there is no such thing as a partisan approach to the problems of medicine.

You and I are wholly in accord in the belief that only a loyal staff in SRA can administer a program. Loyalty, however, cannot be determined save by a careful process of working closely together with persons whose loyalty is being tested. There is no rule of thumb method of proving loyalty, and the partisan determination of loyalty is impossible to make. In fact, such an approach is precisely the one employed by the Gestapo in Hitler's Germany and the OGPU in Soviet Russia. In an enlightened Democracy, loyalty to progressive principles and a progressive program for the unemployed cannot be subjected to any such control. Loyalty of a staff can only be won by any Administration by fair treatment, strict adherence to the merit system and the development of a program in whose aims they share.

A Sound Workable Personnel Policy for SRA

I wish to go on record positively with respect to a personnel policy which I consider the only workable one for the State Relief Administration. In the first place, the Administrator must be given complete charge of all personnel transactions within his department. This is necessary for the effective and efficient administration of the SRA. It is impossible to operate a statewide program unless all appointments, removals, and disciplining of personnel come from and are subject to the Administrator. Pressures exerted by political groups upon appointments in this one non civil service department of State government can only lead to demoralization and a breakdown of administrative efficiency. The only possibility of successfully resisting such pressures is for the Governor to forcefully and publicly declare to all political groups that the Administrator is in charge of every personnel transaction in his department and that neither the Governor nor any one individual in the State will interfere with such transactions.

With respect to personnel now on the staff of the SRA, it is my belief that they must be retained if they are efficiently and competently performing their duties regardless of their party affiliation. So far as I can see, the establishment of a works and reemployment program, as you and I have advocated for so many years, is not a matter of partisanship. I know many progressive Republicans who are more devoted to such a program than are some of our Democrats.

Present personnel must be continued if they are wholeheartedly carrying out the policies and program of our new administration. The State of California has an investment of thousands of dollars in the selection and training of the SRA staff now employed. It is wasteful in the extreme and one of the worst aspects of the spoils system to throw aside this trained personnel and subject a none too efficient administration to the double task of training a new staff and maintaining high standards of performance.

This is especially true in face of the fact that within three months the State Relief Administration must make a defense of its operations before an antagonistic Republican dominated Legislature. To my mind it is foolhardy politics to attempt a wholesale change of staff under such circumstances. I predict that if this is done the State Relief Administration will present such an unwholesome and inefficient character in the next legislative session as to warrant very severe criticism at the hands of the legislators.

No person now employed in this staff should be subjected to the pressure of charges of inefficiency or sabotage from without the department. Any criticism of staff members should be handled through administrative channels and by their superior officers in an appropriate manner such as prevails in the civil service. Only this protection will enable a staff to carry on its work in a decisive manner without fear of reprisals or political attacks.

The personnel policy with respect to new appointments should be likewise clearly defined. New personnel should be recruited only when there is actual need for their services in the operations of the program. This will necessitate a definite resistance of political pressure. I call your attention to the fact that during a period of declining case-load, which means a period of declining business in the Los Angeles SRA area, when 385 administrative workers were released, political pressure insistently demanded and obtained the appointment of forty-one persons to the staff. These employments and their attendant pay roll represent a waste of public funds and maladministration.

New personnel must be approved for appointment by the Personnel Division of the SRA entirely free of outside domination and based upon competence and a recognition of ability to perform the duties of the positions for which they are selected. Employees must be selected as a result of an impartial analysis of their qualifications, education, and experience, and such determinations must be made by the Personnel Division of the SRA.

The growing list of applicants for jobs, whose appointments are pressured by people in strategic political places, must not be used by the State Relief Administration unless positions are available and unless the applicants meet all qualifications. Such applications should go through regular channels of administration, and if placed in positions, people should be made to understand clearly that they must observe all administrative lines, rules and regulations of the SRA. If, for

any reason, they are declared unsuited for their work, they are subject to the same dismissal procedure as any regular employee.

It is my sincere conviction that this summarizes a practical policy of personnel which will work for the greater efficiency of the State Relief Administration. Only such a personnel policy and practice will command the respect or deserve the support of the public. Only such a nonpartisan, efficient, professional operation of the State Relief Administration will assure the relief recipients of impartial, fair treatment, and protect the taxpayer in the expenditure of the vast sums of money which the SRA distributes. It is a certainty that no Republican dominated Legislature will place in Democratic party hands a war chest in the guise of a State relief appropriation to build a political machine of State relief personnel.

It is my sincere conviction that the people of the State of California, voters in both major parties, have declared themselves against patronage by enacting the civil service law. You must be aware that any spoils system or narrow partisanship in the operation of the State Relief Administration will result in awful misery to the unemployed and thoroughly discredit the party. Witness what occurred in New Jersey and Pennsylvania

I sincerely urge that you, Governor Olson, save the Olson administration and *the liberal movement within the Democratic party from self-destruction. I know* your nobility of purpose and your sincere desire to alleviate the misery of the unemployed. Please do not subject them to a partisan spoils system in the administration of relief.

Edwin N. Atherton & Associates

Investigations.

SAN FRANCISCO, CALIFORNIA, November 7, 1939.

Preface—In re: State Relief Administration

This firm was retained to conduct an investigation of the State Relief Administration to determine conditions existing in its administration of relief under the State Relief Act.

This administration will be referred to hereinafter as the "SRA."

The SRA is a vast and complex organization. It operates over the entire State and it employs a great number of people.

Due to the limited investigation time available for the work covered in this report, it was not possible to make a thorough and complete investigation. Likewise it should be borne in mind that numerous conditions of an adverse nature are complained of in this report and are indicated to exist in numerous instances, limited time did not permit the obtaining of more specific data either to positively prove or disprove the indicated adverse condition. In considering the information contained in this report, it should also be borne in mind that a large number of the employees of the SRA who furnished information were disgruntled and that it is possible that in at least a few instances that their personal feelings influence their statements.

Relief is a heavy burden on the taxpayer, a tax which is constantly increasing; this is common knowledge No effort was made to go into the financial facts. Such facts are obtainable from published State reports. However, the following excerpt taken from a recent State report shows how rapidly these costs are increasing.

The report referred to shows that: From 1933, when the Relief Act was adopted, to the end of the fiscal year June 30, 1939, there has been a steady rise in the amount of relief money expended in California. The report sets forth that all told, including State and Federal expenditures, more than seven hundred million dollars has been spent on unemployment relief during the period named. To this alarming statement is added: "The current estimate of employment would indicate that nearly 1,700,000 persons are affected. This figure represents 560,000 heads of families; 140,000 dependents who are gainful workers and 1,000,000 dependents who are not available for work; that is 25 per cent of our population is directly affected by unemployment."

While considering the burden on the taxpayer, the fact can not be lost sight of that many persons due to conditions over which they have no control, are destitute and on relief and entitled to such relief.

Because of limited time, this investigation has been confined to ascertaining, as fully as possible, conditions prevailing in the administration of relief funds. With that objective, the effort was made to discover whether the SRA is being administered economically and efficiently; whether all applicants for relief are accorded the same treatment; whether there exists pressure groups within the organization which influence or dominate the personnel, whether new appointees to the SRA are qualified by experience, education, training and character for the position to which appointed; and to bring out in the open such abuses and irregularities as may be found to exist, and that correctional remedies may be instituted

Attention is directed to many matters uncovered in the course of the inquiry where further investigation is indicated, but which could not be developed fully because of limited time. Memoranda have been furnished in which facts obtained

from interviews are set out These memoranda also indicate where further investigation appears necessary. Restricted time has made it impossible to develop many leads of apparent material value—leads which if developed would bring to light many conditions not yet touched.

This report merely seeks to present an outlined summary, with sufficient detail, to call attention to prevailing conditions. Much of the information has been obtained from persons now in the employ of the SRA. Such information is necessarily confidential. Employees, dependent on their jobs for a livelihood and knowing what would follow talking, have insisted and have been promised that their names would not be used.

Synopsis

Information has been obtained indicating that unions and politicians exert a strong voice in the control of SRA; that certain of these from without which have been termed as "radical" are able to dictate appointments to the SRA of persons without fitness or experience, apparently the only qualification required being loyalty to their sponsors. The SCMWA (State, County and Municipal Workers Alliance), a CIO union, whose membership consists of SRA employees, not only usurps an unwarranted influence in establishing the policy of the SRA but also intimidates the personnel into joining the union; that another CIO union, the Workers Alliance, which works closely with the SCMWA, and which appears to be more or less closely connected with the politicians or political factions, apparently wields sufficient power to have its members placed in key positions, thus enabling the Workers Alliance to persuade relief clients to join their unions by promising preferred attention in securing relief; that many employees of the SRA are reported to have extremely liberal, if not radical, ideas, which they discuss with relief clients, attempting to and often converting them to their cause

There also is evidence that the SRA has adopted an extremely "liberal attitude" in granting relief with the result that the administration has lost sight of—forgotten—the purpose of the Relief Act, namely "relief of hardship and destitution due to and caused by unemployment"

This "liberalizing," informed employees say, has placed on the relief rolls many who are not eligible to relief under the law Employees say eligibility has largely been lost sight of; that many deserving are denied relief because of technicalities, whereas others obtain relief with ease Apparently with many, relief has become either a business or a racket; to work, foolish, to live off others, a virtue

There is evidence indicating the breaking down of morale This appears to be due largely to internal dissensions and jealousies, to constant changes in personnel and in policy; to the appointing in supervisorial and key positions of inexperienced persons, lacking the necessary qualifications to direct a business of the importance and magnitude of the SRA. The effect of this is the breaking down of morale in practically every department.

Many of the case workers interviewed appear not to know what is expected of them This is largely due to the uncertainty of their employment and to knowing from years of experience that the directing heads are both ignorant of and indifferent to their duties. Instructed to do things repulsive to their conscience, they comply because the pay check is necessary to their livelihood.

Developed evidence indicates that many of the so-called "Professional Welfare Workers" are more interested in the theory of social welfare than in the practical application of allocation to required needs Sentiment, sympathy, and theoretical ideas as to who should receive relief and the amount of relief in their opinion the applicant should receive, governs where practical application of the Relief Act is demanded. The cost of relief is not considered

Evidence was found indicating that many "intake" and "field" workers are lax or indifferent in their work. There is information that clients have been certified as eligible at the behest of pressure groups Also it is stated that in numerous instances no thorough investigation is made of the resources of the client; that no actual investigation is made to establish the amount of real or personal property the applicant may own or may acquire while on relief; that altogether too frequently no serious effort is made to investigate applicants' income from other sources or the willingness or ability of relatives to aid in the applicants' support

An explanation for this may be the large number of cases (said to be from 80 to 100) field workers are called upon to handle A further explanation offered is: the larger the case load, the more employees. Another reason advanced is the constant change in policy.

The discretionary latitude allowed and the apparent fact that decisions of the staff are accepted as the basis of authority to initiate and continue aid may be the cause of much laxity and confusion Only a complete investigation and an examination of case files would determine such delinquencies, if they exist. Obviously, to examine all cases on file would be a lengthy and expensive task. A spot check, however, would indicate existing conditions. In this investigation, no opportunity was had to examine case files.

There is a large turnover of personnel due to seasonal fluctuations in case load. Replacements under prevailing conditions appear to be made at the demand of pressure groups. This has resulted in an inadequately trained staff. Many instances have been found where trained, capable employees, have been removed under pressure and their places filled by inexperienced persons whose only recommendation appears to be loyalty to the pressure groups demanding the appointment. Other instances have been found where employees have been dismissed allegedly for economy. When their places have been filled it has been found that several employees have been hired to do the work formerly satisfactorily done by the one employee discharged.

A dangerous condition indicated is the increasing number of people who think in terms of guaranteed support by the State; people who have lost pride and independence and demand they be permitted to live in idleness. Many may be termed "professional relievers" who successfully adopt every possible means of remaining on relief. Partly, if not largely at fault is the "liberalizing" policy adopted by the SRA. Another factor is the failure of field workers to properly investigate cases; to the sympathetic attitude of many of these workers who aid ineligibles in getting on and in continuing on relief; to the alleged policy of the SRA to increase case load that increased personnel may follow and finally to the persuasive teaching and influence of the Workers Alliance.

Details.

Within the limited time allotted, as many as possible of the present and former employees of the SRA have been interviewed. Practically all interviewed say the SRA is inefficiently managed, and is increasingly becoming less efficient. The lessened efficiency is attributed by them to these major conditions: (1) the indefinite, uncertain, constantly changing SRA policy; (2) personal bickerings and jealousies among the personnel due to factional discord between the "liberals" and the "conservatives" within the organization; (3) pressure groups within SRA which try to and too often succeed in dominating personnel and in dictating policy; (4) "political" and "pressure" groups which obtain dismissals and name replacements without consideration of merit, experience or qualification. Employees say they no longer have security of employment, that dismissals are made without explanation other than that they are "for the good of the service"; and that inexperienced, unqualified persons are employed in their places. This condition, they say, has broken down morale. There is no longer interest, coordination or cooperation.

There follow interviews had and statements made by persons closely connected with the SRA. From intimate knowledge and association, they are qualified to speak. Their names omitted for reasons previously stated.

A reliable, experienced employee in the Alameda County office said: "The entire office is disrupted by friction; capable and efficient employees have been replaced by inefficient and inexperienced people who had strong political influence; this influx of political appointees has caused endless confusion, distrust, and suspicion." "Today," informant said, "more than ever is pressure getting greater until social workers don't know whether or not they will be working tomorrow." This employee added, "There are about two-thirds more administrative orders coming from the State office, and countless more forms to fill out in Alameda County than in any other I have worked in." This opinion of the employee, apparently shared by others, is that these additional orders and forms are purposely employed to so confuse and encumber the office routine that additional personnel will be necessary and "thus the SRA can be used to pay off political debts."

In the Alameda office this information also was received from an employee: "There is a constant change in office procedure and personnel and even though the case load has increased, there is no need for all these additional people and the confusion they cause lowers the office efficiency." "The worst of it is the obvious attitude of indifference of these political appointees and their lack of sincerity to SRA." This informant says she was told by her superior, when making evaluations of new appointees, "Just see that they are evaluated as capable; be more lenient than honest."

An Alameda County employee vouches for the following: "One of the earlier appointments to supervisor was * * *(1) who did not belong to the union (SCMWA). On May 5, 1939, she was demoted to case worker. She immediately joined SCMWA and two weeks later was reclassified back to supervisor. She has no A.B. degree, which is the prerequisite to getting a job as a case worker."

Another Alameda County employee, after discussing the pressure groups within and without asked this pertinent question: "How can you expect an organization to function smoothly when there is constant friction, quarreling, a terrible turnover of political appointments in personnel, and rapid changes in administrative procedure?" There is a constant fear of losing one's job and it is impossible to expect any man or woman to work conscientiously and give his best to the job."

A director of relief for a Jewish agency said, "Political influence has always been present in a government program." "But," he said, "never have I seen political pressure so obvious in my entire experience in social work (15 years) since the start of this last administration." Elaborating on this pressure, he said, "Not only the relief clients bring pressure through their union, the Workers Alliance, but the workers themselves unionized into SCMWA, and they have brought pressure with increasing demands to such an extent that they have been successful in pushing their members into higher classifications at increased salaries, whether or not they be qualified or capable enough to properly execute the duties of such position." Further, he said, 'It has become a question of political clearance as a prerequisite for a job with SRA, rather than good training and experience in social training; fully experienced people are removed without notice from their jobs which they have capably performed, and inexperienced persons with strong political party connections substituted." "The SRA," he claims, "has become a means of building a political machine and a means of paying political debts."

The following is from an Alameda County employee: "The nuisance pressure of the union (SCMWA) is instrumental in keeping the office in a turmoil." "* * *, * * * and * * *, strong union members, are continually neglecting their work and gathering in groups to talk union affairs during State office hours." "The union meets weekly with Gallagher, the county director, on State time for hours on end." "The union is constantly soliciting the membership of new employees with promises of shorter hours, new classification and quick raises." "* * * is working in the record room at $110 per month." "Other girls doing the same work get $80 per month." 'In the record room alone, where ten did the job properly, there are twice that number now and the job suffers because they are green political employees."

This is from another employee: "There is no job security and the workers are taking an indifferent attitude toward their jobs." "Political appointees fill the file room; they are incapable and inexperienced and get in everyone's way." "Social workers fresh out of college, full of ideals, deal in unemployment; see unemployment and are afraid of their jobs, so give relief when possible to keep up the case load."

A prominent social worker in San Francisco, who has been engaged in the work for the past ten years, and who is constantly in touch with the SRA, from experience named the following "definitely existing evils in the State relief program": "These evils" the informant said, "strike at the very foundation upon which this program is based." These are 'The evils of political appointment of inefficient, incapable workers to fill the positions of capable workers; the pressure of the workers' union, the SCMWA, and the clients' union, the Workers' Alliance, have resulted in loss of time, effort and money, and a general disorganization and inefficiency" The improper attitude of social workers, who, well trained in theory, lack the practical application thereof, and lean over backwards in an effort to sympathize with the client with not too much attention to where the relief money is coming from" "The jobs are filled by persons who are politically certified." "Ability is no criterion." "These politically clear persons haven't the vaguest idea about social service" "To permit politicians to deal in human life is a terrible thing." "This picture is not exaggerated, the public will not stand for it" This informant said from conversations with Administrator Walter Chambers it could be said, "Mr. Chambers is an idealist; he is a trained social worker, sincerely interested in seeing SRA become a properly run organization" Chambers, she said, told her: "You have to expect people to be fired when the Republicans have been in control so long and now it is the Democrats' turn in office" Chambers also said to her, "I suppose you have heard rumor that Edwin Cooley (San Francisco county director) is on the skids." "That is ridiculous; do you think I want a mess in San Francisco like in Sam Houston Allen's district in Los Angeles County?"

An "intake worker" in Alameda County said "The SRA office is in a turmoil. There has been an increase in workers, yet a drop in case load. Many of the workers have been sitting around smoking cigarettes, and talking on State time. It is an inefficient, disorganized administration that is steadily getting worse. The file room, originally run with a dozen persons, has had its personnel doubled There is no harmony, nothing but distrust and suspicion There is no security of position, and the feeling of terrorism is not exaggerated" "Never have I seen such inefficiency; these political clerks haven't the faintest idea about the work." This informant said also, "Cases that come in for relief, if appointment cases, are made for a certain time for them by the Workers' Alliance The Workers' Alliance contacts * * *, grade 2 supervisor, who in turn sees these clients are given preference and are immediately taken care of"

A supervisor in the SRA, Alameda County, said she objected to a new appointee sent to her department because the new appointee was inefficient She was told: "You have only the right to people who are politically cleared." The inefficient appointee remained.

A well known employee of a San Francisco welfare board, speaking from close contact with the SRA, said: 'Without honest administration it is impossible to combat a disorderly program of relief; a program of waste; a program pitted with political hangers-on; a program that is the breeding ground of subversive activity." "The case workers for the most part are honest. It is the insincere people in supervisory positions that cause pressure to be brought upon case workers which hinders them in their work. Workers, dependent on their salaries, are pressured and coerced by the clients' organization, the Workers' Alliance, from without and by their own union, the SCMWA, from within. Case workers have found they had to join the SCMWA or lose their jobs.' "The burden falls on the poor relief client, and adds to his suffering, as well as on the taxpayer by adding to his expense."

A director of charities, connected with relief and social welfare work for more than 16 years said, "The relief program today is in a deplorable condition; it is filled with an untrained personnel of political appointees, chosen not for their ability but political strength." "A victim of subversive activity and union pressure, the SRA has lost efficiency and effectiveness." "The very core of SRA is rotten; the roots dead, and the basic fundamental structure of the program unsolid." "This condition has been effected largely by persons who selfishly have been seeking personal gain, pushed themselves into the organization and sought to live off the misery of others; also by 'pressure groups' both inside and outside the organization, namely, Workers' Alliance and SCMWA." "Political clearance seems the primary requisite for an SRA appointment."

From an employee in an administrative capacity in the SRA State office, the following information was obtained: "There are in the offices of the Personnel Division of SRA, Los Angeles, card files upon which are indicated not only qualifications of SRA employees, but their political clearances and party strength and service, such as: 'This man can get 200 votes'; 'This man did valuable work on campaign for Olson'; 'This lady has political clearance and strong financial backing'." "SCMWA has become so active in the office and during State time that this activity interferes with the efficiency of the office." "The State equipment (mimeograph) is used to print SCMWA literature during State time." He says. "Sam Houston Allen, SRA Director, Los Angeles, was heard to say: 'even though the State office is moving down I am going to run things my own way'; 'I'm a power down here, they can't order me around'; 'If any office space is needed I'll fire employees to make it'." He says also he was told by a buyer in the Purchasing Department, Los Angeles, that he was approached by a contractor seeking a contract for electrical work When informed the job had already been let, the contractor said: "The hell you have, Walter Ballou promised that job to me." He says also that "Walter Ballou, Governor Olson's executive secretary, and on the payrolls as such and not on the SRA payroll, has his office at 180 New Montgomery Street, San Francisco." His opinion is that "every administrative appointment, not necessarily the major ones, has to be approved by Ballou" "Recently in Los Angeles," this informant says, "a call was made for additional help." The Personnel Department was asked for applicants for junior clerks. Only one application was received. When asked for more, that an efficient choice could be made, the information was given: "We haven't any more that are politically clear."

An Oakland employee says the SCMWA assessed individual members 10 cents each to aid in the Harry Bridges' Deportation Defense.

The following is from an "Intake Qualifier," Alameda County. She has direct contact with SRA clients as they come off the street and determines their eligibility Briefly, her statement is that when clients have been properly declared ineligible for relief "they go to the Workers' Alliance and are instructed how to fill out applications and directed how to answer the questions asked them by SRA qualifiers." "If rejected a second time they go back to the Workers' Alliance The Alliance phones certain Supervisors within the SRA and the applicant gets preference in another hearing" "It doesn't follow," she says, "that the applicant is given eligibility, but the applicant is given preferred consideration." "Remarks like this," she says, "are frequently heard: 'Everyone in the office will be made to sign up with the Young Democrats'." In addition to political and union pressure, this informant thinks one of the causes for inefficiency is "the heavy case load (100) workers have to carry."

An employee in the SRA Contra Costa County office is of the opinion that a check of cases would disclose startling information. He cites a few that have come to his notice:

(1) * * *,(a) Richmond. While in receipt of direct relief from SRA, also while on WPA * * * had $1,200 cash in the bank. This case was supposed to have been properly investigated, but a neighbor informed informant he knew * * * had money in the bank, also had stocks and bonds. Informant investigated and found this to be true In addition to the money in the bank, * * * had a son working for $100 per month who had been receiving this amount all during the time * * * was on relief. The son also had a bank account averaging from $125 to $400 at all times during the father's receipt of relief On

informant's recommendation the case was closed, and restitution proceedings recommended.

(2) * * *,(1) California, informant says, was on relief until informant found * * * had a bank account far in excess of what he should be allowed. The income from the estate, informant says, "was approximately $100 per month."

(3) * * *,(1) Richmond. Informant says * * told the social worker he was able to get along without SRA paying his rent. The social worker insisted SRA should take care of the rent.

(4) * * *.(1) Informant says in this case he found this man had holdings with assessed valuation of approximately $4,000. Although he recommended the case be refused, the case worker thinks "there is possible indication the case is eligible for relief."

Informant says the above are only a few of many flagrant cases which have come to his attention "over the last few months; apparently all due to careless and inefficient investigation."

An employee in the * * *(1) SRA office said: "Mr. Willis, the recently appointed Director in Contra Costa County, knows nothing about relief. He does not know one form from another, is most uncouth, refers to his staff as 'guys' and money as 'dough'." "He makes such remarks as 'this will be a good racket when we get the dough to move the office to the other address'."

A former office manager, SRA Alameda County, says: "There are two reasons for the failure of so many to take WPA work: (1) the slowness of SRA caused by inefficiency and inharmony; (2) Workers' Alliance pressure resulting in the certification of ineligible clients." "With certain types of people in the Intake Division, such as a man, who is now an Intake Worker in the Alameda County office of the SRA, and who served a prison record in the northern part of the State, and was dismissed from a teaching job because of his subversive activities among the students, what can you expect." "A smart organizer, one who wants to take care of his friends, has a marvelous opportunity to have ineligible clients certified."

The following statement made by an Alameda County SRA clerk shows the feeling of many employees: "Administrative efficiency is terrible. Another three weeks such as the past few have been, and it will take years to straighten out the mess." "The record room three weeks ago had a personnel of six, now there are twenty-seven. Six months ago the case load was 1,000 less than last year, the personnel 100 more. The last payroll showed there were twenty new case aides taken on." "I know of one Intake Worker who kept a list of all clients (relief) and this list was put into use at election time, and the clients told 'you vote this way or else'." "Social workers are known to be teaching liberalism in the homes of relief clients." "* * *,(1) who was a delegate from California to the Young Communist Party Convention in New York in 1936, has been appointed to a $260 job in the SRA office, San Francisco." "After * * *(1) was fired, the new personnel had worked and worked trying to figure out the budget per case, and finally arrived at $62. It should have been only $60 per case. This with a case load of 7,000 adds up to a nice figure." "Nobody trust anybody in the SRA; there is a definite atmosphere of inharmony, turmoil and distrust."

An employee in the Oakland office says: "Sixteen clerks and stenographers were interviewed by an SRA Supervisor for the position of intermediate clerk." "Each applicant was asked these questions:

1. What do you think of the SRA?
2. How efficient do you think the SRA is?
3. What do you think of the policy of the Oakland Tribune?
4. What do you think of Governor Olson? of Patterson? of Downey?"

This employee said also: "Clients are more relief conscious and demanding than ever before; there is an independence on the part of the applicants, especially the older applicants; they seem to know they will get relief—they know all the answers."

An employee in the San Francisco SRA office said: "There have been 55 appointees in clerical jobs in the last ten days (date of interview 9/25/39)." "At least 12 to each Assemblyman: * * *(1) * * *(1) * * *(1) * * *(1)."

The following is from a San Francisco employee of long service: "I have never known of politics entering into the relief setup until recent months; qualified people have been hired to fill the administrative jobs until just recently; now there seems to be no consideration given to the qualifications of appointees."

Another San Francisco employee said he was told by his superior officer, "If a union member (SCMWA) had to be reprimanded for any reason, then he could not support the Supervisor even though his responsibility is to support the Administration." In other words, he would have to support the Union. This employee said also, "There is a marked increase in case load. They are unable to clear questionable cases because of no definite policy. If there was a definite policy, the personnel in my department could be decreased at least 10 per cent—a conservative figure. This would amount to $300 a month in my department; figuring this over the entire State would amount to approximately fifty-eight times this amount."

He says, "The attitude of relief clients four years ago was that of embarrassment at having to ask for relief Experience shows now, just four years later, they demand it" "Social workers are in a frame of mind that clients are entitled to and are due relief." "For the most part the clients appear to know as much or more about the SRA manual as do the employees themselves." (This tends to support the contention of others that a large percentage of clients are "repeaters" and are well versed in the rules and regulations covering relief)

A case worker gave the following information: He said he is a former member of the local SCMWA; that he "was never so disillusioned as I was after attending the union meetings and actually finding out it is run and controlled by the Communist party." He said there is "altogether too much stress upon the rights of the employees and not enough stress upon the duties of the employees." He says the present administration has allowed "all left wing activities to blossom into flower" "There have been times when the Workers' Alliance representative would tell the single men who were about to be taken on the bus to the single men's camp that they did not have to go there; they could get assistance through SRA here in town." "In one instance the driver was stopped by Workers' Alliance representatives and not allowed to take the truck out for awhile" "There is no harmony nothing but ill feeling, dissension and doubt on the part of all." "The union realizes that all statement of policy comes to the Intake Department first, and in this Department the union has carefully placed its own people. This is the place of first contact with relief applicants." "Union dues are $12 a year—$1 a month. Of this 75 cents goes to the International CIO Treasury in Washington, D. C.; 10 cents to District Treasury here, controlled by Harry Bridges; balance of 15 cents is left with local chapter of which 2½ cents goes to Labors Non Partisan League The Executive Council is composed of powerful CIO leaders, representatives of the Communist Party, and presidents of local chapters of CIO and SCMWA At these meetings, instead of discussion and effort being put forth to improve working conditions of the workers, time is spent in determining to whom telegrams and letters should be sent regarding any bills in any way affecting the Communist Party, either in the State Legislature or Congress." "Every indication of these council meetings is that the objectives of the Communist Party and the interests of the Union are first." "SRA is the Refuge of the Misfits. When a client comes into the SRA office, with a grievance, a representative of the Workers' Alliance seems always present to stir up dissension and trouble. The Workers' Alliance always has representatives in SRA offices." This informant says also he has been told that "it is not his job to investigate these cases and that he is to give relief to the applicants whether they are eligible or not" "Time and again," he says, "applicants come into the office drunk—so drunk they can hardly sit on a chair while being interviewed; police are never called—social workers will not permit calling the police; that would be wrong psychology to be used on a client The interviewer must take whatever treatment the applicant wishes to inflict, and give aid." Informant estimates "80 per cent of the cases are repeaters; 7 per cent to 10 per cent are chiselers" He says he "believes many prostitutes are getting checks from SRA." "The relief set-up is ideal for people who work at some trade at night. Too many applicants when called on during the day are found asleep" No thorough check is made "Interviewers are not allowed to make any such remark as 'you shouldn't use relief money for liquor'." "SRA workers from Contra Costa County, San Jose, and all offices at least fifty miles from San Francisco come into State Standards Committee meetings of SCMWA every Thursday, taking time from their jobs, regardless of the work that is waiting to be done at their desks" "They meet on State time at State expense."

Informant says he knows case workers who work on the theory: "If they (applicants) are not eligible make them eligible."

An informant in the Nutrition Division said: "Until this year, the Nutrition program was sponsored by the City and County of San Francisco, costs of projects being divided approximately 40 per cent by the City and 60 per cent by SRA." "When the project came through this year, about September 1st, SRA informed the City that they (SRA) would take full responsibility." Informant was told "to have all the local Democratic backing she could get in order to hold her job." "The names * * * (1) * * * (1) * * * (1) were suggested" According to this informant, * * (1) "is the clearance for SRA jobs in San Francisco, and it is common talk that there is no use applying for SRA jobs unless you are an Olson Democrat."

An employee of the SRA Accounting Office said: "Relief program today lacks proper administrative supervision in the social, administrative and supervisorial angles, such as I have never experienced and I have been with the program since 1933. Most of this is the result of the insistence on the part of someone to make appointments without consideration to ability or background of the individual appointed." "It is natural to attribute this to political appointments, and that is

the consensus of opinion. Besides, there never has been a time when the subversive organizations and tendencies have been so much in evidence as now"

An official of the Accounting Department, San Francisco, expressed the following opinion: "The social workers have too much theory and are definitely lacking in practical knowledge, or the value of the dollar, or the source of the relief dollars. The case workers go on the prerogative that they are hired to spend the money; in fact, to give it away, just as fast as possible. There is split responsibility between the County and the State, and a deliberate attempt toward evasion of obligation by both."

The following statement was made by an informant who for several years has been connected with "State camps": "The growers' camps are for the most part well supervised There are very few tents used now except at the height of the season." "The growers are very cooperative The workers, if left alone, would work for the wage offered." "Capitalizing on ignorance is the practice. The farmer would like to pay more. Sometimes he makes less than the picker." "The workers spend a great deal on gambling and drinking, and do not plan for the lean season. In many cases they are paid off Saturday night, and have no money Monday morning for medicine and food" "There are cases where migrants make a pleasure trip for relief and then go back home" "When I began working with camps in 1929, almost the entire camp population was Mexican. Perhaps 60 per cent to 70 per cent are now Americans—Dust Bowlers and Share Croppers."

At Marysville this statement was made: "If relief were not so easy or if the differential were not so great between WPA and farm wages, more would work. Farmers can not pay the wage. The price comparison is 30 cents per hour as against 60 and 70 cents on WPA." "They work during the season then go on relief—don't try to save"

At Marysville, it was found that a man and wife and three children, among other items received from Surplus Commodities: one pound of butter each day (seven pounds a week); 100 pounds of flour a week; 45 pounds of oranges a week.

Informant says this is a positive fact, adding, "This family gave butter away to friends They had difficulty in getting rid of the flour—supplied neighbors, friends. There was so much flour the woodrats moved in for their share." "Such waste continued because no item could be changed on the commodity list" "Taking something for nothing, whether needed or not, has grown into a habit." "One family had on hand 12 sacks of flour and several cases of canned tomatoes." "One man offered a job said, 'Why should we work if we can get something for nothing?'."

At Marysville this opinion was expressed: "Agitators get relief Former workers are on relief. A status of California bums has been made." "Why? Politics is behind the whole thing. As long as votes can be secured through this method not much can be accomplished. In these two counties, Sutter and Yuba, there are 600 to 700 SRA and WPA clients. At election time there are 1,000 to 1,500 cases. Roosevelt and Olson want relief money. They are capitalizing on human weakness and misery." "Appointments to SRA personnel are made on the basis of Olson connections, not on ability."

Another informant at Marysville said: "* * * (1) encourages them to stay on relief. No job is suitable for them. SRA clients do not ask for work until pressure is brought, and they have to go through the pretense of applying at employment bureaus But jobs and salaries do not suit them." "SRA does not send men to apply for work when they should, and then no job will do." "The trouble is relief has become a business." "It is easier for lazy, undeserving people to receive help than for those who have no relief record. Just because you have something it is rated against you." "People receive SRA aid who should not have it. The office people tell the clients exactly when they will call to make an inspection. This information enables the dishonest one to be prepared and to hide certain possessions." "It is made easy for people to lie." "New applicants for SRA relief (in Marysville) are never accepted or refused at the moment. While they wait for a decision on * * * (1) part, Workers' Alliance and CIO representatives who wait in the corridors, or some place close, approach the applicants and suggest membership to ease their cause along. Membership is a definite aid toward relief."

An employee of the Surplus Commodities Distribution Division, SRA Los Angeles, said: "Because of existing corrupt political conditions and Communistic activities within the State Surplus Commodities Distribution in Los Angeles County, it has been heard the Federal Government contemplates cutting the issue of Federal Commodities in Los Angeles County area 90 per cent and that possibly all supplies will be discontinued; also that the resignation of the present head is demanded." This informant said that "during the past week over 60,000 cases of spoiled commodities—foodstuffs, including spaghetti, macaroni, etc., had been removed from the Los Angeles Commodities Distribution Warehouse on Santa Fe Avenue, and had been discreetly disposed of." He added that "the next week,

beginning October 23d, additional amounts of commodities running into several thousand pounds will also be disposed of in a like manner." No opportunity was had to investigate this statement.

This interesting fact occurred in Los Angeles. It was noised about that it was practically impossible to obtain a position in the San Fernando Valley SRA unless the applicant first joined the Workers' Alliance, and that it was first necessary to secure the approval of a man named * * *(1). The would-be applicant, in the presence of an agent of this office, contacted * * *(1). * * *,(1) who was acquainted with the would-be applicant, said, "Well, Jimmie, I know you don't belong to the Workers' Alliance, and unless you sign up with us I won't be able to do a thing for you. However, if you will sign up with us, I guarantee that I will be able to have you placed back in the SRA out here in the valley in some capacity, maybe not with your old job, but anyway I will get you back on the pay roll." The applicant then said, "Well, if I really thought you could do that, I might consider joining up with your outfit." * * *(1) said, "I can do it all right; you see, I work direct with Sam Houston Allen who is at the head of the SRA in Los Angeles County, and our organization has an agreement with Allen whereby Allen will not allow anyone to be appointed into the SRA unless the applicant first joins up with the Workers' Alliance. Consequently, if you'll join up with us I can do something for you." The applicant left saying he would think it over.

A former official of the SRA says a man named * * *(1) was appointed in charge of the commissary as senior manager. * * *(1) refused to do any work and on many occasions boasted openly that he was handed his appointment as senior manager while in the Lincoln Heights jail on a wife beating charge. Because of his drinking, refusing to work, etc., * * *(1) was sent back to SRA headquarters, Los Angeles, to report to * * *,(1) who was instrumental in having * * *(1) appointed. "Soon thereafter," informant says, "I received a phone call from * * *(1) and another call from * * *(1) advising me I was 'overstepping my bounds' in interfering with * * *(1)." Informant says, "* * *(1) came back to work with the smell of liquor on his breath, and continued to refuse to work." Informant added that "* * *(1) assignment chart shows he is a foreigner, but that his citizen's affidavit is on file."

* * *(1) is one of the few interviewed who would permit his name to be used. He said he "would be willing to testify to all I know about the new and old regime of the SRA during my five or more years of service." He said, "It is a well established fact that can be proved by competent witnesses that politics is the first consideration in not only the appointment of administrative heads and other employees plus their status with the radical organization of the Workers' Alliance, which does not plead for help for its members but demands and receives more than is required or legally allowed."

Speaking more specifically, * * *(1) said, "Before Allen came into power in the SRA in Los Angeles County, it was the practice to pick employees for jobs from the relief clients after they had displayed their ability and competency. This not only helped the worthy and those qualified to earn at least a living wage, but took them off the relief rolls. The practice now is not only not to relieve the rolls, but to increase the case load and employ incompetent administrative help, and also to swell the staff with unnecessary employees. In every division of Los Angeles County, where heads have been dismissed by Allen, two and three 'politically cleared,' but otherwise unqualified individuals, have been appointed in their places, and in practically every instance with an increase in salary." He cited one instance where one man of long experience and capable, was dismissed in July after six years of experience. Seven men have been employed to do this work, formerly done satisfactorily by one man. "There are other instances," * * *(1) said, 'where the new staff has been increased more than 100 per cent to give jobs to men whose only 'qualification' is a political clearance."

A confidential informant says, "The SRA is permeated with Communists, and the Dies Committee has affidavits proving this fact."

A former director of the SRA, San Diego, made this statement: "The case load has greatly increased under the present management, while the Workers' Alliance dictates the eligibility." "Under my administration," he said, "75 per cent of the recommendations of the Workers' Alliance were rejected, while now the figures are reversed and 75 per cent are accepted."

A gentleman holding a position of responsibility in the San Diego SRA said, "When Olson was elected, politics entered and is becoming stronger all the time. The Workers' Alliance deals directly with Olson's office. Roe, the new manager, has had no experience. They have been appointing only politicians and those approved by the Union. Relief workers have had no experience, and the rules have been stretched to the broadest point possible with the result that at least 30 per cent of those on relief are ineligible and should not be on. All are instructed to liberalize the rules as much as possible. The result has been a great increase

in case load and in the cost of administration" Summarizing, he said, "A year ago there were 1,500 relief cases, now there are 3,000. Politics is rampant; the unions are dictatorial, there is waste and inefficiency; no system; no coordination; the personnel are dissatisfied; all have the jitters not knowing what is coming and all in all there is chaos and confusion."

A president of a Democratic club in Los Angeles said his "personal files contain considerable information regarding SRA 'red' activities, which information was obtained as a result of investigations made by the members of my club." He said all of this information, which included sworn affidavits showing that SRA officials were active members of the Communist Party were turned over by him to Dies Committee agents in Los Angeles. He described this evidence turned over by him as "strong and sufficiently comprehensive to eliminate any doubt as to the activities of these SRA officials with the Communist Party." He declined to discuss in any detail the nature of the evidence obtained by his group because of the fact, as he explained it, that this information has been turned over to an official government agency and he did not believe it would be fair to the Dies Committee to disclose the information at this time.

* * * (1) a former employee in the Surplus Commodities Distribution of the SRA, Los Angeles, in a signed statement says: "About August 1, 1939, I attended a political meeting of the Latin American Young Democrats of Southern California. . . . . The temporary chairman, a * * * (1) was speaking The substance of his speech was as follows: Sam H. Allen appointed * * * (1) to an administrative position with the SRA for the sole purpose of having * * * (1) place individuals in positions with the SRA which individuals were due for political rewards for their services in helping to build up the Allen machine: that * * * (1) will get jobs for these men regardless of how he has to go about it. We are building up our own political machine and contemplate getting the jobs from the Social Service workers and they (naming such men as * * * (1) * * * (1) and * * * (1)) will see to it that men from our machine get the jobs"

In another signed statement * * * (1) tells of going to the home of * * * (1) at * * * (1) request. * * * (1) showed him letters from Governor Olson thanking * * * (1) for his cooperation and assistance. * * * (1) avers he was also shown two letters from Mr. Richard Olson, a son of the Governor, addressed to * * * (1). In substance these letters thanked * * * (1) for the services he had rendered and promised that he (* * * (1)) would be taken care of in the near future. These letters made no reference to SRA or the Workers' Alliance and were apparently thank-you letters which * * * (1) exhibited to impress * * * (1). "After I read these letters * * * (1) told me he had shown them to me to prove he had 'inside connections' and was 'in the know'." "* * * * (1) then told me he was going to be very frank in what he had to say; that if I didn't join up with the Workers' Alliance organization I would be out of a job in a few months. I asked by what authority the Workers' Alliance made that statement and wanted to know what they had to do with the administration of the SRA. * * * (1) answered that the Workers' Alliance was so strong that people were hired and fired at the will of the organization He then handed me a membership application blank and told me if I didn't sign it I would find myself out of a job in the near future. I refused to sign the application and * * (1) told me I was a fool because he knew what he was talking about" Subsequently * * * (1) lost his job with SRA.

Reference also is made to signed statements of * * * (1) and * * * (1) the originals of which have been furnished.

A district supervisor in Los Angeles, speaking of politics within the SRA, says: "A place had to be made for * * * (1), assistant Sergeant-at-Arms in the State Legislature. * * * (1) was slated for the position to which * * * (1) was appointed. Allen had to place * * * (1) somewhere so he fired * * * (1), Superintendent of the SRA Warehouse at Los Angeles, and appointed * * * (1) to that office in order to get * * * (1) on the pay roll. * * * (1) does not do any work, supervisory or otherwise, at the warehouse, but merely signs the register in the morning and then leaves for the rest of the day This morning (October 9) after signing the pay roll, * * * (1) said he would not be back for the rest of the day inasmuch as he and his girl friend were going to take a little trip to Santa Barbara."

The informant said, "As a specific example of the inefficient distribution of these foodstuffs (surplus commodities) over $50,000 worth of canned goods from different cooperative units now in their warehouse at 1101 Santee Avenue, Los Angeles, has been spoiled and is worthless because most of these canned goods had been left standing in the sun and after exposure to the last heavy rain became rusty."

"As another example," he said, "approximately 30,000 cans of tomatoes now in storage at said warehouse are in a spoiled and inedible condition because of inefficient packing, handling and distribution by unskilled workers and by unskilled

officials who apparently took no interest in the supervision of these commodities." Time did not permit verifying these statements

From a confidential source at SRA headquarters, Los Angeles, it was learned that the communication office, which handles all telegram and radio messages, "is in a terrible mess" and that "the congestion of mail matter and confusion of records is proving a costly experience." All those employees in the division who understood the work and were competent have been dismissed and their successors are without experience or training in the work. The new employees, it appears, "through ignorance or otherwise, have failed to retain copies of hundreds of telegrams sent out The State Finance Department requires that a copy of every telegram sent during the month be attached to the telegraph company's monthly statement before the bill is paid. Copies of these telegrams haven't been made."

The purpose of the Surplus Commodities Division is to distribute surplus food received by private donation and from Federal Surplus Commodities Corporation to persons on relief rolls Thirty-three of these stores are in operation in Los Angeles County under the direction of * * *(1) who was appointed to this position of Los Angeles County Supervisor about July 15, 1939, by Sam Houston Allen, SRA Director of Los Angeles County. Resulting from the investigation conducted into this matter, the information obtained is that soon after the appointment of * * *(1) most of the persons who occupied key positions with the Surplus Commodities Distribution Division were dismissed and persons who were "politically right" with the * * *(1) organization were appointed to take their places. Information received is that at the time these new appointments were made, the personnel was often more than doubled in number, and in a majority of instances none of these new appointees was trained for the positions they were to occupy. The claim is made that the amounts of food commodities actually issued from these commissaries after * * *(1) appointment were reduced more than 75 per cent as in comparison with the commodities previously issued under * * *(1) administration. That because of Communistic infiltration into these stores by members of the Workers' Alliance, many of whom were appointed to key positions, the efficiency and the operation of these stores fell far below the previous standard. The impression appears to be that "the * * *(1) machine is doing everything possible to have these commissaries closed in order to have their program of 'Production for Use' program, put in actual operation"

In connection with the foregoing, the following excerpt taken from a signed statement by * * *(1), a former manager of several SRA commissaries, is interesting: "The employees in our commissaries who were members of the Workers' Alliance were continually issuing commodities to relief clients who were also members of their party. As a result the inventory sheets did not balance. I brought this to the attention of Area Supervisors * * *(1), * * *(1), * * *(1) on several occasions, and they told me nothing could be done about it and for me to just make the best of it A notable change took place among the relief clients who were Workers' Alliance members Their demands became greater, and they were always complaining about the amount of commodities being received by them."

"Soon after these new appointees had been placed in our stores, I received from * * *(1) assistant, * * *(1), area supervisor, a typewritten list of the active members of the Workers' Alliance party then on relief rolls in our district. With this list I received specific written instructions from * * *(1) that the persons whose names were contained on this list were to be issued special amounts of commodities from our three commissaries. I had no say whatsoever in this matter, and issued these commodities as ordered. Dissension and ill feeling immediately became prevalent in the ranks of the relief clients who were not members of the Workers' Alliance, and could not obtain these special issues. Complaints were made to the area supervisors regarding these irregularities, but no attempt was made to correct the situation and no investigation was conducted into the matter.

(* * *(1) admits sending the above referred to letter; he says he did it under instruction of "higher-ups.")

From a reliable source the following was received "With further reference to the political phase of the new SRA regime, it should be explained that many well-qualified applicants for SRA jobs can not make the grade because of political requirements Even though they profess to be radicals and dyed-in-the-wool Olsonites, they lack the necessary acquaintance of 'politicals' to endorse their application.

"To better explain the procedure, and submit proof in verification, copies of two of the three applications required to gain an audience with the high SRA officials in the director's office are furnished (see following) Two of the applications must be made out and approved at political headquarters, and the third presented at SRA headquarters. This last application is a mere formality and of small import if the first two are favorable

"The applicant must present himself at the office of * * *(1), Chairman of the Democratic Central Committee, in the * * *(1) is connected with the State

Division of Motor Vehicles. The applicant is handed two blank applications which read as follows:

No. 1

"Name _____ Street address _____
(Please print the above plainly)
Age_____ Male_____ Female_____ Telephone_____ City_____
County_____ Registration_____
Congressional district_____ Assembly district_____ Precinct_____
Place of birth_____ Nationality_____
Married
Single_____ Citizen_____ Date of naturalization_____
Occupation_____ Position desired_____
What section of State do you wish to reside in?_____
Persons dependent upon you for support_____
Qualifications _____
Former employment: Since 1929_____

Employer	Address	Position	Salary

Present position_____

No. 2

(The political and most important blank)
"Name _____ Street address_____
Telephone_____ City_____
County_____ Registration_____
Congressional district_____ Assembly district_____ Precinct_____
Club and other political activities_____
Remarks _____
Signature of precinct chairman_____
Signatures of *four County Central Committee members* in your Assembly district

Signature of County Central Committee chairman_____
Signature of State Central Committee
Congressional District vice chairman_____
Divisions (Veterans, Foreign, etc.)_____
Signature of chairman_____
NOTE—The signature of above requested officers must be secured to make this application valid

SPONSORS

Name	Address

Signature of applicant_____

"These two applications are to be filled out with all questions answered fully and returned to * * *[1], who gives the applicant a letter to the personnel officer at local headquarters. The applicant is then given a regular SRA application to fill out and this latter document is for the files of the SRA. If the applicant should happen to call at SRA headquarters seeking a job he is directed to go to the Democratic headquarters."

A Los Angeles informant says: "When Allen came into power as administrator of the Los Angeles County District, he abolished the 'Reemployment Division' which had a staff of about 20 men whose duties were placing relief clients in employment in private industries. These men were trained and influential citizens who were in touch with business concerns and factories." "On September 1, 1939, Allen set up a 'Sales' Department in the Los Angeles SRA to replace the 'Reemployment' Division with a staff of about 35 inexperienced and incompetent employees."

An SRA employee said: "The Los Angeles County SRA is disbursing $1,800,000 in relief per month; prior to Director Allen's regime the administrative cost of operation was 11.4 per cent; it is now 25.2 per cent with a decrease in relief cases." The exact figures of the case load he did not have at the moment.

Statements similar to those set out herein could be repeated many times. It is thought those submitted sufficiently indicate prevailing conditions without further elaboration.

Respectfully submitted.

EDWIN N. ATHERTON AND ASSOCIATES,
By (Sig.) D. E. Hall.

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[1] All names deleted from report are in the possession of the Senate Interim Committee on Relief.

Reports of Standing Committee.

The following reports of standing committee were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, January 30, 1940

MR PRESIDENT: Your Committee on Rules, to which was referred the following requests for permission to introduce bills:

By Senator Kenny

Relative to approving a certain amendment to the charter of the city of Los Angeles, a municipal corporation, in the county of Los Angeles, State of California, voted for and ratified by the electors of said city at a special municipal election held therein on the Twelfth day of December, 1939;

By Senator Fletcher

Relative to the disposition of a statue of Juan Rodriquez Cabrillo;

Has had the same under consideration, and respectfully reports the same back, and recommends that the requests be granted, and that the bills be introduced and placed on file for immediate action.

Committee membership—5; committee vote: Ayes—5

SENATOR SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, January 30, 1940

MR. PRESIDENT: Your Committee on Rules, to which was referred the following requests for permission to introduce bills:

By Senators Swing and Crittenden

An act to repeal section 2226 and to amend sections 2007, 2227 and 2229 of the Welfare and Institutions Code, relating to aid to the aged and providing for the cancellation and release of certain agreements heretofore required of recipients of aid to the aged, and declaring the urgency thereof, to take effect immediately;

By Senator Metzger

Relative to memorializing Congress to enact a plan for old age assistance wholly supported by Federal funds,

By Senator Foley.

An act to repeal sections 2226 and 2229 of, and to amend section 2227 of the Welfare and Institutions Code, relating to aid to the aged, and providing for the cancellation and release of certain agreements affecting real property heretofore required of recipients of aid to the aged and their heirs, declaring the urgency thereof, to take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that the requests be granted and that the bills be introduced and referred to the Committee on Social Problems.

Committee membership—5; committee vote: Ayes—5.

SENATOR SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, January 30, 1940.

MR. PRESIDENT. Your Committee on Rules, to which was referred the following request for permission to introduce bills:

By Senator Metzger:

An act to add section 250.1 to the Fish and Game Code, relating to deer in fish and game district 1G;

By Senator Kenny:

An act to add section 374.5 to the Vehicle Code, relating to license plates for exempt vehicles, and declaring the urgency of this act;

By Senator Swing:

A resolution to propose to the people of the State of California to add section 23 to Article XX of the Constitution of said State, relating to alcoholic beverages, and creating an Alcoholic Beverage Commission;

By Senator Brown:

An act to add section XX 862c to an act entitled "An act to provide for the organization, incorporation, and government of municipal corporations," approved March 13, 1883, relating to water systems of sixth class cities and the sale and distribution of water therefrom;

By Senator Breed:

An act to amend sections 232 and 377.5 of the Vehicle Code, relating to the installation of motor vehicle engines or motors;

By Senator Breed:
An act to amend section 164 of the Vehicle Code, relating to renewal of registration of vehicles;

By Senator Breed:
An act to amend sections 210 and 252 of the Vehicle Code, and to repeal sections 211, 212, 213 and 214, thereof, relating to permits to nonresident owners of motor vehicles;

By Senator Breed:
An act to amend sections 66 and 67 of the Vehicle Code, to include within the definition of "owner" of a vehicle a public agency entitled to the possession and use of a vehicle under a lease, lease-sale or rental-purchase agreement, and within the definition of "legal owner" the renter or lessor under such agreement, to take effect immediately;

By Senator Breed:
An act to add section 2.5 to an act entitled "An act relating to licensing and taxing of vehicles, providing for license fees for the privilege of operating certain vehicles, providing for the exemption of such vehicles from all taxes according to value for State, county or municipal purposes, providing for the administration and enforcement of this act, creating a fund to be known as the Motor Vehicle License Fee Fund, and making an appropriation of the moneys therein," approved June 25, 1935, relating to exemptions from vehicle license fees, to take effect immediately;

By Senator Breed:
An act providing for the cancellation of license and registration fee penalties in connection with vehicles operated by public agencies as lessees under lease, lease-sale or rental-purchase agreements;

By Senator Breed:
An act to amend section 374 of the Vehicle Code, relating to vehicle registration, including the payment of fees therefor by public agencies operating vehicles under lease, lease-sale or rental-purchase agreements, to take effect immediately;
Has had the same under consideration, and respectfully reports the same back, and recommends that the requests be granted and the bills be introduced and referred to the Committee on Governmental Efficiency.
Committee membership—5; committee vote Ayes—5.

SENATOR SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, January 30, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following requests for permission to introduce bills:

By Senators Gordon and Crittenden.
An act to amend section 70 of the State Civil Service Act, relating to salary adjustments of civil service employees,

By Senator Kenny:
An act to amend section 11 of an act entitled "An act relating to licensing and taxing of vehicles, providing for license fees for the privilege of operating certain vehicles, providing for the exemption of such vehicles from all taxes according to value for State, county or municipal purposes, providing for the administration and enforcement of this act, creating a fund to be known as the Motor Vehicle License Fee Fund, and making an appropriation of the moneys therein," approved June 25, 1935, relating to the disposition of moneys collected under the provisions of said act making an appropriation, and providing that this act shall take effect immediately;
Has had the same under consideration, and respectfully reports the same back, and recommends that the requests be granted and that the bills be introduced and referred to the Committee on Finance, Revenue and Taxation
Committee membership—5, committee vote: Ayes—5.

SENATOR SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, January 30, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following request for permission to introduce bills:

By Senators Fletcher and Kenny:
An act amending sections 3 and 5 of an act entitled "An act creating the Colorado River Board of California and the office of Colorado River Commissioner of California, prescribing the powers and duties of said board and commissioner," approved July 1, 1937, relating to powers and duties of the board and commissioner;
Has had the same under consideration, and respectfully reports the same back, and

recommends the request be granted and the bill be introduced and referred to the Committee on Governmental Efficiency.

Committee membership—5; committee vote: Ayes—5.

SENATOR SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, January 30, 1940.

MR PRESIDENT: Your Committee on Rules, to which were referred the following requests for permission to introduce bills.

By Senator Kenny:

An act to amend section 5 of The Personal Income Tax Act, relating to taxes on income of individuals, estates and trusts, to take effect immediately;

By Senator Kenny:

An act to amend section 5 of The Personal Income Tax Act, relating to rates of taxation on income of individuals, estates and trusts, to take effect immediately;

By Senator Kenny:

An act to amend section 10 of The Personal Income Tax Act, relating to taxes on income of individuals, estates and trusts, including credits thereon and exemptions therefrom, to take effect immediately;

By Senator Kenny:

An act to amend sections 8 and 9.3 of The Personal Income Tax Act, relating to taxes on income of individuals, estates and trusts, to take effect immediately;

By Senator Kenny:

An act to amend sections 7 and 9.4 of The Personal Income Tax Act, relating to taxes on income of individuals, estates and trusts, to take effect immediately;

By Senator Kenny:

An act to amend section 12 of The Personal Income Tax Act, relating to taxes on income of individuals, estates and trusts, to take effect immediately;

By Senator Kenny:

An act to amend sections 4 4a and 23 of the Bank and Corporation Franchise Tax Act, relating to taxes on banks and corporations, to take effect immediately;

By Senator Kenny:

An act to amend sections 4 and 23 of the Bank and Corporation Franchise Tax Act, relating to taxes on banks and corporations, to take effect immediately;

By Senator Kenny:

An act to amend section 8 of the Bank and Corporation Franchise Tax Act, relating to taxes on banks and corporations, to take effect immediately;

By Senator Kenny:

An act to amend section 8 of the Bank and Corporation Franchise Tax Act, relating to taxes on banks and corporations, to take effect immediately;

By Senator Kenny:

An act to amend section 14 of the Bank and Corporation Franchise Tax Act, relating to taxes on banks and corporations, and to provide that this act shall take effect immediately;

By Senator Kenny:

An act to amend section 3 of The Corporation Income Tax Act of 1937, relating to taxes on corporations, to take effect immediately,

By Senator Kenny:

An act to amend section 7 of The Corporation Income Tax Act of 1937, relating to taxes on corporations, to take effect immediately;

By Senator Kenny:

An act to amend section 7 of The Corporation Income Tax Act of 1937, relating to taxes on corporations, to take effect immediately;

By Senator Kenny:

An act to amend section 14 of The Corporation Income Tax Act of 1937, relating to taxes on corporations, to take effect immediately;

By Senator Kenny:

An act to amend section 24 of the Alcoholic Beverage Control Act, and to add thereto section 24.1, relating to an excise tax upon distilled spirits, and to provide that this act shall take effect immediately,

By Senator Kenny:

An act to amend section 23 of the Alcoholic Beverage Control Act, relating to an excise tax upon beer and wine, and to provide that this act shall take effect immediately;

By Senator Kenny:
An act to amend section 23 of the Alcoholic Beverage Control Act, relating to an excise tax upon beer and wine, and to provide that this act shall take effect immediately;

By Senator Kenny:
An act to amend section 5 of the Alcoholic Beverage Control Act, relating to license fees, and to provide that this act shall take effect immediately;

By Senator Kenny.
An act to amend sections 4 and 5 of the Inheritance Tax Act of 1935, relating to the inheritance tax, including the rates thereof, to take effect immediately;

By Senator Kenny:
An act to amend sections 14, 15, 16, 17 and 18 of the Gift Tax Act of 1939, relating to taxes upon transfers of property by way of gift, including the rates thereof to take effect immediately;

By Senator Kenny:
An act imposing an excise tax for the privilege of severing petroleum, natural gas or natural gasoline from the earth, providing for permits to producers, providing for the levying, assessing, collecting, paying and disposing of such tax, making an appropriation for the administration hereof, prescribing penalties for violations hereof, and providing that this act shall take effect immediately;

By Senator Kenny:
An act imposing a tax upon the sale of cigarettes, cigars, smoking tobacco, plug tobacco, snuff and other forms of tobacco, and making an appropriation for the administration thereof, to take effect immediately;

By Senator Kenny:
An act imposing a tax upon the storage, use or other consumption in this State of cigarettes, cigars, smoking tobacco, plug tobacco, snuff and other forms of tobacco, and making an appropriation of the proceeds of such tax, to take effect immediately;

By Senator Kenny:
An act to amend section 22 of an act entitled "An act imposing a license fee or tax for the transportation of persons or property for hire or compensation upon the public streets, roads and highways in the State of California by motor vehicle and providing that this act shall take effect immediately," approved May 15, 1933, relating to exemptions;

By Senator Kenny:
An act to amend sections 9, 11, 12 and 14 of, and to add sections 12a, 13a and 20 to, an act entitled "An act to provide for the regulation and licensing of horse racing, horse race meetings, and the wagering on the results thereof; to create the California Horse Racing Board for the regulation, licensing and supervision of said horse racing and wagering thereon; to provide penalties for the violation of the provisions of this act, and to provide that this act shall take effect upon the adoption of a constitutional amendment ratifying its provisions," approved June 5, 1933, relating to the regulation and licensing of horse racing, the amount and payment of license fees, the commissions of licensees and deposits made by them under the act, providing for the retroactive operation of this act, and providing that this act shall take effect immediately;

By Senators Garrison, Wagy, Powers and Hollister:
An act to add section 5.18 to the Retail Sales Tax Act of 1933, and section 4.11 to the Use Tax Act of 1935, relating to exemptions, including the exemption of live stock and poultry of a kind the products of which ordinarily constitute food for human consumption;

Has had the same under consideration, and respectfully reports the same back, and recommends that the requests be granted and that the bills be introduced and referred to the Committee on Finance, Revenue and Taxation.

Committee membership—5, committee vote: Ayes—5.

SENATOR SEAWELL, Chairman.

Introduction, First Reading and Reference of Bills.

The following bills were introduced:

Senate Constitutional Amendment No. 1: By Senator Swing—A resolution to propose to the people of the State of California to add

section 23 to Article XX of the Constitution of said State, relating to alcoholic beverages, and creating an Alcoholic Beverage Commission.

Senate Constitutional Amendment No. 1 read, and referred to Committee on Governmental Efficiency.

Senate Joint Resolution No. 1: By Senator Metzger—Relative to memorializing Congress to enact a plan for old age assistance wholly supported by Federal funds.

Senate Joint Resolution No. 1 read, and referred to Committee on Social Problems.

Senate Concurrent Resolution No. 1: By Senator Kenny—Relative to approving a certain amendment to the charter of the city of Los Angeles, a municipal corporation, in the county of Los Angeles, State of California, voted for and ratified by the electors of said city at a special municipal election held therein on the twelfth day of December, 1939.

Senate Concurrent Resolution No 1 read, and ordered held at desk without reference to committee.

Senate Concurrent Resolution No. 2: By Senator Fletcher—Relative to the disposition of a statue of Juan Rodriquez Cabrillo.

Senate Concurrent Resolution No. 2 read, and ordered held at desk without reference to committee.

Senate Bill No. 1: By Senators Swing and Crittenden—An act to repeal section 2226 and to amend sections 2007, 2227 and 2229 of the Welfare and Institutions Code, relating to aid to the aged and providing for the cancellation and release of certain agreements heretofore required of recipients of aid to the aged, and declaring the urgency thereof, to take effect immediately.

Senate Bill No. 1 read first time and referred to Committee on Social Problems.

Senate Bill No. 2: By Senator Foley—An act to repeal sections 2226 and 2229 of, and to amend section 2227 of the Welfare and Institutions Code, relating to aid to the aged, and providing for the cancellation and release of certain agreements affecting real property heretofore required of recipients of aid to the aged and their heirs, declaring the urgency thereof, to take effect immediately.

Senate Bill No. 2 read first time and referred to Committee on Social Problems.

Senate Bill No. 3: By Senator Metzger—An act to add section 250.1 to the Fish and Game Code, relating to deer in fish and game district 1G.

Senate Bill No. 3 read first time and referred to Committee on Governmental Efficiency.

Senate Bill No. 4: By Senator Kenny—An act to add section 374.5 to the Vehicle Code, relating to license plates for exempt vehicles, and declaring the urgency of this act.

Senate Bill No. 4 read first time and referred to Committee on Governmental Efficiency.

Senate Bill No. 5: By Senator Brown—An act to add section XX 862c to an act entitled "An act to provide for the organization, incorporation, and government of municipal corporations," approved March 13, 1883, relating to water systems of sixth class cities and the sale and distribution of water therefrom.

Senate Bill No. 5 read first time and referred to Committee on Governmental Efficiency.

Senate Bill No. 6: By Senator Breed—An act to amend sections 232 and 377.5 of the Vehicle Code, relating to the installation of motor vehicle engines or motors.

Senate Bill No. 6 read first time and referred to Committee on Governmental Efficiency.

Senate Bill No. 7: By Senator Breed—An act to amend section 164 of the Vehicle Code, relating to renewal of registration of vehicles.

Senate Bill No. 7 read first time and referred to Committee on Governmental Efficiency.

Senate Bill No. 8: By Senator Breed—An act to amend sections 210 and 252 of the Vehicle Code, and to repeal sections 211, 212, 213 and 214, thereof, relating to permits to nonresident owners of motor vehicles.

Senate Bill No 8 read first time and referred to Committee on Governmental Efficiency.

Senate Bill No. 9: By Senator Breed—An act to amend sections 66 and 67 of the Vehicle Code, to include within the definition of "owner" of a vehicle a public agency entitled to the possession and use of a vehicle under a lease, lease-sale or rental-purchase agreement, and within the definition of "legal owner" the renter or lessor under such agreement, to take effect immediately.

Senate Bill No. 9 read first time and referred to Committee on Governmental Efficiency.

Senate Bill No. 10: By Senator Breed—An act to add section 2.5 to an act entitled "An act relating to licensing and taxing of vehicles, providing for license fees for the privilege of operating certain vehicles, providing for the exemption of such vehicles from all taxes according to value for State, county or municipal purposes, providing for the administration and enforcement of this act, creating a fund to be

known as the Motor Vehicle License Fee Fund, and making an appropriation of the moneys therein," approved June 25, 1935, relating to exemptions from vehicle license fees, to take effect immediately.

Senate Bill No. 10 read first time and referred to Committee on Governmental Efficiency.

Senate Bill No. 11: By Senator Breed—An act providing for the cancellation of license and registration fee penalties in connection with vehicles operated by public agencies as lessees under lease, lease-sale or rental-purchase agreements.

Senate Bill No. 11 read first time and referred to Committee on Governmental Efficiency.

Senate Bill No. 12: By Senator Breed—An act to amend section 374 of the Vehicle Code, relating to vehicle registration, including the payment of fees therefor by public agencies operating vehicles under lease, lease-sale or rental-purchase agreements, to take effect immediately.

Senate Bill No. 12 read first time and referred to Committee on Governmental Efficiency.

Senate Bill No. 13: By Senators Gordon, Biggar and Crittenden—An act to amend section 70 of the State Civil Service Act, relating to salary adjustments of Civil Service employees.

Senate Bill No. 13 read first time and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 14: By Senator Kenny—An act to amend section 11 of an act entitled "An act relating to licensing and taxing of vehicles, providing for license fees for the privilege of operating certain vehicles, providing for the exemption of such vehicles from all taxes according to value for State, county or municipal purposes, providing for the administration and enforcement of this act, creating a fund to be known as the Motor Vehicle License Fee Fund, and making an appropriation of the moneys therein," approved June 25, 1935, relating to the disposition of moneys collected under the provisions of said act making an appropriation, and providing that this act shall take effect immediately.

Senate Bill No. 14 read first time and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 15: By Senators Fletcher and Kenny—An act to amend sections 3 and 5 of an act entitled "An act creating the Colorado River Board of California and the office of Colorado River Commissioner of California, prescribing the powers and duties of said

board and commissioner," approved July 1, 1937, relating to powers and duties of the board and commissioner.

Senate Bill No. 15 read first time and referred to Committee on Governmental Efficiency.

Senate Bill No. 16: By Senator Kenny—An act to amend section 5 of The Personal Income Tax Act, relating to taxes on income of individuals, estates and trusts, to take effect immediately.

Senate Bill No. 16 read first time and referred to Committee on Finance, Revenue and Taxation

Senate Bill No. 17: By Senator Kenny—An act to amend section 5 of The Personal Income Tax Act, relating to rates of taxation on income of individuals, estates and trusts, to take effect immediately.

Senate Bill No. 17 read first time and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 18: By Senator Kenny—An act to amend section 10 of The Personal Income Tax Act, relating to taxes on income of individuals, estates and trusts, including credits thereon and exemptions therefrom, to take effect immediately.

Senate Bill No. 18 read first time and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 19: By Senator Kenny—An act to amend sections 8 and 9.3 of The Personal Income Tax Act, relating to taxes on income of individuals, estates and trusts, to take effect immediately.

Senate Bill No 19 read first time and referred to Committee on Finance, Revenue and Taxation

Senate Bill No. 20: By Senator Kenny—An act to amend sections 7 and 9 4 of The Personal Income Tax Act, relating to taxes on income of individuals, estates and trusts, to take effect immediately.

Senate Bill No. 20 read first time and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 21: By Senator Kenny—An act to amend section 12 of The Personal Income Tax Act, relating to taxes on income of individuals, estates, and trusts, to take effect immediately.

Senate Bill No. 21 read first time and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 22: By Senator Kenny—An act to amend sections 4, 4a and 23 of the Bank and Corporation Franchise Tax Act, relating to taxes on banks and corporations, to take effect immediately.

Senate Bill No 22 read first time and referred to Committee on Finance, Revenue and Taxation

Senate Bill No. 23: By Senator Kenny—An act to amend sections 4 and 23 of the Bank and Corporation Franchise Tax Act, relating to taxes on banks and corporations, to take effect immediately.

Senate Bill No. 23 read first time and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 24: By Senator Kenny—An act to amend section 8 of the Bank and Corporation Franchise Tax Act, relating to taxes on banks and corporations to take effect immediately.

Senate Bill No. 24 read first time and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 25: By Senator Kenny—An act to amend section 8 of the Bank and Corporation Franchise Tax Act, relating to taxes on banks and corporations, to take effect immediately.

Senate Bill No. 25 read first time and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 26: By Senator Kenny—An act to amend section 14 of the Bank and Corporation Franchise Tax Act, relating to taxes on banks and corporations and to provide that this act shall take effect immediately

Senate Bill No. 26 read first time and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 27: By Senator Kenny—An act to amend section 3 of The Corporation Income Tax Act of 1937, relating to taxes on corporations, to take effect immediately.

Senate Bill No. 27 read first time and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 28: By Senator Kenny—An act to amend section 7 of The Corporation Income Tax Act of 1937, relating to taxes on corporations, to take effect immediately.

Senate Bill No. 28 read first time and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 29: By Senator Kenny—An act to amend section 7 of The Corporation Income Tax Act of 1937, relating to taxes on corporations, to take effect immediately.

Senate Bill No 29 read first time and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 30: By Senator Kenny—An act to amend section 14 of The Corporation Income Tax Act of 1937, relating to taxes on corporations, to take effect immediately.

Senate Bill No. 30 read first time and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 31: By Senator Kenny—An act to amend section 24 of the Alcoholic Beverage Control Act, and to add thereto section 24.1, relating to an excise tax upon distilled spirits, and to provide that this act shall take effect immediately.

Senate Bill No. 31 read first time and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 32: By Senator Kenny—An act to amend section 23 of the Alcoholic Beverage Control Act, relating to an excise tax upon beer and wine, and to provide that this act shall take effect immediately.

Senate Bill No. 32 read first time and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 33: By Senator Kenny—An act to amend section 23 of the Alcoholic Beverage Control Act, relating to an excise tax upon beer and wine, and to provide that this act shall take effect immediately.

Senate Bill No. 33 read first time and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 34: By Senator Kenny—An act to amend section 5 of the Alcoholic Beverage Control Act, relating to license fees, and to provide that this act shall take effect immediately.

Senate Bill No. 34 read first time and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 35: By Senator Kenny—An act to amend sections 4 and 5 of the Inheritance Tax Act of 1935, relating to the inheritance tax, including the rates thereof, to take effect immediately.

Senate Bill No. 35 read first time and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 36: By Senator Kenny—An act to amend sections 14, 15, 16, 17 and 18 of the Gift Tax Act of 1939, relating to taxes upon transfers of property by way of gift, including the rates thereof to take effect immediately.

Senate Bill No. 36 read first time and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 37: By Senator Kenny—An act imposing an excise tax for the privilege of severing petroleum, natural gas or natural gasoline from the earth, providing for permits to producers, providing for the levying, assessing, collecting, paying and disposing of such tax, making an appropriation for the administration hereof, prescribing penalties for violations hereof, and providing that this act shall take effect immediately.

Senate Bill No. 37 read first time, and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 38: By Senator Kenny—An act imposing a tax upon the sale of cigarettes, cigars, smoking tobacco, plug tobacco, snuff and other forms of tobacco, and making an appropriation for the administration thereof, to take effect immediately.

Senate Bill No. 38 read first time, and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 39: By Senator Kenny—An act imposing a tax upon the storage, use or other consumption in this State of cigarettes, cigars, smoking tobacco, plug tobacco, snuff and other forms of tobacco, and making an appropriation of the proceeds of such tax, to take effect immediately.

Senate Bill No. 39 read first time, and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 40: By Senator Kenny—An act to amend section 22 of an act entitled "An act imposing a license fee or tax for the transportation of persons or property for hire or compensation upon the public streets, road and highways in the State of California by motor vehicle and providing that this act shall take effect immediately," approved May 15, 1933, relating to exemptions.

Senate Bill No 40 read first time, and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 41: By Senator Kenny—An act to amend sections 9, 11, 12 and 14 of, and to add sections 12a, 13a and 20 to, an act entitled "An act to provide for the regulation and licensing of horse racing, horse race meetings, and the wagering on the results thereof; to create the California Horse Racing Board for the regulation, licensing and supervision of said horse racing and wagering thereon; to provide penalties for the violation of the provisions of this act, and to provide that this act shall take effect upon the adoption of a constitutional amendment ratifying its provisions," approved June 5, 1933, relating to the regulation and licensing of horse racing, the amount and payment of license fees, the commissions of licensees and deposits made by them under the act, providing for the retroactive operation of this act, and providing that this act shall take effect immediately.

Senate Bill No 41 read first time, and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 42: By Senators Garrison, Wagy, Powers and Hollister—An act to add section 5.18 to the Retail Sales Tax Act of 1933, and section 4 11 to the Use Tax Act of 1935, relating to exemptions, including the exemption of live stock and poultry of a kind the products of which ordinarily constitute food for human consumption.

Senate Bill No. 42 read first time, and referred to Committee on Finance, Revenue and Taxation.

Adjournment.

On motion of Senator Seawell, at three o'clock p.m., the President of the Senate declared the Senate adjourned out of respect to the memory of the late Senator Edwin P. Sample until eleven o'clock a.m., Wednesday, January 31, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Wednesday, January 31, 1940.

The Senate met at eleven o'clock a m.
Hon. Ellis E. Patterson, President of the Senate, in the chair.
Secretary Joseph A. Beek at the desk.

Roll Call.

The roll was called, and the following answered to their names:

Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—35.

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev. A. Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Tuesday, January 30, 1940, the further reading was dispensed with, on motion of Senator Slater.

Leave of Absence.

Senator Keating was, on motion of Senator Powers, granted leave of absence for this day.

Privilege of Floor of Senate Extended.

On request of Senator Fletcher, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Miss Loraine Francis of San Diego and Mrs. Sanborn Young of Los Gatos.

Senate Resolution No. 13.

The following resolution was offered:
By Senators Slater, Seawell and Holohan:

Death has called another conspicuous figure in State government in the years ago. At his home in Anderson, Shasta County, on January 30, the Honorable Thaddeus

W H. Shanahan, who represented his district in the Assembly and later in the State Senate for many years, closed his life book. He died at the age of 81. He was born in California in Colusa County in 1859, the son of early pioneer parentage. Many times in this chamber, his voice was raised in upholding the romance and history of his native State.

An outstanding, highly important and continuing piece of legislation sponsored by Mr. Shanahan was the introduction and passage of a constitutional amendment which gave free text books to the public school children of California. He will always be remembered as a result of the success of the benefaction thus bestowed upon the children of the State.

After leaving the State Senate, Mr. Shanahan served for many years upon appointment by President Woodrow Wilson as Superintendent of the Mint in San Francisco. During the latter years of his life, he resided quietly at his orchard home at Anderson. Many of the oldtimers in the Legislature and generally throughout the State will recall the sobriquet attached to Mr. Shanahan—"The Tall Sycamore" of Shasta County.

So that a permanent record may be made in the Journal of the State Senate of this day expressing the regret of the Senate at the death of a former highly respected colleague, be it

Resolved by the State Senate, That when it adjourns on this day, it do so out of respect to the memory of the late Honorable Thaddeus W. H. Shanahan and the Secretary of the Senate is hereby directed to forward a copy of this resolution to the family.

Resolution read, and on motion of Senator Slater unanimously adopted by a rising vote of the Senate.

Report of Standing Committee.

The following report of standing committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, January 31, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Concurrent Resolution No. 1—Relative to approving a certain amendment to the charter of the city of Los Angeles, a municipal corporation, in the county of Los Angeles, State of California, voted for and ratified by the electors of said city at a special municipal election held therein on the twelfth day of December, 1939.

Senate Concurrent Resolution No. 2—Relative to the disposition of a statue of Juan Rodriquez Cabrillo;

And reports that the same have been correctly engrossed.

SEAWELL, Chairman

Requests for Permission to Introduce Bills.

The following requests for permission to introduce bills were presented:

By Senator Fletcher:

SENATE CHAMBER, SACRAMENTO, January 31, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act to add section 3817c9 to the Political Code, and to add sections 4256.7 and 4258.7 to the Revenue and Taxation Code, relating to property taxation, including the payment of taxes in installments and redemption from tax sales, and declaring the urgency hereof, to take effect immediately.

Respectfully submitted.

SENATOR FLETCHER

Request referred to Committee on Rules.

By Senator Slater:

SENATE CHAMBER, SACRAMENTO, January 31, 1940

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act making an appropriation for the support of the Department of Social Welfare, transferring money from the Social Welfare Fund to the General Fund, and declaring the urgency thereof, to take effect immediately.

Respectfully submitted.

SENATOR SLATER.

Request referred to Committee on Rules.

By Senators Quinn, Biggar, Fletcher and Kenny:

SENATE CHAMBER, SACRAMENTO, January 31, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act to add section 5014 to the Public Resources Code, relating to parks and appropriating the money deposited in the State Park Maintenance and Acquisition Fund for the operation, maintenance and extension of the State park system.

Respectfully submitted.

SENATOR FLETCHER

Request referred to Committee on Rules.

By Senator Fletcher:

SENATE CHAMBER, SACRAMENTO, January 31, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to offer a Joint Resolution, the title of which is set forth below:

Relative to discrimination in steamship service and freight rates between New York and California ports to the Panama Canal Zone.

Respectfully submitted.

SENATOR FLETCHER

Request referred to Committee on Rules.

By Senator Shelley:

SENATE CHAMBER, SACRAMENTO, January 31, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, and to provide that this act shall take effect immediately.

Respectfully submitted.

SENATOR SHELLEY

Request referred to Committee on Rules.

By Senator Shelley:

SENATE CHAMBER, SACRAMENTO, January 31, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment and for the administration thereof, providing for the disbursement of the appropriation, declaring the urgency thereof and providing that it shall take effect immediately.

Respectfully submitted.

SENATOR SHELLEY

Request referred to Committee on Rules.

By Senator Kenny:

SENATE CHAMBER, SACRAMENTO, January 31, 1940.

MR. PRESIDENT. In accordance with the provisions of section 2, Article IV of the Constitution, I request permission to introduce a bill, the title of which is set forth below:

An act to amend sections 130 and 130.1 of the Vehicle Code, relating to the records of the Department of Motor Vehicles.

Respectfully submitted.

SENATOR KENNY.

Request referred to Committee on Rules.

By Senator Collier:

SENATE CHAMBER, SACRAMENTO, January 31, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below

An act to validate the organization, boundaries, governing officers or boards acts, proceedings, and bonds of public bodies, to take effect immediately.

Respectfully submitted.

SENATOR COLLIER.

Request referred to Committee on Rules.

Consideration of Daily File.

Third Reading of Senate Bills.

Senate Concurrent Resolution No. 1—Relative to approving a certain amendment to the charter of the city of Los Angeles, a municipal corporation, in the county of Los Angeles, State of California, voted for and ratified by the electors of said city at a special municipal election held therein on the twelfth day of December, 1939.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Concurrent Resolution No. 1 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Kenny, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Seawell, Shelley, Slater, and Wagy—27.

NOES—None.

Senate Concurrent Resolution No 1 ordered transmitted to the Assembly.

Senate Concurrent Resolution No. 2.

Relative to the disposition of a statue of Juan Rodriquez Cabrillo.

WHEREAS, Juan Rodriquez Cabrillo, a native of Portugal, discovered California on Thursday, September 28, 1542, by entering the harbor of San Diego; and

WHEREAS, In commemoration of this event the San Diego Cabrillo Quadricentennial Celebration, to which the Senate and Assembly of California have heretofore by appropriate concurrent resolution requested the Governor to invite the world, will be held in the summer of 1942 at San Diego Bay; and

WHEREAS, We are informed that the Republic of Portugal in a gratifying spirit of friendship has donated a statue of Juan Rodriquez Cabrillo to be erected as a public monument in the State of California; and

WHEREAS, We are advised that this statue has been transported to and is now stored in the City and County of San Francisco; now, therefore, be it

Resolved by the Senate of the State of California, the Assembly thereof concurring, That it is fitting that this statue of the great explorer be permanently placed near the spot where he made his memorable discovery, wherefore all State officials and other persons having jurisdiction or control over or right to the custody of it are requested and urged to do all things necessary or appropriate, in cooperation with the officials of the City of San Diego and others interested, without cost to the State, to accomplish its placement as a public monument at San Diego, where it may be viewed by all attending the San Diego Quadri-centennial Celebration; and be it further

Resolved, That the Secretary of the Senate transmit copies of this resolution to the State Park Commission and to such other State officials and persons as may have or claim a right to the custody of this historic statue.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Concurrent Resolution No. 2 adopted by the following vote:

AYES—Senators Biggar, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Kenny, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Seawell, Shelley, Slater, and Wagy—28.
NOES—None.

Senate Concurrent Resolution No. 2 ordered transmitted to the Assembly.

Reports of Standing Committee.

The following reports of standing committee were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, January 31, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following requests for permission to introduce bills:

By Senators Quinn, Biggar, Flether and Kenny:
An act to add section 5014 to the Public Resources Code, relating to parks and appropriating the money deposited in the State Park Maintenance and Acquisition Fund for the operation, maintenance and extension of the State park system;

By Senator Slater:
An act making an appropriation for the support of the Department of Social Welfare, transferring money from the Social Welfare Fund to the General Fund, and declaring the urgency thereof, to take effect immediately;

By Senator Fletcher:
An act to add section 3817c9 to the Political Code, and to add sections 4256 7 and 4258.7 to the Revenue and Taxation Code, relating to property taxation, including the payment of taxes in installments and redemption from tax sales, and declaring the urgency hereof, to take effect immediately;

By Senator Shelley:
An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, and to provide that this act shall take effect immediately;

By Senator Shelley:
An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment and for the administration thereof, providing for the disbursement of the appropriation, declaring the urgency thereof and providing that it shall take effect immediately;
Has had the same under consideration, and respectfully reports the same back, and recommends that the requests be granted, the bills introduced and referred to the Committee on Finance, Revenue and Taxation.
Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, January 31, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following requests for permission to introduce bills:

By Senator Kenny:
An act to amend sections 130 and 130 1 of the Vehicle Code, relating to the records of the Department of Motor Vehicles;

By Senator Fletcher:
Relative to discrimination in steamship service and freight rates between New York and California ports to the Panama Canal Zone;

By Senators Collier, Kenny, Powers and Metzger:
An act to validate the organization, boundaries, governing officers or boards, acts, proceedings, and bonds of public bodies, to take effect immediately;
Has had the same under consideration, and respectfully reports the same back, and recommends that the requests be granted, the bills introduced and referred to the Committee on Governmental Efficiency.
Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Introduction, First Reading and Reference of Bills.

The following bills were introduced:

Senate Joint Resolution No. 2: By Senator Fletcher—Relative to discrimination in steamship service and freight rates between New York and California ports to the Panama Canal Zone.

Senate Joint Resolution No. 2 read and referred to Committee on Governmental Efficiency.

Senate Bill No. 43: By Senators Biggar, Quinn, Collier, Kenny and Fletcher—An act to add section 5014 to the Public Resources Code, relating to parks and appropriating the money deposited in the State park maintenance and acquisition funds for the operation, maintenance and extension of the State park system.

Senate Bill No. 43 read first time and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 44: By Senator Slater—An act making an appropriation for the support of the Department of Social Welfare, transferring money from the Social Welfare Fund to the General Fund, and declaring the urgency thereof, to take effect immediately.

Senate Bill No. 44 read first time and referred to Committee on Finance, Revenue and Taxation

Senate Bill No. 45: By Senator Fletcher—An act to add section 3817c9 to the Political Code, and to add sections 4256.7 and 4258.7 to the Revenue and Taxation Code, relating to property taxation, including the payment of taxes in installments and redemption from tax sales, and declaring the urgency hereof, to take effect immediately.

Senate Bill No. 45 read first time and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 46: By Senator Kenny—An act to amend sections 130 and 130.1 of the Vehicle Code relating to the records of the Department of Motor Vehicles.

Senate Bill No. 46 read first time and referred to Committee on Governmental Efficiency.

Senate Bill No. 47: By Senators Collier, Kenny, Powers and Metzger—An act to validate the organization, boundaries, governing officers or boards, acts, proceedings, and bonds of public bodies, to take effect immediately.

Senate Bill No. 47 read first time and referred to Committee on Governmental Efficiency.

Senate Bill No. 48: By Senator Shelley—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, and to provide that this act shall take effect immediately.

Senate Bill No. 48 read first time and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 49: By Senator Shelley—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment and for the administration thereof, providing for the disbursement of the appropriation, declaring the urgency thereof and providing that it shall take effect immediately.

Senate Bill No 49 read first time and referred to Committee on Finance, Revenue and Taxation

Adjournment.

On motion of Senator Seawell, at twelve o'clock and five minutes p.m., the President of the Senate declared the Senate adjourned out of respect to the memory of the late Senator Thaddeus W. H. Shanahan until eleven o'clock a m , Thursday, February 1, 1940

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Thursday, February 1, 1940.

The Senate met at eleven o'clock a.m.
Hon. Ellis E. Patterson, President of the Senate, in the chair.
Secretary Joseph A. Beek at the desk.

Roll Call.

The roll was called, and the following answered to their names:

Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—35.

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev. A. Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Wednesday, January 31, 1940, the further reading was dispensed with, on motion of Senator Slater.

Leave of Absence.

Senator Keating was, on motion of Senator Powers, granted leave of absence for this day.

Privilege of Floor of Senate Extended.

On request of Senator Myhand, the privilege of the floor of the Senate Chamber for this day was unanimously extended to John Furtado of Merced.

On request of Senator Breed, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Miss Mable Morrison of Piedmont.

On request of Senator Kenny, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Roy Hampton, councilman, city of Los Angeles.

On request of Senator Garrison, the privilege of the floor of the Senate Chamber for this day was unanimously extended to C. S. Browne of Modesto

On request of Senator Rich, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mr. and Mrs. D. M. Brown of Meridian

On request of Senator Seawell, the privilege of the floor of the Senate Chamber for this day was unanimously extended to H. Collyer and Linnie Collyer of Lincoln.

Announcement.

Senator Myhand announced the arrival of a grand niece, Mary Alice Herndon, of Los Angeles

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, January 31, 1940.

MR. PRESIDENT I am directed to inform your honorable body that the Assembly on this day adopted:

Senate Concurrent Resolution No. 1—Relative to approving a certain amendment to the charter of the city of Los Angeles, a municipal corporation, in the county of Los Angeles, State of California, voted for and ratified by the electors of said city at a special municipal election held therein on the twelfth day of December, 1939.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W BOOTH, Assistant Clerk.

Senate Concurrent Resolution No 1 ordered to enrollment.

ASSEMBLY CHAMBER, SACRAMENTO, January 30, 1940.

MR. PRESIDENT. I am directed to inform your honorable body that the Assembly on this day adopted:

Assembly Concurrent Resolution No 1—Approving amendments to the charter of the city of Santa Monica, State of California, ratified by the qualified electors of said city at a general municipal election held therein on the fifth day of December, 1939.

Assembly Concurrent Resolution No 2—Relative to the approval of a certain amendment to the charter of the city of Huntington Beach, a municipal corporation, in the county of Orange, State of California, voted for and ratified by the electors of said city at a special municipal election held therein on the twenty-first day of November, 1939.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W BOOTH, Assistant Clerk.

Assembly Concurrent Resolution No. 1 read, and referred to Committee on Rules.

Assembly Concurrent Resolution No 2 read, and referred to Committee on Rules.

Senate Resolution No. 14.

The following resolution was offered:

By Committee on Contingent Expenses:

Resolved, That the Controller be and he is hereby directed to draw his warrant on the contingent fund of the Senate in the sum of $300 in favor of the Secretary of the Senate and the Treasurer is hereby directed to pay the same, the same being for postage for the Senate.

SENATORS HOLOHAN.
SEAWELL

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 14 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Nielsen, Parkman, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—30.
NOES—None.

Requests for Permission to Introduce Bills.

The following requests for permission to introduce bills were presented:

By Senator Seawell:

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act making an additional appropriation for legislative printing, binding, etc., to take effect immediately.

Respectfully submitted.

SENATOR SEAWELL.

Request referred to Committee on Rules.

By Senator Collier:

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to offer a Joint Resolution, the title of which is set forth below:

Relative to memorializing Congress to take action in respect to the existing emergency in the Tulelake district.

Respectfully submitted.

SENATOR COLLIER.

Request referred to Committee on Rules.

By Senator Fletcher:

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to offer a Joint Resolution, the title of which is set forth below:

Relative to increased contributions by the Federal Government for relief in California.

Respectfully submitted.

SENATOR FLETCHER.

Request referred to Committee on Rules.

By Senator Kenny:

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act to add section 135.4 to the Vehicle Code, relating to the taking of bail upon service of warrants.

Respectfully submitted.

SENATOR KENNY.

Request referred to Committee on Rules.

By Senators Swing, Brown, Kenny and Foley:

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, we request permission to introduce a Constitutional Amendment, the title of which is set forth below:

A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by adding a new section numbered 13 to Article XVI thereof, relating to the powers of the Legislature in respect to the release,

rescission, or remission of encumbrances and obligations taken as security for the repayment of aid to the aged, and ratifying certain acts of the Legislature relating thereto.

Respectfully submitted.

SENATORS SWING.
BROWN.
KENNY.
FOLEY

Request referred to Committee on Rules.

By Senators Swing, Brown, Collier, Crittenden, Foley, Garrison, Gordon, Hollister, Holohan, Jespersen, Kenny, Mayo, McBride, Nielsen, Myhand, Parkman, Powers and Shelley:

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, we request permission to introduce a bill, the title of which is set forth below:

An act to repeal sections 2226 and 2229 and to amend sections 2007 and 2227 of the Welfare and Institutions Code, relating to aid to the aged and providing for the cancellation and release of certain agreements heretofore required of recipients of aid to the aged.

Respectfully submitted.

SENATOR KENNY AND OTHERS.

Request referred to Committee on Rules.

By Senators Garrison, Cunningham and Nielsen:

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, we request permission to introduce a bill, the title of which is set forth below:

An act to add section 18a to the Central Valley Project Act of 1933, relating to the issuance of revenue bonds by the Water Project Authority of the State of California.

Respectfully submitted.

SENATOR GARRISON AND OTHERS.

Request referred to Committee on Rules.

By Senators Shelley and Kenny:

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, we request permission to introduce a bill, the title of which is set forth below:

An act to amend the title and to add section 8 to "An act providing for a State exhibit at the Golden Gate International Exposition to be held in the San Francisco Bay region, California, in 1939, providing for the construction of a State building or buildings therefor and the gardening and improvement of the surrounding grounds, creating a California Commission for the Golden Gate International Exposition to have charge and control of said State exhibit and building or buildings, defining its powers and duties and making an appropriation therefor," approved May 25, 1937, relating to the powers and duties of the California Commission for the Golden Gate International Exposition, and making an appropriation, declaring the urgency thereof and providing that this act shall take effect immediately.

Respectfully submitted.

SENATORS SHELLEY.
KENNY.

Request referred to Committee on Rules.

By Senators Biggar, Crittenden, Metzger, Mixter, Nielsen, Phillips and Wagy:

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, we request permission to introduce a bill, the title of which is set forth below:

An act providing for the expenditure by the Relief Administrator and the Relief Commission through the counties under the California Unemployment Relief Act of 1935 of money appropriated for the relief of hardship and destitution due to and caused by unemployment, the conditions and procedure for the expenditure

thereof, and the determination of the eligibility of persons therefor under the said California Unemployment Relief Act of 1935.

Respectfully submitted.

SENATORS METZGER.
MIXTER.
CRITTENDEN.
BIGGAR.
WAGY.
PHILLIPS.
NIELSEN.

Request referred to Committee on Rules.

By Senators Biggar, Crittenden, Metzger, Mixter, Nielsen, Phillips and Wagy:

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, we request permission to introduce a bill, the title of which is set forth below:

An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, and providing for the disbursement thereof.

Respectfully submitted.

SENATORS METZGER.
MIXTER.
CRITTENDEN.
BIGGAR.
WAGY.
PHILLIPS.
NIELSEN.

Request referred to Committee on Rules.

By Senators Kenny and Phillips:

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, we request permission to introduce a bill, the title of which is set forth below:

An act to add section 580d to the Code of Civil Procedure, and to repeal section 580c of the Code of Civil Procedure as added by Chapter 586 of the Statutes of 1939, relating to the abolishing of deficiency judgments in all cases where a power of sale is exercised under any mortgage or deed of trust upon real property.

Respectfully submitted.

SENATORS KENNY.
PHILLIPS.

Request referred to Committee on Rules.

By Senator Kenny:

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act to add section 444.2 to the Political Code, relating to money in the State treasury, including temporary loans or transfers of money in special funds or other accounts in the treasury subject to the provisions of Article XXVI of the Constitution, the use or disposition of money loaned, and the repayment of such loans.

Respectfully submitted.

SENATOR KENNY.

Request referred to Committee on Rules.

Reports of Standing Committees.

The following reports of standing committees were received and read:

On Social Problems.

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT: Your Committee on Social Problems, to which was referred:

Senate Joint Resolution No. 1—Relative to memorializing Congress to enact a plan for old age assistance wholly supported by Federal funds;

Has had the same under consideration, and respectfully reports the same back with

amendments, and recommends that the amendments be adopted, and that it be adopted as amended.

Committee membership—11; committee vote: Ayes—10; absent—1.

PHILLIPS, Chairman.

On Rules.

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following requests for permission to introduce bills:

By Senators Biggar, Crittenden, Metzger, Mixter, Nielsen, Phillips and Wagy: An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, and providing for the disbursement thereof;

By Senators Biggar, Crittenden, Metzger, Mixter, Nielsen, Phillips and Wagy: An act providing for the expenditure by the Relief Administrator and the Relief Commission through the counties under the California Unemployment Relief Act of 1935 of money appropriated for the relief of hardship and destitution due to and caused by unemployment, the conditions and procedure for the expenditure thereof, and the determination of the eligibility of persons therefor under the said California Unemployment Relief Act of 1935;

Has had the same under consideration, and respectfully reports the same back, and recommends that the requests be granted, the bills introduced and referred to the Committee on Social Problems.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Introduction, First Reading and Reference of Bills.

The following bills were introduced:

Senate Bill No. 50: By Senators Biggar, Crittenden, Metzger, Mixter, Nielsen, Phillips and Wagy—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, and providing for the disbursement thereof.

Senate Bill No. 50 read first time and referred to Committee on Social Problems.

Senate Bill No. 51: By Senators Biggar, Crittenden, Metzger, Mixter, Nielsen, Phillips and Wagy—An act providing for the expenditure by the Relief Administrator and the Relief Commission through the counties under the California Unemployment Relief Act of 1935 of money appropriated for the relief of hardship and destitution due to and caused by unemployment, the conditions and procedure for the expenditure thereof, and the determination of the eligibility of persons therefor under the said California Unemployment Relief Act of 1935.

Senate Bill No. 51 read first time and referred to Committee on Social Problems.

Senate Concurrent Resolution No. 3: By Senator Crittenden—Relative to the death of Senator Frank S. Boggs.

Consideration of Senate Concurrent Resolution No. 3.

Senator Crittenden asked for, and was granted, unanimous consent for the consideration of Senate Concurrent Resolution No. 3, without reference to committee or print for purposes of adoption.

Senate Concurrent Resolution No. 3.

Relative to the death of Senator Frank S. Boggs.

WHEREAS, Since the adjournment of the last session the Honorable Frank S. Boggs has been called from this life; and

WHEREAS, Senator Boggs represented a Senatorial District which at one time included San Joaquin and Amador counties and at the time of his death included San Joaquin County, the Twentieth Senatorial District; and

WHEREAS, Senator Boggs was a member of an old and respected pioneer family of this State, well known throughout Sacramento and San Joaquin valleys, and leaves a host of friends who mourn his passing; and

WHEREAS, Senator Boggs during his long years of service distinguished himself in his many fights for legislation which he thought was to the interest of his district and to the people of the State. He was the author of the present reapportionment law of the State which was the culmination of many years of thought and struggle and study. He ably represented the farmers of the State through his many terms of office as Chairman of the Senate Agricultural Committee and frequently was the representative of and sponsor for most of the agricultural legislation. He was one of the Directors of the original State Farm Bureau organization and as such devoted much of his time to their activities. He was prominent in many civic activities which were in the interest of the general public. Politically speaking, he was a life-long stalwart Democrat—proud of the history of his party—but was always respected by all, as was shown by his being elected from time to time as representative of both parties; now, therefore, be it

Resolved, That the Senate express its grief at the passing of this beloved former member, and when it adjourns this day it do so out of respect to his memory; and, be it further

Resolved, That the Secretary of the Senate be and he is hereby directed to have copies of this resolution duly engrossed and presented to the members of the family of Senator Frank S. Boggs, and that additional copies be mailed to the press of his former district.

Resolution read, and on motion of Senator Crittenden unanimously adopted by a rising vote of the Senate.

Senate Concurrent Resolution No. 3 ordered transmitted to the Assembly.

Senate Resolution No. 15.

The following resolution was offered:

By Senator Crittenden.

WHEREAS, The Legislature has been convened in special session to consider an act upon legislation for various appropriations, and

WHEREAS, The Legislature has also been convened in special session to consider an act upon legislation providing revenues and means for the providing of adequate revenues for the adequate functioning of State government; and

WHEREAS, The Legislature has also been convened in special session to consider an act upon legislation providing for the submission to the people of amendments to the Constitution; and

WHEREAS, It is necessary that the Senate and the members thereof be fully advised of the expenditures of various departments of State government in order to be able to act advisedly and judicially in the premises upon such subjects as specified in the proclamation of the Governor convening the Legislature in special session; and

WHEREAS, Reports have been published in the public press that the Building and Loan Commissioner of the State of California has authorized the payment of vast and unreasonable sums of money to be paid both out of the State Treasury and out of private funds of various corporations and building and loan associations particularly; and

WHEREAS, Such funds referred to have belonged and do belong to thousands of California investors; now, therefore, be it

Resolved by the Senate of the State of California, That there is hereby established an investigating committee on expenditures of the building and loan department to be known as the Senate Building and Loan Expenditure Investigating Committee which committee is to exercise the powers and perform the duties hereby granted and imposed upon it during the session and any recess or recesses of the special session of the Legislature which convened on January 29, 1940, but in no event beyond the final adjournment thereof; and be it further

Resolved, That the committee shall study, investigate and survey accurately and in detail the entire problem of the administration of the building and loan department as it may affect the expenditures of the department or the taxable property held, owned and controlled by the department with a view to discovering and recommending to the Senate such legislation or constitutional amendment as appears

necessary and desirable upon the subject for the purpose of which the committee may submit reports to the Senate from time to time; and be it further

Resolved, That the committee shall consist of three members of the Senate appointed by the Committee on Rules. Vacancy in the members of the committee occurring at any time shall be filled by the rules committee; and be it further

Resolved, That the committee may adopt, and from time to time amend, such rules as may appear necessary and proper to exercise the powers hereby granted and to perform the duties imposed. It may select a chairman and a secretary from its membership; and be it further

Resolved, That the committee may employ, prescribe the duties and fix the compensation of such professional assistants, clerical and other employees as it finds necessary for the conduct of its work and it may contract with such other agencies, public or private, as it deems necessary for the rendition of such services, studies and reports to it as will best assist it to effectuate the purposes for which it was created; and be it further

Resolved, That the committee is authorized to hold public hearings at Sacramento and at any place in California at which hearings the people are to have an opportunity to present their views to the committee; and be it further

Resolved, That the committee is authorized and empowered to summon and subpena witnesses, require the production of papers, books, accounts, reports, documents, records and papers of every kind and description, to issue subpenas and to take all necessary means to compel the attendance of witnesses and to procure testimony; and be it further

Resolved, That the committee, each of its members and any representative of the committee thereunto authorized by the committee or by its chairman is authorized and empowered to administer oaths. All of the provisions of Article VIII, Chapter II, Title I, Part III of the Political Code, relating to the attendance and examination of witnesses before the Legislature and committees thereof, apply to the committee hereby created; and be it further

Resolved, That every department, commission, board, agency, officer, and employee of the State Government and of the political subdivisions, the counties, the cities and the districts shall furnish the committee, upon request, such information, records and documents as the committee deems proper for the effectuation of the purposes for which it was created; and be it further

Resolved, That the committee is further authorized and empowered to make a complete investigation and study of every phase of the subject hereinabove mentioned and any and all matters incidental thereto and to do any and all things necessary or convenient to enable it fully and completely to exercise its powers and perform its duties; and be it further

Resolved, That the Sergeant-at-Arms of the Senate and the Deputies Sergeant-at-Arms of the Senate are hereby directed to serve any and all subpenas, orders and other process that may be issued by the committee, when directed so to do by the chairman or upon a vote of the majority of the membership of the committee; and be it further

Resolved, That the members of the committee shall serve without compensation but shall be allowed mileage at the rate of 5½ cents per mile each way, incurred in connection with their services upon the committee, and other actual and necessary expenses for living accommodations and meals, incurred in connection with their services upon the committee or in lieu of such expenses for accommodations and meals, an allowance of eight dollars per day; and be it further

Resolved, That the sum of $1,000 or so much thereof as may be necessary is hereby made available from the contingent fund of the Senate for expenses of the committee and its members, and for any charges, expenses or claims it may incur under this resolution, to be disbursed, after certification by the chairman of the committee, upon warrants drawn by the Controller upon the Treasurer.

Senate Resolution No. 15 read, and referred to Committee on Rules.

Recess.

At eleven o'clock and fifty minutes a.m., on motion of Senator Seawell, the President of the Senate declared recess until three o'clock p.m.

Reconvened.

At three o'clock p.m., the Senate reconvened.

Lieutenant Governor Ellis E. Patterson, President of the Senate, in the chair.

Secretary Joseph A. Beek at the desk.

Requests for Permission to Introduce Bills.

The following requests for permission to introduce bills were presented:

By Senator Shelley:

SENATE CHAMBER, SACRAMENTO, February 1, 1940

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act to amend section 4 of an act entitled "An act defining industrial loan companies, providing for their incorporation, powers and supervision," approved May 18, 1917, relating to rates of interest and other charges on loans made by industrial loan companies.

Respectfully submitted.

SENATOR SHELLEY.

Request referred to Committee on Rules.

By Senator Slater:

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to offer a Concurrent Resolution, the title of which is set forth below:

Relative to the establishment of the Luther Burbank Memorial Highway.

Respectfully submitted.

SENATOR SLATER.

Request referred to Committee on Rules.

By Senators Quinn and Biggar:

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, we request permission to introduce a bill, the title of which is set forth below:

An act to amend sections 1, 6, 20, 21, 23, 30 and 38 of, and to add sections 1.5, 6.5, 37.5, 37.6, 37.7, 38.1, 38.2, 38.3 and 38.4 to, and to repeal sections 16, 17, 18 and 19 of an act entitled "An act to provide for the licensing and regulation of itinerant merchants and making an appropriation therefor," approved July 21, 1939, relating to the licensing and regulation of itinerant merchants.

Respectfully submitted.

SENATORS QUINN.
BIGGAR.

Request referred to Committee on Rules.

By Senators Jespersen and Hollister:

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, we request permission to introduce a bill, the title of which is set forth below:

An act to create a public agency of the State to be known as the California Housing Authority to undertake slum clearance and projects to provide dwelling accommodations for persons of low income in the State; to define the powers and duties of the California Housing Authority and to provide for the exercise of such powers, including acquiring property, borrowing money, issuing bonds and other obligations, and giving security therefor; to provide for a certification of the bonds by the Attorney General; to confer remedies on obligees of the California Housing Authority; to exempt the property and securities of the California Housing Authority from taxation and assessments; to authorize certain payments in lieu of such taxation and assessments, providing that this act shall take effect immediately; and making an appropriation.

Respectfully submitted.

SENATORS JESPERSEN.
HOLLISTER.

Request referred to Committee on Rules.

By Senators Jespersen and Hollister:

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, we request permission to introduce a bill, the title of which is set forth below:

An act to amend sections 2, 3 and 4 of the Housing Cooperation Law, relating to aid by public bodies to housing projects undertaken pursuant to the California State Housing Authority Law, and providing that this act shall take effect immediately.

Respectfully submitted.

SENATORS JESPERSEN.
HOLLISTER.

Request referred to Committee on Rules.

By Senator Shelley:

SENATE CHAMBER, SACRAMENTO, February 1, 1940

MR. PRESIDENT. In accordance with the provisions of the standing rules of the Senate, we request permission to introduce a bill, the title of which is set forth below:

An act to amend the title and to add sections 5, 6, 7 and 9 to "An act providing for a State exhibit at the Golden Gate International Exposition to be held in the San Francisco Bay region, California, in 1939 providing for the construction of a State building or buildings therefor and the gardening and improvement of the surrounding grounds, creating a California Commission for the Golden Gate International Exposition to have charge and control of said State exhibit and building or buildings, defining its powers and duties and making an appropriation therefor," approved May 25, 1937, relating to the Golden Gate International Exposition, defining the powers and duties of the California Commission for the Golden Gate International Exposition, and making an appropriation, declaring the urgency thereof and providing that this act shall take effect immediately.

Respectfully submitted.

SENATORS SHELLEY.
FOLEY.
KENNY.
HOLLISTER.
GARRISON.
JESPERSEN.

Request referred to Committee on Rules.

Reports of Standing Committees.

The following reports of standing committees were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT. Your Committee on Rules, to which was referred the following requests for permission to introduce bills:

By Senators Shelley and Kenny:

An act to amend the title and to add section 8 to "An act providing for a State exhibit at the Golden Gate International Exposition to be held in the San Francisco Bay region, California, in 1939, providing for the construction of a State building or buildings therefor and for the gardening and improvement of the surrounding grounds, creating a California Commission for the Golden Gate International Exposition to have charge and control of said State exhibit and building or buildings, defining its powers and duties and making an appropriation therefor," approved May 25, 1937, relating to the powers and duties of the California Commission for the Golden Gate International Exposition, and making an appropriation, declaring the urgency thereof and providing that this act shall take effect immediately;

By Senators Garrison, Jespersen, Hollister, Kenny, Powers and Shelley:

An act to add section 18a to the Central Valley Project Act of 1933, relating to the issuance of revenue bonds by the Water Project Authority of the State of California;

By Senator Kenny:

An act to add section 444 2 to the Political Code, relating to money in the State treasury, including temporary loans or transfers of money in special funds or other accounts in the treasury subject to the provisions of Article XXVI of the Constitution, the use or disposition of money loaned, and the repayment of such loans;

Has had the same under consideration, and respectfully reports the same back, and recommends that the requests be granted, the bills introduced and referred to the Committee on Finance, Revenue and Taxation.

Committee membership—5; committee vote: Ayes—5

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following requests for permission to introduce bills:

By Senators Kenny and Phillips:

An act to add section 580d to the Code of Civil Procedure, and to repeal section 580c of the Code of Civil Procedure as added by Chapter 586 of the Statutes of 1939, relating to the abolishing of deficiency judgments in all cases where a power of sale is exercised under any mortgage or deed of trust upon real property;

By Senator Kenny:

An act to add section 1354 to the Vehicle Code, relating to the taking of bail upon service of warrants;

Has had the same under consideration, and respectfully reports the same back, and recommends that the requests be granted and the bills be referred to the Committee on Governmental Efficiency.

Committee membership—5; committee vote. Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR PRESIDENT: Your Committee on Rules, to which was referred the following requests for permission to introduce bills:

By Senators Hollister, Holohan, Jespersen, Kenny, Mayo, McBride, Myhand, Nielsen, Parkman, Powers, Shelley, Phillips, Swing, Brown, Collier, Crittenden, Foley, Garrison and Gordon:

An act to repeal sections 2226 and 2229 and to amend sections 2007 and 2227 of the Welfare and Institutions Code, relating to aid to the aged and providing for the cancellation and release of certain agreements heretofore required of recipients of aid to the aged;

By Senators Swing, Brown, Collier, Crittenden, Foley, Garrison, Gordon, Hollister, Holohan, Jespersen, Kenny, Mayo, McBride, Myhand, Nielsen, Parkman, Powers and Shelley:

A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by adding a new section numbered 13 to Article XVI thereof, relating to the powers of the Legislature in respect to the release, rescission, or remission of encumbrances and obligations taken as security for the repayment of aid to the aged, and ratifying certain acts of the Legislature relating thereto;

By Senator Fletcher:

Relative to increased contributions by the Federal Government for relief in California;

Has had the same under consideration, and respectfully reports the same back, and recommends that the requests be granted, the bills introduced and referred to the Committee on Social Problems.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR PRESIDENT: Your Committee on Rules, to which was referred the following request for permission to offer a Joint Resolution:

By Senator Collier:

Relative to memorializing Congress to take action in respect to the existing emergency in the Tulelake district;

Has had the same under consideration, and respectfully reports the same back, and recommends that the request be granted, the resolution offered and placed on file for action.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Senate Resolution No. 15:

WHEREAS, The Legislature has been convened in special session to consider an act upon legislation for various appropriations; and

WHEREAS, The Legislature has also been convened in special session to consider an act upon legislation providing revenues and means for the providing of adequate revenues for the adequate functioning of State government; and

WHEREAS, The Legislature has also been convened in special session to consider an act upon legislation providing for the submission to the people of amendments to the Constitution; and

WHEREAS, It is necessary that the Senate and the members thereof be fully advised of the expenditures of various departments of State government in order to be able to act advisedly and judicially in the premises upon such subjects as specified in the proclamation of the Governor convening the Legislature in special session; and

WHEREAS, Reports have been published in the public press that the Building and Loan Commissioner of the State of California has authorized the payment of vast and unreasonable sums of money to be paid both out of the State treasury and out of private funds of various corporations and building and loan associations particularly; and

WHEREAS, Such funds referred to have belonged and do belong to thousands of California investors; now, therefore, be it

Resolved by the Senate of the State of California, That there is hereby established an investigating committee on expenditures of the building and loan department to be known as the Senate Building and Loan Expenditure Investigating Committee which committee is to exercise the powers and perform the duties hereby

granted and imposed upon it during the session and any recess or recesses of the special session of the Legislature which convened on January 29, 1940, but in no event beyond the final adjournment thereof; and be it further

Resolved, That the committee shall study, investigate and survey accurately and in detail the entire problem of the administration of the building and loan department as it may affect the expenditures of the department or the taxable property held, owned and controlled by the department with a view to discovering and recommending to the Senate such legislation or constitutional amendment as appears necessary and desirable upon the subject for the purpose of which the committee may submit reports to the Senate from time to time; and be it further

Resolved, That the committee shall consist of three members of the Senate appointed by the Committee on Rules. Vacancy in the members of the committee occurring at any time shall be filled by the rules committee; and be it further

Resolved, That the committee may adopt, and from time to time amend, such rules as may appear necessary and proper to exercise the powers hereby granted and to perform the duties imposed. It may select a chairman and a secretary from its membership; and be it further

Resolved, That the committee may employ, prescribe the duties and fix the compensation of such professional assistants, clerical and other employees as it finds necessary for the conduct of its work and it may contract with such other agencies, public or private, as it deems necessary for the rendition of such services, studies and reports to it as will best assist it to effectuate the purposes for which it was created; and be it further

Resolved, That the committee is authorized to hold public hearings at Sacramento and at any place in California at which hearings the people are to have an opportunity to present their views to the committee; and be it further

Resolved, That the committee is authorized and empowered to summon and subpena witnesses, require the production of papers, books, accounts, reports, documents, records and papers of every kind and description, to issue subpenas and to take all necessary means to compel the attendance of witnesses and to procure testimony; and be it further

Resolved, That the committee, each of its members and any representative of the committee thereunto authorized by the committee or by its chairman is authorized and empowered to administer oaths. All of the provisions of Article VIII, Chapter II, Title I, Part III of the Political Code, relating to the attendance and examination of witnesses before the Legislature and committees thereof, apply to the committee hereby created; and be it further

Resolved, That every department, commission, board, agency, officer, and employee of the State Government and of the political subdivisions, the counties, the cities and the districts shall furnish the committee, upon request, such information, records and documents as the committee deems proper for the effectuation of the purposes for which it was created; and be it further

Resolved, That the committee is further authorized and empowered to make a complete investigation and study of every phase of the subject hereinabove mentioned and any and all matters incidental thereto and to do any and all things necessary or convenient to enable it fully and completely to exercise its powers and perform its duties; and be it further

Resolved, That the Sergeant-at-Arms of the Senate and the Deputies Sergeant-at-Arms of the Senate are hereby directed to serve any and all subpenas, orders and other process that may be issued by the committee, when directed so to do by the chairman or upon a vote of the majority of the membership of the committee; and be it further

Resolved, That the members of the committee shall serve without compensation but shall be allowed mileage at the rate of 5½ cents per mile each way, incurred in connection with their services upon the committee, and other actual and necessary expenses for living accommodations and meals, incurred in connection with their services upon the committee or in lieu of such expenses for accommodations and meals, an allowance of eight dollars per day; and be it further

Resolved, That the sum of $1,000 or so much thereof as may be necessary is hereby made available from the contingent fund of the Senate for expenses of the committee and its members, and for any charges, expenses or claims it may incur under this resolution, to be disbursed, after certification by the chairman of the committee, upon warrants drawn by the Controller upon the Treasurer.

Has had the same under consideration, and respectfully reports the same back, and recommends that they be placed on the File for action.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following request for permission to introduce a bill:

By Senator Seawell:

An act making an additional appropriation for legislative printing, binding, etc., to take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that the request be granted, the bill introduced and referred to the Committee on Contingent Expenses.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

On Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Senate Bill No. 9—An act to amend sections 66 and 67 of the Vehicle Code, to include within the definition of "owner" of a vehicle a public agency entitled to the possession and use of a vehicle under a lease, lease-sale or rental-purchase agreement, and within the definition of "legal owner" the renter or lessor under such agreement, to take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that it do pass.

Committee membership—11; committee vote: Ayes—11.

HAYS, Chairman.

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Senate Bill No. 10—An act to add section 2.5 to an act entitled "An act relating to licensing and taxing of vehicles, providing for license fees for the privilege of operating certain vehicles, providing for the exemption of such vehicles from all taxes according to value for State, county or municipal purposes, providing for the administration and enforcement of this act, creating a fund to be known as the Motor Vehicle License Fee Fund, and making an appropriation of the moneys therein," approved June 25, 1935, relating to exemptions from vehicle license fees, to take effect immediately;

Senate Bill No. 11—An act providing for the cancellation of license and registration fee penalties in connection with vehicles operated by public agencies as lessees under lease, lease-sale or rental-purchase agreements;

Senate Bill No. 12—An act to amend section 374 of the Vehicle Code, relating to vehicle registration, including the payment of fees therefor by public agencies operating vehicles under lease, lease-sale or rental-purchase agreements, to take effect immediately;

Has had the same under consideration, and respectfully reports the same back with amendments, and recommends that the amendments be adopted, and that they do pass as amended.

Committee membership—11; committee vote: Ayes—11.

HAYS, Chairman.

Communication.

The following communication was received, read, and ordered printed in the Journal:

STATE OF CALIFORNIA, OFFICE OF LEGISLATIVE COUNSEL,
SACRAMENTO, CALIFORNIA, February 1, 1940.

Honorable J. C. Garrison,
Senate Chambers, State Capitol,
Sacramento, California.

Subject: *Investigating Committees at Special Sessions*

Request: *No. 7240.*

DEAR SENATOR GARRISON: You have asked whether the Senate by house resolution may create a committee to function during this special session, and any recesses thereof, which committee is to investigate and report upon a subject not included in the Governor's Proclamation. The resolution creating the committee would include an appropriation for its support from the Senate Contingent Fund. It is our opinion that a committee so created to investigate and report upon a subject not included in the Governor's Proclamation would be without power to conduct such an investigation, or to subpena witnesses, or to expend such an appropriation.

This specific question was discussed by the Supreme Court in this case in *Swing* vs. *Riley*, 13 Cal (2d) 513. In that case the court said:

> "Article V, Section 9 of the Constitution provides that the legislature at special session 'shall have no power to legislate on any subjects other than those specified in the proclamation * * *' This constitutes a prohibition against exercising legislative powers at a special session except in considering matters included within the call. The work of legislative committees is subsidiary and auxiliary to the legislative functions of each house. If the legislature can not directly legislate on matters not included within the call, then

it can not exercise dependent or subsidiary powers derived solely from the direct power to legislate."

Our opinion finds further support in *ex parte Wolters* (Texas), 144 S. W. 531, 535, and in *Annenberg* vs. *Roberts* (Pa.), 2 Atl. (2d) 612.

It would therefore appear that the power of the legislature to investigate at this special session, or any recess thereof, is circumscribed with the same limitations as its power to legislate, and that any investigation must be directed toward a subject within the scope of the proclamation calling the special session.

Very truly yours,

FRED B. WOOD, Legislative Counsel.
By LAWRENCE G ALLYN, Deputy

Introduction, First Reading and Reference of Bills.

The following bills were introduced:

Senate Constitutional Amendment No. 2: By Senators Swing, Brown, Collier, Crittenden, Foley, Garrison, Gordon, Hollister, Holohan, Jespersen, Kenny, Mayo, McBride, Myhand, Nielsen, Parkman, Powers and Shelley—A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by adding a new section numbered 13 to Article XVI thereof, relating to the powers of the Legislature in respect to the release, rescission, or remission of encumbrances and obligations taken as security for the repayment of aid to the aged, and ratifying certain acts of the Legislature relating thereto.

Senate Constitutional Amendment No. 2 read, and referred to Committee on Social Problems.

Senate Joint Resolution No. 3: By Senator Fletcher—Relative to increased contributions by the Federal Government for relief in California.

Senate Joint Resolution No. 3 read, and referred to Committee on Social Problems.

Senate Joint Resolution No. 4: By Senator Collier—Relative to memorializing Congress to take action in respect to the existing emergency in the Tulelake district.

Senate Joint Resolution No. 4 read, and ordered held at desk without reference to committee.

Senate Bill No. 52: By Senators Shelley and Kenny—An act to amend the title and to add section 8 to "An act providing for a State exhibit at the Golden Gate International Exposition to be held in the San Francisco Bay region, California, in 1939, providing for the construction of a State building or buildings therefor and the gardening and improvement of the surrounding grounds, creating a California Commission for the Golden Gate International Exposition to have charge and control of said State exhibit and building or buildings, defining its powers and duties and making an appropriation therefor," approved May 25, 1937, relating to the powers and duties of the California Commission for the Golden Gate International Exposition, and making an appropriation, declaring the urgency thereof and providing that this act shall take effect immediately.

Senate Bill No. 52 read first time, and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 53: By Senators Garrison, Jespersen, Hollister, Kenny, Powers and Shelley—An act to add section 18a to the Central Valley Project Act of 1933, relating to the issuance of revenue bonds by the Water Project Authority of the State of California.

Senate Bill No 53 read first time, and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 54: By Senator Kenny—An act to add section 444.2 to the Political Code, relating to money in the State treasury, including temporary loans or transfers of money in special funds or other accounts in the treasury subject to the provisions of Article XXVI of the Constitution, the use or disposition of money loaned, and the repayment of such loans.

Senate Bill No. 54 read first time, and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 55: By Senators Kenny and Phillips—An act to add section 580d to the Code of Civil Procedure, and to repeal section 580c of the Code of Civil Procedure as added by Chapter 586 of the Statutes of 1939, relating to the abolishing of deficiency judgments in all cases where a power of sale is exercised under any mortgage or deed of trust upon real property.

Senate Bill No. 55 read first time and referred to Committee on Governmental Efficiency.

Senate Bill No. 56: By Senator Kenny—An act to add section 135.4 to the Vehicle Code, relating to the taking of bail upon service of warrants.

Senate Bill No. 56 read first time and referred to Committee on Governmental Efficiency.

Senate Bill No. 57: By Senators Hollister, Holohan, Jespersen, Kenny, Mayo, McBride, Myhand, Nielsen, Parkman, Powers, Shelley, Phillips, Swing, Brown, Collier, Crittenden, Foley, Garrison and Gordon—An act to repeal sections 2226 and 2229 and to amend sections 2007 and 2227 of the Welfare and Institutions Code, relating to aid to the aged and providing for the cancellation and release of certain agreements heretofore required of recipients of aid to the aged.

Senate Bill No 57 read first time and referred to Committee on Social Problems.

Senate Bill No. 58: By Senator Seawell—An act making an additional appropriation for legislative printing, binding, etc., to take effect immediately.

Senate Bill No. 58 read first time and referred to Committee on Contingent Expenses

Consideration of Daily File.

Second Reading of Senate Bills.

Senate Bill No. 9—An act to amend sections 66 and 67 of the Vehicle Code, to include within the definition of "owner" of a vehicle

a public agency entitled to the possession and use of a vehicle under a lease, lease-sale or rental-purchase agreement, and within the definition of "legal owner" the renter or lessor under such agreement, to take effect immediately.

Bill read second time, ordered to engrossment, and on file for third reading.

Senate Bill No. 10—An act to add section 2.5 to an act entitled "An act relating to licensing and taxing of vehicles, providing for license fees for the privilege of operating certain vehicles, providing for the exemption of such vehicles from all taxes according to value for State, county or municipal purposes, providing for the administration and enforcement of this act, creating a fund to be known as the motor vehicle license fee fund, and making an appropriation of the moneys therein," approved June 25, 1935, relating to exemptions from vehicle license fees, to take effect immediately.

Consideration of Committee Amendment.

Pursuant to the report of the Committee on Governmental Efficiency, the following amendment to Senate Bill No. 10 was read and adopted:

Amendment No. 1.

On page 1 of the printed bill, between lines 8 and 9, insert the following: "This section does not apply to any vehicle leased under a lease, lease-sale, or rental-purchase agreement after the effective date of this section which is used or maintained for the transportation of persons for hire, compensation or profit."

Bill read second time, ordered to print, engrossment, and on file for third reading.

Senate Bill No. 11—An act providing for the cancellation of license and registration fee penalties in connection with vehicles operated by public agencies as lessees under lease, lease-sale or rental-purchase agreements.

Consideration of Committee Amendments.

Pursuant to the report of the Committee on Governmental Efficiency, the following amendments to Senate Bill No. 11 were read and adopted:

Amendment No. 1.

In line 4 of the title of the printed bill, after "agreements", insert the following: ", to take effect immediately".

Amendment No. 2.

On page 1 of the printed bill, following line 17, insert the following:

"SEC. 2. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution and shall therefore go into immediate effect. A statement of the facts constituting such necessity is as follows:

Prior to 1937 political subdivisions were not required to pay registration fees and vehicle license fees on vehicles owned by them or controlled by them under a lease agreement. A change was made in the Vehicle Code which inadvertently operated to require the payment of such fees.

Many political subdivisions are financially unable to pay the accrued fees and penalties thereon and it is necessary to afford them immediate relief from such burden as provided in this act. Unless this act takes immediate effect further penalties will accrue, thus increasing the existing burden upon such political subdivisions."

Bill read second time, ordered to print, engrossment, and on file for third reading.

Senate Bill No. 12—An act to amend section 374 of the Vehicle Code, relating to vehicle registration, including the payment of fees therefor by public agencies operating vehicles under lease, lease-sale or rental-purchase agreements, to take effect immediately.

Consideration of Committee Amendment.

Pursuant to the report of the Committee on Governmental Efficiency, the following amendment to Senate Bill No. 12 was read and adopted:

Amendment No. 1.

On page 1 of the printed bill, between lines 20 and 21, insert the following: "The exemption in this subsection pertaining to vehicles leased by the State, or by any county, city, district, or political subdivision of the State, under a lease, lease-sale, or rental-purchase agreement, is not applicable to any vehicle leased after the effective date of this section, as amended in 1940, which is used or maintained for the transportation of persons for hire, compensation, or profit."

Bill read second time, ordered to print, engrossment, and on file for third reading.

Third Reading of Assembly Bills.

Assembly Concurrent Resolution No. 1—Approving amendments to the charter of the city of Santa Monica, State of California, ratified by the qualified electors of said city at a general municipal election held therein on the fifth day of December, 1939.

Resolution read.

The question being on the adoption of the resolution.

The roll was called and Assembly Concurrent Resolution No. 1 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen Parkman, Powers, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—33.

NOES—None.

Assembly Concurrent Resolution No. 1 ordered transmitted to the Assembly.

Assembly Concurrent Resolution No. 2—Relative to the approval of a certain amendment to the charter of the city of Huntington Beach, a municipal corporation, in the county of Orange, State of California, voted for and ratified by the electors of said city at a special municipal election held therein on the twenty-first day of November, 1939.

Resolution read.

The question being on the adoption of the resolution.

The roll was called and Assembly Concurrent Resolution No. 2 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy —35.

NOES—None.

Assembly Concurrent Resolution No. 2 ordered transmitted to the Assembly.

Adjournment.

On motion of Senator Seawell, at four o'clock and fifteen minutes p.m., the President of the Senate declared the Senate adjourned out of respect to the memory of the late Senator Frank S. Boggs, until eleven o'clock a.m., Friday, February 2, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Friday, February 2, 1940.

The Senate met at eleven o'clock a.m.
Hon. Ellis E. Patterson, President of the Senate, in the chair.
Secretary Joseph A. Beek at the desk.

Roll Call.

The roll was called, and the following answered to their names:

Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—36.

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev. A. Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Thursday, February 1, 1940, the further reading was dispensed with, on motion of Senator Slater.

Privilege of Floor of Senate Extended.

On request of Senator Garrison, the privilege of the floor of the Senate Chamber for this day was unanimously extended to the following teachers and students of the Empire Grammar School: Duane Vosburg, Principal; Mrs. Mildred Goodwill, Mrs. Myra Hughes, teachers. Eighth grade students: Barbara Owens, Flora Wallace, Richard Johnson, Vito Sciabica, Lora Wallace, Mary Wallace, Dolly Dunagan, Mary Miller, Mary Wenger, Lois Ollarrea, Celia Ann Smith, Celeste Cabral, Kathleen Hall, Betty Olenslager, Gladys Fink, Pete Capps, Eugene Robirds, Marvin Willson, Billy Goodman, Archie Mayhew, Thomas Motter, Cleetis Villines, Raymond Parrish, Bobby Puckett, Joseph Cover, Mabel Andre, Robert Watson, Veral Shively, Loren Rinehart,

Ray Hunter, Ernest Johnson, Michael Donahue, John Harding, Pauline White, Johanna Barmettler, Shirley Beekly, Carmen Crews, Ivan Eighmy, Bob Beery, Wesley Kain, June Kurkjian, Bill Morgan, Leona Rash, Frank Machado, Bud Clapper, Lois Artz, Martina Yrigoyen, Ada Yamasaki, Mary Flora, Beverley Mosier, Docia Dunn, Donald Kness, Ronald Hanchett and Dorothy Fink.

On request of Senator Metzger, the privilege of the floor of the Senate Chamber for this day was unanimously extended to M. P. Mathiesen and the following students of Williams Union High School of Williams: Dorothy Bailey, Vernon Bailey, Florence Bowen, Betty Cook, Edward Dunn, Franklin Fouch, June Franke, Lou Ellen Gray, Robert Grussenmeyer, Mary Louise Hall, Nora Jensen, Alice Lausten, Phyllis Matzka, Lemuel Schaad, Richard Silva, Leroy Smith, Chester Talley and Max Vann.

On request of Senator Mixter, the privilege of the floor of the Senate Chamber for this day was unanimously extended to John Locke of Visalia, deputy district attorney of Tulare county, and George Murphy of Tulare.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Senate Concurrent Resolution No. 3—Relative to the death of Senator Frank S. Boggs.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Senate Concurrent Resolution No. 3 ordered to enrollment.

ASSEMBLY CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 56—An act to amend the title and to add section 8 to "An act providing for a State exhibit at the Golden Gate International Exposition to be held in the San Francisco Bay region, California, in 1939, providing for the construction of a State building or buildings therefor and the gardening and improvement of the surrounding grounds, creating a California Commission for the Golden Gate International Exposition to have charge and control of said State exhibit and building or buildings, defining its powers and duties and making an appropriation therefor," approved May 25, 1937, relating to the powers and duties of the California Commission for the Golden Gate International Exposition, and making an appropriation, declaring the urgency thereof and providing that this act shall take effect immediately;

Assembly Concurrent Resolution No. 3—Approving amendments to the charter of the City and County of San Francisco voted for and ratified by the electors of said City and County of San Francisco at an election held therein on the seventh day of November, 1939;

Assembly Joint Resolution No. 6—Relative to furnishing assistance to the Republic of Finland;

Assembly Joint Resolution No 7—Relative to the prevention of the exportation of arms to aggressor nations.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Bill No. 56 read first time, and referred to Committee on Rules.

Assembly Concurrent Resolution No. 3 read, and referred to Committee on Rules.

Assembly Joint Resolution No. 6 read, and referred to Committee on Rules.

Assembly Joint Resolution No. 7 read, and referred to Committee on Rules.

Withdrawal and Re-reference of Senate Bills Nos. 48 and 49.

Senator Phillips moved that Senate Bills Nos. 48 and 49 be withdrawn from Committee on Finance, Revenue and Taxation and referred to Committee on Social Problems.

Motion carried, and such was the order.

Remarks.

The following remarks, offered by Senator Phillips, were ordered printed in the Journal.

At a meeting of the Senate Committee on Social Problems held in Room 414 on February 1, 1940, at four o'clock p.m., the following motion was made, seconded and carried unanimously:

"That the committee recommend that Senate Bills Nos. 48 and 49 be withdrawn from the Senate Committee on Finance, Revenue and Taxation, and be referred to the Committee on Social Problems."

SENATOR PHILLIPS.

Communication.

The following communication was received, read, and ordered printed in the Journal:

OFFICE OF THE STATE BOARD OF EQUALIZATION,
STATE OF CALIFORNIA, SACRAMENTO, February 2, 1940.

Honorable Joseph Beek, Secretary of the Senate,
State Capitol, Sacramento, California.

RE: SENATE BILL NO. 4.

DEAR MR. SECRETARY: By direction of the State Board of Equalization I am attaching a copy of a resolution adopted by the board with respect to the above-numbered bill, introduced by Senator Kenny, under which issuance of "under-cover" license plates would be authorized for publicly-owned vehicles used in types of work requiring that the public ownership of such vehicles should not be revealed.

The board would be most grateful for your assistance in bringing this resolution to the attention of the members of the Senate.

Very truly yours,

DIXWELL L. PIERCE, Secretary

DLP:M

The accompanying resolution was referred to Committee on Governmental Efficiency.

Senate Resolution No. 16.

The following resolution was offered:

By Senator Rich:

WHEREAS, The close of the year 1939 brought with it the end of the life of a former member of this Senate, the Honorable Raymond Henry Jones who during the Forty-seventh and Forty-eighth Sessions of the California Legislature, faithfully represented the Sixth Senatorial District, which at that time comprised Butte, Sutter, Yolo and Yuba Counties; and

WHEREAS, Ray Jones, as he was known to his colleagues and to large numbers of the people of his district, was a native of the State of California, at one time a railroad telegraph operator and later an insurance man and was active in the Rotary Club, fraternal organizations, and a leader in the campaign for good roads in California; and

WHEREAS, The members of the Senate desire to establish a permanent record of their bereavement at the loss of Senator Jones and the sympathy they feel for his family; now, therefore, be it

Resolved, That this resolution be spread upon the Minutes of the Senate of this day and that when the Senate adjourns this day it do so out of respect to the memory of former Senator Raymond Henry Jones; and be it further

Resolved, That the Secretary of the Senate be and he is hereby directed to have suitably engrossed copies of this resolution prepared and forwarded to the members of the family of this distinguished former member.

Resolution read, and on motion of Senator Rich unanimously adopted by a rising vote of the Senate.

Reports of Standing Committees.

The following reports of standing committees were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following request for permission to offer a Concurrent Resolution:

By Senator Slater:

Relative to the establishment of the Luther Burbank Memorial Highway;

Has had the same under consideration, and respecttully reports the same back, and recommends that the request be granted, the resolution introduced and placed on file for action.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following request for permission to introduce a bill:

By Senator Shelley:

An act to amend section 4 of an act entitled "An act defining industrial loan companies, providing for their incorporation, powers and supervision," approved May 18, 1917, relating to rates of interest and other charges on loans made by industrial loan companies;

Has had the same under consideration, and respectfully reports the same back, and recommends the request be granted, the bill introduced and referred to the Committee on Governmental Efficiency.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 2, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following requests for permission to introduce bills:

By Senators Jespersen and Hollister:

An act to create a public agency of the State to be known as the California Housing Authority to undertake slum clearance and projects to provide dwelling accommodations for persons of low income in the State; to define the powers and duties of the California Housing Authority and to provide for the exercise of such powers, including acquiring property, borrowing money, issuing bonds and other obligations, and giving security therefor; to provide for a certification of the bonds by the Attorney General; to confer remedies on obligees of the California Housing Authority; to exempt the property and securities of the California Housing Authority from taxation and assessments; to authorize certain payments in lieu of such taxation and assessments, providing that this act shall take effect immediately; and making an appropriation;

By Senators Jespersen and Hollister:

An act to amend sections 2, 3 and 4 of the Housing Cooperation Law, relating to aid by public bodies to housing projects undertaken pursuant to the California State Housing Authority Law, and providing that this act shall take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that the requests be granted, the bills introduced and referred to the Committee on Social Problems.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 2, 1940

MR. PRESIDENT: Your Committee on Rules, to which were referred the following requests for permission to introduce bills.

By Senators Quinn and Biggar:

An act to amend sections 1, 6, 20, 21, 23, 30 and 38 of, and to add sections 1.5, 6.5, 37.5, 37.6, 37.7, 38.1, 38.2, 38.3 and 38.4 to, and to repeal sections 16, 17, 18 and 19 of an act entitled "An act to provide for the licensing and regulation of itinerant merchants and making an appropriation therefor," approved July 21, 1939, relating to the licensing and regulation of itinerant merchants;

By Senators Shelley, Foley, Kenny, Hollister, Garrison and Jespersen:

An act to amend the title and to add sections 5, 6, 7 and 9 to "An act providing for a State exhibit at the Golden Gate International Exposition to be held in the San Francisco Bay region, California, in 1939, providing for the construction of a State building or buildings therefor and the gardening and improvement of the surrounding grounds, creating a California Commission for the Golden Gate International Exposition to have charge and control of said State exhibit and building or buildings, defining its powers and duties and making an appropriation therefor," approved May 25, 1937, relating to the Golden Gate International Exposition, defining the powers and duties of the California Commission for the Golden Gate International Exposition, and making an appropriation, declaring the urgency thereof and providing that this act shall take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that the requests be granted, the bills introduced and referred to the Committee on Finance, Revenue and Taxation.

Committee membership—5; committee vote Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 2, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Bill No. 9—An act to amend sections 66 and 67 of the Vehicle Code, to include within the definition of "owner" of a vehicle a public agency entitled to the possession and use of a vehicle under a lease, lease-sale or rental-purchase agreement, and within the definition of "legal owner" the renter or lessor under such agreement, to take effect immediately;

Senate Bill No. 10—An act to add section 2.5 to an act entitled "An act relating to licensing and taxing of vehicles, providing for license fees for the privilege of operating certain vehicles, providing for the exemption of such vehicles from all taxes according to value for State, county or municipal purposes, providing for the administration and enforcement of this act, creating a fund to be known as the motor vehicle license fee fund, and making an appropriation of the moneys therein," approved June 25, 1935, relating to exemption from vehicle license fees, to take effect immediately;

Senate Bill No. 11—An act providing for the cancellation of license and registration fee penalties in connection with vehicles operated by public agencies as lessees under lease, lease-sale or rental-purchase agreements, to take effect immediately;

Senate Bill No 12—An act to amend section 374 of the Vehicle Code, relating to vehicle registration, including the payment of fees therefor by public agencies operating vehicles under lease, lease-sale or rental-purchase agreements, to take effect immediately;

And reports that the same have been correctly engrossed.

SEAWELL, Chairman

SENATE CHAMBER, SACRAMENTO, February 2, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Concurrent Resolution No. 1—Relative to approving a certain amendment to the charter of the city of Los Angeles, a municipal corporation, in the county of Los Angeles, State of California, voted for and ratified by the electors of said city at a special municipal election held therein on the twelfth day of December, 1939;

And reports that the same has been correctly enrolled and presented to the Governor on the second day of February, 1940, at eleven o'clock a.m.

SEAWELL, Chairman.

On Social Problems.

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT: Your Committee on Social Problems, to which was referred:

Senate Bill No. 50—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, and providing for the disbursement thereof;

Has had the same under consideration, and respectfully reports the same back with amendments, and recommends that the amendments be adopted, and that it do pass as amended.

Committee membership—11; committee vote: Ayes—9; noes—2.

PHILLIPS, Chairman.

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT: Your Committee on Social Problems, to which was referred:

Senate Bill No. 48—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, and to provide that this act shall take effect immediately;

Has had the same under consideration, and respectfully reports the same back with amendments, and recommends that the amendments be adopted, and that it do pass as amended.

Committee membership—11; committee vote: Ayes—10; absent—1.

PHILLIPS, Chairman.

SENATE CHAMBER, SACRAMENTO, February 1, 1940.

MR. PRESIDENT: Your Committee on Social Problems, to which was referred:

Senate Bill No. 51—An act providing for the expenditure by the Relief Administrator and the Relief Commission through the counties under the California Unemployment Relief Act of 1935 of money appropriated for the relief of hardship and destitution due to and caused by unemployment, the conditions and procedure for the expenditure thereof, and the determination of the eligibility of persons therefor under the said California Unemployment Relief Act of 1935;

Has had the same under consideration, and respectfully reports the same back with amendments, and recommends that the amendments be adopted, and that it do pass as amended.

Committee membership—11; committee vote: Ayes—8; noes—3.

PHILLIPS, Chairman.

On Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, February 2, 1940

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Senate Bill No. 47—An act to validate the organization, boundaries, governing officers or boards, acts, proceedings, and bonds of public bodies, to take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that it do pass

Committee membership—11; committee vote: Ayes—8; absent—3.

HAYS, Chairman.

Introduction, First Reading and Reference of Bills.

The following bills were introduced:

Senate Bill No. 59: By Senators Quinn and Biggar—An act to amend sections 1, 6, 20, 21, 23, 30 and 38 of, and to add sections 1.5, 6.5, 37.5, 37.6, 37.7, 38.1, 38.2, 38.3 and 38.4 to, and to repeal sections 16, 17, 18 and 19 of an act entitled "An act to provide for the licensing and regulation of itinerant merchants and making an appropriation therefor," approved July 21, 1939, relating to the licensing and regulation of itinerant merchants.

Senate Bill No. 59 read first time, and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 60: By Senators Shelley, Foley, Kenny, Hollister, Garrison and Jespersen—An act to amend the title and to add sections 5, 6, 7 and 9 to "An act providing for a State exhibit at the Golden Gate International Exposition to be held in the San Francisco Bay region, California, in 1939, providing for the construction of a State building or buildings therefor and the gardening and improvement of the surrounding grounds, creating a California Commission for the Golden Gate International Exposition to have charge and control of said State exhibit and building or buildings, defining its powers and duties and making an appropriation therefor," approved May 25, 1937,

relating to the Golden Gate International Exposition, defining the powers and duties of the California Commission for the Golden Gate International Exposition, and making an appropriation, declaring the urgency thereof and providing that this act shall take effect immediately.

Senate Bill No. 60 read first time, and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 61: By Senator Shelley—An act to amend section 4 of an act entitled "An act defining industrial loan companies, providing for their incorporation, powers and supervision," approved May 18, 1917, relating to rates of interest and other charges on loans made by industrial loan companies.

Senate Bill No. 61 read first time, and referred to Committee on Governmental Efficiency.

Senate Bill No. 62: By Senators Jespersen and Hollister—An act to create a public agency of the State to be known as the California Housing Authority to undertake slum clearance and projects to provide dwelling accommodations for persons of low income in the State; to define the powers and duties of the California Housing Authority and to provide for the exercise of such powers, including acquiring property, borrowing money, issuing bonds and other obligations, and giving security therefor; to provide for a certification of the bonds by the Attorney General; to confer remedies on obligees of the California Housing Authority; to exempt the property and securities of the California Housing Authority from taxation and assessments; to authorize certain payments in lieu of such taxation and assessments, providing that this act shall take effect immediately; and making an appropriation.

Senate Bill No. 62 read first time, and referred to Committee on Social Problems.

Senate Bill No. 63: By Senators Jespersen and Hollister—An act to amend sections 2, 3 and 4 of the Housing Cooperation Law, relating to aid by public bodies to housing projects undertaken pursuant to the California State Housing Authority Law, and providing that this act shall take effect immediately.

Senate Bill No 63 read first time, and referred to Committee on Social Problems.

Senate Concurrent Resolution No. 4: By Senator Slater—Relative to the establishment of the Luther Burbank Memorial Highway.

Consideration of Senate Concurrent Resolution No. 4.

Senator Slater asked for, and was granted, unanimous consent for the consideration of Senate Concurrent Resolution No. 4, without reference to committee for purpose of adoption.

Senate Concurrent Resolution No. 4.

Relative to the establishment of the Luther Burbank Memorial Highway.

WHEREAS, The year 1926 removed from the ranks of California's citizenry a man who dedicated his entire life to the creation of new varieties of flowers, fruits, vegetables, and even timber trees, and whose horticultural accomplishments received world-wide acclaim; and

WHEREAS, Luther Burbank (1849-1926) dedicated his horticultural achievements to the benefit of his fellow men, without personal gain and without the fanfare of brilliant lights; and

WHEREAS, His life was simple, his wants small, his friends legion, it seems fitting and proper that his principles and ideals, his name and what it stood for, should be carried down through the ages; and

WHEREAS, The Santa Rosa Sebastopol Highway was closely associated with the life of Luther Burbank and served as the pathway which took him to and from his work and brought people of all walks of life to marvel at his accomplishments; and

WHEREAS, It seems fitting and proper that the Legislature, in recognition of the request of the California Highway Commission and in honor of Luther Burbank, dedicate that portion of Highway Route 51 between Sebastopol and Santa Rosa as the Luther Burbank Memorial Highway; now, therefore, be it

Resolved by the Senate of the State of California, the Assembly thereof concurring, That the portion of Highway Route 51 between Sebastopol and Santa Rosa shall be known as the Luther Burbank Memorial Highway; and be it further

Resolved, That a copy of this resolution be transmitted to the director of the State Department of Public Works and to the California Highway Commission; and be it further

Resolved, That the Department of Public Works and the California Highway Commission are hereby requested to provide for the installation and maintenance of suitable historical markers adjacent to the said highway.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Concurrent Resolution No. 4 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, DeLap, Deuel, Fletcher, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McCormack, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Seawell, Slater, Swing, and Wagy—28.

NOES—None.

Senate Concurrent Resolution No. 4 ordered transmitted to the Assembly.

Consideration of Daily File.

Second Reading of Senate Bills.

Senate Joint Resolution No. 1—Relative to memorializing Congress to enact a plan for old age assistance wholly supported by Federal funds.

Consideration of Committee Amendment.

Pursuant to the report of the Committee on Social Problems, the following amendment to Senate Joint Resolution No. 1 was read and adopted:

Amendment No. 1.

On page 1 of the printed resolution, strike out lines 7 to 13, inclusive.

Resolution read, ordered to print, engrossment, and on file.

Senate Bill No. 50—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, and providing for the disbursement thereof

Consideration of Committee Amendments.

Pursuant to the report of the Committee on Social Problems, the following amendments to Senate Bill No. 50 were read and adopted:

Amendment No. 1.

On page 1 of the printed bill, strike out lines 2 and 3, and insert in lieu thereof the following: "law, the sum of thirty-one million seven hundred twenty-nine thousand four hundred sixty-four dollars ($31,729,464.00) or so".

Amendment No. 2.

On page 1, line 9, of the printed bill, strike out "June 1, 1941", and insert in lieu thereof the following: "July 1, 1941".

Amendment No. 3.

On page 1 of the printed bill, strike out line 19, and in line 20, strike out "eight dollars ($26,536,708.00)", and insert in lieu thereof the following: "eight million five hundred twenty-nine thousand four hundred sixty-four dollars ($28,529,464.00)".

Amendment No. 4.

On page 2 of the printed bill, between lines 15 and 16, insert the following: "June ------$1,992,756".

Bill read second time, ordered to print, engrossment, and on file for third reading.

Senate Bill No. 48—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, and to provide that this act shall take effect immediately.

Consideration of Committee Amendments.

Pursuant to the report of the Committee on Social Problems, the following amendments to Senate Bill No. 48 were read.

Amendment No. 1.

In lines 2 and 3 of the title of the printed bill, strike out "and to provide", and insert in lieu thereof the following: "providing the conditions and terms upon which any expenditure for such relief may be made and declaring".

Amendment No. 2.

On page 1, line 2, of the printed bill, strike out "five million dollars ($5,000,000)", and insert in lieu thereof the following: "thirteen million four hundred thousand dollars ($13,400,000)"

Amendment No. 3.

On page 1, line 8, of the printed bill, strike out "fiscal year.", and insert in lieu thereof the following: "and ninety-second fiscal years in accordance with this act.

This appropriation in its entirety is exempted from the provisions of the Relief Expenditure Act of 1940."

Amendment No. 4.

On page 1 of the printed bill, between lines 16 and 17, insert the following:

"SEC. 3. (a) Of the sum appropriated by this act eleven million dollars ($11,000,000) shall be available for disbursement by the Relief Administrator until June 1, 1940 for all the purposes provided in the California Unemployment Relief Act of 1935, except for the purposes provided in subdivisions (c) and (d) of section 3 thereof.

(b) The sum remaining available for expenditure upon the effective date of this act under Chapter 668 of the Statutes of 1939 may be expended for all the purposes provided in the California Unemployment Relief Act of 1935, except for the purposes provided in subdivisions (c) and (d) of section 3 thereof.

(c) The eleven million dollars ($11,000,000) mentioned in subdivision (a) of this section and the sums remaining available for expenditure upon the effective date of this act under Chapter 668 of the Statutes of 1939 as provided in subdivision (b) of this section shall be subject to the provisions of this subdivision (c) of this section so that the amounts available from all sources for the expenditures authorized are the amounts provided in the following schedule:

(1) For February, 1940, not more than $3,000,000.
(2) For March, 1940, not more than $3,000,000.
(3) For April, 1940, not more than $2,500,000.
(4) For May, 1940, not more than $2,500,000.

(d) For the purpose of expending the amounts provided in subdivision (c) of this section, every person, who, on the effective date of this act, was eligible for relief under the California Unemployment Relief Act of 1935 and the rules and regulations of the Relief Commission established in pursuance thereof, shall be entitled to relief from these amounts provided in this section if his eligibility continues thereunder, notwithstanding any action of the Relief Administrator or the Relief Commission subsequent to the effective date of this act.

SEC. 4. Of the total sum appropriated by this act, two million four hundred thousand dollars ($2,400,000) shall be available for expenditure at a rate not in excess of two hundred thousand dollars per month until exhausted for the purposes provided in subdivisions (c) and (d) of the California Unemployment Relief Act of 1935, to wit: (c) for rural relief and rehabilitation, including the establishment and operation of relief camps and relief for migratory workers, (d) for the establishment and operation of such relief camps as may be reasonably necessary; and also including all costs of transportation to and from the camps provided under said subdivisions and all administrative costs in connection therewith.

If less than two hundred thousand dollars is expended in any month, the unexpended amount may be expended in any succeeding month without regard to the limitation for that month.

No camp existing upon the effective date of this act shall be discontinued while money remains available for its support and persons are being or can be certified thereto under the rules and regulations of the Relief Commission as such rules and regulations existed on the effective date of this act.

SEC. 5. The total amount which may be expended from the appropriation made by this act for all the members of any one family is sixty dollars per month.

SEC. 6. Not over 15 per cent of the total sum appropriated by this act may be expended for the expenses of administration.

This limitation does not apply to the money apportioned for camps under section 4 of this act.

SEC. 7. Of the governmental agencies through which section 3 of the California Unemployment Relief Act of 1935 authorizes the Relief Administrator to make expenditures, the counties as such governmental agencies under the California Unemployment Relief Act of 1935 may certify to the Relief Administrator for relief under subdivisions (c) and (d) of section 3 of the California Unemployment Relief Act of 1935 persons eligible for such relief, as provided in section 4 of this appropriation act.

For the purposes of administering the total appropriation provided by this act, every county as a governmental agency under section 3 of the California Unemployment Relief Act of 1935 shall have access to and the use of all records, books, papers, offices, and equipment of the Relief Administrator and the Relief Commission and shall also have free and unhampered entry into and upon the premises containing them or where they are situated."

Amendment No. 5.

On page 1, line 17, of the printed bill, strike out "Sec. 3" and in lieu thereof insert the following: "Sec. 9."

Amendment No. 6.

On page 1 of the printed bill, strike out lines 23 to 27, inclusive, and on page 2, strike out lines 1 to 8, inclusive, and in lieu thereof insert the following:

"The appropriation for unemployment relief for the ninety-first fiscal year is inadequate and is about to be exhausted and it is necessary that additional funds be made available immediately. Unless this act providing immediate funds and the means for the expenditure thereof and safeguards against their waste takes effect imme-".

Ayes and Noes Demanded.

A roll call was demanded by Senators Garrison, Shelley and Kenny on the adoption of the amendments.

The roll was called, and amendments adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Gordon, Hays, Holohan, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—30.

NOES—Senators Foley, Garrison, Hollister, Kenny, and Shelley—5

Bill read second time, ordered to print, engrossment, and on file for third reading.

Senate Bill No. 51—An act providing for the expenditure by the Relief Administrator and the Relief Commission through the counties

under the California Unemployment Relief Act of 1935 of money appropriated for the relief of hardship and destitution due to and caused by unemployment, the conditions and procedure for the expenditure thereof, and the determination of the eligibility of persons therefor under the said California Unemployment Relief Act of 1935.

Consideration of Committee Amendments.

Pursuant to the report of the Committee on Social Problems, the following amendments to Senate Bill No. 51 were read and adopted:

Amendment No. 1.

On page 2, line 10, of the printed bill, strike out the period, and insert in lieu thereof a comma, and the following: "including but not limited to work relief projects authorized by all or any of subdivisions (a), (e), (f) and (g) of section 3 of the Relief Act."

Amendment No. 2.

On page 2 of the printed bill, between lines 38 and 39, insert the following paragraph:

"The appropriation shall not be expended for the relief of any person who has not been a resident of the State of California for three years or more."

Amendment No. 3.

On page 3, line 23, of the printed bill, strike out "not", and insert in lieu thereof the following: "no".

Amendment No. 4.

On page 3 of the printed bill, after line 26, add the following paragraph:

"SEC. 13. If any section, subsection, subdivision, sentence, phrase, or clause, of this act is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this act.

The Legislature hereby expressly declares that it would pass this act, and each section, subsection, subdivision, sentence, clause, and phrase thereof irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, or phrases, may be declared unconstitutional."

Bill read second time, ordered to print, engrossment, and on file for third reading.

Special Order.

Senator Phillips moved that Senate Bills Nos. 48, 50 and 51 be made a special order for today, February 2, 1940, at four o'clock p.m.

Amendment to Motion.

Senator Slater moved as an amendment that the above mentioned bills be made a special order for four o'clock p.m. Monday, February 5, 1940, instead of today, Friday, February 2, 1940.

Ayes and Noes Demanded.

A roll call was demanded by Senators Metzger, Myhand and Kenny on the adoption of the amendment.

The roll was called, and amendment refused adoption by the following vote:

AYES—Senators Brown, Cunningham, Foley, Garrison, Hollister, Jespersen, Keating, Kenny, Quinn, Shelley, and Slater—11.

NOES—Senators Biggar, Breed, Collier, Crittenden, DeLap, Deuel, Fletcher, Gordon, Hays, Holohan, Mayo, McBride, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Rich, Seawell, Swing, Tickle, and Wagy—24.

(Further) Amendment to Motion.

Senator Slater moved as an amendment that Senate Bills Nos. 48, 50, and 51 be made a special order for four o'clock p.m., Saturday, February 3, 1940, instead of today, Friday, February 2, 1940.

Ayes and Noes Demanded.

A roll call was demanded by Senators Myhand, Kenny and Garrison on the adoption of the amendment.

The roll was called and the amendment refused adoption by the following vote:

AYES—Senators Brown, Cunningham, Foley, Garrison, Hollister, Jespersen, Keating, Kenny, McBride, Powers, Quinn, Shelley, and Slater—13.
NOES—Senators Biggar, Breed, Collier, Crittenden, DeLap, Deuel, Fletcher, Gordon, Hays, Holohan, Mayo, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Rich, Seawell, Swing, Tickle, and Wagy—22.

The question being on the adoption of Senator Phillips' original motion.

Motion carried and such was the order.

Third Reading of Senate Bills.

Senate Bill No. 12—An act to amend section 374 of the Vehicle Code, relating to vehicle registration, including the payment of fees therefor by public agencies operating vehicles under lease, lease-sale or rental-purchase agreements, to take effect immediately.

Bill read third time.

Urgency Clause.

SEC. 2. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution and shall therefore go into immediate effect. A statement of the facts constituting such necessity is as follows:

Prior to 1937 political subdivisions were not required to pay registration fees on vehicles owned by them or controlled by them under a lease agreement. A change was made in the Vehicle Code which inadvertently operated to require the payment of such fees.

Many political subdivisions are financially unable to pay the accrued fees and penalties thereon and it is necessary to afford them immediate relief by restoring the exemption privileges, and unless this act takes immediate effect further penalties will accrue, thus increasing the existing burden upon such political subdivisions.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Nielsen, Parkman, Phillips, Powers, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—34.
NOES—None.

The question being on the passage of the bill.

The roll was called and Senate Bill No. 12 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating,

Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—34.
NOES—None.

Title read and approved.
Senate Bill No 12 ordered transmitted to the Assembly.

Senate Bill No. 10—An act to add section 2.5 to an act entitled "An act relating to licensing and taxing of vehicles, providing for license fees for the privilege of operating certain vehicles, providing for the exemption of such vehicles from all taxes according to value for State, county or municipal purposes, providing for the administration and enforcement of this act, creating a fund to be known as the Motor Vehicle License Fee Fund, and making an appropriation of the moneys therein," approved June 25, 1935, relating to exemptions from vehicle license fees, to take effect immediately.

Bill read third time.

Urgency Clause.

SEC 2 This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution and shall therefore go into immediate effect. A statement of the facts constituting such necessity is as follows:

Prior to 1937 political subdivisions were not required to pay registration fees and vehicle license fees on vehicles owned by them or controlled by them under a lease agreement. A change was made in the Vehicle Code which inadvertently operated to require the payment of such fees

Many political subdivisions are financially unable to pay the accrued fees and penalties thereon and it is necessary to afford them immediate relief by restoring the exemption privileges, and unless this act takes immediate effect further penalties will accrue, thus increasing the existing burden upon such political subdivisions

Urgency clause read

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—35.
NOES—None.

The question being on the passage of the bill.

The roll was called and Senate Bill No 10 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, McBride, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—34
NOES—None.

Title read and approved.

Senate Bill No 10 ordered transmitted to the Assembly.

Senate Bill No. 9—An act to amend sections 66 and 67 of the Vehicle Code, to include within the definition of "owner" of a vehicle a public agency entitled to the possession and use of a vehicle under a lease, lease-sale or rental-purchase agreement, and within the defini-

tion of "legal owner" the renter or lessor under such agreement, to take effect immediately.

Bill read third time.

Urgency Clause.

SEC. 3. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution and shall therefore go into immediate effect. A statement of the facts constituting such necessity is as follows:

Prior to 1937 political subdivisions were not required to pay registration fees on vehicles owned by them or controlled by them under a lease agreement. A change was made in the Vehicle Code which inadvertently operated to require the payment of such fees.

Many political subdivisions are financially unable to pay the accrued fees and penalties thereon and it is necessary to afford them immediate relief by restoring the exemption privileges, and unless this act takes immediate effect further penalties will accrue, thus increasing the existing burden upon such political subdivisions.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—34.

NOES—None.

The question being on the passage of the bill.

The roll was called, and Senate Bill No 9 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Shelley, Slater, Swing, Tickle, and Wagy—34.

NOES—None.

Title read and approved.

Senate Bill No. 9 ordered transmitted to the Assembly.

Senate Bill No. 11—An act providing for the cancellation of license and registration fee penalties in connection with vehicles operated by public agencies as lessees under lease, lease-sale, or rental-purchase agreements.

Bill read third time.

Urgency Clause.

SEC. 2. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution and shall therefore go into immediate effect. A statement of the facts constituting such necessity is as follows:

Prior to 1937 political subdivisions were not required to pay registration fees and vehicle license fees on vehicles owned by them or controlled by them under a lease agreement A change was made in the Vehicle Code which inadvertently operated to require the payment of such fees.

Many political subdivisions are financially unable to pay the accrued fees and penalties thereon and it is necessary to afford them immediate relief from such burden as provided in this act. Unless this act takes immediate effect further penalties will accrue, thus increasing the existing burden upon such political subdivisions.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Shelley, Slater, Swing, Tickle, and Wagy—34.
NOES—None.

The question being on the passage of the bill.

The roll was called, and Senate Bill No. 11 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—36.
NOES—None.

Title read and approved.

Senate Bill No. 11 ordered transmitted to the Assembly.

Senate Joint Resolution No. 4.

Relative to memorializing Congress to take action in respect to the existing emergency in the Tulelake District.

WHEREAS, The continued rising of the waters in the Tulelake sump has broken dikes and flooded thousands of acres of valuable land in the Tulelake District of the Klamath Reclamation Project; and

WHEREAS, A permanent menace exists on account of the continued rising of these waters which threatens a rich agricultural area producing millions of dollars worth of agricultural products; and

WHEREAS, It appears that this menace can be averted and this condition remedied by the construction of a tunnel, and that a self-liquidating project has been devised for the construction of such tunnel; and

WHEREAS, It appears that said project has been approved by the Federal agencies having jurisdiction over the matter, and that the expenditure of an estimated $974,773 would construct the necessary works to drain the area involved, rectify the present condition, and remove a continuing menace to a valuable agricultural area; now, therefore, be it

Resolved by the Senate and the Assembly of the State of California, jointly, That the Congress of the United States is hereby respectfully urged to enact such legislation as may be necessary to provide for the construction of all necessary drainage and flood control works in the Tulelake District of the Klamath Reclamation Project and to make available funds for the construction of said tunnel project; and be it further

Resolved, That copies of this resolution be forwarded by the Secretary of the Senate to each Senator and Representative in Congress of the United States from California.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Joint Resolution No. 4 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—34.
NOES—None.

Senate Joint Resolution No. 4 ordered transmitted to the Assembly.

Special Orders Reset.

On motion of Senator Phillips, the consideration of Senate Bills Nos. 48, 50 and 51, heretofore set as special orders for four o'clock p.m. today, Friday, February 2, 1940, were reset as special orders for consideration at ten o'clock a.m. on Saturday February 3, 1940.

Report of Standing Committee.

The following report of standing committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 2, 1940.

MR. PRESIDENT. Your Committee on Rules, to which was referred:

Assembly Concurrent Resolution No. 3—Approving amendments to the charter of the City and County of San Francisco voted for and ratified by the electors of said City and County of San Francisco at an election held therein on the seventh day of November, 1939;

Has had the same under consideration, and respectfully reports the same back, and recommends that the resolution be placed on file for action

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Third Reading of Assembly Bills.

Assembly Concurrent Resolution No. 3—Approving amendments to the charter of the City and County of San Francisco voted for and ratified by the electors of said City and County of San Francisco at an election held therein on the seventh day of November, 1939.

Resolution read.

The question being on the adoption of the resolution.

The roll was called and Assembly Concurrent Resolution No. 3 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McCormack Metzger Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—35.

NOES—None

Assembly Concurrent Resolution No. 3 ordered transmitted to the Assembly.

Adjournment.

On motion of Senator Seawell, at twelve o'clock and thirty-five minutes p.m., the President of the Senate declared the Senate adjourned out of respect to the memory of the late Senator R. H. Jones until ten o'clock a.m., Saturday, February 3, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Saturday, February 3, 1940.

The Senate met at ten o'clock a.m.
Hon. Ellis E. Patterson, President of the Senate, in the chair.
Assistant Secretary Maitland S. Pennington at the desk.

Roll Call.

The roll was called, and the following answered to their names:

Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, and Wagy—35.

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev. A. Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Friday, February 2, 1940, the further reading was dispensed with, on motion of Senator Gordon.

Privilege of Floor of Senate Extended.

On request of Senator DeLap, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Miss Isabel Morris of Brooklyn, N. Y.

On request of Senator McBride, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Miss Nancy White of Santa Ana and Miss Jeanne Baxter of Baxter.

On request of Senator Gordon, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Lowell Edington of Oakville.

On request of Senator Biggar, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mark Eglin and Mrs. Myrtle Eglin, both of Ukiah.

Communication.

The following communication was received, read, and ordered printed in the Journal:

Resolution.

WHEREAS, "The Emergency Relief Appropriation Act of 1939" adopted by the Seventy-sixth Congress of the United States embodies certain provisions pertaining to the operation of the Works Projects Administration which involve definite and fundamental changes of policy that will greatly affect the program of that agency in its relations with the city of Los Angeles, and

WHEREAS, Due to the relationship between the State Relief Administration and the Work Projects Administration, any decrease in WPA quotas causes a directly corresponding increase in the number of cases cared for by the State for which no secondary benefits are received, while the continuation of persons on a work relief program not only satisfies the necessity for providing relief but also results in the creation of valuable public improvements; and

WHEREAS, Regulations under the Emergency Relief Appropriation Act of 1939 require that the average Federal nonlabor expenditure shall not exceed $6 per month per worker and that subsequent to January 1, 1940, the sponsor's contribution shall be not less than 25 per cent of the total cost of the work; and

WHEREAS, In order to obtain the full benefit of Federal unemployment assistance, it will be necessary to sponsor a sufficient number of projects to employ continuously approximately 12,000 persons which is the estimated WPA quota for the city of Los Angeles; and

WHEREAS, The Work Projects Administration will be required, under the said regulations, to drop from the rolls all persons residing within the city of Los Angeles for whom employment is not provided by locally sponsored projects, thereby greatly increasing the load of the State Relief Administration in this city; and

WHEREAS, It is essential to the welfare of this community that worth while public works be carried on by the city for relief of unemployment to the maximum extent possible, in order to assist the Federal Government in unemployment relief, reduce the burden of direct relief by the State from which no resulting benefits are received, and provide necessary additions to the municipal plant; and

WHEREAS, The city of Los Angeles does not have sufficient funds available to provide for the sponsorship of this program under present regulations; and

WHEREAS, The present cost to the State Relief Administration for maintaining those on its rolls is approximately $32 per case per month for which there is no return other than the social value of the relief of privation; and, as a comparison, it is estimated that a WPA work relief program can be conducted at a cost of only approximately $14 per man per month supplied from local funds; and

WHEREAS, Financing of such a program by a subsidy from the State would provide a more equitable distribution of the resulting tax burden, would result in the saving of more than one-half of the cost of maintaining unemployed persons in this city upon the rolls of the State Relief Administration, and would provide additional public improvements of benefit to the State as a whole, as well as the local community; and

WHEREAS, An early solution of this problem is essential to avoid a serious curtailment of the city's program within less than two months with serious effects upon approximately 30,000 citizens of this city who are directly dependent upon WPA employment; now, therefore, be it

Resolved, That the city council of the city of Los Angeles hereby declares its approval of the policy of furthering and maintaining a works relief program of the maximum possible magnitude in the city of Los Angeles in order that the benefits of unemployment relief and public improvement construction may be secured as herein above described; and be it further

Resolved, That the Legislature of the State of California be urgently requested to take early action to inaugurate such steps as it may see fit to provide assistance from the State of California to defray sponsor's cost for the WPA program of the city of Los Angeles and other cities throughout the State; and be it further

Resolved, That certified copies of this resolution be forwarded to all members of both houses of the Legislature of the State of California.

I, R. E. Davis, city clerk of the city of Los Angeles, do hereby certify that the foregoing is a full, true and correct copy of a resolution adopted by the council of the city of Los Angeles at its meeting of February 1, 1940.

RALPH E. DAVIS, City Clerk.

Communication.

The following communication was received, read, and on motion of Senator Deuel ordered printed in the Journal:

929 CITIZENS NATIONAL BANK BLDG.,
LOS ANGELES, January 27, 1940.

To the Honorable Members of the Senate and Assembly, Legislature of California, Sacramento, California.

GENTLEMEN: Now that you are about to convene in special session, your attention is respectfully called to the following findings in the recent Landis report, as quoted in the Los Angeles Examiner of December 31, 1939, tracing the "relationship" of the alien, Harry Bridges, to the Communist Party, in part, as follows:

> "They are, in general, his well defined opposition toward 'red baiting'; his acceptance of aid and assistance in his industrial struggles from the Communist Party—indeed, his solicitation of that aid, his expressed disinclination to disavow that help; his association with persons admittedly Communist, an association that derives primarily from his request for and acceptance of such aid.
>
> "There are, specifically, * * * his not-infrequent conferences with the Communist officials on the Pacific Coast * * *."

The conclusion of Dean Landis that Bridges was not a member of the Communist Party is of little importance in view of the foregoing findings, since approved by Secretary Perkins, that he sought, received, and used "aid and assistance" from the Communist Party, and that he held "not-infrequent conferences with the Communist officials on the Pacific Coast."

Speaking only as a private citizen and lifelong Democrat, but voicing the sentiment of eighty per cent, and more, of the people of California, in the wholesome revival of patriotism that is now sweeping the length and breadth of the State, I respectfully submit for your consideration:

1 That you take special notice of the sorrow, tyranny, and oppression suffered by the people of Communist Russia and Nazi Germany, as the inevitable result of their submission to Karl Marxism, in contrast with our freedom, and the security of our economic and political life, under the institutions and traditions of American Democracy.

2. That the institutions and traditions of California be safeguarded with the utmost care to protect our people from any "relationship" between either radical aliens, Communists, the communistic, or any of their associates, and any public officials of the State.

3. That the state-owned Port of San Francisco, and the University and School Systems of the State, be protected from any possible invasion of their management by radical aliens, Communists, the communistic, or any of their associates.

4. That the farmers, industries and working people of California be likewise protected from destructive interference by radical aliens, Communists, the communistic, or any of their associates.

5. That more humanitarian consideration and treatment be given the worthy and unfortunate on relief, by taking State relief out of politics, and freeing the system from the deplorable conditions that now exist. That the control of relief be placed under a bona fide State Bi-Partisan Board, to provide state-wide standards of relief, but that actual supervision be left to local non-partisan authorities.

6 That the office of Director of Finance be taken out of politics, and that the State's fiscal affairs be divorced from fantastic, socialistic dreams. No private business would employ a cashier for political purposes, nor permit the use of company funds to finance enterprises in competition with the business of the company and its stockholders. There is no excuse for using the taxpayers' money to operate production-for-use projects in California, in competition with the producers and workers of the State. When the use of tax money is restricted to legitimate relief and governmental purposes we will probably find that there will be no need for additional taxes.

Respectfully submitted.

ZACH LAMAR COBB.

C:P

Reports of Standing Committee.

The following reports of standing committee were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 3, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Bill No. 48—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, providing the conditions and terms upon which any expenditure for such relief may be made and declaring that this act shall take effect immediately;

Senate Bill No. 50—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, and providing for the disbursement thereof;

Senate Bill No. 51—An act providing for the expenditure by the Relief Administrator and the Relief Commission through the counties under the California Unemployment Relief Act of 1935 of money appropriated for the relief of hardship and destitution due to and caused by unemployment, the conditions and procedure for the expenditure thereof, and the determination of the eligibility of persons therefor under the said California Unemployment Relief Act of 1935;

Senate Joint Resolution No. 1—Relative to memorializing Congress to enact a plan for old age assistance wholly supported by Federal funds;

And reports that the same have been correctly engrossed.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 3, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 56—An act to amend the title and to add section 8 to "An act providing for a State exhibit at the Golden Gate International Exposition to be held in the San Francisco Bay region, California, in 1939, providing for the construction of a State building or buildings therefor and the gardening and improvement of the surrounding grounds, creating a California Commission for the Golden Gate International Exposition to have charge and control of said State exhibit and building or buildings, defining its powers and duties and making an appropriation therefor," approved May 25, 1937, relating to the powers and duties of the California Commission for the Golden Gate International Exposition, and making an appropriation, declaring the urgency thereof and providing that this act shall take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that the bill be re-referred to the Committee on Finance, Revenue and Taxation.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Bill No. 56 ordered re-referred to Committee on Finance, Revenue and Taxation.

SENATE CHAMBER, SACRAMENTO, February 3, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Joint Resolution No. 6—Relative to furnishing assistance to the Republic of Finland;

Assembly Joint Resolution No. 7—Relative to the prevention of the exportation of arms to aggressor nations;

Has had the same under consideration, and respectfully reports the same back, and recommends that the joint resolutions be re-referred to the Committee on Governmental Efficiency.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

The above reported bills ordered re-referred to the Committee on Governmental Efficiency.

Consideration of Special Order.

The hour having arrived for the consideration of Senate Bills Nos. 48, 50 and 51, heretofore set as a special order for ten o'clock a.m., the same were taken up for consideration.

Senate Bill No. 51—An act providing for the expenditure by the Relief Administrator and the Relief Commission through the counties under the California Unemployment Relief Act of 1935 of money appropriated for the relief of hardship and destitution due to and caused by unemployment, the conditions and procedure for the expenditure thereof, and the determination of the eligibility of persons therefor under the said California Unemployment Relief Act of 1935.

Bill read third time.

Committee of the Whole.

Senator Shelley moved that the Senate resolve itself into a Committee of the Whole for the purpose of discussing Senate Bills Nos. 48, 50 and 51.

Ayes and Noes Demanded.

A roll call was demanded by Senators Shelley, Hollister and Jespersen on the adoption of the motion.

The roll was called, and the motion lost by the following vote:

AYES—Senators Brown, Cunningham, Foley, Garrison, Hollister, Jespersen, Keating, Kenny, McBride, Powers, Quinn, Shelley, and Slater—13

NOES—Senators Biggar, Breed, Collier, Crittenden, DeLap, Deuel, Fletcher, Gordon, Hays, Holoban, Mayo, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Rich, Swing, Tickle, and Wagy—21.

Amendment from the Floor.

During third reading of Senate Bill No. 51 the following amendment, offered by Senator Kenny, was read:

Amendment No. 1.

On page 3 of the printed bill, as amended, between lines 30 and 31, insert the following:

"Sec. 11.5. (a) It is unlawful for any person, directly or indirectly, to promise any compensation, employment, relief or other benefit provided for or made possible in whole or in part by the appropriation, to any individual as consideration, favor or reward for any political activity or for the support of or opposition to any candidate or any political party in any election.

(b) It is unlawful for any person to deprive, attempt to deprive or threaten to deprive by any means any person of any compensation, employment, relief or other benefit provided for or made possible in whole or in part by the appropriation on account of any political activity, support of or opposition to any candidate or to any political party in any election.

(c) It is unlawful for any person knowingly to solicit or receive, or be in any manner concerned in soliciting or receiving, any assessment, subscription or contribution of money for any political purpose whatever from any person receiving compensation, employment, relief or other benefit made available from the appropriation.

(d) It is unlawful for any person to furnish or disclose or to aid or assist in furnishing or disclosing any names of persons receiving compensation, employment, relief or other benefits provided or made possible by the appropriation to any political candidate, committee, campaign manager or to any person for delivery to a political candidate, committee or campaign manager, and it is unlawful for any person to receive any such names for political purposes.

(e) No part of the appropriation shall be used for the purpose of directly or indirectly influencing or attempting to influence or interfering with or restraining or coercing any person in the exercise of his right to vote at any election.

(f) It is unlawful for any person employed in any capacity in connection with the administration or disbursement of the appropriation and it is unlawful for any person receiving relief or other benefit from the appropriation to take an active part in political management, or be an active member of political organizations or take an active part in political campaigns which have as their purpose the election or nomination of any person to any office or employment

(g) It is unlawful for any person employed in any capacity in connection with the administration or disbursement of the appropriation to influence or attempt to influence any individual known to be receiving compensation, employment, relief or other benefits provided by the appropriation to support or oppose any candidate or any political party in any election.

(h) Every person violating any provision of this section is guilty of a misdemeanor and in addition to the penalty imposed therefor shall not be entitled to any further compensation, employment, relief or other benefit provided for or made possible in whole or in part by the appropriation."

Motion to Table.

Senator Phillips moved that the above amendment be laid on the table.

Ayes and Noes Demanded.

A roll call was demanded by Senators Kenny, Shelley and Garrison on the adoption of the motion to table.

The roll was called, and the amendment laid on the table by the following vote:

AYES—Senators Biggar, Breed, Collier, Crittenden, DeLap, Gordon, Hays, Holohan, Keating, Mayo, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Rich, Seawell, Swing, Tickle, and Wagy—23.

NOES—Senators Brown, Cunningham, Deuel, Fletcher, Foley, Garrison, Hollister, Jespersen, Kenny, McBride, Quinn, Shelley, and Slater—13.

Communication.

The following communication was received, read, and on motion of Senator Garrison ordered printed in the Journal:

Resolution.

Resolved, That we, the Board of Directors of the Association of County Supervisors of California, in session at the Hotel Sacramento on January 31, 1940, take no action requesting the transfer to the counties of the responsibility of relief for employable people, but, if such action is taken by the Legislature, the counties shall act only as administrative agents of the State so that the total cost of unemployment relief, including administrative cost, will be paid for entirely by the State; and that indigency be redefined as follows so that the counties may be safeguarded from an unfair increase in the indigent case load. "Every county and every city and county shall relieve and support all indigent persons lawfully resident therein, when such persons are totally incapacitated for gainful employment by reason of infirmity, disease, or accident, and when such persons are not supported and relieved by their relatives or friends, or by their own means, or by private agencies or institutions, or by the State or Federal Government."

Communication.

The following communication was, on motion of Senator Tickle, ordered printed in the Journal:

Mr. Mathew Woll, vice president of the American Federation of Labor, a great humane leader primarily interested in the man who toils for his daily bread, said:

"Taxes are the greatest single contribution to the cost of living today. It makes no difference whether these taxes are paid in the first instance by big business, indus-

try, the public utilities, the railroads, the banks or the insurance companies, it is the ultimate consumer who pays them in the end. Whether taxes can be reduced immediately or not, they can and should be distributed more equitably and so as not to stifle business or to tax incentive, which is the source of new industry and new employment. * * * "

Mr. Roosevelt said, in 1932, in Sioux City, Iowa:

"I regard reduction in Federal spending as one of the most important issues of this campaign. In my opinion, it is the most direct and effective contribution that government can make to business."

In Pittsburgh, Pa., on October 19, 1932, Mr. Roosevelt said:

"Taxes are paid in the sweat of every man who labors, because they are a burden on production and can be paid only by production; if excessive, they are reflected in idle factories, tax-sold farms, and hence, in hordes of the hungry tramping the streets and seeking jobs in vain."

The question being on the passage of the bill.

The roll was called, and Senate Bill No. 51 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Gordon, Hays, Holohan, Mayo, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Rich, Seawell, Swing, Tickle, and Wagy—26.

NOES—Senators Foley, Garrison, Hollister, Jespersen, Keating, Kenny, McBride, Quinn, Shelley, and Slater—10.

Title read and approved.

Senate Bill No. 51 ordered transmitted to the Assembly.

Senate Bill No. 50—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, and providing for the disbursement thereof.

Amendment from the Floor.

During third reading of Senate Bill No. 50 the following amendment, offered by Senator Kenny, was read:

Amendment No. 1.

On page 3 of the printed bill, as amended, after line 14, add the following:

"SEC. 8. (a) It is unlawful for any person, directly or indirectly, to promise any compensation, employment, relief or other benefit provided for or made possible in whole or in part by the appropriation, to any individual as consideration, favor or reward for any political activity or for the support of or opposition to any candidate or any political party in any election.

(b) It is unlawful for any person to deprive, attempt to deprive or threaten to deprive by any means any person of any compensation, employment, relief or other benefit provided for or made possible in whole or in part by the appropriation on account of any political activity, support of or opposition to any candidate or to any political party in any election.

(c) It is unlawful for any person knowingly to solicit or receive, or be in any manner concerned in soliciting or receiving, any assessment, subscription or contribution of money for any political purpose whatever from any person receiving compensation, employment, relief or other benefit made available from the appropriation.

(d) It is unlawful for any person to furnish or disclose or to aid or assist in furnishing or disclosing any names of persons receiving compensation, employment, relief or other benefits provided or made possible by the appropriation to any political candidate, committee, campaign manager or to any person for delivery to a political candidate, committee or campaign manager, and it is unlawful for any person to receive any such names for political purposes

(e) No part of the appropriation shall be used for the purpose of directly or indirectly influencing or attempting to influence or interfering with or restraining or coercing any person in the exercise of his right to vote at any election.

(f) It is unlawful for any person employed in any capacity in connection with the administration or disbursement of the appropriation and it is unlawful for any person receiving relief or other benefit from the appropriation to take an active part in political management, or be an active member of political organizations or take an active part in political campaigns which have as their purpose the election or nomination of any person to any office or employment.

(g) It is unlawful for any person employed in any capacity in connection with the administration or disbursement of the appropriation to influence or attempt to influence any individual known to be receiving compensation, employment, relief or other benefits provided by the appropriation to support or oppose any candidate or any political party in any election

(h) Every person violating any provision of this section is guilty of a misdemeanor and in addition to the penalty imposed therefor shall not be entitled to any further compensation, employment, relief or other benefit provided for or made possible in whole or in part by the appropriation.

(i) As used in this section "Appropriation" refers to the sum appropriated in section 1 of this act."

Motion to Table.

Senator Metzger moved that the above amendment be laid on the table.

Ayes and Noes Demanded.

A roll call was demanded by Senators Kenny, Garrison and Hollister on the adoption of the motion to table.

The roll was called, and the amendment laid on the table by the following vote:

AYES—Senators Biggar, Breed, Collier, Crittenden, DeLap, Gordon, Hays, Holohan, Keating, Mayo, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Rich, Seawell, Swing, Tickle, and Wagy—23.

NOES—Senators Brown, Cunningham, Deuel, Fletcher, Foley, Garrison, Hollister, Jespersen, Kenny, McBride, Quinn, Shelley, and Slater—13.

The question being on the passage of the bill.

The roll was called, and Senate Bill No. 50 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Gordon, Hays, Holohan, Jespersen, Keating, Mayo, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—30.

NOES—Senators Foley, Garrison, Hollister, Kenny, McBride, and Shelley—6.

Title read and approved.

Senate Bill No. 50 ordered transmitted to the Assembly.

Senate Bill No. 48—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, and to provide that this act shall take effect immediately.

Bill read third time.

Urgency Clause.

SEC. 9. This act is hereby declared to be an urgency measure, necessary for the immediate preservation of the public peace, health and safety within the mean-

ing of section 1 of Article IV of the Constitution and as such shall take effect immediately. The facts constituting such necessity are as follows:

The appropriation for unemployment relief for the ninety-first fiscal year is inadequate and is about to be exhausted and it is necessary that additional funds be made available immediately. Unless this act providing immediate funds and the means for the expenditure thereof and safeguards against their waste takes effect immediately relief operations will have to be suspended at a time when the need is great which will result in untold hardship and suffering to a great number of persons receiving relief in this State at this time, and will cause serious unrest throughout the State.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Gordon, Hays, Hollister, Holohan, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—34.

NOES—None.

The question being on the passage of the bill.

The roll was called, and Senate Bill No. 48 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Gordon, Hays, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—34.

NOES—Senators Garrison, and Hollister—2

Title read and approved.

Senate Bill No. 48 ordered transmitted to the Assembly.

Requests for Permission to Introduce Bills.

The following requests for permission to introduce bills were presented:

By Senator Keating:

SENATE CHAMBER, SACRAMENTO, February 3, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act to amend the title and section 18 of, and to add sections 1a, 1b, 1c, 1d, 3a and 21 to an act entitled "An act to provide for the acquisition, installation, construction, reconstruction, extension, repair and maintenance by municipalities of water works, electric power works, gas works, lighting works, and other public works and utilities; for the assessment of the cost and expenses thereof upon the property benefited; and for the issuance of improvement bonds to represent such assessments, and to repeal an act entitled 'An act to provide for the lighting of public streets, lanes, alleys, courts and places in municipalities, and for the assessment of the costs and expenses thereof upon the property benefited thereby,' approved March 21, 1905," relating to the acquisition, installation, construction, reconstruction, extension, repair and maintenance of public utilities and of works and improvements mentioned in the Improvement Act of 1911 by municipalities, counties, cities and counties, unincorporated territory, and any district or public corporation authorized by law to construct such public improvements, or by any combination thereof; the assessment of the cost and expenses thereof upon the

property benefited; the issuance of bonds to represent such assessments; providing a short title therefor; and providing that this act shall take effect immediately.

Respectfully submitted.

SENATOR KEATING.

Request referred to Committee on Rules.

By Senator Kenny:

SENATE CHAMBER, SACRAMENTO, February 3, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act making an appropriation for the establishment of aviation facilities for the California National Guard, declaring the urgency of this act, to take effect immediately.

Respectfully submitted.

SENATOR KENNY.

Request referred to Committee on Rules.

By Senator Jespersen:

SENATE CHAMBER, SACRAMENTO, February 3, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act to repeal section 10886 of, to amend section 10885 of, and to add sections 10885.1 to 10886, inclusive, to the Insurance Code, relating to contributions in the form of certificates of advancement.

Respectfully submitted.

SENATOR JESPERSEN.

Request referred to Committee on Rules.

Second Reading of Senate Bills.

Senate Bill No. 47—An act to validate the organization, boundaries, governing officers or boards, acts, proceedings, and bonds of public bodies, to take effect immediately

Bill read second time, ordered to print, engrossment, and on file for third reading.

Reports of Standing Committee.

The following reports of standing committee were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 3, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following request for permission to introduce a bill:

By Senator Keating:

An act to amend the title and section 18 of, and to add sections 1a, 1b, 1c, 1d, 3a and 21 to an act entitled "An act to provide for the acquisition, installation, construction, reconstruction, extension, repair and maintenance by municipalities of water works, electric power works, gas works, lighting works, and other public works and utilities, for the assessment of the cost and expenses thereof upon the property benefited; and for the issuance of improvement bonds to represent such assessments, and to repeal an act entitled 'An act to provide for the lighting of public streets, lanes, alleys, courts and places in municipalities, and for the assessment of the costs and expenses thereof upon the property benefited thereby,' approved March 21, 1905," relating to the acquisition, installation, construction, reconstruction, extension, repair and maintenance of public utilities and of works and improvements mentioned in the Improvement Act of 1911 by municipalities, counties, cities and counties, unincorporated territory, and any district or public corporation authorized by law to construct such public improvements, or by any combination thereof; the assessment of the cost and expenses thereof upon the property benefited; the

issuance of bonds to represent such assessment; providing a short title therefor; and providing that this act shall take effect immediately;
Has had the same under consideration, and respectfully reports the same back, and recommends that the request be granted, the bill introduced and referred to the Committee on Governmental Efficiency.
Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 3, 1940.

MR. PRESIDENT. Your Committee on Rules, to which was referred the following request for permission to introduce a bill:
By Senator Kenny.
An act making an appropriation for the establishment of aviation facilities for the California National Guard, declaring the urgency of this act, to take effect immediately;
Has had the same under consideration, and respectfully reports the same back, and recommends that the request be granted, the bill introduced and referred to the Committee on Finance, Revenue and Taxation.
Committee membership—5; committee vote: Ayes—5

SEAWELL, Chairman.

Introduction, First Reading and Reference of Bills.

The following bills were introduced:

Senate Bill No. 64: By Senator Keating—An act to amend the title and section 18 of, and to add sections 1a, 1b, 1c, 1d, 3a and 21 to an act entitled "An act to provide for the acquisition, installation, construction, reconstruction, extension, repair and maintenance by municipalities of water works, electric power works, gas works, lighting works, and other public works and utilities; for the assessment of the cost and expenses thereof upon the property benefited; and for the issuance of improvement bonds to represent such assessments, and to repeal an act entitled 'An act to provide for the lighting of public streets, lanes, alleys, courts and places in municipalities, and for the assessment of the costs and expenses thereof upon the property benefited thereby,' approved March 21, 1905," relating to the acquisition, installation, construction, reconstruction, extension, repair and maintenance of public utilities and of works and improvements mentioned in the Improvement Act of 1911 by municipalities, counties, cities and counties, unincorporated territory, and any district or public corporation authorized by law to construct such public improvements, or by any combination thereof; the assessment of the cost and expenses thereof upon the property benefited; the issuance of bonds to represent such assessments; providing a short title therefor; and providing that this act shall take effect immediately.

Senate Bill No. 64 read first time, and referred to Committee on Governmental Efficiency.

Senate Bill No. 65: By Senator Kenny—An act making an appropriation for the establishment of aviation facilities for the California National Guard, declaring the urgency of this act, to take effect immediately.

Senate Bill No. 65 read first time, and referred to Committee on Finance, Revenue and Taxation.

Adjournment.

At two o'clock p.m., on motion of Senator Seawell, the President of the Senate declared the Senate adjourned, until eleven o'clock a.m., Monday, February 5, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Monday, February 5, 1940.

The Senate met at eleven o'clock a.m
Hon. Ellis E. Patterson, President of the Senate, in the chair.
Secretary Joseph A. Beek at the desk

Roll Call.

The roll was called, and the following answered to their names:

Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—35.

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev A. Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Saturday, February 3, 1940, the further reading was dispensed with, on motion of Senator Slater.

Report of Standing Committee.

The following report of standing committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 5, 1940

MR. PRESIDENT: Your Committee on Rules has examined Senate Bill No 47—An act to validate the organization, boundaries, governing officers or boards, acts, proceedings, and bonds of public bodies, to take effect immediately;
And reports that the same has been correctly engrossed

SEAWELL, Chairman

Request for Permission to Introduce a Bill.

The following request for permission to introduce a bill was presented:

By Senator Biggar:

SENATE CHAMBER, SACRAMENTO, February 5, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act making an appropriation to the emergency fund specified in Item 212 of the Budget Act of 1939 for the purpose of augmenting appropriations for the support of the government of the State, in order to provide for salary and wage adjustments for State employees receiving less than one hundred fifty dollars per month and providing that this act shall take effect immediately.

SENATOR BIGGAR.

Respectfully submitted.

Requested referred to Committee on Rules.

Senate Resolution No. 17.

The following resolution was offered:

By Senator Metzger:

Senate Resolution No. 17.

WHEREAS, It appears that the State of California owns a very large number of passenger motor vehicles and, in addition thereto, allows mileage to certain of its officers and employees for the use of privately-owned vehicles on State business; and

WHEREAS, The Legislature has been convened in extraordinary session to consider the enactment of measures to provide additional revenue in order to balance the State's budget; and

WHEREAS, In considering the necessity for such measures, it is essential that the Legislature know to what extent economies can be effected within the provisions of existing law in order to eliminate unnecessary expenditures and correspondingly to reduce the State deficit; now, therefore, be it

Resolved by the Senate of the State of California, That the Director of Finance is hereby requested to prepare and transmit to the Senate a complete and detailed report upon all of the following matters:

The total number of passenger motor vehicles owned by the State on June 30, 1939;

The total number of passenger vehicles owned on February 1, 1940;

The number of such vehicles used by each department of the State, the purpose for which each vehicle is used, and by whom it is used;

The date of purchase, make, model, and cost of each passenger vehicle owned by the State and the budgetary item or appropriation out of which the purchase price was paid;

Operating cost and maintenance cost of state-owned passenger vehicles, segregated by departments;

The amount, segregated by departments, paid to State employees and officers as mileage for the use of privately-owned passenger vehicles on State business since July 1, 1939;

Such additional information pertinent to the foregoing as the director may have in his possession;

and be it further

Resolved, That the Secretary of the Senate is hereby directed forthwith to transmit a copy of this resolution to the Director of Finance.

Resolution read, and on motion of Senator Metzger adopted.

Consideration of Senate Resolution No. 15.

Senate Resolution No. 15—Re: Establishment of Senate Building and Loan Expenditure Investigating Committee

Amendment from the Floor.

During the reading of Senate Resolution No. 15 the following amendment, offered by Senator Shelley, was read:

Amendment No. 1.

The third *Resolved* clause of Senate Resolution No. 15 as it appears on page 80 of the Senate Journal of February 1, 1940, is hereby amended to read as follows:

"*Resolved*, That the committee shall consist of four members of the Senate, two of whom shall be appointed by the President of the Senate and two by the President pro tem of the Senate. Any vacancy in the membership of the committee occurring at any time shall be filled by the President and the President pro tem of the Senate; and be it further".

Ayes and Noes Demanded.

A roll call was demanded by Senators Jespersen, Mayo and Deuel on the adoption of the amendment.

The roll was called, and the amendment adopted by the following vote:

AYES—Senators Brown, Crittenden, Cunningham, Fletcher, Foley, Garrison, Gordon, Hollister, Jespersen, Keating, Kenny, McBride, Powers, Quinn, Shelley, and Slater—16.

NOES—Senators Breed, DeLap, Deuel, Hays, Holohan, Mayo, Metzger, Mixter, Myhand, Parkman, Phillips, Rich, Swing, Tickle, and Wagy—15.

Consideration of Senate Resolution No. 15 (as Amended).

WHEREAS, The Legislature has been convened in special session to consider an act upon legislation for various appropriations; and

WHEREAS, The Legislature has also been convened in special session to consider an act upon legislation providing revenues and means for the providing of adequate revenues for the adequate functioning of State government; and

WHEREAS, The Legislature has also been convened in special session to consider an act upon legislation providing for the submission to the people of amendments to the Constitution; and

WHEREAS, It is necessary that the Senate and the members thereof be fully advised of the expenditures of various departments of State government in order to be able to act advisedly and judicially in the premises upon such subjects as specified in the proclamation of the Governor convening the Legislature in special session; and

WHEREAS, Reports have been published in the public press that the Building and Loan Commissioner of the State of California has authorized the payment of vast and unreasonable sums of money to be paid both out of the State treasury and out of private funds of various corporations and building and loan associations particularly; and

WHEREAS, Such funds referred to have belonged and do belong to thousands of California investors; now, therefore, be it

Resolved by the Senate of the State of California, That there is hereby established an investigating committee on expenditures of the building and loan department to be known as the Senate Building and Loan Expenditure Investigating Committee which committee is to exercise the powers and perform the duties hereby granted and imposed upon it during the session and any recess or recesses of the special session of the Legislature which convened on January 29, 1940, but in no event beyond the final adjournment thereof; and be it further

Resolved, That the committee shall study, investigate and survey accurately and in detail the entire problem of the administration of the building and loan department as it may affect the expenditures of the department or the taxable property held, owned and controlled by the department with a view to discovering and recommending to the Senate such legislation or constitutional amendment as appears necessary and desirable upon the subject for the purpose of which the committee may submit reports to the Senate from time to time; and be it further

"*Resolved*, That the committee shall consist of four members of the Senate, two of whom shall be appointed by the President of the Senate and two by the President pro tem of the Senate. Any vacancy in the membership of the committee occurring at any time shall be filled by the President and the President pro tem of the Senate; and be it further"

Resolved, That the committee may adopt, and from time to time amend, such rules as may appear necessary and proper to exercise the powers hereby granted and to perform the duties imposed. It may select a chairman and a secretary from its membership; and be it further

Resolved, That the committee may employ, prescribe the duties and fix the compensation of such professional assistants, clerical and other employees as it finds necessary for the conduct of its work and it may contract with such other agencies, public or private, as it deems necessary for the rendition of such services, studies and reports to it as will best assist it to effectuate the purposes for which it was created; and be it further

Resolved, That the committee is authorized to hold public hearings at Sacramento and at any place in California at which hearings the people are to have an opportunity to present their views to the committee; and be it further

Resolved, That the committee is authorized and empowered to summon and subpena witnesses, require the production of papers, books, accounts, reports, documents, records and papers of every kind and description, to issue subpenas and to take all necessary means to compel the attendance of witnesses and to procure testimony; and be it further

Resolved, That the committee, each of its members and any representative of the committee thereunto authorized by the committee or by its chairman is authorized and empowered to administer oaths. All of the provisions of Article VIII, Chapter II, Title I, Part III of the Political Code, relating to the attendance and examination of witnesses before the Legislature and committees thereof, apply to the committee hereby created; and be it further

Resolved, That every department, commission, board, agency, officer, and employee of the State government and of the political subdivisions, the counties, the cities and the districts shall furnish the committee, upon request, such information, records and documents as the committee deems proper for the effectuation of the purposes for which it was created; and be it further

Resolved, That the committee is further authorized and empowered to make a complete investigation and study of every phase of the subject hereinabove mentioned and any and all matters incidental thereto and to do any and all things necessary or convenient to enable it fully and completely to exercise its powers and perform its duties; and be it further

Resolved, That the Sergeant-at-Arms of the Senate and the Deputies Sergeant-at-Arms of the Senate are hereby directed to serve any and all subpenas, orders and other process that may be issued by the committee, when directed so to do by the chairman or upon a vote of the majority of the membership of the committee; and be it further

Resolved, That the members of the committee shall serve without compensation but shall be allowed mileage at the rate of 5½ cents per mile each way, incurred in connection with their services upon the committee, and other actual and necessary expenses for living accommodations and meals, incurred in connection with their services upon the committee or in lieu of such expenses for accommodations and meals, an allowance of eight dollars per day; and be it further

Resolved, That the sum of $1,000 or so much thereof as may be necessary is hereby made available from the contingent fund of the Senate for expenses of the committee and its members, and for any charges, expenses or claims it may incur under this resolution, to be disbursed, after certification by the chairman of the committee, upon warrants drawn by the Controller upon the Treasurer.

Communication.

The following communication was received, read, and on motion of Senator Garrison ordered printed in the Journal:

STATE OF CALIFORNIA, OFFICE OF LEGISLATIVE COUNSEL,
SACRAMENTO, CALIFORNIA, February 2, 1940

Honorable J. C. Garrison,
Senate Chambers, State Capitol,
Sacramento, California.

Subject: *Special Session Proclamation as Affecting Senate Resolution No. 15*
Request: *No. 7263.*

DEAR SENATOR GARRISON: You have asked our opinion whether Senate Resolution No. 15 is within the scope of the special session proclamation. This resolution proposes to create an investigating committee on expenditures of the building and loan department to study and report on "the entire problem of the administration of the building and loan department as it may affect the expenditures of the department or the taxable property held, owned and controlled by the department . . ."

In the short time that we have had to consider this question, copy of the resolution not being available until the Senate Journal for February 1, 1940, was received

this morning, we have been unable to reach a definite conclusion for two reasons. The first is that it is not entirely clear from the resolution or the few facts available just what phases of the problem of the administration of the building and loan department are to be studied. The second is that it would require a great deal more information regarding the facts to enable us to determine the extent, if any, that this committee could act within the scope of the proclamation. In so far as the subject of the investigation affects the problem of State revenues, it would appear to be within the scope of the call. However, the agency in the question derives its support from a special fund. Hence it appears possible that at least some of the phases of the proposed investigation may not be within the call.

At this time the most definite answer which we can give you is that, on the face of it, the resolution appears to be partly within and partly without the scope of the call, and further, that if such a resolution were adopted the scope of the activities of the committee would be circumscribed by the proclamation calling the special session.

Yours very truly,

FRED B. WOOD, Legislative Counsel.
By LAWRENCE G. ALLYN, Deputy.

LGA/la.
CC—Honorable Bradford S Crittenden.

Motion to Table.

Senator Parkman moved that Senate Resolution No. 15 be laid on the table.

Ayes and Noes Demanded.

A roll call was demanded by Senators Mayo, Crittenden and Kenny on the adoption of the motion to table.

The roll was called and the motion lost by the following vote:

AYES—Senators Garrison, Hays, Mayo, Parkman, and Tickle—5.
NOES—Senators Biggar, Breed, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Gordon, Hollister, Holohan, Jespersen, Keating, Kenny, McCormack, Metzger, Mixter, Myhand, Phillips, Powers, Quinn, Rich, Shelley, Slater, Swing, and Wagy—26.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 15 adopted by the following vote:

AYES—Senators Biggar, Breed, Crittenden, Cunningham, DeLap, Fletcher, Foley, Gordon, Hollister, Holohan, Jespersen, Keating, Kenny, Metzger, Mixter, Myhand, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, and Wagy—24.
NOES—Senators Deuel, Garrison, Hays, McBride, McCormack, Parkman, Swing and Tickle—8.

Consideration of Daily File.

Third Reading of Senate Bills.

Senate Joint Resolution No. 1.

Relative to memorializing Congress to enact a plan for old age assistance wholly supported by Federal funds.

WHEREAS, The subject of adequate pensions for aged persons is of serious concern to the people of this State and of the United States; and

WHEREAS, The present system of Federal grants-in-aid to the States is conducive to differences and inequalities in the treatment of the problem among the States; and

WHEREAS, The problem of aid to the aged is nation wide in scope and can best be solved by Federal legislation dealing equally and fairly with all people; now, therefore, be it

Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California memorializes the President and Congress of the United States to provide an adequate, uniform and liberal system of old age assistance to be financed wholly from Federal funds; and be it further

Resolved, That the Governor of the State of California is hereby requested to present copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives and to each Senator and member of the House of Representatives from California in the Congress of the United

States and that such Senators and members from California are respectfully urged to support such a program.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Joint Resolution No. 1 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hollister, Jespersen, Kenny, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—30

NOES—Senators Keating and Mayo—2.

Senate Joint Resolution No 1 ordered transmitted to the Assembly.

Senate Bill No. 47—An act to validate the organization, boundaries, governing officers or boards, acts, proceedings, and bonds of public bodies, to take effect immediately.

Bill read third time.

Urgency Clause.

SEC. 8. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution of the State of California and shall take effect immediately.

The following is a statement of the facts constituting such necessity:

The peace, health, safety and welfare of the citizens of the State depend directly upon the orderly, proper and unhampered function of public bodies during the time this act otherwise would require before becoming effective It is imperative and essential that during said time.

(1) Such citizens shall be afforded the protection of the police, fire, safety, sanitary and other regulations and protections provided by public bodies.

(2) Many public and private works and construction within the boundaries of such public bodies, and dependent on their validity, be commenced and continued without restriction or delay, which will help to alleviate the present widespread unemployment and economic distress, encourage circulation of money and add materially to property values.

(3) Such public bodies shall have full power to borrow money and receive grants of money from both private and public agencies, including the Federal Government, for essential public works projects and construction upon their credit and standing.

(4) Such public bodies perform effectively certain acts and initiate proceedings for the purpose of providing and assuring revenues and finances for such works projects and construction as well as for all general purposes during the coming fiscal year, which will thereby allow them to meet, establish and obtain credit and to meet their obligations in full, all of which require the immediate validation of such public bodies in the manner herein set forth.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—34.

NOES—None.

The question being on the passage of the bill.

The roll was called, and Senate Bill No. 47 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Jespersen, Keating, Kenny,

Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—34.
NOES—None.

Title read and approved.
Senate Bill No. 47 ordered transmitted to the Assembly.

Reports of Standing Committee.

The following reports of standing committee were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 5, 1940.

MR. PRESIDENT: Your Committee on Rules to which was referred the following request by Senator Biggar for permission to introduce a bill, the title of which is set forth below:

An act making an appropriation to the Emergency Fund specified in Item 212 of the Budget Act of 1939 for the purpose of augmenting appropriations for the support of the government of the State, in order to provide for salary and wage adjustments for State employees receiving less than one hundred fifty dollars ($150) per month and providing that this act shall take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the bill introduced and referred to Committee on Finance, Revenue and Taxation.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 5, 1940.

MR. PRESIDENT: Your Committee on Rules to which was referred the following request of Senator Jespersen for permission to introduce a bill, the title of which is set forth below:

An act to repeal section 10886 of, to amend section 10885 of, and to add sections 10885.1 to 10886, inclusive, to the Insurance Code, relating to contributions in the form of Certificates of Advancement;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the bill introduced and referred to Committee on Governmental Efficiency.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 5, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Concurrent Resolution No. 3—Relative to the death of Senator Frank S. Boggs;

And reports that the same has been correctly enrolled and presented to the Governor on the fifth day of February, 1940, at eleven o'clock a.m.

SEAWELL, Chairman.

Introduction, First Reading and Reference of Bills.

The following bills were introduced:

Senate Bill No. 66: By Senator Biggar—An act making an appropriation to the emergency fund specified in Item 212 of the Budget Act of 1939 for the purpose of augmenting appropriations for the support of the government of the State, in order to provide for salary and wage adjustments for State employees receiving less than one hundred fifty dollars ($150) per month and providing that this act shall take effect immediately.

Senate Bill No. 66 read first time and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 67: By Senator Jespersen—An act to repeal section 10886 of, to amend section 10885 of, and to add sections 10885.1

to 10886, inclusive, to the Insurance Code, relating to contributions in the form of certificates of advancement.

Senate Bill No. 67 read first time, and referred to Committee on Governmental Efficiency.

Remarks.

The following remarks, offered by Senator Phillips, were ordered printed in the Journal:

Last Thursday evening, February 1st, I spoke on a radio program, known as the "Public Forum," with Mr. Edwin James Cooley, Director of the San Francisco SRA office. The subject was the present relief situation. During the discussion, Mr. Cooley said that the State Personnel Board exercised a definite control over the selection of SRA employees, particularly as to their qualifications. I had a letter from the Board saying that it had no such supervision, and I so stated. Mr. Cooley said emphatically that I was wrong, and that the SRA employees were approved, as to qualifications, by the Board. My comment was that the controversy, if any, was not between Mr. Cooley and myself, but between Mr. Cooley and the State Personnel Board.

The members of the Senate will recall that when we voted Saturday whether or not to go into a Committee of the Whole, with the thought of having Mr. Cooley as one SRA representative before us, I declined to vote. I had just received a letter, without any solicitation on my part, from the Executive Officer of the Personnel Board. I now ask that the letter be read over the desk and that this statement and the letter be printed in the Senate Journal.

CALIFORNIA STATE PERSONNEL BOARD,
1025 P STREET, SACRAMENTO, FEBRUARY 2, 1940.

The Honorable John Phillips, State Senator,
State Capitol, Sacramento, California.

DEAR SENATOR PHILLIPS: Last night I heard the closing minutes of the forum discussion on Radio Station KFBK in which you and Mr. Edwin J. Cooley of the State Relief Administration participated as the principals. The first remarks I heard were those relative to the activities of this agency in the regulation of personnel in the Relief Administration.

I am writing this for the purpose of reiterating what I wrote to you before; namely, that we have not now or have we ever had any control over setting the requirements or passing on the qualifications of any person employed by the State Relief Administration. Our function has been solely to review the classification of positions for the purpose of keeping rates of pay in the Relief Administration comparable with those for similar employments in the State civil service.

Mr. Cooley was definitely in error in saying as he did that the State Personnel Board has "approved every appointment made to the State Relief Administration."

I did not hear any of the preceding discussion and my purpose in writing is not in any way to comment on the principal topic of the evening. I do, however, wish to keep the record straight on this one point relative to our participation in the personnel affairs of the Relief Administration.

I am sending a copy of this letter to Mr. Cooley for his information.

Very truly yours,

LOUIS J. KROEGER, Executive Officer.

1/20.

Further Remarks.

The following remarks, offered by Senator Phillips, were, on motion of Senator Tickle, ordered printed in the Journal:

Last evening, in his weekly radio broadcast, the Governor of California set aside for the moment the dignity of his office, and attacked those members of the Legislature who have had the courage to stand up for the rights and the safety of the people, particularly the unemployed, and who wish to preserve the form of government for which Lincoln, of whom the Governor spoke, literally gave his life.

Among other statements, and in referring to the California Relief Act of 1940, which passed the Senate on Saturday, the Governor sarcastically called it the "Phillips Famine Bill." Passing over the fact that the bill is a committee measure, and not a personal bill, and is signed by seven (7) Senators, and also passing over the simple fact that we have appropriated more money for relief than in any previous administration, and that the proposed change in supervision is to protect the money

available for the actual unemployed men and women, I suggest respectfully that cooperation and a willingness to meet a situation, and to correct it before it wrecks the State, are more apt to prevent "famine," if any is threatened, than is an attitude of demanding one's own way, whether right or wrong. That is the method of dictatorship, not of democracy.

Perhaps "famine" was an injudicious word for Governor Olson to use. It reminds us of the prophecy of the seven lean years to come. We observe no present famine in soaring State expenses; there will be no famine among those appointees whose salaries have been raised liberally; nor any famine among those hundreds of recent appointees, selected on the basis of activities in Governor Olson's campaign, who are now holding SRA jobs. There is apparently no famine when it comes to remodeling the Governor's own offices, at a cost of $59,982.21, nor any famine in the expenses of operating those offices, which were $128,504.80 for 1939. There is certainly no famine in the propaganda which comes from Governor Olson's office, although there seems at times to be some famine in its accuracy.

There was no famine in the requests for additions to the budget, which made it the largest budget request in the history of the State. There is no famine indicated in a request at this special session for $50,000,000 in new and additional taxes, unless it suggests a probable famine among the citizens who will have to pay the bills.

The Legislature can still be depended upon to protect all citizens of California, employed or unemployed, from what a Sacramento newspaper has aptly termed "Olsonism."

Appointment of Special Committee.

The President announced, in accordance with Senate Resolution No. 15, the appointment of Senators Shelley and Foley.

The President Pro Tempore announced, in accordance with Senate Resolution No. 15, the appointment of Senators Crittenden and Kenny.

Message from the Assembly.

The following message from the Assembly was received and read:

ASSEMBLY CHAMBER, SACRAMENTO, February 5, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Senate Bill No. 9—An act to amend sections 66 and 67 of the Vehicle Code, to include within the definition of "owner" of a vehicle a public agency entitled to the possession and use of a vehicle under a lease, lease-sale or rental-purchase agreement, and within the definition of "legal owner" the renter or lessor under such agreement, to take effect immediately;

Senate Bill No. 10—An act to add section 2.5 to an act entitled "An act relating to licensing and taxing of vehicles, providing for license fees for the privilege of operating certain vehicles, providing for the exemption of such vehicles from all taxes according to value for State, county or municipal purposes, providing for the administration and enforcement of this act, creating a fund to be known as the Motor Vehicle License Fee Fund, and making an appropriation of the moneys therein," approved June 25, 1935, relating to exemptions from vehicle license fees, to take effect immediately;

Senate Bill No. 11—An act providing for the cancellation of license and registration fee penalties in connection with vehicles operated by public agencies as lessees under lease, lease-sale or rental-purchase agreements, to take effect immediately;

Senate Bill No. 12—An act to amend section 374 of the Vehicle Code, relating to vehicle registration, including the payment of fees therefor by public agencies operating vehicles under lease, lease-sale or rental-purchase agreements, to take effect immediately.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk

Senate Bills Nos. 9, 10, 11 and 12 ordered to enrollment.

Motion.

Senator Swing moved that the Secretary of the Senate be and he is hereby directed to request the State Relief Administrator to immedi-

ately furnish to the Senate forty-one certified copies of all rules, regulations and interpretations thereof enacted by the Relief Commission or by the State Relief Administrator relative to relief from or under SRA and relating to said subject.

Motion carried, and such was the order.

Motion.

Senator Seawell moved that the following request for permission to introduce a bill by Senator Kenny, "An act to promote the general welfare by levying an excise tax upon employers for the purpose of more adequately providing for the health and security of the citizens of this State, and to that end encouraging employers to provide for the health and security of their employees, both during their working years and after their retirement, and providing additional revenue with which the State may adequately provide for those persons dependent upon it for aid and assistance," be withdrawn from Committee on Rules for the purpose of preprinting the bill, the bill to be re-referred to Committee on Rules.

Motion carried and such was the order.

Approval of Journals.

The Senate Journals of Monday, January 29, 1940; Tuesday, January 30, 1940; Wednesday, January 31, 1940; Thursday, February 1, 1940; Friday, February 2, 1940; Saturday, February 3, 1940, were, on motion of Senator Seawell, approved as corrected by the Journal Clerk and the Minute Clerk.

Adjournment.

At twelve o'clock and twenty-five minutes p.m., on motion of Senator Seawell, the President of the Senate declared the Senate adjourned, until 11 o'clock a.m., Tuesday, February 6, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Tuesday, February 6, 1940.

The Senate met at eleven o'clock a.m.
Hon. Ellis E. Patterson, President of the Senate, in the chair.
Secretary Joseph A. Beek at the desk.

Roll Call.

The roll was called, and the following answered to their names:

Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—35.

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev. A. Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Monday, February 5, 1940, the further reading was dispensed with, on motion of Senator Slater.

Leave of Absence.

Senator Shelley was, on motion of Senator Kenny, granted leave of absence for this day.

Privilege of Floor of Senate Extended.

On request of Senator Gordon, the privilege of the floor of the Senate Chamber for this day was unanimously extended to the American History and Government class of High School Department of Pacific Union College of St. Helena. Instructor, Ralph B. Prout; guests, Dr. A. W. Johnson, Mrs. Charles Utt, Phyllis Prout, Mrs. Fern L. Prout; members of class, Ben Holder, June Kolstad, Marcella Pattini, Norma Taylor, Boyd Thompson, Melvin Underwood, Richard Utt, Donna Cour-

ville, Lawrence Crockett, Eileene Goodrich, Harley Cordis, Lawrence Dashier and Harold Leland.

On request of Senator Nielsen, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Miss Rose Marie Keating of Sacramento.

On request of Senator DeLap, the privilege of the floor of the Senate Chamber for this day was unanimously extended to teachers Dorothy Lewis, Leta Wright, Frances Lozier and Frances Johnson, and the following members of the class of new citizens and prospective new citizens of the Crockett High School Citizenship Department: Mary Rodrigues, Mary Gomez, Maria Gomez, Ellen Matthews, Lina Arquilla, Annie Cattelini, Vittoria Berta, Lucy Beldi, Piarina Ferrario, Angelina Vico, Annie Pereira, Casimiro Pereira, Mary Albera, Antonio Mimosa, Guilio Torretta, Jesus Ramirez, Louis Grimani, Julia Grimani, Raymond Mendoza, Peggy Mendoza, Angelina Montesano, Ella Zampa, Felicita Colombo, Emma Battilocchi, Cosetta Slavazza, Antonio Almeida, Eduarda Almeida, Antone Sindicich, Ysidro Ramoso, Jack Machado, Regina Fernandez, Porfirio Romo, Vicente Ramos, Saul Andrade, Anna Turcanik, Speranza Aiello, Elizabeth Girola, Julia Pastori, Maria Demergasso, Luigia Orecchia, Ruth Seyfried, Freida Seyfried, Margaret Morgan, Nan James, Rosarina Leardini, Constance Dias, Margaret Saligari, Maria Martignoni, Antoinette Corbetta, Joaquin de Jesus, Cecilia Gonsales, Mamie Rodrigues, Maria Garces and Louise Costa.

On request of Senator Nielsen, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Clementine S. Bibb and James B. Milligan, vice principal; and the following students of Hagginwood School: Vivian Barnes, Alice Boomer, Juanita Brack, Mary Chapman, Louella Clemons, Nadine Coats, Lucille Crocker, Nadine Duffee, Sybil Eldridge, Janice Flint, Lea Dell Griffin, Iva Hayen, June Kelly, Mary McVey, Barbara Miles, Emma Perrel, Virginia Personius, Mary Queen, Minnie Sloan, Dorothy Terry, Loyce Youell, Marie Zitt, Donald Croft, Wayne Feiling, Harry Gifford, Robert Holmes, Bill Johnson, Stanley McKinney, Carl Mueller, James Newsum, Millard Porter, Jack Reedy, William Rose, Emil Schoepflin, Ronald Simionsen, Robert Sipe, Guy Sloan, Erwin Speith, Raymond Thompson, Richard Walker, James Whittier, Richard Wood, Barbara Beever, Naulta Davis, Frances Irwin, Louise Miles, Anna Olson, Mae Phelan, Donna Sypolt, Lauon Williams, Clifford Augustine, Donald Babcock, Raymond Beik, Alfred Bennett, Donald Blake, Jay Hodson, Bill Levisen, Robert Metzker, Karl Murrey, Rae McCary, Willard Personcius, Jim Peterson, Clarence Rascrow, Buddy Rase, Maurice Stewart and Stanford Cosley.

On request of Senator Gordon, the privilege of the floor of the Senate Chamber for this day was unanimously extended to R. E. McPherson, James Fisher and Hans Anderson, of Napa.

On request of Senator Fletcher, the privilege of the floor of the Senate Chamber for this day was unanimously extended to R. E. Badger of San Diego.

Communication.

The following communication was received, read, and ordered printed in the Journal:

SAN FRANCISCO, February 5, 1940.

The Honorable Ellis E. Patterson, Lieutenant Governor,
State Capitol.

The following resolution was today unanimously adopted by the board of supervisors:

"Memorializing the Legislature of the State of California for passage of bill proposing appropriation for the 1940 Exposition

Resolution No. (Series of 1939)

WHEREAS, Official reports show that 1,547,445 out-of-State visitors drawn to San Francisco and the State of California through the advent of the Golden Gate International Exposition in 1939 spent a total of $212,380,000 during the 254 days of the Exposition; and

WHEREAS, Statistics of the State of California show that gasoline tax revenues for the nine months of the Exposition in 1939 exceeded those for the same period in 1938 by $1,859,731.43; and

WHEREAS, Retail sales tax collections throughout the State for the period from January to September 30, 1939, show an increase of $5,562,352.59, and San Francisco-Oakland bay bridge receipts increased approximately $900,000 as a direct result of the Exposition; and

WHEREAS, It is reliably estimated that the attendance at the 1940 Golden Gate International Exposition will be between 75 per cent and 80 per cent of that of 1939, and figured on the same basis the State would receive between six million dollars and seven million dollars in revenue that would be lost were the Exposition not to be held in 1940; and

WHEREAS, It is imperatively essential to the conduct and success of the 1940 Exposition that the State of California participate therein and lend its financial support thereto; now, therefore, be it

Resolved, That the Board of Supervisors of the City and County of San Francisco does hereby memorialize the Legislature of the State of California and does urge immediate passage of the bill now pending before the Legislature proposing an appropriation for the Golden Gate International Exposition in 1940; and be it further

Resolved, That the telegraphic copies of this resolution be immediately dispatched to His Excellency Governor Olson, to Lieutenant Governor Patterson, to Speaker of the Assembly Garland, and to the San Francisco delegation in both Houses of the Legislature.

Adopted—Board of Supervisors, San Francisco, February 5, 1940.

AYES: Supervisors Brown, Colman, McGowan, McSheehy, Mead, Meyer, Ratto, Roncovieri, Schmidt, Shannon, Uhl.

I hereby certify that the foregoing resolution was adopted by the Board of Supervisors of the City and County of San Francisco.

DAVID A. BARRY, Clerk."

DAVID A. BARRY,
Clerk, Board of Supervisors, City and
County of San Francisco, California.

Communication.

The following communication was received, read, and ordered printed in the Journal:

CHAMBER OF COMMERCE.
SANTA ANA, CALIFORNIA, February 1, 1940.

J. A. Beek, Secretary of the Senate,
Senator "X" of Orange County,
California State Legislature,
Sacramento, California.

DEAR SENATOR "X": I am enclosing a copy of a resolution adopted by the board of directors of the Santa Ana Chamber of Commerce on January 29, 1940.

The resolution is self-explanatory, and I am sure you will understand and appreciate the reasons for its adoption, should the post office department in Sacramento be able to locate you.

Sincerely yours,

KENNETH ADAMS, Secretary,
Santa Ana Chamber of Commerce.

KA:M.

Resolution.

The Santa Ana Chamber of Commerce recommends unqualified opposition to the proposal of the Commission on Reemployment for a state-financed program of "direct production projects" and 'consumers' cooperatives". Furthermore, in the opinion of this Chamber of Commerce steps should at once be taken to disband or withdraw State aid from the projects already set up.

1. The program is not one of "direct production," or "production-for-use". It is government production for sale to relief clients and State institutions. As such it destroys a job in private industry for every job created in a State production project.

2. It is not even a cooperative or self-help plan since the finances and control rest with the government instead of the workers and members.

3. The record shows that such a plan can not operate efficiently. It must either operate at a loss to the State or reduce wages below those paid by private business for the same work, or—more likely—do both.

4. Because of dependence on State financing and control and because of unavoidable waste and inefficiency in operation, such a program undermines worker morale and proves to be one more source of disappointment and frustration for the unemployed.

Therefore, as a menace to private business and employment, as a further excuse for increasing government expenditures and taxes, and as an ineffective form of unemployment relief, we believe the project should be abandoned.

Communication.

The following communication was received, read, and on motion of Senator Nielsen ordered printed in the Journal:

SRA LOS ANGELES CHAPTER No. 65,
CALIFORNIA STATE EMPLOYEES' ASSOCIATION,
LOS ANGELES, CALIFORNIA, February 3, 1940.

Senator Roy J. Nielsen,
Sacramento, California.

DEAR SENATOR NIELSEN: This chapter of the California State Employees Association, namely, SRA Los Angeles Chapter No. 65, is composed entirely of employees of SRA, and we subscribe to its constitution, of which the first line of the preamble is: "To encourage among State employees a sense of civic responsibility."

Premised on this thought, the Legislative Committee of this chapter has compiled and caused to be written the attached report and recommendations concerning the SRA.

This report is presented to you in good faith and in the full knowledge of the civic responsibility enjoyed by the members of this committee and of this chapter.

This report is submitted for your consideration with the hope that in some manner it may help to clarify the conditions now existing in the organization of the SRA with respect to the taxpayer, the recipient of relief and the personnel of the SRA.

Very respectfully yours,

MURRAY CLEMES, President.

MC·R

Report and Recommendations of the Legislative Committee of SRA Los Angeles Chapter No. 65, of the California State Employees' Association.

It is evident that the sole object of the Relief Act of 1935, and the subsequent acts, was to relieve hardship and destitution due to and caused by unemployment. The State Relief Administration, however, from its inception, was dominated and controlled by a group whose policies were based on the false premise that unemployment relief was a charity for paupers. Persons having had experience as social workers were given charge of the State Relief Administration. With their background and training in social service, most of them could not confine their efforts and the administration of relief funds to the purpose and object for which the funds were allocated. They had been trained to deal with the domestic and health or intemperance problems of persons seeking or receiving charity, and did not comprehend the new social problem—namely, unemployment. Under the present setup, when the finance department protests expenditures as waste of taxpayers' money, social service can and does ruthlessly overrule them. Therefore, social service should be divested by law of all control over finance.

To the average citizen, our relief problem is a highly complicated affair, scarcely understandable, but tremendously expensive and of distinctly doubtful value in many instances. The average citizen feels that we have been building a "Frankenstein" which, unless properly harnessed, may endanger our whole civilization, all of which is too true. Only a proper understanding of the basic things to be accomplished

can ever force a solution of the problem in a manner fair to the taxpayer, to the relief client himself, and to those sincere men and women who, in spite of heart-breaking handicaps, have battled for a "square deal" all around.

Those of us who have worked in various phases of the "relief picture" too often forget that the average citizen does not have access to the same knowledge that we have secured through years of bitter experience. So, for the benefit of those "on the outside," we are taking this opportunity to discuss, fairly and frankly, the "relief problem" in general, the SRA in particular.

It has been stated so often that we believe it can be taken as a fundamental American policy, that no deserving citizen should go hungry, unclothed or shelterless, regardless of whether his need be due to age, infirmities or unemployment.

All our needy people fall into one of three groups, viz:

1. Our unemployables, such as the aged, blind, etc.
2. Our partially employables—Class "B".
3. Our employables—Class "A".

The National Social Security Act was set up primarily to take care of the first group. The cost is borne by the nation, State and county. It is paid for strictly by taxation. It is right and just and has always been recognized as a proper burden on the community.

The Federal Government, in so far as appropriations have been available, has attempted to find jobs for all Class "A" employables—people supposedly able and willing to give an honest day's work for a fair day's pay, but who have been unable to secure employment.

The function of the State Relief Administration, as now constituted, is to take care of all Class "B"—partially employables—as well as all Class "A" people for whom the Federal Government can not or will not supply jobs. Whether this function shall continue must be determined by our California Legislature. Whether it shall be confined to this channel or broadened to take in all phases of relief and reemployment is a moot question. It is the purpose of this committee to furnish our legislators, as well as the general public, with whatever knowledge we have gained in their employ that might be useful to them at this time.

In order to formulate any future policy, it is necessary to freely and frankly discuss:

1. The relief recipients
2. The fundamental budget
3. The organization of the SRA
4. The attitude of the relief recipients toward the taxpayer and the SRA
5. The attitude of the personnel of the SRA toward taxpayer and the "client"
6. Proper inferences that may be drawn from the foregoing facts.

The Relief Recipients.

As regards the relief recipients—known as "clients" of the SRA—it must first be stated that no differentiation is made because of citizenship, previous standard of living, race, color, or creed. All are supposedly treated alike.

After years of daily contact with these people, we, as employees of the SRA, have made the following personal analysis of the clients:

A. They fall into three nearly numerically equal groups:

(a) Those undoubtedly deserving. This group consists of the very people the program was set up to help and THEY ARE NOT GETTING ENOUGH. Most of them fall into the white American small family group formerly of adequate means.

(b) Those doubtfully deserving. This group contains many ignorant, semi-skilled or laborer families who have always lived more or less precariously and their resources are extremely difficult to check. Furthermore, they are usually of larger than average families and their present "dole" constitutes to them a "security wage" comparable with past earnings.

(c) Those undoubtedly NOT deserving to be supported by the American taxpayer. This group is composed of alien (or part alien) families (who constitute a very large percentage of the entire relief load), bums both masculine and feminine, habitual drunkards and dope users, and just plain "chiselers" The average citizen must realize that while all the people on relief are by no means or in any sense PROFESSIONAL RELIEFERS, nevertheless, EVERY REAL "BUM" IN CALIFORNIA IS ON RELIEF

B. Besides our own citizens (and aliens) we have been supporting or partially supporting citizens of other States of the Union, known as "transients" As is well known, these people have flocked to California by the tens of thousands since 1932. Once they get here, if they can remain in the State one year, no matter how, they become a permanent part of our relief clientele. In the meantime, we must arrange (if we can) to send them home, again partially or wholly at our taxpayers' expense. Many have been sent home only to return time and time again.

The Fundamental Budget.

The reason that many deserving citizens of small family units are receiving inadequate care is due to a fundamental error in the basis of the budget itself. Apparently relief recipients have been regarded as so many "human animals" to be fed, clothed and housed Everything was laid out by "tables," based on one or two people plus children of various ages. Everything was figured down to the finest percentage so that the party figuring out a family's budget must be no mean mathematician.

Previous standards of living were disregarded entirely, so we have the anomaly of a real American family of two having to pay rent, utilities, food and clothing out of approximately $31 per month, even though they may have contributed thousands of dollars as taxpayers in the days of their prosperity, while many alien families who probably never earned over $75 per month in their lives, are receiving as a "dole" in cash, sums in excess of $125 per month from our taxpayers. Does this make sense?

Obviously, minimum and maximum figures must be set by law if the budget is to be made to conform to the rules of fair play. We therefore recommend the following standard table of relief budgets in this State:

$25 per month for a single man;
$30 per month for a single woman;
$45 per month for a family of two (regardless of age or sex);
$50 per month for a family of three;
$55 per month for a family of four;
$5 per month for each additional person with a maximum of $85 per family.

These figures are easily justified on the basis of the average "security wage" of $57.20 per month paid in Los Angeles County by the WPA to the average family (4.3 members). The maximum figure likewise is taken from the WPA's "foreman scale"—deemed adequate for the intelligent head of a needy family.

This scale eliminates high-power mathematics requiring college graduates to figure. It also eliminates the evil of pressure groups. The State of California gives relief to an individual, and there should be no necessity for any group to act on behalf of said client

The Organization of the SRA.

There are many deplorable and demoralizing conditions existing within the present organization of the State Relief Administration.

1. Failure to recognize the basic aspect of its problem to be unemployment rather than social service.

2. Lack of proper coordination and cooperation between various departments having to do with unemployment proper, including the California State Employment Service, the Unemployment Reserves Commission, the Works Projects Administration, the Civilian Conservation Corps and the National Youth Administration.

3 Too much politics in the set-up.

4. Inefficiency in department heads resulting in considerable useless expense—for example, changes made in procedure without proper forethought often resulting in the necessity of countermanding the initial order (after much work has been done or supplies furnished) due to obstacles which should have been apparent beforehand.

5. Personnel hired and paid on "yardstick" method without a proper study of "need" and "qualification" before appointment.

6. General deplorable condition of morale within the organization due to uncertainty of employment as well as lack of reward or recognition for merit. Stability of employment as well as a proper training school in the field would mean a big saving to the taxpayer.

7. The present philosophy of the Administration in the SRA is: "We have no interest in saving the taxpayers' money; our job is to take care of the client."

8. There is open advocacy by many persons in key positions in the SRA of "New Philosophy" groups. Administrative employees have been openly intimidated to join one of these groups, and some administrative employees have urged and even insisted that "clients" join a similar group. It is very evident that at least some in authority are more interested in the "New Philosophy" than in doing well the job for which they are being paid by the taxpayers of California.

9. The present system results in failure of proper investigation of actual resources of clients. Somehow, many on relief find plenty of money to spend on liquor, dope, non-necessities, etc. Either through organization inefficiency or chiseling, it has been found necessary to set up over 31,000 cases of restitution claims in southern California alone!

10. Documentary proof of residence and other evidences of eligibility are not properly required in many cases, particularly when pressure groups intervene on behalf of the applicant.

11. Under the present system, case workers who make investigations, as a result of which millions of dollars of the taxpayers' money are paid out, are not bonded Young students just out of college, with little sense of responsibility and with prac-

tically no real experience in life or handling people, are given carte blanche to spend the taxpayers' money. We recommend that one-third of the SRA personnel be over forty years of age, one-third over thirty, and one-third under thirty.

Many administrative employees are honest, efficient (if permitted to be) and have the welfare of both the taxpayers and clients at heart. Under proper guidance, these people constitute an invaluable asset to the State service. We recommend that the administrative machinery be revamped to give these individuals an opportunity to really function

The Attitude of the Relief Recipients Toward the Taxpayer and the SRA.

The attitude of the client toward the taxpayer is naturally selfish but, in deserving cases, not unreasonable Only when stirred up by agitators and gulled by Red propaganda does any appreciable part of them get "the world owes me a living" complex. An independent and honest check-up of these agitators and most of their followers undoubtedly would disclose sources of income that would remove them from the relief rolls. At present, at every pay station and distribution center, clients gather to whom agitators are permitted to distribute their literature freely This should be forbidden No one has the right to acquire their audience on the taxpayers' money.

The Attitude of the Personnel of the SRA Toward the Taxpayer and the Client.

The attitude of the SRA toward both the taxpayer and the clients has been largely commented upon. However, one point must be stressed. Certain elements within the SRA—themselves communists, or "fellow-travelers" are deliberately playing with communist agitators and organizers to increase the taxpayers' load to the breaking point in order to hasten "der Tag" of Red Revolution. They are building their "cells" from within and from without, deliberately. They are teaching the clients "the world owes them a living" and if the clients will only follow them, they will collect. Outside "client" pressure (often engineered from inside) meets weak-kneed or subservient inside cooperation and behold, they have performed what seems to their deluded membership to be a "miracle."

Proper Inferences That May Be Drawn from the Foregoing Facts.

The only proper inferences to be drawn from the foregoing facts are that a revamping of the unemployment machinery is in order. Proper safeguards must be thrown around the handling of relief money

We recommend that the Unemployment Reserves Commission, the State Department of Social Welfare, the State Reemployment Service, and the SRA be combined in one unit under a State Welfare and Relief Commission composed of three members, consisting of the Director of Finance, the State Controller, and the Attorney General. Two of these are elected officials. This commission would enforce and interpret all policies laid down by the Legislature. They would constitute a court of appeal on relief matters

This commission would be empowered to appoint an administrative board in northern California and another in southern California.

Each administrative board shall have power to appoint, with the consent of the State Personnel Board, all necessary help. Civil service should be put into operation immediately—by qualifying examination.

A law should be passed denying California citizenship to any person who has not been a continuous resident of this State three years without being on any form of relief.

Transient status should be allowed citizens of other States unable to conform to our citizenship laws Once proof of citizenship in another State has been established, any transient who refuses to return, at our expense, to his State of legal residence, automatically forfeits all claim to our bounty and must be stricken from the relief rolls. Also, any transient who has been once returned to his State of legal residence can not be admitted to our relief rolls within a period of five years from that date Relief to aliens should be discontinued at once

We recommend "work relief." It is less demoralizing than the "dole" both to the recipient and society in general. The children of these clients are the citizens of tomorrow. The so-called "Santa Barbara" plan seems to be the most feasible. Refusal to accept employment, public or private, except upon a doctor's certificate, should automatically be grounds for removal from the relief rolls

Should people be allowed on the relief rolls who are habitual drunkards, who consistently refuse to work when given the opportunity, who expend relief money for the purchase and/or operation of automobiles for their pleasure, for the purchase of homes, and expensive personal property and household equipment on installments, or who have fraudulently received relief, or whose combined family income exceeds the budget allowance? All on the taxpayers' money!

We recommend that rules and regulations be incorporated in the Relief Act to control the above widespread practices.

Real work, coupled with an independent investigation of need, will cut our relief load to understandable proportions within six months, but only an active

and continuous interest on the part of the general public can ever hope to solve the "relief problem," and keep it solved.

Respectfully submitted.

LEGISLATIVE COMMITTEE, CHAPTER NO. 65
A. M. WILSON, Chairman.
GEORGE R. LANE
ELEANOR O'CONNOR.
LYAL B. RYMARCZICK.
JERRY G. DUNKELBERGER

APPROVED:

ELLEN MARTIN, Secretary

MURRAY CLEMES, President.

Senate Resolution No. 18.

The following resolution was offered:

By Senator Tickle:

Resolved, That the following named persons be and they are hereby appointed to the positions hereinafter set forth as provided by law, with the compensation set opposite their names, payable weekly, beginning January 29, 1940, and the Controller is hereby directed to draw his warrants in favor of the respective persons for the same respective amounts, and the Treasurer is hereby directed to pay the same:

	Six days per week
Dorothy E. Dittmer, Stenographer	$5 00
Irma Horne, Stenographer	5 00
	Three days per week
Genevieve Dalton, Stenographer	$5 00

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 18 adopted by the following vote:

AYES—Senators Biggar, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Myhand, Nielsen, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—30.

NOES—None.

Messages from the Assembly.

The following messages from the Assembly were received and read

ASSEMBLY CHAMBER, SACRAMENTO, February 5, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 45—An act to add sections 2.1 and 19.5 to the Orange County Flood Control Act, relating to the Orange County Flood Control District, including the use of funds received by the district for the purchase and retirement of outstanding district bonds.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk

Assembly Bill No. 45 ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, February 5, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Assembly Concurrent Resolution No. 4—Relative to the death of Pope Pius XI.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk

Assembly Concurrent Resolution No. 4 ordered referred to Committee on Rules.

Report of Standing Committee.

The following report of standing committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 6, 1940.

MR PRESIDENT: Your Committee on Rules has examined Senate Bill No. 9—An act to amend sections 66 and 67 of the Vehicle Code, to include within the definition of "owner" of a vehicle a public agency entitled to the possession and use of a vehicle under a lease, lease-sale or rental-purchase agreement, and within the definition of "legal owner" the renter or lessor under such agreement, to take effect immediately;

Senate Bill No. 10—An act to add section 2.5 to an act entitled "An act relating to licensing and taxing of vehicles, providing for license fees for the privilege of operating certain vehicles, providing for the exemption of such vehicles from all taxes according to value for State, county or municipal purposes, providing for the administration and enforcement of this act, creating a fund to be known as the motor vehicle license fee fund, and making an appropriation of the moneys therein," *approved June 25, 1935, relating to exemptions from vehicle license fees, to take* effect immediately;

Senate Bill No. 11—An act providing for the cancellation of license and registration fee penalties in connection with vehicles operated by public agencies as lessees under lease, lease-sale or rental-purchase agreements, to take effect immediately;

Senate Bill No. 12—An act to amend section 374 of the Vehicle Code, relating to vehicle registration, including the payment of fees therefor by public agencies operating vehicles under lease, lease-sale or rental-purchase agreements, to take effect immediately;

And reports that the same have been correctly enrolled and presented to the Governor on the Fifth day of February, 1940, at four o'clock p.m.

SEAWELL, Chairman.

Message from the Assembly.

The following message from the Assembly was received and read:

ASSEMBLY CHAMBER, SACRAMENTO, February 6, 1940.

MR. PRESIDENT. I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 79—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, and to provide that this act shall take effect immediately.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk

Assembly Bill No. 79 ordered referred to Committee on Rules.

Reports of Standing Committees.

The following reports of standing committees were received and read:

On Social Problems.

SENATE CHAMBER, SACRAMENTO, February 5, 1940.

MR PRESIDENT: Your Committee on Social Problems, to which was referred:

Senate Constitutional Amendment No. 2—A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by adding a new section numbered 13 to Article XVI thereof, relating to the powers of the Legislature in respect to the release, rescission, or remission of encumbrances and obligations taken as security for the repayment of aid to the aged, and ratifying certain acts of the Legislature relating thereto;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be adopted

Committee membership—11; committee vote. Ayes—10; absent—1.

PHILLIPS, Chairman.

SENATE CHAMBER, SACRAMENTO, February 5, 1940.

MR. PRESIDENT: Your Committee on Social Problems, to which was referred:

Senate Bill No. 57—An act to repeal sections 2226 and 2229 and to amend sections 2007 and 2227 of the Welfare and Institutions Code, relating to aid to the aged and providing for the cancellation and release of certain agreements heretofore required of recipients of aid to the aged;

Has had the same under consideration, and respectfully reports the same back with amendments, and recommends that the amendments be adopted, and that it do pass as amended.

Committee membership—11; committee vote: Ayes—10; absent—1.

PHILLIPS, Chairman.

On Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, February 6, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Senate Bill No. 4—An act to add section 374.5 to the Vehicle Code, relating to license plates for exempt vehicles, and declaring the urgency of this act;

Has had the same under consideration, and respectfully reports the same back, and recommends that it do pass.

Committee membership—11; committee vote: Ayes—10; absent—1.

HAYS, Chairman.

SENATE CHAMBER, SACRAMENTO, February 6, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Senate Bill No. 5—An act to add section 862c to an act entitled "An act to provide for the organization, incorporation, and government of municipal corporations," approved March 13, 1883, relating to water systems of sixth-class cities and the sale and distribution of water therefrom;

Has had the same under consideration, and respectfully reports the same back with amendments, and recommends that the amendments be adopted, and that it do pass as amended.

Committee membership—11; committee vote: Ayes—10; absent—1.

HAYS, Chairman.

SENATE CHAMBER, SACRAMENTO, February 6, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Senate Bill No. 6—An act to amend sections 232 and 377.5 of the Vehicle Code, relating to the installation of motor vehicle engines or motors;

Has had the same under consideration, and respectfully reports the same back, and recommends that it do pass.

Committee membership—11; committee vote: Ayes—10; absent—1.

HAYS, Chairman.

SENATE CHAMBER, SACRAMENTO, February 6, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Senate Bill No. 7—An act to amend section 164 of the Vehicle Code, relating to renewal of registration of vehicles;

Has had the same under consideration, and respectfully reports the same back with amendments, and recommends that the amendments be adopted, and that it do pass as amended.

Committee membership—11; committee vote: Ayes—10; absent—1.

HAYS, Chairman.

SENATE CHAMBER, SACRAMENTO, February 6, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Senate Bill No. 8—An act to amend sections 210 and 252 of the Vehicle Code, and to repeal sections 211, 212, 213 and 214 thereof, relating to permits to nonresident owners of motor vehicles;

Has has the same under consideration, and respectfully reports the same back, and recommends that it do pass

Committee membership—11; committee vote: Ayes—10; absent—1.

HAYS, Chairman.

SENATE CHAMBER, SACRAMENTO, February 6, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Senate Bill No. 15—An act amending sections 3 and 5 of an act entitled "An act creating the Colorado River Board of California and the office of Colorado River Commissioner of California, prescribing the powers and duties of said board and commissioner," approved July 1, 1937, relating to powers and duties of the board and commissioner;

Has had the same under consideration, and respectfully reports the same back, and recommends that it do pass

Committee membership—11; committee vote: Ayes—10; absent—1.

HAYS, Chairman.

SENATE CHAMBER, SACRAMENTO, February 6, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Assembly Joint Resolution No. 6—Relative to furnishing assistance to the Republic of Finland;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be adopted.

Committee membership—11; committee vote: Ayes—10; absent—1.

HAYS, Chairman.

On Rules.

SENATE CHAMBER, SACRAMENTO, February 6, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 45—An act to add sections 2.1 and 19.5 to the Orange County Flood Control Act, relating to the Orange County Flood Control District, including the use of funds received by the district for the purchase and retirement of outstanding district bonds;

Has had the same under consideration, and respectfully reports the same back, and recommends that the bill be re-referred to the Committee on Governmental Efficiency.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Bill No. 45 read first time, and referred to Committee on Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, February 6, 1940

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 79—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, and to provide that this act shall take effect immediately,

Has had the same under consideration, and respectfully reports the same back, and recommends that the bill be referred to the Committee on Social Problems.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Bill No. 79 read first time, and referred to Committee on Social Problems.

SENATE CHAMBER, SACRAMENTO, February 6, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred.

Assembly Concurrent Resolution No. 4—Relative to the death of Pope Pius XI;

Has had the same under consideration, and respectfully reports the same back, and recommends that the Resolution be placed on file.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Message from the Assembly.

The following message from the Assembly was received and read:

ASSEMBLY CHAMBER, SACRAMENTO, February 6, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 74—An act making an appropriation for printing constitutional amendments, Secretary of State's office, for the 91st and 92d fiscal years, to take effect immediately;

Assembly Bill No. 75—An act making an appropriation to meet a deficiency in the appropriation for legislative printing, binding, etc., to take effect immediately;

Assembly Joint Resolution No. 8—Relative to memorializing the President and

Congress to have the Mammoth Pass Road in California constructed as a national defense highway;

Assembly Joint Resolution No. 9—Relative to discrimination in steamship service and freight rates between New York and California ports to the Panama Canal Zone

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

The above bills ordered referred to Committee on Rules.

Requests for Permission to Introduce Bills.

The following requests for permission to introduce bills were presented:

By Senator Jespersen:

SENATE CHAMBER, SACRAMENTO, February 6, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act to amend sections 11000, 11001, 11003, 11009, 11010, 11035, 11160, 11166.05, 11166.06, 11166.07, 11166.08, 11166.1, 11166.11, 11166.12, 11167, 11200, 11250, 11391, 11392, 11393, 11425, 11477, 11530, 11531, 11553, 11610, 11611, 11625, 11712, 11713, 11715, 11716, 11720 and 11780, and the article heading of Article 2, Chapter 5, Division 10, and to repeal sections 11036, 11178, 11332, 11396, 11710 and 11711 of, and to add sections 11556 and 11557 to, the Health and Safety Code, relating to narcotics and the use, prescribing, sale, possession, or transportation thereof.

Respectfully submitted.

SENATOR JESPERSEN.

Request referred to Committee on Rules.

By Senators Rich and Kenny:

SENATE CHAMBER, SACRAMENTO, February 6, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, we request permission to introduce a bill, the title of which is set forth below:

An act to add section 443.2 to the Political Code, relating to the payment of warrants of the State of California in legal tender.

Respectfully submitted.

SENATORS RICH.
KENNY.

Request referred to Committee on Rules.

Second Reading of Senate Bills.

Senate Bill No. 4—An act to add section 374.5 to the Vehicle Code, relating to license plates for exempt vehicles, and declaring the urgency of this act.

Bill read second time, ordered to engrossment, and on file for third reading.

Senate Bill No. 5—An act to add section 862c to an act entitled "An act to provide for the organization, incorporation, and government of municipal corporations," approved March 13, 1883, relating to water systems of sixth-class cities and the sale and distribution of water therefrom.

Consideration of Committee Amendments.

Pursuant to the report of the Committee on Governmental Efficiency, the following amendments to Senate Bill No. 5 were read and adopted:

Amendment No. 1.

In line 5 of the printed bill, strike out "this State".

Amendment No. 2.

In line 6 of the printed bill, strike out "other", and "or of".

Amendment No. 3.

In line 7 of the printed bill, strike out "this State".

Amendment No. 4.

In line 5 of the title of the printed bill, after "therefrom", insert a comma and the following: "declaring the urgency of this act, to take effect immediately".

Amendment No. 5.

On page 1 of the printed bill, after line 9, insert the following:

"SEC. 2. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution, and therefore shall take effect immediately. The facts constituting such necessity are as follows:

Certain cities of the sixth class, and particularly the city of Bishop, are in need of the construction of new water mains and other water supply facilities. No provision of law exists whereby such cities may cooperate with the Federal Government as to the water supply of such cities and nearby Federal reservations. This act, in permitting such cooperation, will serve to assure such cities of a proper water supply if immediate action may be taken before the Federal Government acts independently as to its reservations, thus preserving the public health."

Bill read second time, ordered to print, engrossment, and on file for third reading.

Senate Bill No. 6—An act to amend sections 232 and 377.5 of the Vehicle Code, relating to the installation of motor vehicle engines or motors.

Bill read second time, ordered to engrossment, and on file for third reading.

Senate Bill No. 7—An act to amend section 164 of the Vehicle Code, relating to renewal of registration of vehicles.

Consideration of Committee Amendment.

Pursuant to the report of the Committee on Governmental Efficiency, the following amendment to Senate Bill No. 7 was read and adopted:

Amendment No. 1.

On page 1 of the printed bill, strike out lines 17 and 18, and insert in lieu thereof the following: "deliver such information to him at the offices of the department without charge."

Bill read second time, ordered to print, engrossment, and on file for third reading.

Senate Bill No. 8—An act to amend sections 210 and 252 of the Vehicle Code, and to repeal sections 211, 212, 213 and 214 thereof, relating to permits to nonresident owners of motor vehicles.

Bill read second time, ordered to engrossment, and on file for third reading.

Senate Bill No. 15—An act amending sections 3 and 5 of an act entitled "An act creating the Colorado River Board of California and the office of Colorado River Commissioner of California, prescribing the powers and duties of said board and commissioner," approved July 1, 1937, relating to powers and duties of the board and commissioner.

Bill read second time, ordered to engrossment, and on file for third reading.

Senate Bill No. 57—An act to repeal sections 2226 and 2229 and to amend sections 2007 and 2227 of the Welfare and Institutions Code, relating to aid to the aged and providing for the cancellation and release of certain agreements heretofore required of recipients of aid to the aged.

Consideration of Committee Amendments.

Pursuant to the report of the Committee on Social Problems, the following amendments to Senate Bill No 57 were read and adopted:

Amendment No. 1.

In line 5 of the title of the printed bill, after "aged", insert the following: ", declaring the urgency thereof, to take effect immediately".

Amendment No. 2.

On page 3 of the printed bill, strike out lines 7 and 8, and insert in lieu thereof the following: "lawfully receiving aid, or who were lawfully entitled to receive aid, under the provisions of".

Amendment No. 3.

On page 4 of the printed bill, strike out lines 2 and 3, and insert in lieu thereof the following: "execution of such agreements lawfully receiving aid or who were lawfully entitled to receive aid,".

Amendment No. 4.

On page 4 of the printed bill, after line 23, insert the following:

"SEC. 5. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution and shall therefore take effect immediately. A statement of facts constituting such necessity is as follows:

There has been a lack of uniformity in the application of the old age security law in the several counties of this State and if this condition is permitted to continue the entire system of old age assistance will be jeopardized. The Federal Social Security Act with which this State must comply in order to receive Federal grants in aid for old age assistance requires the old age security law of this State to be in uniform operation throughout the State and to be mandatory upon the counties inasmuch as they are an agency administering the act. If this lack of uniformity in the operation of the old age security law is permitted to continue the State will be deprived of all Federal grants in aid for old age assistance. Unless, therefore, this act is made to take effect immediately and the old age security law is made to conform with the requirements of the Federal Social Security Act as soon as possible, the entire system of aid to the aged in this State will be disrupted by the cessation of Federal grants in aid which may result, and which if it did result would cause wide spread hardship and destitution and endanger the public peace, health, and safety."

Bill read second time, ordered to print, engrossment, and on file for third reading.

Reports of Standing Committee.

The following reports of standing committee were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 6, 1940.

MR PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 74—An act making an appropriation to meet the deficiency in the appropriation for printing constitutional amendments, Secretary of State's office, for the 91st and 92d fiscal years, to take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that the bill be referred to Committee on Finance, Revenue and Taxation.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Bill No. 74 read first time, and referred to Committee on Finance, Revenue and Taxation.

SENATE CHAMBER, SACRAMENTO, February 6, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Joint Resolution No. 8—Relative to memorializing the President and Congress to have the Mammoth Pass Road in California constructed as a national defense highway;

Has had the same under consideration, and respectfully reports the same back, and recommends that the resolution be placed on file for action.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 6, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Joint Resolution No. 9—Relative to discrimination in steamship service and freight rates between New York and California ports to the Panama Canal Zone;

Has had the same under consideration, and respectfully reports the same back, and recommends that the resolution be placed on file for action

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 6, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 75—An act making an appropriation to meet a deficiency in the appropriation for legislative printing, binding, etc., to take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that the bill be referred to committee on Finance, Revenue and Taxation.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Bill No. 75 read first time, and referred to Committee on Finance, Revenue and Taxation.

SENATE CHAMBER, SACRAMENTO, February 6, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following request for permission to introduce a bill:

By Senator Jespersen:

An act to amend sections 11000, 11001, 11003, 11009, 11010, 11035, 11160, 11166.05, 11166.06, 11166.07, 11166.08, 11166.1, 11166.11, 11166.12, 11167, 11200, 11250, 11391, 11392, 11393, 11425, 11477, 11530, 11531, 11555, 11610, 11611, 11625, 11712, 11713, 11715, 11716, 11720 and 11780, and the article heading of Article 2, Chapter 5, Division 10, and to repeal sections 11036, 11178, 11332, 11396, 11710 and 11711 of, and to add sections 11556 and 11557 to, the Health and Safety Code, relating to narcotics and the use, prescribing, sale, possession, or transportation thereof;

Has had the same under consideration, and respectfully reports the same back, and recommends that the request be granted, and the bill be referred to the Committee on Governmental Efficiency.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 6, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following request for permission to introduce a bill:

An act to add section 443.2 to the Political Code, relating to the payment of warrants of the State of California in legal tender;

Has had the same under consideration, and respectfully reports the same back, and recommends that the request be granted, and the bill be referred to the Committee on Governmental Efficiency.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Introduction, First Reading and Reference of Bills.

The following bills were introduced:

Senate Bill No. 68: By Senator Jespersen—An act to amend sections 11000, 11001, 11003, 11009, 11010, 11035, 11160, 11166.05,

11166.06, 11166 07, 11166.08, 11166.1, 11166 11, 11166.12, 11167, 11200, 11250, 11391, 11392, 11393, 11425, 11477, 11530, 11531, 11555, 11610, 11611, 11625, 11712, 11713, 11715, 11716, 11720 and 11780, and the article heading of Article 2, Chapter 5, Division 10, and to repeal sections 11036, 11178, 11332, 11396, 11710 and 11711 of, and to add sections 11556 and 11557 to, the Health and Safety Code, relating to narcotics and the use, prescribing, sale, possession, or transportation thereof.

Senate Bill No. 68 read first time, and referred to Committee on Governmental Efficiency.

Senate Bill No. 69: By Senators Rich and Kenny—An act to add section 443.2 to the Political Code, relating to the payment of warrants of the State of California in legal tender.

Senate Bill No. 69 read first time, and referred to Committee on Governmental Efficiency.

Report of Standing Committee.

The following report of standing committee was received and read:

On Social Problems.

SENATE CHAMBER, SACRAMENTO, February 6, 1940.

MR. PRESIDENT: Your Committee on Social Problems, to which was referred:

Assembly Bill No. 79—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, and to provide that this act shall take effect immediately;

Has had the same under consideration, and respectfully reports the same back with amendments, and recommends that the amendments be adopted, and that it do pass as amended.

Committee membership—11; committee vote: Ayes—10; absent—1.

PHILLIPS, Chairman.

Resolution.

The following resolution was offered:

By Senator Seawell:

Resolved, That Assembly Bill No. 79 presents a case of urgency, as that term is used in section 15 of Article IV of the Constitution, and the provision of that section requiring that the bill shall be read on three several days in each House is hereby dispensed with, and it is ordered that said bill be read the second and third times, and placed upon its passage.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and the resolution adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Fletcher, Foley, Garrison, Gordon, Hollister, Holohan, Jespersen, Kenny, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Seawell, Slater, Swing, Tickle, and Wagy—30.

NOES—None.

Second Reading of Assembly Bill No. 79.

Assembly Bill No. 79—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, and to provide that this act shall take effect immediately.

Consideration of Committee Amendment.

Pursuant to the report of the Committee on Social Problems, the following amendment to Assembly Bill No. 79 was read and adopted:

Amendment No. 1.

On page 1 of the printed bill, after line 30, add the following:

"SEC. 4. (a) It is unlawful for any person, directly or indirectly, to promise any compensation, employment, relief or other benefit provided for or made possible in whole or in part by the appropriation, to any individual as consideration, favor or reward for any political activity or for the support of or opposition to any candidate or any political party in any election.

(b) It is unlawful for any person to deprive, attempt to deprive or threaten to deprive by any means any person of any compensation, employment, relief or other benefit provided for or made possible in whole or in part by the appropriation on account of any political activity, support of or opposition to any candidate or to any political party in any election.

(c) It is unlawful for any person knowingly to solicit or receive, or be in any manner concerned in soliciting or receiving, any assessment, subscription or contribution of money for any political purpose whatever from any person receiving compensation, employment, relief or other benefit made available from the appropriation.

(d) It is unlawful for any person to furnish or disclose or to aid or assist in furnishing or disclosing any names of persons receiving compensation, employment, relief or other benefits provided or made possible by the appropriation to any political candidate, committee, campaign manager or to any person for delivery to a political candidate, committee or campaign manager, and it is unlawful for any person to receive any such names for political purposes.

(e) No part of the appropriation shall be used for the purpose of directly or indirectly influencing or attempting to influence or interfering with or restraining or coercing any person in the exercise of his right to vote at any election.

(f) It is unlawful for any person employed in any capacity in connection with the administration or disbursement of the appropriation and it is unlawful for any person receiving relief or other benefit from the appropriation to take an active part in political management, or be an active member of political organizations or take an active part in political campaigns which have as their purpose the election or nomination of any person to any office or employment.

(g) It is unlawful for any person employed in any capacity in connection with the administration or disbursement of the appropriation to influence or attempt to influence any individual known to be receiving compensation, employment, relief or other benefits provided by the appropriation to support or oppose any candidate or any political party in any election.

(h) Every person violating any provision of this section is guilty of a misdemeanor and in addition to the penalty imposed therefor shall not be entitled to any further compensation, employment, relief or other benefit provided for or made possible in whole or in part by the appropriation.

(i) As used in this section "Appropriation" refers to the sum appropriated in section 1 of this act."

Bill read second time, ordered to print, and on file for third reading.

Third Reading of Assembly Bills.

Assembly Joint Resolution No. 9.

Relative to discrimination in steamship service and freight rates between New York and California ports to the Panama Canal Zone.

WHEREAS, Congress has authorized the construction of additional locks at the Panama Canal at an eventual total cost of approximately $277,000,000, as well as an additional expenditure of approximately $35,000,000 for the construction of barracks, airports, etc.; and

WHEREAS, Large quantities of foodstuffs, materials and supplies are imported annually into the Republic of Panama amounting in the year 1937 to $21,828,000, of which imports from the United States amounted to $11,377,000 principally from the Atlantic seaboard; and

WHEREAS, Materials and supplies will be imported into the Panama Canal Zone in large quantities as additional protection for national defense by the United States Government and for the Republic of Panama, including alfalfa, groceries, cold storage products, drygoods, dairy products, raw materials, housewares, candies

and tobacco, milk and cream, shoes, cattle and hogs, soaps, meats, lard, vegetables, lumber, petroleum products, cement, iron and steel, automobiles, chemicals, medicines, reinforced concrete frames and floor slabs, hollow tile filler walls, stucco exterior, tile and composition roofing, miscellaneous iron and steel, hollow metal work, metal lath and plaster, steel shelving, automatic refrigeration systems, water-proofing, cold storage rooms, slate toilet partitions, glazed tile wainscoting, ceramic, cement and other quarry products, tile floors, paint, plumbing, electric fixtures, and various other types of materials and supplies grown, produced, and manufactured on the Pacific Coast; and

WHEREAS, The United States Government owns and operates the Panama Railroad Steamship Company, which is operated under the direction of the President of the United States and the War Department, which operates steamship service between New York and the Panama Canal Zone, and railway service between Atlantic and Pacific ports of the Canal Zone; and

WHEREAS, Freight rates upon said government-owned line between the Atlantic seaboard and the Panama Canal Zone are materially less than freight rates on private lines operated between Pacific Coast ports and the Canal Zone, in some cases being as much as 50 per cent less; and

WHEREAS, If similar service and the same freight rate basis were provided by the United States Government between Pacific Coast ports and the Panama Canal Zone, California growers, producers and manufacturers of supplies and materials to be used in said construction work, including the necessities of life, to be imported into the Republic of Panama as hereinabove set forth, would be in a position to compete with growers, producers and manufacturers on the Atlantic seaboard; and

WHEREAS, Due to the withdrawal of ships under the jurisdiction of the United States Maritime Commission from export trade due to the war, there are now numerous vessels available for this service; and

WHEREAS, Private steamship lines operating between the Pacific Coast ports and the Panama Canal Zone will not meet the New York-Panama rates of the government-owned Panama Railroad Steamship Company, resulting in a practical monopoly in favor of shippers from the Atlantic seaboard to said Panama Canal Zone; now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the President of the United States, the Congress and the Secretary of War are hereby respectfully requested to take such action as will be necessary to provide similar steamship service between Pacific Coast ports and the Panama Canal Zone and at the same freight rate basis in order that Pacific Coast growers, producers, and manufacturers may be enabled to compete with growers, producers and manufacturers on the Atlantic seaboard in supplying agricultural and manufactured materials and supplies to the Panama Canal Zone; and be it further

Resolved, That copies of this resolution be transmitted by the Governor of the State of California to the President and Vice President of the United States, to the Speaker of the House, to the Secretary of War, and to each Senator and Representative from California in the Congress of the United States.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Joint Resolution No. 9 adopted by the following vote:

AYES—Senators Biggar, Brown, Collier, Crittenden, Cunningham, DeLap, Fletcher, Foley, Garrison, Gordon, Hollister, Holohan, Jespersen, Kenny, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—30.

NOES—None.

Assembly Joint Resolution No. 9 ordered transmitted to the Assembly.

Assembly Joint Resolution No. 8.

Relative to memorializing the President and Congress to have the Mammoth Pass Road in California constructed as a national defense highway.

WHEREAS, The National Government is maintaining a naval ammunition depot at Hawthorne, Nevada, for national defense; and

WHEREAS, The National Government has assisted in the construction of a national highway from the Mexican border to the Canadian line, known as United States Highway No. 395; and

WHEREAS, The United States Highway No. 395 connects with various other highways leading to other portions of California; and

WHEREAS, The central portions of California, namely San Joaquin and Santa Clara valleys are without direct defense for a great portion of each year because of snow on the high Sierra Mountains; and

WHEREAS, The Mammoth Pass, which is within a few miles of United States Highway No. 395, is much lower and in more open country and is not closed with snow for as long a time in the winter months as the other passes; and

WHEREAS, A portion of said proposed highway has been constructed by the Forestry Department, building from both sides of the mountain range, leaving a distance of approximately forty-five miles to connect the said Highway No. 395 and State Highway No. 125 and State Highway No. 126; and

WHEREAS, The construction of a highway over the said Mammoth Pass which could be kept open during the entire year through the use of modern machinery would be an important link in coast defense, inasmuch as the transportation of munitions from the naval ammunition dump at Hawthorne, Nevada, to San Joaquin Valley and coast points would be greatly facilitated thereby; and

WHEREAS, The proposed highway will connect with United States Highway No. 99 from which several State highways lead across the Coast Range to the Santa Clara Valley on the west side of the said range, and connect with United States Highways Nos. 101 and 466; and

WHEREAS, The construction of the proposed highway would not only be of importance from the standpoint of national defense, but would be of inestimable advantage from an economic standpoint, in that it would:

(a) Afford an opportunity for the development of a virgin territory with extensive natural lumber resources amounting to upwards of two billion eight hundred million board feet of a present commercial value and an additional two billion board feet of potential pulp timber and substantial deposits of iron, lead and silver;

(b) Attract a large number of visitors to view the priceless heritage of forests, mountains, game animals, birds and other scenic beauties of the region which would be open to tourist and other travel;

(c) Provide a loop trip for those persons traveling from southern California to the Owens River Valley by the eastern route;

(d) Assist in the full power and irrigation storage development of the upper San Joaquin River in order to meet the needs of the Central Valley Project; and

WHEREAS, The building of the proposed highway would contribute in great measure to the future and increasing growth and prosperity of the San Joaquin Valley and of other portions of this State; now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the President and the Congress of the United States be memorialized to take such steps as may be necessary to have the said Mammoth Pass Road constructed as a national defense highway, to commence at or near Casa Diablo in Mono County, on United States Highway No. 395, and continue over Mammoth Pass at the most feasible location and connect with State Highway No. 125 and Highway No. 126 in Madera County, a distance of approximately forty-five miles; and be it further

Resolved, That the Congress of the United States be memorialized to make a suitable appropriation to construct said highway as soon as possible; and be it further

Resolved, That a copy of this resolution be sent by the chief clerk of the Assembly, to the President and Vice President of the United States, to the Secretary of War, and to each Senator and Representative from California and from Nevada in the Congress of the United States; and the Senators and Representatives from California and Nevada are hereby respectfully urged to request such action.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Joint Resolution No. 8 adopted by the following vote:

AYES—Senators Biggar, Brown, Crittenden, Cunningham, DeLap, Fletcher, Foley, Garrison, Gordon, Hollister, Holohan, Jespersen, Kenny, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—28

NOES—None.

Assembly Joint Resolution No. 8 ordered transmitted to the Assembly.

Recess.

At twelve o'clock and twenty-five minutes p.m., on motion of Senator Seawell, the President of the Senate declared recess until four o'clock p.m.

Reconvened.

At four o'clock p.m., the Senate reconvened.

Lieutenant Governor Ellis E. Patterson, President of the Senate, in the chair.

Secretary Joseph A. Beek at the desk.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, February 6, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly adopted:

Assembly Concurrent Resolution No. 5—Relative to calling upon the Governor to permit well considered legislation upon the subject of the relief of hardship and destitution, whether due to and caused by unemployment or by indigency of unemployable persons.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Concurrent Resolution No. 5 ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, February 6, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Senate Joint Resolution No. 4—Relative to memorializing Congress to take action in respect to the existing emergency in the Tulelake district.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Senate Joint Resolution No. 4 ordered to enrollment.

ASSEMBLY CHAMBER, SACRAMENTO, February 6, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly adopted:

Assembly Joint Resolution No. 3—Relative to memorializing the President and Congress to enact legislation to secure all aged citizens against want or poverty by means of a system of Federal old-age pensions.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk

Assembly Joint Resolution No. 3 ordered referred to Committee on Rules.

Third Reading of Assembly Bills.

Assembly Bill No. 79—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, and to provide that this act shall take effect immediately.

Amendments from the Floor.

During third reading of Assembly Bill No. 79 the following amendments, offered by Senator Kenny, were read:

Amendment No. 1.

On page 2 of the printed bill, as amended February 6, 1940, strike out all of the matter beginning with the word "and" in line 41 down to and including the word "appropriation" in line 42.

Amendment No. 2.

On page 3, line 6, of the printed bill, strike out the following: "relief or other benefit".

Motion to Table.

Senator Metzger moved that the above amendments be laid on the table.

Ayes and Noes Demanded.

A roll call was demanded by Senators Kenny, Garrison and Hollister on the adoption of the motion to table.

The roll was called, and the motion lost by the following vote:

AYES—Senators Biggar, Hays, Mayo, Metzger, Mixter, Phillips, and Rich—7.
NOES—Senators Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Hollister, Holohan, Jespersen, Keating, Kenny, McBride, McCormack, Myhand, Nielsen, Parkman, Powers, Quinn, Seawell, Slater, Swing, Tickle, and Wagy—26.

Ayes and Noes Demanded.

A roll call was demanded by Senators Biggar, DeLap and Nielsen on the adoption of the amendments

The roll was called, and the amendments adopted by the following vote:

AYES—Senators Biggar, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Seawell, Slater, Swing, Tickle, and Wagy—33.
NOES—Senator Rich—1.

Bill ordered to print, and on file for third reading.

Reports of Standing Committees.

The following reports of standing committees were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 6, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:
Assembly Concurrent Resolution No 5—Calling upon the Governor to permit well considered legislation upon the subject of the relief of hardship and destitution, whether due to and caused by unemployment or by indigency of unemployable persons;
Has had the same under consideration, and respectfully reports the same back, and recommends that it be placed on file.
Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 6, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:
Assembly Joint Resolution No 3—Relative to memorializing the President and Congress to enact legislation to secure all aged citizens against want or poverty by means of a system of Federal old-age pensions;
Has had the same under consideration, and respectfully reports the same back, and recommends that it be referred to Committee on Social Problems.
Committee membership—5; committee vote. Ayes—5.

SEAWELL, Chairman.

Assembly Joint Resolution No. 3 read, and referred to Committee on Social Problems.

SENATE CHAMBER, SACRAMENTO, February 6, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:
Senate Constitutional Amendment No. 2—A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by adding a new section numbered 13 to Article XVI thereof, relating to the powers of the

Legislature in respect to the release, rescission, or remission of encumbrances and obligations taken as security for the repayment of aid to the aged, and ratifying certain acts of the Legislature relating thereto;

Senate Bill No. 4—An act to add section 374.5 to the Vehicle Code, relating to license plates for exempt vehicles, and declaring the urgency of this act;

Senate Bill No. 6—An act to amend sections 232 and 377.5 of the Vehicle Code, relating to the installation of motor vehicle engines or motors;

Senate Bill No. 8—An act to amend sections 210 and 252 of the Vehicle Code, and to repeal sections 211, 212, 213 and 214 thereof, relating to permits to non-resident owners of motor vehicles;

Senate Bill No. 15—An act amending sections 3 and 5 of an act entitled "An act creating the Colorado River Board of California and the office of Colorado River Commissioner of California, prescribing the powers and duties of said board and commissioner," approved July 1, 1937, relating to powers and duties of the board and commissioner;

And reports that the same have been correctly engrossed

SEAWELL, Chairman.

On Finance, Revenue and Taxation.

SENATE CHAMBER, SACRAMENTO, February 6, 1940.

MR. PRESIDENT: Your Committee on Finance, Revenue and Taxation, to which was referred:

Senate Bill No. 13—An act to amend section 70 of the State Civil Service Act, relating to salary adjustments of civil service employees;

Senate Bill No. 59—An act to amend sections 1, 6, 20, 21, 23, 30 and 38 of, and to add sections 1.5, 6.5, 37.5, 37.6, 37.7, 38.1, 38.2, 38.3 and 38.4 to, and to repeal sections 16, 17, 18 and 19 of an act entitled "An act to provide for the licensing and regulation of itinerant merchants and making an appropriation therefor," approved July 21, 1939, relating to the licensing and regulation of itinerant merchants;

Has had the same under consideration, and respectfully reports the same back with amendments, and recommends that the amendments be adopted, and the bills be re-referred to this committee.

Committee membership—11; committee vote: Ayes—9; absent—2.

TICKLE, Chairman.

Third Reading of Assembly Bills.

Assembly Concurrent Resolution No. 5—Relative to calling upon the Governor to permit well considered legislation upon the subject of the relief of hardship and destitution, whether due to and caused by unemployment or by indigency of unemployable persons.

Amendments from the Floor.

During the reading of Assembly Concurrent Resolution No. 5 the following amendments, offered by Senator Phillips, were read and adopted:

Amendment No. 1.

In line 2 of the title of the printed measure, as amended, after "considered", insert the following: ", comprehensive".

Amendment No. 2.

In line 4 of the title of the printed measure, as amended, strike out "indigency of", and insert in lieu thereof the following: "other causes".

Amendment No. 3.

In the title of the printed measure, as amended, strike out line 5.

Amendment No. 4.

On page 1, line 22, of the printed measure, as amended, strike out "Not only the", and insert in lieu thereof the following: "The"

Amendment No. 5.

On page 1 of the printed measure, as amended, strike out lines 23 and 24, and insert in lieu thereof the following: "destitution, whether due to and caused by unemployment or by other causes, should be considered by the".

Amendment No. 6.

On page 2, line 10. of the printed measure, as amended, strike out "indigency of unemployables", and insert in lieu thereof the following: "any other causes".

Resolution read, ordered to print, and on file.

Second Reading of Senate Bills.

Senate Bill No. 13—An act to amend section 70 of the State Civil Service Act, relating to salary adjustments of civil service employees.

Consideration of Committee Amendment.

Pursuant to the report of the Committee on Finance, Revenue and Taxation, the following amendment to Senate Bill No. 13 was read and adopted:

Amendment No. 1.

On page 2 of the printed bill, strike out lines 6 to 11, inclusive, and in line 12, strike out "appropriation", and insert in lieu thereof the following:

"When the Director of Finance certifies there is money available to make salary adjustments, then the employee or employees receiving the lowest salaries shall receive salary adjustments in preference to those other employees who are paid from the same appropriation or fund".

Bill read second time, ordered to reprint, and re-referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 59—An act to amend sections 1, 6, 20, 21, 23, 30 and 38 of, and to add sections 1.5, 6.5, 37 5, 37 6, 37.7, 38.1, 38 2, 38.3 and 38.4 to, and to repeal sections 16, 17, 18 and 19 of an act entitled "An act to provide for the licensing and regulation of itinerant merchants and making an appropriation therefor," approved July 21, 1939, relating to the licensing and regulation of itinerant merchants.

Consideration of Committee Amendment.

Pursuant to the report of the Committee on Finance, Revenue and Taxation, the following amendment to Senate Bill No. 59 was read and adopted:

Amendment No. 1.

On page 3, line 22, of the printed bill, after "application", insert the following: "and paying the license fee".

Bill read second time, ordered to reprint, and re-referred to Committee on Finance, Revenue and Taxation

Senate Resolution No. 19.

The following resolution was offered and ordered printed in the Journal:

By Senator Metzger:

WHEREAS, The Legislature is convened in extraordinary session to consider and act upon various matters, including an act relative to the issuance by the Water Project Authority of the State of California of a portion of the revenue bonds authorized by the Central Valley Project Act of 1933 for the purpose of carrying out certain of the objects and purposes of said act; and

WHEREAS, The Division of Water Resources of the Department of Public Works, by Chapter 670, Statutes of 1939, was authorized and directed to prosecute efforts on behalf of the Water Project Authority of the State of California in aid of the construction of the Central Valley Project, including particular activities specified in said chapter; and

WHEREAS, By said Chapter 670, Statutes of 1939, the sum of one hundred thousand dollars was appropriated for use by the Division of Water Resources for the purposes therein specified; and

WHEREAS, In considering various matters before this Legislature in extraordinary session, including the proposal relative to the issuance of revenue bonds by the Water Project Authority of the State of California, it is essential that the Legislature be informed as to what has been done by the Division of Water Resources of the Department of Public Works pursuant to Chapter 670, Statutes of 1939; now, therefore, be it

Resolved by the Senate of the State of California, That the Director of Public Works is hereby requested to prepare and transmit to the Senate a complete and detailed report upon all the following matters.

A statement of the efforts in aid of the construction of the Central Valley Project prosecuted by the Division of Water Resources pursuant to Chapter 670, Statutes of 1939, from the effective date thereof to the date of the adoption of this resolution, a statement of the efforts presently being prosecuted and also the efforts proposed to be prosecuted for the remainder of the biennium.

A statement showing the total amount expended by the Division of Water Resources in carrying out the provisions of Chapter 670, Statutes of 1939, the specific purposes for which such expenditures were made and whether such expenditures were made from the appropriation contained in said chapter or from any other source; the unexpended balance of the appropriation made by Chapter 670, Statutes of 1939, the amount of any other money currently available to carry out the provisions thereof, and so far as may be, the particular amounts for particular purposes proposed to be expended during the remainder of the biennium; and, be it further

Resolved, That the Secretary of the Senate is hereby directed forthwith to transmit a copy of this resolution to the Director of Public Works, and be it further

Resolved, That an itemized statement be rendered concerning budgeted amounts in connection with Chapter 670 of the Statutes of 1939.

Adjournment.

At five o'clock and eighteen minutes p.m., on motion of Senator Seawell, the President of the Senate declared the Senate adjourned, until eleven o'clock a.m., Wednesday, February 7, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Wednesday, February 7, 1940.

The Senate met at eleven o'clock a.m.
Hon. Ellis E. Patterson, President of the Senate, in the chair.
Secretary Joseph A. Beek at the desk.

Roll Call.

The roll was called, and the following answered to their names:

Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—36.

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev. A. Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Tuesday, February 6, 1940, the further reading was dispensed with, on motion of Senator Slater.

Privilege of Floor of Senate Extended.

On request of Senator Garrison, the privilege of the floor of the Senate Chamber for this day was unanimously extended to C. C. Crowell, chairman of the board of supervisors of Stanislaus County, Modesto.

On request of Senator McCormack, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mrs. Duncan Robinson of Rio Vista.

On request of Senator Biggar, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mr. and Mrs. F. C. Kilpatrick of San Francisco.

On request of Senator Crittenden, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mesdames Marion E. Steele, Edna Vieth, Ruth Kraft, E. M. Mikesell and Sara M. Mikesell, all of Manteca.

On request of Senator Shelley, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mrs. R. E. Maccori of San Francisco, sister-in-law of Senator Metzger.

On request of the President of the Senate, the privilege of the floor of the Senate Chamber for this day was unanimously extended to William S. Dunn, Department Commander, State of California, American Legion.

Communication.

The following communications were received, read, and ordered printed in the Journal:

WESTERN UNION.

COLUSA, CALIFORNIA, February 6, 1940.

The President of the Senate of the State of California.

It was moved by Supervisor Wescott, seconded by Supervisor Merrill, that the following resolution be adopted:

WHEREAS, The Federal Government has discontinued the PWA and the WPA, thereby increasing the load of the State on SRA; and

WHEREAS, The State has been slowly transferring parts of the SRA load to the counties, and whereas the State Legislature seems to want to transfer the entire SRA load to the counties and have them assume the burden on one-half of the estimated expense of the administration and as this could not do otherwise than increase the local taxation beyond all bounds; now, therefore, be it

Resolved by the Colusa County Supervisors, this day assembled, That we solicit the State Legislature to take over the entire relief load of the State of California, consisting of the aged, the blind, the half-orphans, the unemployed and the indigents, and take care of them in their own way, without any expense to the local taxpayers; and be it further

Resolved, That a copy of this resolution be sent to the Honorable Culbert L Olson, Governor of the State of California, to the Speaker of the Assembly, and to the President of the Senate

The above resolution was adopted by the following vote, to-wit:
Ayes—Supervisors Bell, Merrill, Ohrt, Struckmeyer, Wescott.
Noes—None.
Absent—None.

ATTEST:
[SEAL] S. E CRUTCHER, Clerk.

CITY OF ALBANY, COUNTY OF ALAMEDA,
February 6, 1940.

Honorable Ellis E. Patterson,
President, California State Senate,
Sacramento, California.

DEAR SIR: At the direction of our City Council, I am quoting below a motion which was adopted at the regular meeting of the Albany City Council held on February 5, 1940:

"That this Council memorialize the State Legislature, assembled in special session, to continue the centralized unemployment relief program under the State Administration."

We trust you will be able to give this matter your usual prompt attention.

Very truly yours,

H. W. BREWER,
City Clerk, City of Albany.

H.W.B.:O.

Communication.

The following communication was received, read, and on motion of Senator Slater, ordered printed in the Journal:

2051 DRACINA DRIVE,
HOLLYWOOD, CALIFORNIA, February 5, 1940.

To the Honorable Members of the Fifty-third Session of the California Senate.

GENTLEMEN: Words fail me when I attempt to express my gratitude for the exquisite memoriam to my husband, Joseph B. Strauss, sent me by the members of the California Senate in session at Sacramento March 30, 1939

The resolution was so beautifully expressed by Senator Herbert W. Slater of the Twelfth Senatorial District and Senator Thomas F. Keating of the Thirteenth Senatorial District.

It will always be one of my dearest possessions and when I, too, shall pass on, my request will be that it shall be placed in one of our great State museums where all the world may read and appreciate your tribute to a truly great and modest gentleman.

Please accept my heartfelt thanks.

Gratefully yours,

ETHELYN ANNETTE STRAUSS.

Report of Standing Committee.

The following report of standing committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 7, 1940.

MR. PRESIDENT. Your Committee on Rules has examined:

Senate Bill No. 5—An act to add section 862c to an act entitled "An act to provide for the organization, incorporation, and government of municipal corporations," approved March 13, 1883, relating to water systems of sixth-class cities and the sale and distribution of water therefrom, declaring the urgency of this act, to take effect immediately;

Senate Bill No. 7—An act to amend section 164 of the Vehicle Code, relating to renewal of registration of vehicles;

Senate Bill No. 57—An act to repeal sections 2226 and 2229 and to amend sections 2007 and 2227 of the Welfare and Institutions Code, relating to aid to the aged and providing for the cancellation and release of certain agreements heretofore required of recipients of aid to the aged, declaring the urgency thereof, to take effect immediately;

And reports that the same have been correctly engrossed.

SEAWELL, Chairman.

Consideration of Senate Resolution No. 19.

WHEREAS, The Legislature is convened in extraordinary session to consider and act upon various matters, including an act relative to the issuance by the Water Project Authority of the State of California of a portion of the revenue bonds authorized by the Central Valley Project Act of 1933 for the purpose of carrying out certain of the objects and purposes of said act; and

WHEREAS, The Division of Water Resources of the Department of Public Works, by Chapter 670, Statutes of 1939, was authorized and directed to prosecute efforts on behalf of the Water Project Authority of the State of California in aid of the construction of the Central Valley Project, including particular activities specified in said chapter; and

WHEREAS, By said Chapter 670, Statutes of 1939, the sum of one hundred thousand dollars was appropriated for use by the Division of Water Resources for the purposes therein specified; and

WHEREAS, In considering various matters before this Legislature in extraordinary session, including the proposal relative to the issuance of revenue bonds by the Water Project Authority of the State of California, it is essential that the Legislature be informed as to what has been done by the Division of Water Resources of the Department of Public Works pursuant to Chapter 670, Statutes of 1939; now, therefore, be it

Resolved by the Senate of the State of California, That the Director of Public Works is hereby requested to prepare and transmit to the Senate a complete and detailed report upon all the following matters:

A statement of the efforts in aid of the construction of the Central Valley Project prosecuted by the Division of Water Resources pursuant to Chapter 670, Statutes

of 1939, from the effective date thereof to the date of the adoption of this resolution, a statement of the efforts presently being prosecuted and also the efforts proposed to be prosecuted for the remainder of the biennium.

A statement showing the total amount expended by the Division of Water Resources in carrying out the provisions of Chapter 670, Statutes of 1939, the specific purposes for which such expenditures were made and whether such expenditures were made from the appropriation contained in said chapter or from any other source; the unexpended balance of the appropriation made by Chapter 670, Statutes of 1939, the amount of any other money currently available to carry out the provisions thereof, and so far as may be, the particular amounts for particular purposes proposed to be expended during the remainder of the biennium; and, be it further

Resolved, That the Secretary of the Senate is hereby directed forthwith to transmit a copy of this resolution to the Director of Public Works; and be it further

Resolved, That an itemized statement be rendered concerning budgeted amounts in connection with Chapter 670 of the Statutes of 1939.

Resolution read, and on motion of Senator Metzger, adopted.

Remarks.

The following remarks, offered by Senator Phillips, were ordered printed in the Journal:

Thursday evening, February 1st, I discussed the subject of "relief" over the radio program known as the "Public Forum," with Mr. Edwin James Cooley, SRA Director in San Francisco, taking the opposing side.

During the discussion Mr. Cooley made a statement that the Controller figured "chiselers" to be less than one per cent of the present SRA load—I think the figure he gave was four-tenths of one per cent.

Since I had known of no computation on this point by the Controller, and could not see how any such figure could be arrived at, I inquired of Harry B. Riley, the Controller, concerning the accuracy of Mr. Cooley's statement, and I now ask that his reply, together with this statement from me, be printed in the Senate Journal.

If Mr. Cooley's estimate and Mr. Riley's letter do nothing more, then it will call attention to the letter from the SRA Chapter of the C. S. E. A., printed in the Senate Journal of February 6, and to the reports from Ohio, where a private rating agency, given 2,000 cases in Toledo, 8,000 cases in Cleveland, and 14,200 cases by the State Auditor, discovered approximately one-quarter of the cases receiving aid to which they were not entitled

For the Legislature to call attention constantly to these facts is essentially to protect the deserving men and women who are unemployed and in need of aid, and who are at the present time sharing the money the Legislature appropriates with others who are not in need and who are taking advantage of those conditions in the SRA which have been called "intolerable" by practically every individual or group investigating this department of the State Government.

STATE OF CALIFORNIA, OFFICE OF CONTROLLER,
SACRAMENTO, February 7, 1940.

Honorable John Phillips, Senator,
State Capitol, Sacramento, California.

MY DEAR SENATOR: You have asked me if the Controller's office has given any information as to the percentage of so-called relief chiselers in the State of California.

My answer is that no information has ever been given from this office as to the percentage of so-called relief chiselers. Such a report would necessarily require a complete audit of every relief client case in the State.

Very truly yours,

HARRY B. RILEY,
Controller.

HBR:EMc

Consideration of Daily File.
Third Reading of Senate Bills.

Senate Bill No. 4—An act to add section 374.5 to the Vehicle Code, relating to license plates for exempt vehicles, and declaring the urgency of this act.

Bill read third time.

Urgency Clause.

SEC. 2. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution of the State of California, and shall take effect immediately.

The following is a statement of facts constituting such necessity: Motor vehicles used by law enforcement officers are required to display "exempt" license plates. This clearly discloses to suspected criminals the nature and ownership of the vehicles, and, in enabling such criminals to escape apprehension, seriously impairs the effectiveness of the work of such officers.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—34.

NOES—None.

The question being on the passage of the bill.

The roll was called, and Senate Bill No. 4 passed by the following vote:

AYES—Senators Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, and Wagy—34.

NOES—None.

Title read and approved.

Senate Bill No. 4 ordered transmitted to the Assembly.

Senate Bill No. 57—An act to repeal sections 2226 and 2229 and to amend sections 2007 and 2227 of the Welfare and Institutions Code, relating to aid to the aged and providing for the cancellation and release of certain agreements heretofore required of recipients of aid to the aged.

Amendments from the Floor.

During third reading of Senate Bill No. 57, the following amendments, offered by Senator Mayo, were read and adopted:

Amendment No. 1.

In line 2 of the title of the printed bill, as amended, after "2007", insert the following: ", 2140".

Amendment No. 2.

On page 1 of the printed bill, as amended, between lines 12 and 13 thereof, insert the following:

"SEC. 1 3. Section 2140 of the Welfare and Institutions Code is hereby amended to read as follows:

2140. The State Department of Social Welfare shall have the power to and shall prescribe the form of application, the manner and form of all reports and such additional rules and regulations as are necessary for the carrying out of the provisions of this chapter, and not inconsistent therewith. Such rules and regulations shall be binding upon the boards of supervisors of the various counties. However, neither the State Department of Social Welfare nor the State Social Welfare Board shall have authority, by rule, regulation, or otherwise, to withhold or to order to be withheld any money subject to payment to any county under this chapter because of any rule or regulation of the State Department of Social Welfare. The State Department of Social Welfare shall make such reports in such form and containing such information as the Social Security Board may from time to time require, and shall comply with such provisions as the Social Security Board may

from time to time find necessary to assure the correctness and verification of such reports."

Bill read, ordered to print, engrossment, and on file for third reading.

Senate Bill No. 5—An act to add section 862c to an act entitled "An act to provide for the organization, incorporation, and government of municipal corporations," approved March 13, 1883, relating to water systems of sixth-class cities and the sale and distribution of water therefrom.

Bill read third time.

Urgency Clause.

SEC. 2. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution, and therefore shall take effect immediately. The facts constituting such necessity are as follows:

Certain cities of the sixth class, and particularly the city of Bishop, are in need of the construction of new water mains and other water supply facilities. No provision of law exists whereby such cities may cooperate with the Federal Government as to the water supply of such cities and nearby Federal reservations. This act, in permitting such cooperation, will serve to assure such cities of a proper water supply if immediate action may be taken before the Federal Government acts independently as to its reservations, thus preserving the public health.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—35.

NOES—None.

The question being on the passage of the bill.

The roll was called, and Senate Bill No. 5 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—34.

NOES—None.

Title read and approved.

Senate Bill No. 5 ordered transmitted to the Assembly.

Senate Bill No. 6—An act to amend sections 232 and 377.5 of the Vehicle Code, relating to the installation of motor vehicle engines or motors.

Bill read third time.

The question being on the passage of the bill.

The roll was called, and Senate Bill No. 6 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating,

Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—33.
NOES—None.

Title read and approved.
Senate Bill No. 6 ordered transmitted to the Assembly.

Senate Bill No. 7—An act to amend section 164 of the Vehicle Code, relating to renewal of registration of vehicles.

Bill read third time.
The question being on the passage of the bill.
The roll was called, and Senate Bill No. 7 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Keating, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—32.
NOES—None.

Title read and approved.
Senate Bill No. 7 ordered transmitted to the Assembly.

Senate Bill No. 8—An act to amend sections 210 and 252 of the Vehicle Code, and to repeal sections 211, 212, 213 and 214 thereof, relating to permits to nonresident owners of motor vehicles.

Bill read third time.
The question being on the passage of the bill.
The roll was called, and Senate Bill No. 8 passed by the following vote:

AYES—Senators Biggar, Breed, DeLap, Deuel, Garrison, Gordon, Hays, Holohan, Jespersen, Keating, Kenny, Mayo, McCormack, Metzger, Mixter, Myhand, Parkman, Phillips, Rich, Slater, and Wagy—21.
NOES—Senators Brown, Collier, Crittenden, Cunningham, Fletcher, McBride, Nielsen, Powers, Quinn, Seawell, Shelley, Swing, and Tickle—13.

Title read and approved.
Senate Bill No. 8 ordered transmitted to the Assembly.

Senate Constitutional Amendment No. 2.

A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by adding a new section numbered 13 to Article XVI thereof, relating to the powers of the Legislature in respect to the release, rescission, or remission of encumbrances and obligations taken as security for the repayment of aid to the aged, and ratifying certain acts of the Legislature relating thereto.

Resolved by the Senate, the Assembly concurring, That the Legislature of the State of California, in extraordinary session commencing on the twenty-ninth day of January, 1940, two-thirds of the members elected to each of the two houses of the Legislature voting therefor, hereby proposes to the people of the State of California that the Constitution of the State be amended by adding a new section, to be numbered 13 to Article XVI thereof, to read as follows:

SEC. 13 (a) Notwithstanding any other provision of this Constitution, the Legislature shall have plenary power to release, rescind, cancel, remit, or otherwise nullify in whole or in part any liens, mortgages, transfers or other encumbrances on real or personal property, personal obligations, or other forms of security heretofore or hereafter exacted or imposed pursuant to law to secure the repayment to, or reimbursement of, the State, and the counties or other agencies of the State Government, for aid lawfully granted to and received by aged persons.

(b) Neither the enactment of this section nor anything contained in this section shall be construed to impair the validity of any law enacted by the Legislature in

extraordinary session, commencing on the twenty-ninth day of January, 1940, releasing or authorizing the release, rescission, cancellation or remittance in whole or in part of any liens, mortgages, transfers or other incumbrances on real or personal property, personal obligations or other forms of security heretofore executed or imposed pursuant to law to secure the repayment of, the State and the counties or other agencies of the State Government for aid lawfully granted to and received by aged persons, and any such act is hereby confirmed and ratified, and shall have the same force and effect as if this section had been adopted prior to the enactment of such act.

(c) Should an amendment to the Constitution by adding a new section to be numbered 12 to this article, as proposed by Assembly Constitutional Amendment No. 1 of the fifty-third session of the Legislature (Resolution Chapter 58 of the Statutes of 1939), be adopted at the general election held on November 5, 1940, nothing in this section shall be construed to limit or restrict in any way the provisions of said section 12.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Constitutional Amendment No. 2 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—34.

NOES—None.

Senate Constitutional Amendment No. 2 ordered transmitted to the Assembly.

Senate Bill No. 15—An act amending sections 3 and 5 of an act entitled "An act creating the Colorado River Board of California and the office of Colorado River Commissioner of California, prescribing the powers and duties of said board and commissioner," approved July 1, 1937, relating to powers and duties of the board and commissioner.

Bill read third time.

The question being on the passage of the bill

The roll was called, and Senate Bill No. 15 passed by the following vote:

AYES—Senators Biggar, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—31.

NOES—None.

Title read and approved.

Senate Bill No. 15 ordered transmitted to the Assembly.

Third Reading of Assembly Bills.

Assembly Concurrent Resolution No. 4.

Relative to the death of Pope Pius XI.

WHEREAS, The year 1939 was saddened for all Christian people by the death of His Holiness, Pope Pius XI, Pope of Peace; and

WHEREAS, On February 10, 1939, he laid down the burdens of a world leader which he had long carried so well, for the eternal rest of the faithful; and

WHEREAS, His labors during the seventeen years in which he headed the Roman Catholic Church were devoted to making that church a more effective power for peace and understanding among the nations of this earth; and

WHEREAS, As a temporal sovereign his reign was eminently successful; and

WHEREAS, It is fitting that in times of war, misgovernment and oppression of minorities, the memory of one who vigorously and effectively opposed them be kept alive; now, therefore, be it

Resolved by the Assembly of the State of California, the Senate concurring, That the Legislature of the State of California hereby expresses the deep sense of loss experienced by the people of California at the death of His Holiness, Pope Pius XI.

Resolution read, and on motion of Senator Shelley unanimously adopted by a rising vote of the Senate.

Assembly Concurrent Resolution No. 4 ordered transmitted to the Assembly.

Assembly Joint Resolution No. 6.

Relative to furnishing assistance to the Republic of Finland

WHEREAS, Our forefathers fought against overwhelming odds and heroically endured the privations and sufferings of Valley Forge to establish here a free Nation of free men; and

WHEREAS, This Nation as constituted has triumphed over all attacks from without and from within and stands preeminent today in providing for all its citizens the rights guaranteed to them by the Constitution of the United States of America; and

WHEREAS, The people of the State of California as loyal citizens of the United States cherish for themselves and for all nations the rights thus established and abhor oppression; and

WHEREAS, The power-besotted dictator of one of the most brutal and degraded tyrannies now existing in the world is at this time attempting to stamp out every vestige of freedom and democracy in Finland, and

WHEREAS, The Republic of Finland is now the innocent victim of unprovoked aggression upon the part of a dictator whose ultimate aim it is to engulf our entire civilization in chaos and destruction; and

WHEREAS, The Finnish people are now engaged in the defense of the very existence of their country, its free institutions and religion against cruelty, tyranny and wrong; and

WHEREAS, The tenacious resistance of the Finnish people and government to overwhelming odds commands the heartfelt admiration of the civilized world; and

WHEREAS, The loyal fulfillment of its obligations by the Republic of Finland has entitled it to and gained it the respect and sympathy of the people of the United States; and

WHEREAS, The people of the United States are anxious to express in a material and useful manner their compassion and friendship to the Finnish people; now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That they do hereby extend to the government and the people of Finland their greetings and their fervent hope that they shall continue to succeed in the protection and defense of their national existence; and be it further

Resolved, That the Assembly and Senate of the State of California commend the efforts of the people of the United States to provide funds for Finnish noncombatants, especially women and children, now undergoing suffering and privation, and they equally deplore all efforts in this Nation or abroad to destroy or abate the independence of Finland or the United States of America; and be it further

Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, and to the Senators and Representatives from this State.

Resolution read.

Motion to Re-refer Assembly Joint Resolution No. 6.

Senator Kenny moved that Assembly Joint Resolution No. 6 be re-referred to Committee on Governmental Efficiency.

Ayes and Noes Demanded.

A roll call was demanded by Senators Phillips, Biggar and Seawell on the adoption of the motion.

The roll was called, and the motion lost by the following vote:

AYES—Senators Cunningham and Kenny—2.
NOES—Senators Biggar, Breed, Collier, Crittenden, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—32.

The question being on the adoption of the resolution.

The roll was called, and Assembly Joint Resolution No. 6 adopted by the following vote:

AYES—Senators Biggar, Breed, Collier, Crittenden, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—32.
NOES—Senators Cunningham and Kenny—2.

Assembly Joint Resolution No. 6 ordered transmitted to the Assembly.

Assembly Bill No. 79—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, and to provide that this act shall take effect immediately.

Bill read third time.

Urgency Clause.

SEC. 3. This act is hereby declared to be an urgency measure, necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution, and as such shall take effect immediately. The facts constituting such necessity are as follows:

The appropriation for unemployment relief for the ninety-first fiscal year is inadequate and will soon be exhausted, and it is necessary that additional funds be made immediately available. Unless this act takes effect immediately, relief operations will have to be suspended for the balance of the fiscal year, which will result in untold hardship and suffering to a great number of persons receiving relief in this State at this time, and will cause unrest throughout the State.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy —35.
NOES—None.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 79 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Keating,

Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy —35.

NOES—None.

Title read and approved.

Assembly Bill No. 79 ordered transmitted to the Assembly.

Assembly Concurrent Resolution No. 5.

Calling upon the Governor to permit well considered, comprehensive legislation upon the subject of the relief of hardship and destitution, whether due to and caused by unemployment or by other causes.

WHEREAS, The present State Relief Administration was established as a temporary expedient for the administration of unemployment relief, and has continued to be and will continue to be in the future a mere temporary expedient; and

WHEREAS, The distinctions required by the present status of the law between employable indigents and unemployable indigents is difficult of application, discriminatory in operation, and deprecated by all agencies interested in public welfare; and

WHEREAS, All legislation upon the subject of relief has been haphazard, temporary, and hastily considered; and

WHEREAS, The subject of relief as stated in the Governor's proclamation convening this Legislature into special session is unduly restrictive and will permit of no more than piecemeal, temporary legislation; and

WHEREAS, The subject of relief of hardship and destitution, whether due to and caused by unemployment or by other causes, should be considered by the Legislature in order to deal effectively with the subject of relief; now, therefore, be it

Resolved by the Assembly of the State of California, the Senate concurring, That the Honorable Culbert L. Olson, Governor of California, is hereby expressly and specifically requested immediately to issue a proclamation specifying therein the subjects of legislation in such manner that the Legislature and the Governor of California will clearly have power and jurisdiction forthwith to consider and act upon, and enact into law, legislation for the relief of hardship and destitution whether resulting from unemployment or from any other causes; and be it further

Resolved, That the chief clerk of the Assembly is hereby directed forthwith to deliver a copy of this resolution to the Governor of California.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Resolution No. 5 refused adoption by the folowing vote:

AYES—Senators Biggar, Breed, Collier, Crittenden, DeLap, Fletcher, Gordon, Hays, Holohan, Keating, Mayo, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Seawell, Tickle, and Wagy—20.

NOES—Senators Brown, Cunningham, Deuel, Foley, Garrison, Jespersen, Kenny, McBride, McCormack, Metzger, Quinn, Rich, Shelley, Slater, and Swing—15.

Motion to Reconsider.

Senator Rich moved to reconsider the vote whereby Assembly Concurrent Resolution No. 5 was refused adoption.

The question being on the adoption of the motion to reconsider.

The roll was called, and reconsideration refused by the following vote:

AYES—Senators Biggar, Breed, Collier, Crittenden, DeLap, Fletcher, Gordon, Hays, Holohan, Mayo, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Seawell, Tickle, and Wagy—19.

NOES—Senators Brown, Cunningham, Deuel, Foley, Garrison, Jespersen, Keating, Kenny, McBride, McCormack, Metzger, Quinn, Rich, Shelley, Slater, and Swing—16.

Report of Standing Committee.

The following report of standing committee was received and read:

On Social Problems.

SENATE CHAMBER, SACRAMENTO, February 7, 1940.

MR. PRESIDENT: Your Committee on Social Problems, to which was referred:
Senate Joint Resolution No. 3—Relative to increased contributions by the Federal Government for relief in California;
Has had the same under consideration, and respectfully reports the same back, and recommends that it be adopted.
Committee membership—11; committee vote: Ayes—10; absent—1.

PHILLIPS, Chairman

Requests for Permission to Introduce Bills.

The following requests for permission to introduce bills were presented:

By Senator Shelley:

SENATE CHAMBER, SACRAMENTO, February 7, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:
An act to amend section 64 of the Alcoholic Beverage Control Act and to add section 54.1 thereto, relating to alcoholic beverages.
Respectfully submitted.

SENATOR SHELLEY.

Request referred to Committee on Rules.

By Senator Collier:

SENATE CHAMBER, SACRAMENTO, February 7, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to offer a concurrent resolution, the title of which is set forth below:
Relative to requesting certain data from the State Personnel Board.
Respectfully submitted.

SENATOR COLLIER.

Request referred to Committee on Rules.

By Senators Fletcher and Kenny:

SENATE CHAMBER, SACRAMENTO, February 7, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to offer a concurrent resolution, the title of which is set forth below:
Relative to the operation, maintenance, and extension of the State Park System.
Respectfully submitted.

SENATOR FLETCHER.

Request referred to Committee on Rules.

Adjournment.

At twelve o'clock and fifty minutes p.m., on motion of Senator Seawell, the President of the Senate declared the Senate adjourned, until eleven o'clock a.m., Thursday, February 8, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Thursday, February 8, 1940.

The Senate met at eleven o'clock a.m.
Hon. Ellis E. Patterson, President of the Senate, in the chair.
Secretary Joseph A. Beek at the desk.

Roll Call.

The roll was called, and the following answered to their names:

Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Kenny, Mayo, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—31.

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev. A. Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Wednesday, February 7, 1940, the further reading was dispensed with, on motion of Senator Slater.

Leaves of Absence.

Senator Rich was, on motion of Senator Hays, granted leave of absence for this day.

Senator Hollister was, on motion of Senator Swing, granted leave of absence for this day.

Senator McBride was, on motion of Senator Collier, granted leave of absence for this day.

Senator Keating was, on motion of Senator Powers, granted leave of absence for this day.

Privilege of Floor of Senate Extended.

On request of Senator Garrison, the privilege of the floor of the Senate Chamber for this day was unanimously extended to L. C. Welton of Waterford.

On request of Senator Parkman, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Miss Alys Platzer and Miss Clara Katherine Lundberg of Sacramento.

On request of Senator Fletcher, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mr. and Mrs. M. E. Durham of Los Angeles and Mrs. Harriett Croy of Sacramento.

On request of Senator Tickle, the privilege of the floor of the Senate Chamber for this day was unanimously extended to R. C. Cook, supervisor; D. C. McMillan, city manager; Hugh Laughlan, and Robert Lefever, chairman of the Board of Supervisors, all of Ventura.

On request of Senator Nielsen, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Claude Yarwood of Rochester, Washington, brother of Paul Yarwood, secretary of the Advisory Pardon Board of California

On request of Senator Biggar, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Supervisor and Mrs. Henry Holliday of Point Arena.

On request of Senator Holohan, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Charles Grunsky of Santa Cruz.

Request for Permission to Offer a Joint Resolution.

The following request for permission to offer a joint resolution was presented:

By Senator Wagy:

SENATE CHAMBER, SACRAMENTO, February 8, 1940

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to offer a joint resolution, the title of which is set forth below:

Relative to House Bill No. 7372, relating to Federal control of oil and gas production in California.

Respectfully submitted.

SENATOR WAGY

Request referred to Committee on Rules.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, February 7, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 5—An act to add section 3014 5 to the Civil Code, relating to trust receipt transactions, including those pertaining to motor vehicles;

Assembly Bill No. 64—An act making an appropriation for the contingent expenses of the Assembly for the fifty-third (extraordinary) session of the Legislature

including expenses of committees created at that session, and declaring that this act shall take effect immediately;

Assembly Bill No. 51—An act to validate the organization, boundaries, governing officers or boards, acts, proceedings, and bonds of public bodies;

Assembly Bill No. 44—An act to validate the organization, boundaries, governing officers or boards, acts, proceedings, and bonds of public bodies, to take effect immediately.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

The above bills ordered referred to Committee on Rules

ASSEMBLY CHAMBER, SACRAMENTO, February 7, 1940

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Senate Concurrent Resolution No. 4—Relative to the establishment of the Luther Burbank Memorial Highway.

JACK CARL GREENBURG, Chief Clerk of Assembly
By C. W. BOOTH, Assistant Clerk

Senate Concurrent Resolution No. 4 ordered to enrollment.

Reports of Standing Committee.

The following reports of standing committee were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 8, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Joint Resolution No. 4—Relative to memorializing Congress to take action in respect to the existing emergency in the Tulelake District;

And reports that the same has been correctly enrolled and presented to the Governor on the seventh day of February, 1940, at eleven o'clock a.m.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 8, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Bill No. 57—An act to repeal sections 2226 and 2229 and to amend sections 2007, 2140 and 2227 of the Welfare and Institutions Code, relating to aid to the aged and providing for the cancellation and release of certain agreements heretofore required of recipients of aid to the aged, declaring the urgency thereof, to take effect immediately;

And reports that the same has been correctly re-engrossed.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 8, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Joint Resolution No. 3—Relative to increased contributions by the Federal Government for relief in California;

And reports that the same has been correctly engrossed

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 8, 1940.

MR PRESIDENT: Your Committee on Rules, to which was referred the following request by Senator Shelley for permission to introduce a bill:

An act to amend section 6.4 of the Alcoholic Beverage Control Act and to add section 54.1 thereto, relating to alcoholic beverages;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the bill introduced and referred to Committee on Finance, Revenue and Taxation.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 8, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following request by Senator Collier for permission to introduce:

Senate Concurrent Resolution—Relative to requesting certain data from the State Personnel Board;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the resolution introduced and referred to Committee on Governmental Efficiency.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 8, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following request by Senators Fletcher and Kenny for permission to introduce:

Senate Concurrent Resolution—Relative to the operation, maintenance, and extension of the State Park System.

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the resolution introduced and referred to Committee on Governmental efficiency

Committee membership—5; committee vote: Ayes—5

SEAWELL, Chairman.

Introduction, First Reading and Reference of Bills.

The following bills were introduced:

Senate Bill No. 70: By Senator Shelley—An act to amend section 6.4 of the Alcoholic Beverage Control Act and to add section 54.1 thereto, relating to alcoholic beverages.

Senate Bill No. 70 read first time, and referred to Committee on Finance, Revenue and Taxation.

Senate Concurrent Resolution No. 5: By Senator Collier—Relative to requesting certain data from the State Personnel Board

Senate Concurrent Resolution No. 5 read, and referred to Committee on Governmental Efficiency.

Senate Concurrent Resolution No. 6: By Senators Fletcher and Kenny—Relative to the operation, maintenance, and extension of the State park system.

Senate Concurrent Resolution No. 6 read, and referred to Committee on Governmental Efficiency.

Withdrawal and Re-reference of Senate Concurrent Resolution No. 6.

Senator Fletcher moved that Senate Concurrent Resolution No. 6 be withdrawn from Committee on Governmental Efficiency and referred to Committee on Finance, Revenue and Taxation

Motion carried, and such was the order.

Consideration of Daily File.

Third Reading of Senate Bills.

Senate Joint Resolution No. 3.

Relative to increased contributions by the Federal Government for relief in California.

WHEREAS, In view of the fact that we live in a Christian Nation and a civilized community, it is incumbent on the citizens of California to be concerned for the

welfare of their neighbors who find themselves in the humble position of requiring aid to meet the necessities of life; and

WHEREAS, To add to our responsibilities for the care of poor persons have come many thousands of immigrants to California from the cold of the North, the drouth and dust bowl areas of the Middle West, and the flooded areas of the South; and

WHEREAS, The taxpayers of the State of California have been called upon to aid and assist in assimilating this influx of unfortunate American citizens who have migrated to our State in desperation and are in dire need; and

WHEREAS, We feel that this obligation is a responsibility of the State from which these people came; and

WHEREAS, The taxpayers of the State of California have uncomplainingly up to the present time taken care of this situation as best they know how and to the limit of their ability, at a cost of many millions of dollars annually; and

WHEREAS, The State of California paid to the Federal Government between the years of 1933 and 1938 inclusive, more than $1,131,000,000 in taxes; and

WHEREAS, The State of California received from the Federal Government from all sources in return $952,000,000—California having paid nearly two hundred million dollars more in taxes than it received from the Federal Government during that period; and

WHEREAS, During that same period Oregon paid to the Federal Government approximately $50,000,000 in taxes and received more than $228,000,000 in return from the Federal Government—receiving over four and one-half times what it paid in; and

WHEREAS, Nevada paid approximately $15,000,000 to the Federal Government during the same period and received in excess of $98,000,000 in return, or in excess of six and one-half times its payment to the Federal Government, and neither of these States received an appreciable amount of immigrants nor are they carrying the local load that California is carrying, on account of the large number of persons receiving old age assistance in our State; now, therefore, be it

Resolved by the Senate and Assembly of the State of California, jointly, That the President of the United States, the Congress of the United States, the Federal Security Administrator and the Commissioner of the Work Projects Administration are hereby respectfully urged and implored to come to the aid of California and give immediate attention and favorable action to our just cause at this crucial moment when it is necessary to call an extraordinary session of the Legislature to appropriate additional funds for relief; and be it further

Resolved, That the Governor of the State of California is hereby requested to transmit copies of this resolution to the President of the United States, the Congress of the United States, the Federal Security Administrator and the Commissioner of the Work Projects Administration; and be it further

Resolved, That the Governor of the State of California and the State Relief Administrator are requested immediately to take steps to prosecute this resolution to a successful conclusion.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Joint Resolution No. 3 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Kenny, Mayo, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—31.

NOES—None.

Senate Joint Resolution No. 3 ordered transmitted to the Assembly.

Senate Bill No. 57—An act to repeal sections 2226 and 2229 and to amend sections 2007 and 2227 of the Welfare and Institutions Code, relating to aid to the aged and providing for the cancellation and release of certain agreements heretofore required of recipients of aid to the aged.

Amendments from the Floor.

During third reading of Senate Bill No. 57, the following amendments, offered by Senator Biggar, were read:

Amendment No. 1.

In line 1 of the title of the printed bill, as amended, strike out "sections 2226 and 2229", and insert in lieu thereof the following. "section 2226".

Amendment No. 2.

In line 2 of the title of the printed bill, as amended, strike out "and 2227", and insert in lieu thereof the following: ", 2227 and 2229".

Amendment No. 3.

On page 1, line 11, of the printed bill, as amended, strike out "and section 2229".

Amendment No. 4.

On page 1, line 12, of the printed bill, as amended, strike out "are", and insert in lieu thereof the following: "is".

Amendment No. 5.

On page 3 of the printed bill, as amended, between lines 2 and 3, insert the following:

"SEC. 2.5. Section 2229 of the Welfare and Institutions Code is hereby amended to read as follows:

2229. Upon the death of a recipient of aid under this chapter the county shall have a claim for reimbursement for all aid granted to the recipient under this chapter against that portion of the estate of the recipient which passes to any adult child of the recipient who during the lifetime of the recipient was subject to proceedings under section 2224 and who did not contribute to the support of the recipient."

Ayes and Noes Demanded.

A roll call was demanded by Senators Garrison, Mayo and Biggar on the adoption of the amendments.

The roll was called, and the amendments refused adoption by the following vote:

AYES—Senators Biggar, Breed, Cunningham, Deuel, Gordon, Kenny, McCormack, Mixter, Nielsen, Phillips, Quinn, Seawell, Slater, and Wagy—14.

NOES—Senators Brown, Collier, Crittenden, DeLap, Fletcher, Foley, Garrison, Holohan, Jespersen, Mayo, Myhand, Parkman, Powers, Shelley, and Swing—15.

Urgency Clause.

SEC. 5. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution and shall therefore take effect immediately. A statement of facts constituting such necessity is as follows.

There has been a lack of uniformity in the application of the Old Age Security Law in the several counties of this State and if this condition is permitted to continue the entire system of old age assistance will be jeopardized. The Federal Social Security Act with which this State must comply in order to receive Federal grants in aid for old age assistance requires the Old Age Security Law of this State to be in uniform operation throughout the State and to be mandatory upon the counties inasmuch as they are an agency administering the act. If this lack of uniformity in the operation of the Old Age Security Law is permitted to continue the State will be deprived of all Federal grants in aid for old age assistance Unless, therefore, this act is made to take effect immediately and the Old Age Security Law is made to conform with the requirements of the Federal Social Security Act as soon as possible, the entire system of aid to the aged in this State will be disrupted by the cessation of Federal grants in aid which may result, and which if it did result would cause widespread hardship and destitution and endanger the public peace, health, and safety.

Urgency clause read.

The question being on the adoption of the urgency clause

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Kenny, Mayo, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—32.
NOES—None.

The question being on the passage of the bill.

The roll was called, and Senate Bill No. 57 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Kenny, Mayo, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—32.
NOES—None.

Title read and approved.

Senate Bill No. 57 ordered transmitted to the Assembly.

Communication.

The following communication was received, read, and on motion of Senator Seawell ordered printed in the Journal:

January 31, 1940.

Honorable Jerrold L. Seawell, President Pro Tempore,
Senate Chamber, State Capitol,
Sacramento, California.

DEAR SENATOR SEAWELL: Following is a copy of a telegram received by me:

"Central Executive Committee passed following resolution: Since resignation Hon Edward Law leaves Senate vacancy. We recognize in Senator Ed. Fletcher the man best acquainted with needs and issues of our district. He knows our citizens, having worked with our people during past twenty-five years, is in closer touch with our business and civic enterprises, is taxpayer in Imperial County, familiar with our agricultural and water problems, consequently better qualified to safeguard our interests than any other Senator. Therefore ask that State Senate designate Hon Ed. Fletcher to look after affairs and interests of the Thirty-ninth District this special session.

GRACE LITTLE.
F. T. COOK.
LAUREL M. FERGUSON.
FERN L. YOUNG.
OTTO J BRADSHAW.
ASSISTANT SECRETARY FRANK BIRKHAUSER, Chairman."

I believe Senator Fletcher will take care of the interests of Imperial County in the Senate, should matters arise making representation necessary. I am happy to add my approval to the thought contained in the telegram.

Sincerely yours,

CLARENCE R. WALKER.

CRW:JM.

Communications.

The following communications were received, read, and on motion of Senators Phillips and Shelley, ordered printed in the Journal:

February 6, 1940.

Honorable John Phillips, Senator, Thirty-seventh District,
State Capitol Building, Sacramento, California.

DEAR SENATOR PHILLIPS: My remarks over radio station KFBK regarding the control of the State Personnel Board over the qualifications of persons employed by

the SRA were based upon the provisions of the agreement made on July 1, 1939, between Mr. Louis J. Kroeger, Executive Officer of the State Personnel Board, Mr. Phil S. Gibson, Director of the State Department of Finance, and Mr. Walter Chambers, SRA Administrator

Section 1 of this contract states, in part, that the (State Personnel) Board shall represent the Department (of Finance) in exercising the legal authority of the department in supervising the personnel work of the (State Relief) Administration, * * * to the extent necessary to cause the personnel procedures and practices, particularly the classifications of positions and rates of pay for the various classifications under the administration, to conform with those generally recognized in the State civil service.

Section 2 of this contract further provides that in the accomplishment of the purpose set forth in section 1, the Personnel Board shall investigate all proposed personnel transactions and its approval, disapproval, or modification of proposals shall be deemed the recommendations of the Personnel Board to the Department of Finance, subject to the final approval of the department.

You will note that while the board is particularly charged with review of proposed classifications and rates of pay, that is not its sole responsibility. It is also responsible for all review of personnel transactions necessary to cause the personnel procedures and practices of the SRA to conform with those generally recognized in the State civil service.

That the Personnel Board has recognized and exercised this responsibility is evidenced by the following instances:

1. A proposed appointment to the position of Director of the SRA Division of Planning and Research was held up by the Personnel Board because of "lack of qualifications" of the proposed appointee, and, when finally approved, was at a monthly salary of $40 less than that approved for the previous director of this division.
2. A proposed appointment to the position of Director of the SRA Personnel Division was similarly held up by the Personnel Board because of "lack of qualifications."
3. The Personnel Board refused to approve the transfer of three SRA employees to the SRA personnel division as assistant personnel technicians on the basis of their qualifications for this work.
4. Proposed appointments of district directors in Los Angeles County were disapproved by the Personnel Board because of lack of need and qualifications for the positions.

While these are only some of the instances wherein the State Personnel Board has considered qualifications in proposed appointments and reclassifications in the SRA, I feel that they are sufficient evidence to demonstrate that the Personnel Board has exercised the full responsibilities given to it under the contract mentioned above, and has not been concerned solely with reviewing the classification of positions for the purpose of keeping rates of pay in the SRA comparable with those for similar positions in the State civil service.

Since remarks and letters at variance with the above have been entered in the Senate Daily Journal for February 5, 1940, may I request that you also enter the above in the Senate Journal.

Yours very truly,

EDWIN JAMES COOLEY,
SRA Director for San Francisco County.

CALIFORNIA STATE PERSONNEL BOARD,
1025 P STREET, SACRAMENTO, February 7, 1940.

The Honorable John Phillips, Member of Senate,
State Capitol, Sacramento, California.

DEAR SENATOR PHILLIPS: I have a copy of Mr. Cooley's letter to you dated February 6, 1940. I do not care to engage in continual correspondence on this subject, but at the same time I dislike inaccuracies in the record.

The language of the agreement between this office, the Department of Finance, and the Relief Administration relative to the supervision of certain personnel matters in the Relief Administration is not pertinent to the point recently discussed on the radio and about which I wrote to you on February 2.

Mr. Cooley's statement at that time was that the "State Personnel Board had approved the qualifications of every person appointed under the State Relief Administration." My reply was that we had not actually exercised any supervision whatsoever on the question of qualifications, and I here repeat that statement.

In each of the specific cases mentioned by Mr. Cooley, the personnel documents were held up by this office because we doubted that the duties to be performed justi-

fied the classification and salary proposed by the Relief Administration. We did not attempt to exercise any control whatsoever over the requirements to be established for these positions nor did we seek to review the qualifications of those appointed.

Very truly yours,

LOUIS J. KROEGER,
Executive Officer.

1/20.
cc-Mr. Cooley.

Report of Standing Committee.

The following report of standing committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 8, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 64—An act making an appropriation for the contingent expenses of the Assembly for the fifty-third (extraordinary) session of the Legislature, including expenses of committees created at that session, and declaring that this act shall take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be re-referred to Committee on Contingent Expenses.

SEAWELL, Chairman.

Assembly Bill No. 64 read first time, and referred to Committee on Contingent Expenses.

Motion.

Senator Seawell moved that the Senate suspend its rules and rescind the action of the Senate of February 7, 1940, in refusing adoption to Assembly Concurrent Resolution No. 5.

The question being on the adoption of the motion.

The roll was called, and the motion adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, DeLap, Deuel, Fletcher, Gordon, Hays, Holohan, Mayo, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Seawell, Slater, Tickle, and Wagy—25.

NOES—Senators Cunningham, Foley, Garrison, Jespersen, Kenny, and Shelley—6

Motion.

Senator Seawell moved that the Secretary of the Senate be directed to request the Assembly to return Assembly Concurrent Resolution No. 5 to this house for further consideration.

Motion carried, and such was the order.

Report of Standing Committee.

The following report of standing committee was received and read:

On Contingent Expenses.

SENATE CHAMBER, SACRAMENTO, February 8, 1940.

MR. PRESIDENT: Your Committee on Contingent Expenses, to which was referred:

Assembly Bill No 64—An act making an appropriation for the contingent expenses of the Assembly for the fifty-third (extraordinary) session of the Legis-

lature, including expenses of committees created at that session, and declaring that this act shall take effect immediately;
Has had the same under consideration, and respectfully reports the same back and recommends that it do pass.

SENATORS SEAWELL
HOLOHAN.

Resolution.

The following resolution was offered:
By Senator Seawell:

Resolved, That Assembly Bill No. 64 presents a case of urgency, as that term is used in section 15 of Article IV of the Constitution, and the provision of that section requiring that the bill shall be read on three several days in each House is hereby dispensed with, and it is ordered that said bill be read the second and third times, and placed upon its passage

Resolution read.
The question being on the adoption of the resolution.
The roll was called, and the resolution adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Kenny, Mayo, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—30.
NOES—None.

Second Reading of Assembly Bill No. 64.

Assembly Bill No. 64—An act making an appropriation for the contingent expenses of the Assembly for the fifty-third (extraordinary) session of the Legislature including expenses of committees created at that session, and declaring that this act shall take effect immediately.

Bill read second time.
Bill read third time.
The question being on the passage of the bill.
The roll was called, and Assembly Bill No. 64 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Kenny, Mayo, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Quinn, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—31.
NOES—None

Title read and approved.
Assembly Bill No. 64 ordered transmitted to the Assembly.

Message from the Assembly.

The following message from the Assembly was received and read:

ASSEMBLY CHAMBER, SACRAMENTO, February 8, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day respectfully returns to the Senate Assembly Concurrent Resolution No. 5 in accordance with your request.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk

Reconsideration of Assembly Concurrent Resolution No. 5.

Assembly Concurrent Resolution No. 5.

Calling upon the Governor to permit well considered, comprehensive legislation upon the subject of the relief of hardship and destitution, whether due to and caused by unemployment or by other causes.

WHEREAS, The present State Relief Administration was established as a temporary expedient for the administration of unemployment relief, and has continued to be and will continue to be in the future a mere temporary expedient; and

WHEREAS, The distinctions required by the present status of the law between employable indigents and unemployable indigents is difficult of application, discriminatory in operation, and deprecated by all agencies interested in public welfare; and

WHEREAS, All legislation upon the subject of relief has been haphazard, temporary, and hastily considered; and

WHEREAS, The subject of relief as stated in the Governor's proclamation convening this Legislature into special session is unduly restrictive and will permit of no more than piecemeal, temporary legislation; and

WHEREAS, The subject of relief of hardship and destitution, whether due to and caused by unemployment or by other causes, should be considered by the Legislature in order to deal effectively with the subject of relief; now, therefore, be it

Resolved by the Assembly of the State of California, the Senate concurring, That the Honorable Culbert L. Olson, Governor of California, is hereby expressly and specifically requested immediately to issue a proclamation specifying therein the subjects of legislation in such manner that the Legislature and the Governor of California will clearly have power and jurisdiction forthwith to consider and act upon, and enact into law, legislation for the relief of hardship and destitution whether resulting from unemployment or from any other causes; and be it further

Resolved, That the chief clerk of the Assembly is hereby directed forthwith to deliver a copy of this resolution to the Governor of California.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Concurrent Resolution No. 5 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Gordon, Hays, Holohan, Jespersen, Mayo, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Seawell, Slater, Tickle, and Wagy—27.

NOES—Senators Foley, Garrison, Kenny, and Shelley—4.

Assembly Concurrent Resolution No. 5 ordered transmitted to the Assembly.

Adjournment.

At twelve o'clock and thirty-five minutes p m., on motion of Senator Seawell, the President of the Senate declared the Senate adjourned, until eleven o'clock a m., Friday, February 9, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Friday, February 9, 1940.

The Senate met at eleven o'clock a m.
Hon. Ellis E. Patterson, President of the Senate, in the chair.
Secretary Joseph A Beek at the desk.

Roll Call.

The roll was called, and the following answered to their names:

Senators Biggar, Breed, Brown, Crittenden, Cunningham, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Kenny, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—29.

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev. A. Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Thursday, February 8, 1940, the further reading was dispensed with, on motion of Senator Slater.

Leaves of Absence.

Senator Swing was, on motion of Senator Rich, granted leave of absence for this day.

Senator Hollister was, on motion of Senator McCormack, granted leave of absence for this day.

Senator Collier was, on motion of Senator McBride, granted leave of absence for this day.

Senator DeLap was, on motion of Senator Rich, granted leave of absence for this day.

Senator Deuel was, on motion of Senator Seawell, granted leave of absence for this day.

Privilege of Floor of Senate Extended.

On request of Senator Garrison, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Louis Hill, Jr., Fortieth District, House of Representatives, Minnesota Legislature, member Minnesota Committee for Interstate Cooperation.

On request of Senator Shelley, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Joseph M. Golden, municipal court judge; Alex J. McDonald and Andrew J. Gallagher, all of San Francisco.

On request of Senator Gordon, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Fred Dick of Yolo.

On request of Senator Fletcher, the privilege of the floor of the Senate Chamber for this day was unanimously extended to W. H. Malin, father-in-law of Chaplain, Tama, Iowa.

On request of Senator Powers, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Verda Smith Roberts, Plumas County Recorder, of Quincy.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, February 8, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Senate Joint Resolution No. 3—Relative to increased contributions by the Federal Government for relief in California.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Senate Joint Resolution No. 3 ordered to enrollment.

ASSEMBLY CHAMBER, SACRAMENTO, February 8, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 94—An act to amend the title and to add sections 5, 6, 7 and 9 to "An act providing for a State exhibit at the Golden Gate International Exposition to be held in the San Francisco Bay region, California, in 1939, providing for the construction of a State building or buildings therefor and the gardening and improvement of the surrounding grounds, creating a California Commission for the Golden Gate International Exposition to have charge and control of said State exhibit and building or buildings, defining its powers and duties and making an appropriation therefor," approved May 25, 1937, relating to the Golden Gate International Exposition, defining the powers and duties of the California Commission for the Golden Gate International Exposition, and making an appropriation, declaring the urgency thereof and providing that this act shall take effect immediately;

Assembly Joint Resolution No. 10—Relative to the use of white canes or walking sticks by blind persons;

Assembly Concurrent Resolution No. 6—Relative to reports of the 1939 annual convention of the Military Order of the Purple Heart;

JACK CARL GREENBURG, Chief Clerk of Assembly
By C. W. BOOTH, Assistant Clerk.

The above bills ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, February 8, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 96—An act to amend sections 2224 and 2227 of, and to repeal sections 2226 and 2229 of the Welfare and Institutions Code, relating to aid to the aged, and providing for the cancellation and release of certain agreements affecting real property heretofore required of recipients of aid to the aged and their

heirs, declaring the urgency thereof and providing that this act shall take effect immediately.

Assembly Bill No. 60—An act to add Division IX to the Public Resources Code, relating to soil conservation, creating the State Soil Conservation Commission and prescribing its powers and duties, providing for the organization and operation of soil conservation districts and the establishment and enforcement of land use regulations in such districts; to repeal an act entitled "An act declaring a State policy relating to soil conservation through the prevention or control of soil erosion, creating a State Soil Conservation Committee and defining its duties and authority, providing procedure for the organization, management and dissolution of soil conservation districts and defining their powers and providing for cooperation between the State Soil Conservation Committee, the United States, the State, counties, soil conservation districts, other public districts and individuals and corporations," approved March 29, 1938, to validate the organization of districts and proceedings for organization taken under the act repealed and to provide for the continued operation of such districts and the completion of such proceedings under this act

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk

The above bills ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, February 8, 1940.

MR PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 55—An act to amend section 1300 17 of the Agricultural Code, relating to the marketing of agricultural products

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Bill No. 55 ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, February 8, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 10—An act to add section 5 18 to the Retail Sales Tax Act of 1933, and section 4 11 to the Use Tax Act of 1935, relating to exemptions, including the exemption of live stock and poultry of a kind the products of which *ordinarily constitute food for human consumption*,

Assembly Bill No. 38—An act to amend sections 867 and 868 of the Fish and Game Code, relating to yellowtail, barracuda, and white sea bass;

Assembly Bill No 46—An act to add section 4383 to the Public Resources Code, relating to State forests, including areas suitable for timber production, outdoor recreation, water protection, and fish and game production;

Assembly Bill No. 2—An act authorizing any city of the first and one-half class to create a municipal department to be under the control of a municipal commission, and authorizing such department, when so created, to establish, maintain and operate buildings and adjuncts for public assemblies, conventions, exhibitions, trade shows, trade fairs, and for other civic, commercial, cultural, recreational or incidental uses, and to authorize the renting and leasing thereof, or of parts thereof, to any nonprofit corporation or public entity, and to provide funds for such purposes through the issuance of bonds payable out of the revenues therefrom.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

The above bills ordered referred to Committee on Rules.

Request for Permission to Introduce a Bill.

The following request for permission to introduce a bill was presented:
By Senator Parkman:

SENATE CHAMBER, SACRAMENTO, February 9, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below.

An act to add Division IX to the Public Resources Code, relating to soil conservation, creating the State Soil Conservation Commission and prescribing its powers

and duties, providing for the organization and operation of soil conservation districts and the establishment and enforcement of land use regulations in such districts; to repeal an act entitled "An act declaring a State policy relating to soil conservation through the prevention or control of soil erosion, creating a State Soil Conservation Committee and defining its duties and authority; providing procedure for the organization, management and dissolution of soil conservation districts and defining their powers and providing for cooperation between the State Soil Conservation Committee, the United States, the State, counties, soil conservation districts, other public districts, and individuals and corporations," approved March 29, 1938; to validate the organization of districts and proceedings for organization taken under the act repealed and to provide for the continued operation of such districts and the completion of such proceedings under this act.

Respectfully submitted.

SENATOR PARKMAN.

Request referred to Committee on Rules.

Senate Resolution No. 20.

The following resolution was offered:

By Senator Fletcher:

WHEREAS, The Senate is advised that a statue of Juan Rodriquez Cabrillo, discoverer of California, has been transported to this State from abroad and is now stored in the City and County of San Francisco, and

WHEREAS, The Senate is advised that the statue was a gift of the Republic of Portugal to the State of California; now, therefore, be it

Resolved by the Senate of the State of California, That the Senate hereby requests the Honorable Culbert L. Olson, Governor of California, immediately to furnish to the Senate of the State of California copies of any documents and correspondence which he may have pertaining to the statue of Juan Rodriquez Cabrillo and to the ownership thereof, in order that the Legislature may make recommendations or take other action with reference to an appropriate site for its erection and maintenance.

Resolution read, and on motion of Senator Fletcher, adopted.

Senate Resolution No. 21.

The following resolution was offered:

By Committee on Contingent Expenses:

Resolved, That the Controller be and he is hereby directed to draw his warrant on the contingent fund of the Senate in the sum of $200 in favor of the Secretary of the Senate and the Treasurer is hereby directed to pay the same, the same being for postage for the Senate.

SENATORS HOLOHAN.
SEAWELL.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 21 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, Fletcher, Foley, Gordon, Hays, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—29.

NOES—None

Communication

The following communication was received, read, and on motion of Senator Phillips ordered printed in the Journal:

CALIFORNIA STATE RELIEF ADMINISTRATION,
February 7, 1940.

Honorable John Phillips, Senator, Thirty-seventh District,
State Capitol Building, Sacramento, California.

DEAR SENATOR PHILLIPS: I note that you have placed in the Senate Journal a letter from State Controller Harry B. Riley regarding the proportion of chiselers on relief.

On a visit to San Francisco County SRA offices, a representative of Mr. Riley, in discussion of the number of chiselers on relief, stated that records of the Controller's office indicated that not more than four-tenths of one per cent of funds spent by the SRA appeared to have been paid to chiselers. This statement was apparently based upon restitution set up by the Controller for relief funds incorrectly disbursed, because of fraud or, and this is the basis of most overpayments, because of overlap of SRA payments and WPA earnings, earnings in private employment, unemployment compensation benefits, etc, resulting from the SRA giving relief for two weeks in advance In other words, the majority of restitution cases are for technical reasons, where the relief client had no intent to defraud the State.

I have today obtained the following data From May 1, 1936, to December 31, 1939, restitution has been set up for approximately $674,000 This is less than seven-tenths of one per cent of the approximate $100,000,000 spent directly in relief grants during this period. The figure of four-tenths of one per cent given by Mr. Riley's representative was apparently based upon comparing restitution with total SRA expenditures, and not upon relief allowances granted.

I agree with Mr. Riley that a complete audit of every relief client case would be required to determine the actual percentage of chiselers on relief, but sample audits conducted by the SRA Audit Staff indicate that the percentage is very small.

May I request that, in order to keep the record clear on this point, you also include the above statement in the Senate Journal.

Yours very truly,

EDWIN JAMES COOLEY,
SRA Director for San Francisco County.

EJC:sh

Message from the Assembly.

The following message from the Assembly was received and read:

ASSEMBLY CHAMBER, SACRAMENTO, February 9, 1940

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Assembly Joint Resolution No. 13—Relative to the allocation of funds by the Congress of the United States to the Central Valley Project.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Joint Resolution No. 13 ordered referred to Committee on Rules.

Messages from the Governor.

The following messages from the Governor were received and read:

STATE OF CALIFORNIA, GOVERNOR'S OFFICE,
SACRAMENTO, February 8, 1940.

To the Honorable Members of the Senate and the Assembly.

GREETINGS: You are hereby advised that I have today signed Assembly Bill No. 79 appropriating $1,600,000 toward meeting requirements for disbursements for unemployment relief under the California Unemployment Relief Act of 1935, during the next few days, with the following explanation regarding section 4 of this bill:

It is doubtful whether section 4 is legislation which the Legislature has power to enact at this special session under the wording of the proclamation calling the special session. However, I would favor the intent of some of the provisions of that section as administrative regulations if the intent were defined with sufficient clarity to be effectively enforced. But I am opposed to any provisions which would

interfere with the free exercise of the franchise rights and civil liberties of SRA or any other employees of the State. No discrimination should be made against State employees in SRA. They should have the same political rights as are enjoyed by more than twenty-two thousand civil service employees of the State government.

Subdivision "b" is inconsistent with subdivision "f". The latter provision (f) would make it unlawful for any person employed in connection with the administration of the appropriation to be politically "active," while subdivision "b" would make it unlawful to deprive such person of employment, relief or other benefit made possible in whole or in part by the appropriation.

In other words, section 4 would make it unlawful for any employee of SRA to be politically "active," and at the same time would make it unlawful to deprive any person of employment in the SRA because of such unlawful political activity.

I hope such legally doubtful and ill-considered legislation will not be included in any other appropriation measure.

Respectfully yours,

CULBERT L OLSON,
Governor of California

CLO:M

STATE OF CALIFORNIA, GOVERNOR'S OFFICE,
SACRAMENTO, February 8, 1940.

To the Honorable Members of the Senate and Assembly of the California Legislature.
Sacramento, California.

GREETINGS: The attached letter from Director of the Department of Agriculture W. B. Parker contains information regarding the operations of the Federal Surplus Commodities Corporation which I am sure the Legislature should have.

I feel, therefore, that it is my duty to transmit a copy to you.

Respectfully,

CULBERT L. OLSON,
Governor of California

CLO:PW

STATE OF CALIFORNIA, DEPARTMENT OF AGRICULTURE,
SACRAMENTO, February 7, 1940.

Confidential Memorandum to Governor Culbert L. Olson.

DEAR GOVERNOR OLSON: As you know, I have just returned from Washington, D. C., where I have been working for the past four weeks with Federal officials to bring additional vitally needed aid to some of our most important California farm industries.

Upon my return to Sacramento Tuesday morning, it was reported to me that the special session of the Legislature has under consideration a plan to return the administration of unemployment relief to the 58 counties and to decentralize the administration and operation of the State Relief Administration

Today, I was advised by a representative of the Federal Surplus Commodities Corporation, a Federal agency, operating under the United States Department of Agriculture, that his superiors in Washington had instructed him, during the course of a telephone conversation, that, in the event administration of the State Relief Administration was returned to the 58 counties, the Federal Surplus Commodities Corporation would no longer operate its program of distribution of surplus commodities in California; and would be seriously hampered in its program of purchasing agricultural surplus commodities from California farmers for distribution both within California and outside of the State

To confirm this report, I called, this afternoon, H. C. Albin, chief of the Purchase and Distribution Division for the Federal Surplus Commodities Corporation in Washington. Mr. Albin advised me that the report which was given to me by his California representative is correct and asked me to convey to you the attitude of the Federal Surplus Commodities Corporation on this matter.

Mr. Albin pointed out to me that the manner in which the Federal Surplus Commodities Corporation, a nonprofit governmental corporation, organized in 1933, for the express purpose of aiding hungry people on relief rolls and to keep farmers from being overwhelmed by surpluses of the commodities they produce, is set up in such a manner as to preclude their engaging in cooperative operations with the various States other than through state-wide State agencies.

The corporation accomplishes its two-fold objective by buying up acute surpluses of farm products and supplying them to State welfare agencies for relief distribution

The seriousness of the problem which California farmers, taxpayers, and relief clients now face, in the event that the operations of the Federal Surplus Commodities Corporation are eliminated or curtailed in California, as the result of the transfer of the administration and operations of the State Relief Administration from its

former state-wide agency basis to the 58 counties, can be illustrated graphically in the following figures:

During the past five years (up to July 1, 1939) the Federal Surplus Commodities Corporation has purchased $19,783,595 worth of California farm commodities for distribution to relief clients in California and throughout the Nation. These purchases by the Federal Surplus Commodities Corporation cover such foodstuffs and other farm products as the following: apples, dried and fresh; apricots, dried; beans, butter, cattle, cheese, corn meal, cotton, raw baled and bags; eggs, figs, fish, grapefruit, fresh and juice, milk, dried skim and evaporated; onions, oranges, peaches, fresh and dried; pears, plums, potatoes, prunes, raisins, rice, seed, sheep, sugar beets, walnuts, white flour, graham flour, hogs, pork products.

In addition, since July 1, 1939, the Federal Surplus Commodities Corporation has purchased approximately $5,000,000 worth of farm products in California, making a grand total for the past five years of nearly $25,000,000 worth of purchases of agricultural commodities for distribution to relief clients in this and other States.

Please bear in mind that this figure of $25,000,000 represents only the investment by the Federal Surplus Commodities Corporation in farm commodities at farm prices and is exclusive of amounts paid by the Federal Surplus Commodities Corporation for transportation and for processing.

The retail value of the food commodities distributed in California by the Federal Surplus Commodities Corporation, during this same period, is $26,864,683.87 and represents not only commodities produced in California but in other States as well.

I would like to call to your attention that the programs of the Federal Surplus Commodities Corporation have done more than supplement the inadequate food supplies of recipient families in California representing the unemployed.

These programs have encouraged these families to continue as regular consumers of farm surplus commodities.

By promoting more orderly marketing through the removal of some of the excessively heavy supplies, these programs have helped to increase the income of our growers not merely by the amount expended but also by the beneficial effect of the surplus removal on their entire shipments.

These Federal Surplus Commodity programs have also been the means of stimulating grower interest in marketing problems and in improving marketing practices from the viewpoint of adjusting supplies to demand.

Just within the past year, we persuaded the Federal Surplus Commodities Corporation to aid us in removing a surplus of canning clingstone peaches, which resulted in a purchase of 20,000 tons by the Federal Surplus Commodities Corporation for relief distribution purposes in California and elsewhere; and a $20 per ton return to our growers, or four times the price they received the year before.

The total prune purchasing program by the Federal Surplus Commodities Corporation over several years has reached the sum of about $10,000,000.

On my last trip to Washington, I sought the aid of the Federal Surplus Commodities Corporation in a purchase program involving about $3,000,000 and covering 1939 unsold raisins still in the hands of the growers and for which there is no market at the present time.

Just this past Monday, the Federal Surplus Commodities Corporation launched another program to aid our prune growers, involving the purchase of nearly $900,000 worth of surplus prunes for relief distribution.

Repeated questioning of Mr. Albin today over the long distance telephone brought his emphatic statement that the Federal Surplus Commodities Corporation will not deal with separate counties in its dual program, which means that our cooperative operations for the removal of unsalable surpluses will virtually cease. Such relief programs for agriculture as the peach purchase program and others are automatically stopped if the Federal Surplus Commodities Corporation is not in a position to handle its operations through a state-wide relief agency.

Very sincerely,

W. B. PARKER, Director.

The above communication from the Department of Agriculture ordered printed in the Journal and referred to Committee on Social Problems.

Communication.

The following communication was received, read, and on motion of Senator Nielsen ordered printed in the Journal:

Resolution of Board of Governors SRA Los Angeles Chapter No. 65 C. S. E. A.

WHEREAS, On Friday, February 2, 1940, this Board of Governors approved a "Report and Recommendations" prepared by the Legislative Committee of this chapter and authorized this committee to send copies of said "report" to our employers, the people of the State of California—through their representatives in the Legislature assembled in Sacramento; and

WHEREAS, Today, February 7, 1940, two of the signers of said document, namely, Mr. George R. Lane and Miss Ellen Martin, were called by the office of Mrs. Katherine Kilbourne, assistant director of Los Angeles County, to report there at 11 a m ; and

WHEREAS, These signers did appear at said office at the time stated to be confronted with not only Mrs. Kilbourne but also by her assistant, Mrs. Alice Orans, and by Mrs. Orans' assistant (Assistant County Supervisor), Mrs. Juanita Ellsworth, and a secretary taking notes; and

WHEREAS, They were questioned solely on the contents of said "report" and their signatures thereto and solely as a consequence thereof were told that their services were *terminated at once*; and

WHEREAS, Mr. Lane and Miss Martin immediately reported said action to the officers of this association, and said officers of this association in turn arranged an appointment with Mr James Reese, the Administrative Assistant of Mr. Walter Chambers, State Administrator of the SRA; and

WHEREAS, These officers were treated with every courtesy and fairness on the part of Mr Reese and in their presence, he called Mrs. Kilbourne and instructed her that it was the request of Mr. Chambers that the action taken by her in dismissing Mr Lane and Miss Martin be rescinded immediately on the ground that in the opinion of Mr. Chambers and himself the signers of that report were well within their rights as American citizens even though some might disagree with said report; and

WHEREAS, Mr Lane and Miss Martin have been reinstated for the present, but it is the opinion of this board that similar action against these or other signers of said report or members of this chapter may be taken again by Mrs Kilbourne or others in various executive capacities on more or less flimsy or unscrupulous excuses; and

WHEREAS, Although this chapter has full faith and confidence in both the integrity and ability of Mr Walter Chambers, our State Administrator, there are forces at work in the SRA who openly dispute his authority and consistently try to thwart all corrective measures he initiates; now, therefore, be it

Resolved by the Board of Governors of this chapter, That the same individuals who were sent the original "report" and "recommendations" be sent a copy of this resolution informing them that the best evidence of proof of the charges leveled at certain individuals in the SRA has been fully substantiated by the actions of some of them in the above instance; and be it further

Resolved, That nothing said in the previous report or this resolution be construed as criticism directed at Mr Walter Chambers, Mr. James Reese, or other innocent members of his staff; and be it further

Resolved, That nothing said herein be construed as retracting any statements made in said original report.

SIGNED FOR THE BOARD OF GOVERNORS,
MURRAY CLEMES, President.
ELLEN MARTIN, Secretary.

Reports of Standing Committees.

The following reports of standing committees were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 9, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Concurrent Resolution No. 4—Relative to the establishment of the Luther Burbank Memorial Highway;

And reports that the same has been correctly enrolled and presented to the Governor on the ninth day of February, 1940, at eleven o clock a m.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 9, 1940

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 5—An act to add section 3014.5 to the Civil Code, relating to trust receipt transactions, including those pertaining to motor vehicles;

Assembly Bill No. 44—An act to validate the organization, boundaries, governing officers or boards, acts, proceedings, and bonds of public bodies, to take effect immediately;

Assembly Bill No. 51—An act to validate the organization, boundaries, governing officers or boards, acts, proceedings, and bonds of public bodies;

Has had the same under consideration, and respectfully reports the same back, and recommends that they be referred to the Committee on Governmental Efficiency.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Bill No. 5 read first time, and referred to Committee on Governmental Efficiency.

Assembly Bill No 44 read first time, and referred to Committee on Governmental Efficiency.

Assembly Bill No. 51 read first time, and referred to Committee on Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, February 9, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 55—An act to amend section 1300 17 of the Agricultural Code, relating to the marketing of agricultural products;

Assembly Bill No. 46—An act to add section 4383 to the Public Resources Code, relating to State forests, including areas suitable for timber production, outdoor recreation, water protection, and fish and game production;

Assembly Bill No. 38—An act to amend sections 867 and 868 of the Fish and Game Code, relating to yellow-tail, barracuda, and white sea bass;

Has had the same under consideration, and respectfully reports the same back, and recommends that the bills be referred to the Committee on Governmental Efficiency.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Bill No. 55 read first time, and referred to Committee on Governmental Efficiency.

Assembly Bill No. 46 read first time, and referred to Committee on Governmental Efficiency.

Assembly Bill No 38 read first time, and referred to Committee on Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, February 9, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 96—An act to amend sections 2224 and 2227 of, and to repeal sections 2226 and 2229 of the Welfare and Institutions Code, relating to aid to the aged, and providing for the cancellation and release of certain agreements affecting real property heretofore required of recipients of aid to the aged and their heirs, declaring the urgency thereof and providing that this act shall take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that the bill be referred to the Committee on Social Problems.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Bill No. 96 read first time, and referred to Committee on Social Problems.

SENATE CHAMBER, SACRAMENTO, February 9, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 2—An act authorizing any city of the first and one-half class to create a municipal department, to be under the control of a municipal commis-

sion, and authorizing such department, when so created, to establish, maintain and operate buildings and adjuncts for public assemblies, conventions, exhibitions, trade shows, trade fairs, and for other civic, commercial, cultural and recreational purposes, and purposes incidental thereto, and to authorize the renting and leasing thereof, or of parts thereof, to any nonprofit corporation or public entity for any of the foregoing purposes, and to provide funds for such purposes through the issuance of bonds payable out of the revenues therefrom, and to validate any proceedings heretofore taken for any purpose or purposes authorized by this act;

Assembly Bill No. 10—An act to add section 5 1/8 to the Retail Sales Tax Act of 1933, and section 4 1/1 to the Use Tax Act of 1935, relating to exemptions, including the exemption of live stock and poultry of a kind the products of which ordinarily constitute food for human consumption;

Assembly Bill No. 94—An act to amend the title and to add sections 5, 6, 7 and 9 to "An act providing for a State exhibit at the Golden Gate International Exposition to be held in the San Francisco Bay region, California, in 1939, providing for the construction of a State building or buildings therefor and the gardening and improvement of the surrounding grounds, creating a California Commission for the Golden Gate International Exposition to have charge and control of said State exhibit and building or buildings, defining its powers and duties and making an appropriation therefor," approved May 25, 1937, relating to the Golden Gate International Exposition, defining the powers and duties of the California Commission for the Golden Gate International Exposition, and making an appropriation, declaring the urgency thereof and providing that this act shall take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that the bills be referred to the Committee on Finance, Revenue and Taxation.

Committee membership—5; committee vote: Ayes—5

SEAWELL, Chairman.

Assembly Bill No. 2 read first time, and referred to Committee on Finance, Revenue and Taxation.

Assembly Bill No. 10 read first time, and referred to Committee on Finance, Revenue and Taxation.

Assembly Bill No. 94 read first time, and referred to Committee on Finance, Revenue and Taxation.

SENATE CHAMBER, SACRAMENTO, February 9, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 60—An act to add Division IX to the Public Resources Code, relating to soil conservation, creating the State Soil Conservation Commission and prescribing its powers and duties, providing for the organization and operation of soil conservation districts and the establishment and enforcement of land use regulations in such districts; to repeal an act entitled "An act declaring a State policy relating to soil conservation through the prevention or control of soil erosion, creating a State Soil Conservation Committee and defining its duties and authority; providing procedure for the organization, management and dissolution of soil conservation districts and defining their powers and providing for cooperation between the State Soil Conservation Committee, the United States, the State, counties, soil conservation districts, other public districts, and individuals and corporations," approved March 29, 1938; to validate the organization of districts and proceedings for organization taken under the act repealed and to provide for the continued operation of such districts and the completion of such proceedings under this act;

Assembly Concurrent Resolution No. 6—Relative to reports of the 1939 annual convention of the Military Order of the Purple Heart;

Assembly Joint Resolution No. 13—Relative to the allocation of funds by the Congress of the United States to the Central Valley Project;

Has had the same under consideration, and respectfully reports the same back, and recommends that the bills be referred to the Committee on Governmental Efficiency.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Bill No. 60 read first time, and referred to Committee on Governmental Efficiency.

Assembly Concurrent Resolution No. 6 read, and referred to Committee on Governmental Efficiency.

Assembly Joint Resolution No. 13 read, and referred to Committee on Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, February 9, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Joint Resolution No. 10—Relative to the use of white canes or walking sticks by blind persons;

Has had the same under consideration, and respectfully reports the same back, and recommends that the resolution be placed on file.

Committee membership—5; committee vote: Ayes—5

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 9, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following request by Senator Wagy for permission to introduce:

Senate Joint Resolution No. 5—Relative to House Bill No. 7372, relating to Federal control of oil and gas production in California;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the resolution introduced, and referred to Committee on Governmental Efficiency.

Committee membership—5; committee vote: Ayes—5

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 9, 1940

MR PRESIDENT Your Committee on Rules, to which was referred the following request by Senator Parkman for permission to introduce a bill:

An act to add Division IX to the Public Resources Code, relating to soil conservation, creating the State Soil Conservation Commission and prescribing its powers and duties, providing for the organization and operation of soil conservation districts and the establishment and enforcement of land use regulations in such districts; to repeal an act entitled "An act declaring a State policy relating to soil conservation through the prevention or control of soil erosion, creating a State Soil Conservation Committee and defining its duties and authority; providing procedure for the organization, management and dissolution of soil conservation districts and defining their powers and providing for cooperation between the State Soil Conservation Committee, the United States, the State, counties, soil conservation districts, other public districts, and individuals and corporations," approved March 29, 1938; to validate the organization of districts and proceedings for organization taken under the act repealed and to provide for the continued operation of such districts and the completion of such proceedings under this act:

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the bill introduced, and referred to Committee on Governmental Efficiency.

SEAWELL, Chairman.

On Finance, Revenue and Taxation.

SENATE CHAMBER, SACRAMENTO, February 8, 1940.

MR. PRESIDENT: Your Committee on Finance, Revenue and Taxation, to which was referred:

Senate Bill No. 44—An act making an appropriation for the support of the Department of Social Welfare, transferring money from the social welfare fund to the general fund, and declaring the urgency thereof, to take effect immediately,

Has had the same under consideration, and respectfully reports the same back, and recommends that it do pass

Committee membership—11; committee vote: Ayes—10; absent—1.

TICKLE, Chairman

SENATE CHAMBER, SACRAMENTO, February 7, 1940.

MR. PRESIDENT: Your Committee on Finance, Revenue and Taxation, to which was referred.

Senate Bill No. 43—An act to add section 5014 to the Public Resources Code, relating to parks and appropriating the money deposited in the State park maintenance and acquisition fund for the operation, maintenance and extension of the State park system;

Senate Bill No. 59—An act to amend sections 1, 6, 20, 21, 23, 30 and 38 of, and to add sections 1.5, 6.5, 37.5, 37.6, 37.7, 38.1, 38.2, 38.3 and 38.4 to, and to repeal sections 16, 17, 18 and 19 of an act entitled "An act to provide for the licensing and regulation of itinerant merchants and making an appropriation therefor,"

approved July 21, 1939, relating to the licensing and regulation of itinerant merchants;
Has had the same under consideration, and respectfully reports the same back with amendments, and recommends that the amendments be adopted, and the bills be re-referred to this committee
Committee membership—11; committee vote: Ayes—9; absent—2.

TICKLE, Chairman.

On Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, February 9, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:
Assembly Bill No. 45—An act to add sections 2.1 and 19.5 to the Orange County Flood Control Act, relating to the Orange County Flood Control District, including the use of funds received by the district for the purchase and retirement of outstanding district bonds;
Has had the same under consideration, and respectfully reports the same back, and recommends that it do pass.
Committee membership—11; committee vote: Ayes—9; absent—2.

HAYS, Chairman.

SENATE CHAMBER, SACRAMENTO, February 9, 1940.

MR. PRESIDENT. Your Committee on Governmental Efficiency, to which was referred.
Senate Bill No. 64—An act to amend the title and section 18 of, and to add sections 1a, 1b, 1c, 1d, 3a and 21 to an act entitled "An act to provide for the acquisition, installation, construction, reconstruction, extension, repair and maintenance by municipalities of water works, electric power works, gas works, lighting works, and other public works and utilities; for the assessment of the cost and expenses thereof upon the property benefited; and for the issuance of improvement bonds to represent such assessments, and to repeal an act entitled 'An act to provide for the lighting of public streets, lanes, alleys, courts and places in municipalities, and for the assessment of the costs and expenses thereof upon the property benefited thereby,' approved March 21, 1905," relating to the acquisition, installation, construction, reconstruction, extension, repair and maintenance of public utilities and of works and improvements mentioned in the Improvement Act of 1911 by municipalities, counties, cities and counties, unincorporated territory, and any district or public corporation authorized by law to construct such public improvements, or by any combination thereof; the assessment of the cost and expenses thereof upon the property benefited; the issuance of bonds to represent such assessments; providing a short title therefor; and providing that this act shall take effect immediately;
Has had the same under consideration, and respectfully reports the same back with amendments, and recommends that the amendments be adopted, and that it do pass as amended.
Committee membership—11; committee vote: Ayes—9; absent—2.

HAYS, Chairman.

SENATE CHAMBER, SACRAMENTO, February 9, 1940.

MR. PRESIDENT: Your Committeee on Governmental Efficiency, to which was referred:
Senate Bill No. 68—An act to amend sections 11000, 11001, 11003, 11009, 11010, 11035, 11160, 11166.05, 11166.06, 11166.07, 11166.08, 11166.1, 11166.11, 11166.12, 11167, 11200, 11250, 11391, 11392, 11393, 11425, 11477, 11530, 11531, 11555, 11610, 11611, 11625, 11712, 11713, 11715, 11716, 11720 and 11780, and the article heading of Article 2, Chapter 5, Division 10, and to repeal sections 11036, 11178, 11332, 11396, 11710 and 11711 of, and to add sections 11556 and 11557 to, the Health and Safety Code, relating to narcotics and the use, prescribing, sale, possession, or transportation thereof;
Senate Bill No. 55—An act to add section 580d to the Code of Civil Procedure, and to repeal section 580c of the Code of Civil Procedure as added by Chapter 586 of the Statutes of 1939, relating to the abolishing of deficiency judgments in all cases where a power of sale is exercised under any mortgage or deed of trust upon real property;
Senate Bill No. 69—An act to add section 443.2 to the Political Code, relating to the payment of warrants of the State of California in legal tender;
Has had the same under consideration, and respectfully reports the same back, and recommends that they do pass.
Committee membership—11; committee vote: Ayes—9; absent—2.

HAYS, Chairman

SENATE CHAMBER, SACRAMENTO, February 9, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Senate Bill No. 46—An act to amend sections 130 and 130.1 of the Vehicle Code, relating to the records of the Department of Motor Vehicles;

Has had the same under consideration, and respectfully reports the same back with amendments, and recommends that the amendments be adopted, and the bill be re-referred to this committee.

Committee membership—11; committee vote: Ayes—9; absent—2.

HAYS, Chairman

Introduction, First Reading and Reference of Bills.

The following bills were introduced:

Senate Bill No. 71: By Senator Parkman—An act to add Division IX to the Public Resources Code, relating to soil conservation, creating the State Soil Conservation Commission and prescribing its powers and duties, providing for the organization and operation of soil conservation districts and the establishment and enforcement of land use regulations in such districts; to repeal an act entitled "An act declaring a State policy relating to soil conservation through the prevention or control of soil erosion, creating a State Soil Conservation Committee and defining its duties and authority; providing procedure for the organization, management and dissolution of soil conservation districts and defining their powers and providing for cooperation between the State Soil Conservation Committee, the United States, the State, counties, soil conservation districts, other public districts, and individuals and corporations," approved March 29, 1938; to validate the organization of districts and proceedings for organization taken under the act repealed and to provide for the continued operation of such districts and the completion of such proceedings under this act.

Senate Bill No. 71 read first time, and referred to Committee on Governmental Efficiency.

Senate Joint Resolution No. 5: By Senator Wagy—Relative to House Bill No. 7372, relating to Federal control of oil and gas production in California.

Senate Joint Resolution No. 5 read, and referred to Committee on Governmental Efficiency.

Consideration of Assembly Joint Resolution No. 10.

Assembly Joint Resolution No. 10.

Relative to the use of white canes or walking sticks by blind persons.

WHEREAS, Many persons in the United States of America are blind, unable to protect themselves from accident or danger, and constitute a serious driving hazard; and

WHEREAS, At the fifty-first session of the Legislature of California a statute was enacted providing that no person except those wholly or partially blind should carry or use on any street, highway, or other public place a cane or walking stick white in color or white tipped with red and that all pedestrians not wholly or partially blind and all drivers of vehicles approaching or coming in contact with a person wholly or partially blind carrying such a cane or walking stick should immediately come to a full stop and take such precautions before proceeding as are necessary to avoid accident or injury to the person wholly or partially blind; and

WHEREAS, The liability of such blind persons to injury would be greatly lessened if such laws were generally adopted throughout the United States, now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the Congress of the United States is hereby respectfully requested to take all steps within its power to secure the enactment of laws by the several States similar to the laws of the State of California upon this subject; and be it further

Resolved, That the chief clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives and to each Senator and member of the House of Representatives from California in the Congress of the United States, and that such senators and representatives from California are hereby respectfully urged to support such action.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Joint Resolution No. 10 adopted by the following vote:

AYES—Senators Biggar, Brown, Crittenden, Fletcher, Foley, Gordon, Hays, Holohan, Keating, Kenny, McCormack, Mixter, Myhand, Nielsen, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—23

NOES—None.

Assembly Joint Resolution No. 10 ordered transmitted to the Assembly.

Communications.

The following communications were received, read, and ordered printed in the Journal:

WESTERN UNION.

EL CENTRO, CALIFORNIA, February 9, 1940

Secretary State Senate,
State Capitol.

The Democratic Central Committee at a recent meeting ask Senator Kenny to represent us in State Senate for Imperial County due to resignation of our Democrat Senator Law. We feel the Democratic Party should be the one to name our representative in State Senate and we surely would not ask Senator Fletcher, a Republican.

CECIL GILLETT,
Secretary Imperial County Democratic Central Committee

WESTERN UNION.

EL CENTRO, CALIFORNIA, February 9, 1940.

Senator Robert W. Kenny,
State Capitol.

By unanimous vote of Democratic Central Committee you were asked to represent our county during this session of Legislature due to resignation of our Democrat Senator Law.

CECIL GILLETT,
Secretary Imperial County Democratic Central Committee.

Second Reading of Senate Bills.

Senate Bill No. 44—An act making an appropriation for the support of the Department of Social Welfare, transferring money from the social welfare fund to the general fund, and declaring the urgency thereof, to take effect immediately.

Bill read second time, ordered to engrossment, and on file for third reading.

Senate Bill No. 43—An act to add section 5014 to the Public Resources Code, relating to parks and appropriating the money deposited in the State park maintenance and acquisition fund for the operation, maintenance and extension of the State park system.

Consideration of Committee Amendments.

Pursuant to the report of the Committee on Finance, Revenue and Taxation, the following amendments to Senate Bill No. 43 were read and adopted:

Amendment No. 1.

In the title of the printed bill, strike out lines 1 to 2, inclusive, and insert in lieu thereof the following. "An act relating to parks and making an appropriation from".

Amendment No. 2.

On page 1 of the printed bill, strike out lines 1 to 7, inclusive, and insert in lieu thereof the following.

"SECTION 1. In addition to any money otherwise appropriated, there is hereby appropriated out of the State park maintenance and acquisition fund the sum of $46,500, or so much thereof as may be necessary, to be expended in accordance with law for the operation, maintenance and extension of the State park system

SEC. 2. The money appropriated in this act shall be expended during the 91st and 92d fiscal years and shall be subject to the provisions of the Budget Act of 1939."

Bill read second time, ordered to reprint, and re-referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 59—An act to amend sections 1, 6, 20, 21, 23, 30 and 38 of, and to add sections 1.5, 6.5, 37.5, 37.6, 37.7, 38.1, 38.2, 38.3 and 38.4 to, and to repeal sections 16, 17, 18 and 19 of an act entitled "An act to provide for the licensing and regulation of itinerant merchants and making an appropriation therefor," approved July 21, 1939, relating to the licensing and regulation of itinerant merchants

Consideration of Committee Amendments.

Pursuant to the report of the Committee on Finance, Revenue and Taxation, the following amendments to Senate Bill No. 59 were read and adopted:

Amendment No. 1.

On page 2 of the printed bill, between lines 37 and 38, insert the following:

"(8) farmers who occasionally transport from the place of production to a warehouse, regular market, place of storage, or place of shipment the farm products of neighboring farmers in exchange for like services or for a cash consideration."

Amendment No. 2.

On page 4, line 20, of the printed bill, strike out "or any order or decision of the commission".

Amendment No. 3.

On page 4, line 29, of the printed bill, strike out "or any order or decision of the commission".

Bill read second time, ordered to reprint, and re-referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 64—An act to amend the title and section 18 of, and to add sections 1a, 1b, 1c, 1d, 3a and 21 to an act entitled "An act to provide for the acquisition, installation, construction, reconstruction, extension, repair and maintenance by municipalities of water works, electric power works, gas works, lighting works, and other public works and utilities; for the assessment of the cost and expenses thereof upon

the property benefited; and for the issuance of improvement bonds to represent such assessments, and to repeal an act entitled 'An act to provide for the lighting of public streets, lanes, alleys, courts and places in municipalities, and for the assessment of the costs and expenses thereof upon the property benefited thereby,' approved March 21, 1905," relating to the acquisition, installation, construction, reconstruction, extension, repair and maintenance of public utilities and of works and improvements mentioned in the Improvement Act of 1911 by municipalities, counties, cities and counties, unincorporated territory, and any district or public corporation authorized by law to construct such public improvements, or by any combination thereof; the assessment of the cost and expenses thereof upon the property benefited; the issuance of bonds to represent such assessments; providing a short title therefor; and providing that this act shall take effect immediately.

Consideration of Committee Amendments.

Pursuant to the report of the Committee on Governmental Efficiency, the following amendments to Senate Bill No. 64 were read and adopted:

Amendment No. 1.

In line 14 of the title of the printed bill, preceding "relating", insert the following: "approved June 6, 1913,".

Amendment No. 2.

In the title of the printed bill, strike out lines 16 and 17, and insert in lieu thereof the following: "works and improvements mentioned in the Improvement Act of 1911 and of public utilities and other public works by municipalities, coun-".

Amendment No. 3.

On page 2 of the printed bill, strike out lines 1 and 2, and insert in lieu thereof the following: "works and improvements mentioned in the Improvement Act of 1911 and of public utilities and other public works by municipalities, cities and".

Amendment No. 4.

On page 2, line 17, of the printed bill, strike out "acquire,".

Amendment No. 5.

On page 2 of the printed bill, strike out lines 19 and 20, and insert in lieu thereof the following: "tioned in the Improvement Act of 1911 and acquire land and rights of way and easements".

Amendment No. 6.

On page 2, line 24, of the printed bill, strike out "or", and insert in lieu thereof the following: "and".

Amendment No. 7.

On page 2 of the printed bill, strike out line 25, and insert in lieu thereof the following: "ments referred to elsewhere in this act, unless otherwise expressly limited".

Amendment No. 8.

On page 2, line 42, of the printed bill, strike out "the doing of the work", and insert in lieu thereof the following: "constructing any improvement".

Amendment No. 9.

On page 2 of the printed bill, strike out line 43, and insert in lieu thereof the following: "authorized under said Improvement Act of 1911, the City Council may pass a resolu-".

Amendment No. 10.

On page 3, line 9, of the printed bill, strike out the comma, and insert in lieu thereof the following: "for any improvements mentioned in this section,".

Bill read second time, ordered to print, engrossment, and on file for third reading.

Senate Bill No. 68—An act to amend sections 11000, 11001, 11003, 11009, 11010, 11035, 11160, 11166.05, 11166.06, 11166.07, 11166.08, 11166.1, 11166.11, 11166.12, 11167, 11200, 11250, 11391, 11392, 11393, 11425, 11477, 11530, 11531, 11555, 11610, 11611, 11625, 11712, 11713, 11715, 11716, 11720 and 11780, and the article heading of Article 2, Chapter 5, Division 10, and to repeal sections 11036, 11178, 11332, 11396, 11710 and 11711 of, and to add sections 11556 and 11557 to, the Health and Safety Code, relating to narcotics and the use, prescribing, sale, possession, or transportation thereof.

Bill read second time, ordered to engrossment, and on file for third reading

Senate Bill No. 55—An act to add section 580d to the Code of Civil Procedure, and to repeal section 580c of the Code of Civil Procedure as added by Chapter 586 of the Statutes of 1939, relating to the abolishing of deficiency judgments in all cases where a power of sale is exercised under any mortgage or deed of trust upon real property.

Bill read second time, ordered to engrossment, and on file for third reading.

Senate Bill No. 69—An act to add section 443.2 to the Political Code, relating to the payment of warrants of the State of California in legal tender.

Bill read second time, ordered to engrossment, and on file for third reading.

Senate Bill No. 46—An act to amend sections 130 and 130.1 of the Vehicle Code, relating to the records of the Department of Motor Vehicles.

Consideration of Committee Amendment.

Pursuant to the report of the Committee on Governmental Efficiency, the following amendment to Senate Bill No. 46 was read and adopted:

Amendment No. 1.

On page 1, line 14, of the printed bill, after "department", insert the following: "nor to information, the purpose of which relates to traffic accidents or traffic offenses or traffic enforcement".

Bill read second time, ordered to reprint, and re-referred to Committee on Governmental Efficiency.

Second Reading of Assembly Bills.

Assembly Bill No. 45—An act to add sections 2.1 and 19.5 to the Orange County Flood Control Act, relating to the Orange County Flood Control District, including the use of funds received by the district for the purchase and retirement of outstanding district bonds.

Bill read second time, and ordered on file for third reading.

Adjournment.

At twelve o'clock and twenty minutes p m., on motion of Senator Seawell, the President of the Senate declared the Senate adjourned, until eleven o'clock a.m., Monday, February 12, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Monday, February 12, 1940.

The Senate met at eleven o'clock a.m.

Hon. Jerrold L. Seawell, President Pro Tempore of the Senate, in the chair.

Secretary Joseph A. Beek at the desk.

Roll Call.

The roll was called, and the following answered to their names:

Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Foley, Garrison, Gordon, Hollister, Holoban, Keating, Mayo, McBride, Mixter, Myhand, Parkman, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—26.

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev. A. Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Friday, February 9, 1940, the further reading was dispensed with, on motion of Senator Slater.

Leaves of Absence.

Senator Fletcher was, on motion of Senator Mixter, granted leave of absence for this day.

Senator Metzger was, on motion of Senator DeLap, granted leave of absence for this day.

Senator Hays was, on motion of Senator Seawell, granted leave of absence for this day.

Senator Shelley was, on motion of Senator Kenny, granted leave of absence for this day.

Privilege of Floor of Senate Extended.

On request of Senator Garrison, the privilege of the floor of the Senate Chamber for this day was unanimously extended to P. J.

Cronin and Talt Stealey, investigators for the Division of Insurance, both of San Francisco.

On request of Senator Tickle, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Miss Mary Messer of Carmel and Mrs. M. E. Wentworth of Carmel.

On request of Senator Keating, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mrs. M. Miller of San Francisco.

On request of Senator Garrison, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mrs. J. E. Garrison and W. P. Garrison, both of Modesto.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, February 9, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Constitutional Amendment No. 6—Proposed amendment by adding a new section numbered 13 to Article XVI of the Constitution, relative to liens, mortgages, encumbrances, and agreements taken as security for aid to the aged, and to the powers of the Legislature in relation thereto.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Constitutional Amendment No. 6 ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, February 9, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 69—An act to amend sections 1 and 6 of and to add sections 1.5 and 6.5 to an act entitled "An act to provide for the licensing and regulation of itinerant merchants and making an appropriation therefor," approved July 21, 1939, relating to itinerant merchants;

Assembly Bill No. 80—An act to add section 651e to the Civil Code, relating to corporations furnishing courses of instruction in connection with the operation of a hospital owned or operated by the corporation;

Assembly Bill No 62—An act to submit to the people at the general election in November, 1940, amendments proposed to the Constitution of the State of California by the extraordinary session of the Legislature, to take effect immediately.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk

The above bills ordered referred to Committee on Rules.

Reports of Standing Committee.

The following reports of standing committee were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 12, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Joint Resolution No. 3—Relative to increased contributions by the Federal Government for relief in California;

And reports that the same has been correctly enrolled and presented to the Governor on the twelfth day of February, 1940, at eleven o'clock a.m.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 12, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Bill No. 44—An act making an appropriation for the support of the Department of Social Welfare, transferring money from the Social Welfare Fund to

the General Fund, and declaring the urgency thereof, to take effect immediately;

Senate Bill No. 55—An act to add section 580d to the Code of Civil Procedure, and to repeal section 580c of the Code of Civil Procedure as added by Chapter 586 of the Statutes of 1939, relating to the abolishing of deficiency judgments in all cases where a power of sale is exercised under any mortgage or deed of trust upon real property;

Senate Bill No. 68—An act to amend sections 11000, 11001, 11003, 11009, 11010, 11035, 11160, 11166 05, 11166 06, 11166.07, 11166.08, 11166.1, 11166.11, 11166.12, 11167, 11200, 11250, 11391, 11392, 11393, 11425, 11477, 11530, 11531, 11555, 11610, 11611, 11625, 11712, 11713, 11715, 11716, 11720 and 11780, and the article heading of Article 2, Chapter 5, Division 10, and to repeal sections 11036, 11178, 11332, 11396, 11710 and 11711 of, and to add sections 11556 and 11557 to, the Health and Safety Code, relating to narcotics and the use, prescribing, sale, possession, or transportation thereof;

Senate Bill No. 69—An act to add section 443 2 to the Political Code, relating to the payment of warrants of the State of California in legal tender;

And reports that the same have been correctly engrossed

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 12, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Bill No. 64—An act to amend the title and section 18 of, and to add sections 1a, 1b, 1c, 1d, 3a and 21 to an act entitled "An act to provide for the acquisition, installation, construction, reconstruction, extension, repair and maintenance by municipalities of water works, electric power works, gas works, lighting works, and other public works and utilities; for the assessment of the cost and expenses thereof upon the property benefited, and for the issuance of improvement bonds to represent such assessments, and to repeal an act entitled 'An act to provide for the lighting of public streets, lanes, alleys, courts and places in municipalities, and for the assessment of the costs and expenses thereof upon the property benefited thereby,' approved March 21, 1905," approved June 6, 1913, relating to the acquisition, installation, construction, reconstruction, extension, repair and maintenance of works and improvements mentioned in the improvement act of 1911 and of public utilities and other public works by municipalities, counties, cities and counties, unincorporated territory, and any district or public corporation authorized by law to construct such public improvements, or by any combination thereof; the assessment of the cost and expenses thereof upon the property benefited; the issuance of bonds to represent such assessments; providing a short title therefor; and providing that this act shall take effect immediately;

And reports that the same has been correctly engrossed.

SEAWELL, Chairman.

Senator Rich in the Chair.

At eleven o'clock and ten minutes a m., Senator Rich of the Tenth District was called to the chair.

Consideration of Daily File.

Third Reading of Senate Bills.

Senate Bill No. 44—An act making an appropriation for the support of the Department of Social Welfare, transferring money from the social welfare fund to the general fund, and declaring the urgency thereof, to take effect immediately.

Bill read third time.

Urgency Clause.

SEC. 9. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety, within the meaning of section 1 of Article IV of the Constitution, and shall therefore go into immediate effect. The facts constituting the necessity are as follows:

The unemployment relief has during the past year cast an increasing burden upon this State. Legislation conducive to facilitating the handling of public improvement projects, and particularly those approved for support by the Federal, State and local unemployment relief agencies, aid in relieving the State burden. This act is conducive to these objects for the reason that the assessment levied and bonds issued

for the payment of such improvements are divorced from the contract for their construction, thus providing more economical financing thereof.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Foley, Garrison, Gordon, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—30.

NOES—None.

The question being on the passage of the bill

The roll was called, and Senate Bill No. 44 passed by the following vote:

AYES—Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Foley, Garrison, Gordon, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—31.

NOES—None.

Title read and approved.

Senate Bill No. 44 ordered transmitted to the Assembly.

Senate Bill No. 64—An act to amend the title and section 18 of, and to add sections 1a, 1b, 1c, 1d, 3a and 21 to an act entitled "An act to provide for the acquisition, installation, construction, reconstruction, extension, repair and maintenance by municipalities of water works, electric power works, gas works, lighting works, and other public works and utilities; for the assessment of the cost and expenses thereof upon the property benefited; and for the issuance of improvement bonds to represent such assessments, and to repeal an act entitled 'An act to provide for the lighting of public streets, lanes, alleys, courts and places in municipalities, and for the assessment of the costs and expenses thereof upon the property benefited thereby,' approved March 21, 1905," relating to the acquisition, installation, construction, reconstruction, extension, repair and maintenance of public utilities and of works and improvements mentioned in the Improvement Act of 1911 by municipalities, counties, cities and counties, unincorporated territory, and any district or public corporation authorized by law to construct such public improvements, or by any combination thereof; the assessment of the cost and expenses thereof upon the property benefited; the issuance of bonds to represent such assessments; providing a short title therefor; and providing that this act shall take effect immediately.

Bill read third time.

Urgency Clause.

SEC. 9. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety, within the meaning of section 1 of Article IV of the Constitution, and shall therefore go into immediate effect. The facts constituting the necessity are as follows:

The unemployment relief has during the past year cast an increasing burden upon this State Legislation conducive to facilitating the handling of public improvement projects, and particularly those approved for support by the Federal, State and local unemployment relief agencies, aid in relieving the State burden. This act is conducive to these objects for the reason that the assessment levied and bonds issued

for the payment of such improvements are divorced from the contract for their construction, thus providing more economical financing thereof.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, DeLap, Deuel, Foley, Garrison, Gordon, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Seawell, Slater, Tickle, and Wagy—28.

NOES—None.

The question being on the passage of the bill.

The roll was called, and Senate Bill No. 64 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, DeLap, Deuel, Foley, Garrison, Gordon, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—29.

NOES—None.

Title read and approved.

Senate Bill No. 64 ordered transmitted to the Assembly.

Senate Bill No. 68—An act to amend sections 11000, 11001, 11003, 11009, 11010, 11035, 11160, 11166 05, 11166.06, 11166.07, 11166.08, 11166.1 11166.11, 11166 12, 11167, 11200, 11250, 11391, 11392, 11393, 11425, 11477, 11530, 11531, 11555, 11610, 11611, 11625, 11712, 11713, 11715, 11716, 11720 and 11780, and the article heading of Article 2, Chapter 5, Division 10, and to repeal sections 11036, 11178, 11332, 11396, 11710 and 11711 of, and to add sections 11556 and 11557 to, the Health and Safety Code, relating to narcotics and the use, prescribing, sale, possession, or transportation thereof.

Bill read third time.

The question being on the passage of the bill.

The roll was called, and Senate Bill No 68 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Cunningham, DeLap, Deuel, Foley, Garrison, Gordon, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—30.

NOES—None.

Title read and approved.

Senate Bill No. 68 ordered transmitted to the Assembly.

Senate Bill No. 55—An act to add section 580d to the Code of Civil Procedure, and to repeal section 580c of the Code of Civil Procedure as added by Chapter 586 of the Statutes of 1939, relating to the abolishing of deficiency judgments in all cases where a power of sale is exercised under any mortgage or deed of trust upon real property.

Bill read third time.

The question being on the passage of the bill.

The roll was called, and Senate Bill No. 55 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Foley, Garrison, Gordon, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—31
NOES—None.

Title read and approved.
Senate Bill No. 55 ordered transmitted to the Assembly.

Senate Bill No. 69—An act to add section 443.2 to the Political Code, relating to the payment of warrants of the State of California in legal tender.

Bill read third time.
The question being on the passage of the bill.
The roll was called, and Senate Bill No 69 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Foley, Garrison, Gordon, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Phillips, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—30.
NOES—None.

Title read and approved.
Senate Bill No. 69 ordered transmitted to the Assembly.

Communication.

The following communication was received, read, and, on motion of Senator Brown, ordered printed in the Journal:

INYO COUNTY DEMOCRATIC CENTRAL COMMITTEE,
BISHOP, CALIFORNIA, February 8, 1940.

Senator Charles Brown,
State Senate Chambers,
Sacramento, California.

DEAR SENATOR BROWN: I have been instructed by Chairman J. C Baxter of the Inyo County Democratic Central Committee to advise you of the feeling expressed by that membership at its February 6th meeting in regard to the administration of SRA affairs.

Believing that all matters pertaining to the functioning of State relief might be handled in a way which would result in a saving to taxpayers as well as a more beneficial operation, the committee was unanimous in its belief that the jurisdiction should be placed in the hands of county officials.

I believe a similar expression was made recently by the body but never forwarded to you in the form of a letter.

Yours very truly,

C. LORIN RAY,
Secretary, Inyo County Democratic Central Committee

DR. J. C. BAXTER,
Chairman, Inyo County Democratic Central Committee

Message from the Assembly.

The following message from the Assembly was received and read:

ASSEMBLY CHAMBER, SACRAMENTO, February 10, 1940.

MR PRESIDENT I am directed to inform your honorable body that the Assembly on this day passed.

Senate Bill No. 6—An act to amend sections 232 and 377.5 of the Vehicle Code, relating to the installation of motor vehicle engines or motors:

Senate Bill No. 8—An act to amend sections 210 and 252 of the Vehicle Code, and to repeal sections 211, 212, 213 and 214 thereof, relating to permits to nonresident owners of motor vehicles;

Senate Bill No. 15—An act amending sections 3 and 5 of an act entitled "An act creating the Colorado River Board of California and the office of Colorado River Commissioner of California, prescribing the powers and duties of said board and commissioner, and commissioner," approved July 1, 1937, relating to powers and duties of the board and commissioner.

JACK CARL GREENBURG, Chief Clerk of Assembly.
C. W. BOOTH, Assistant Clerk

Senate Bills Nos. 6, 8, and 15 ordered to enrollment.

Requests for Permission to Introduce Bills.

The following requests for permission to introduce bills were presented:

By Senator Breed:

SENATE CHAMBER, SACRAMENTO, February 12, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act providing for the cancellation of license and registration fee penalties in connection with vehicles operated by public agencies as lessees under lease, lease-sale or rental-purchase agreements, and to repeal an act entitled "An act providing for the cancellation of license and registration fee penalties in connection with vehicles operated by public agencies as lessees under lease, lease-sale or rental-purchase agreements, to take effect immediately," approved February 5, 1940, to take effect immediately.

Respectfully submitted.

SENATOR BREED.

Request referred to Committee on Rules.

By Senator Swing:

SENATE CHAMBER, SACRAMENTO, February 12, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act imposing a tax upon the sale of cigarettes, cigars, smoking tobacco, plug tobacco, snuff and other forms of tobacco, and making an appropriation for the administration thereof, to take effect immediately.

Respectfully submitted.

SENATOR SWING.

Request referred to Committee on Rules.

By Senator Swing:

SENATE CHAMBER, SACRAMENTO, February 12, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act imposing a tax upon the storage, use or other consumption in this State of cigarettes, cigars, smoking tobacco, plug tobacco, snuff and other forms of tobacco, and making an appropriation of the proceeds of such tax, to take effect immediately.

Respectfully submitted.

SENATOR SWING.

Request referred to Committee on Rules.

Reports of Standing Committee.

The following reports of standing committee were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 12, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred

Assembly Bill No. 69—An act to amend sections 1 and 6 of, and to add sections 1.5 and 6.5 to an act entitled "An act to provide for the licensing and regulation

of itinerant merchants and making an appropriation therefor," approved July 21, 1939, relating to itinerant merchants;
Has had the same under consideration, and respectfully reports the same back, and recommends that the bill be referred to the Committee on Finance, Revenue and Taxation.
Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Bill No. 69 read first time, and referred to Committee on Finance, Revenue and Taxation.

SENATE CHAMBER, SACRAMENTO, February 12, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:
Assembly Constitutional Amendment No. 6—A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by adding a new section numbered 13 to Article XVI thereof, relating to liens, mortgages, encumbrances, and agreements taken as security for aid to the aged, and to the powers of the Legislature in relation thereto;
Has had the same under consideration, and respectfully reports the same back, and recommends that the Constitutional Amendment be referred to the Committee on Social Problems.
Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Constitutional Amendment No. 6 read, and referred to Committee on Social Problems.

SENATE CHAMBER, SACRAMENTO, February 12, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:
Assembly Bill No 62—An act to submit to the people at the general election in November, 1940, amendments proposed to the Constitution of the State of California by the extraordinary session of the Legislature, to take effect immediately;
Assembly Bill No 80—An act to add section 651e to the Civil Code, relating to corporations furnishing courses of instruction in connection with the operation of a hospital owned or operated by the corporation;
Has had the same under consideration, and respectfully reports the same back, and recommends that the bills be referred to the Committee on Governmental Efficiency.
Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Bill No. 62 read first time, and referred to Committee on Governmental Efficiency.

Assembly Bill No. 80 read first time, and referred to Committee on Governmental Efficiency.

Senate Resolution No. 22.

The following resolution was offered, and ordered printed in the Journal and referred to Committee on Rules:

By Senator Crittenden:

WHEREAS, The Legislature has been convened in special session to consider and act upon legislation for various appropriations; and

WHEREAS, The Legislature has also been convened in special session to consider and act upon legislation providing revenues and means for the providing of adequate revenues for the adequate functioning of State Government; and

WHEREAS, The Legislature has also been convened in special session to consider and act upon legislation providing for the submission to the people of amendments to the Constitution; and

WHEREAS, In order that the Senate and the members thereof can be fully advised as to expenditures of various departments of State Government with a view of determining whether or not such expenditures are causing additional tax

burdens upon the people, thus contributing to the present necessity for the providing of additional revenues to the State; and

WHEREAS, Reports have been published in the public press that the Building and Loan Commissioner of the State of California has authorized the payment of vast and unreasonable sums of money to be paid out of the State treasury and out of the assets of various corporations and building and loan associations, which payments vitally affect both considerations herein, to wit, the necessity for the State to raise additional revenue, and the ability of the State's taxpayers to pay additional taxes; and

WHEREAS, Investigation may disclose that it shall be necessary and proper that the Building and Loan Commissioner of the State of California should be made a constitutional officer of the State, duly elected by and responsible to the people of the State of California, and that the revenues from and the taxes paid through that office shall be subjected to closer scrutiny by the people, now, therefore, be it

Resolved by the Senate of the State of California, That there is hereby established an investigating committee on expenditures of the building and loan department to be known as the Senate Building and Loan Expenditure Investigating Committee, which committee is to exercise the powers and perform the duties hereby granted and imposed upon it during the session and any recess or recesses of the special session of the Legislature which convened on January 29, 1940, but in no event beyond the final adjournment thereof; and be it further

Resolved, That the committee shall study, investigate and survey accurately and in detail the entire problem of the administration of the Building and Loan Department as it may affect the questions of the necessity for providing adequate revenues for the adequate functioning of State Government and the ability of the State's taxpayers to pay additional taxes; and particularly that said committee may discover and recommend to the Senate such legislation or constitutional amendments, or both, which may appear necessary and desirable upon the subject for the purpose of which the committee may submit reports to the Senate from time to time; and be it further

Resolved, That the committee shall consist of four members of the Senate appointed by the Committee on Rules. Vacancy in the members of the committee occurring at any time shall be filled by the Rules Committee; and be it further

Resolved, That the committee may adopt, and from time to time amend, such rules as may appear necessary and proper to exercise the powers hereby granted and to perform the duties imposed. It may select a chairman and a secretary from its membership; and be it further

Resolved, That the committee may employ, prescribe the duties and fix the compensation of such professional assistants, clerical and other employees as it finds necessary for the conduct of its work and it may contract with such other agencies, public or private, as it deems necessary for the rendition of such services, studies and reports to it as will best assist it to effectuate the purposes for which it was created; and be it further

Resolved, That the committee is authorized to hold public hearings at Sacramento and at any place in California at which hearings the people are to have an opportunity to present their views to the committee; and be it further

Resolved, That the committee is authorized and empowered to summon and subpena witnesses, require the production of papers, books, accounts, reports, documents, records and papers of every kind and description, to issue subpenas and to take all necessary means to compel the attendance of witnesses and to procure testimony; and be it further

Resolved, That the committee, each of its members and any representative of the committee thereunto authorized by the committee or by its chairman is authorized and empowered to administer oaths. All of the provisions of Article VIII, Chapter II, Title I, Part III of the Political Code, relating to the attendance and examination of witnesses before the Legislature and committees thereof, apply to the committee hereby created; and be it further

Resolved, That every department, commission, board, agency, officer, and employee of the State Government and of the political subdivisions, the counties, the cities and the districts shall furnish the committee, upon request, such information, records and documents as the committee deems proper for the effectuation of the purposes for which it was created; and be it further

Resolved, That the committee is further authorized and empowered to make a complete investigation and study of every phase of the subject hereinabove mentioned and any and all matters incidental thereto and to do any and all things necessary or convenient to enable it fully and completely to exercise its powers and perform its duties; and be it further

Resolved, That the Sergeant-at-Arms of the Senate and the Deputies Sergeant-at-Arms of the Senate are hereby directed to serve any and all subpenas, orders and other process that may be issued by the committee, when directed so to do by

the chairman or upon a vote of the majority of the membership of the committee; and be it further

Resolved, That the members of the committee shall serve without compensation but shall be allowed mileage at the rate of 5½ cents per mile each way, incurred in connection with their services upon the committee, and other actual and necessary expenses for living accommodations and meals, incurred in connection with their services upon the committee or in lieu of such expenses for accommodations and meals, an allowance of eight dollars per day; and be it further

Resolved, That the sum of $1,000 or so much thereof as may be necessary is hereby made available from the contingent fund of the Senate for expenses of the committee and its members, and for any charges, expenses or claims it may incur under this resolution, to be disbursed, after certification by the chairman of the committee, upon warrants drawn by the Controller upon the Treasurer.

Third Reading of Assembly Bills.

Assembly Bill No. 45—An act to add sections 2.1 and 19.5 to the Orange County Flood Control Act, relating to the Orange County Flood Control District, including the use of funds received by the district for the purchase and retirement of outstanding district bonds.

Bill read third time.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 45 passed by the following vote:

AYES—Senators Biggar, Breed, Collier, Crittenden, Cunningham, DeLap, Deuel, Foley, Garrison, Gordon, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, Mixter, Myhand, Nielsen, Phillips, Powers, Quinn, Rich, Seawell, Slater, Tickle, and Wagy—28.

NOES—None.

Title read and approved.

Assembly Bill No. 45 ordered transmitted to the Assembly.

Request for Permission to Introduce a Bill.

The following request for permission to introduce a bill was presented:

By Senator Powers:

SENATE CHAMBER, SACRAMENTO, February 12, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act to amend section 2 of the Use Fuel Tax Act of 1937, relating to exemptions and definitions.

Respectfully submitted.

SENATOR POWERS

Request referred to Committee on Rules

Report of Standing Committee.

The following report of standing committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 12, 1940.

MR. PRESIDENT: Your Committee on Rules to which was referred the following requests for permission to introduce a bill:

By Senator Breed:

An act providing for the cancellation of license and registration fee penalties in connection with vehicles operated by public agencies as lessees under lease, lease-sale or rental-purchase agreements, and to repeal an act entitled "An act providing

for the cancellation of license and registration fee penalties in connection with vehicles operated by public agencies as lessees under lease, lease-sale or rental-purchase agreements, to take effect immediately," approved February 5, 1940, to take effect immediately;

By Senator Swing:

An act imposing a tax upon the sale of cigarettes, cigars, smoking tobacco, plug tobacco, snuff and other forms of tobacco, and making an appropriation for the administration thereof, to take effect immediately;

By Senator Powers:

An act to amend section 2 of the Use Fuel Tax Act of 1937, relating to exemptions and definitions;

By Senator Swing:

An act imposing a tax upon the storage, use or other consumption in this State of cigarettes, cigars, smoking tobacco, plug tobacco, snuff and other forms of tobacco, and making an appropriation of the proceeds of such tax, to take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the bills introduced and referred to Committee on Finance, Revenue and Taxation.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Introduction, First Reading and Reference of Bills.

The following bills were introduced:

Senate Bill No. 72: By Senator Breed—An act providing for the cancellation of license and registration fee penalties in connection with vehicles operated by public agencies as lessees under lease, lease-sale or rental-purchase agreements, and to repeal an act entitled "An act providing for the cancellation of license and registration fee penalties in connection with vehicles operated by public agencies as lessees under lease, lease-sale or rental-purchase agreements, to take effect immediately," approved February 5, 1940, to take effect immediately.

Senate Bill No. 72 read first time, and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 73: By Senator Swing—An act imposing a tax upon the sale of cigarettes, cigars, smoking tobacco, plug tobacco, snuff and other forms of tobacco, and making an appropriation for the administration thereof, to take effect immediately.

Senate Bill No. 73 read first time, and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 74: By Senator Powers—An act to amend section 2 of the Use Fuel Tax Act of 1937, relating to exemptions and definitions.

Senate Bill No. 74 read first time, and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 75: By Senator Swing—An act imposing a tax upon the storage, use or other consumption in this State of cigarettes, cigars, smoking tobacco, plug tobacco, snuff and other forms of tobacco, and making an appropriation of the proceeds of such tax, to take effect immediately.

Senate Bill No. 75 read first time, and referred to Committee on Finance, Revenue and Taxation.

Message from the Assembly.

The following message from the Assembly was received and read:

ASSEMBLY CHAMBER, SACRAMENTO, February 12, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Assembly Joint Resolution No. 14—Relative to the continuance of Japanese beetle suppression under Federal auspices.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Joint Resolution No. 14 ordered referred to Committee on Rules.

Report of Standing Committee.

The following report of standing committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 12, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following request by Senator Crittenden for permission to present a Senate resolution:

Re: Building and Loan Investigating Committee;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the resolution presented and placed on file.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Consideration of Senate Resolution No. 22.

WHEREAS, The Legislature has been convened in special session to consider and act upon legislation for various appropriations; and

WHEREAS, The Legislature has also been convened in special session to consider and act upon legislation providing revenues and means for the providing of adequate revenues for the adequate functioning of State Government; and

WHEREAS, The Legislature has also been convened in special session to consider and act upon legislation providing for the submission to the people of amendments to the Constitution; and

WHEREAS, In order that the Senate and the members thereof can be fully advised as to expenditures of various departments of State Government with a view of determining whether or not such expenditures are causing additional tax burdens upon the people, thus contributing to the present necessity for the providing of additional revenues to the State; and

WHEREAS, Reports have been published in the public press that the Building and Loan Commissioner of the State of California has authorized the payment of vast and unreasonable sums of money to be paid out of the State treasury and out of the assets of various corporations and building and loan associations; which payments vitally affect both considerations herein, to wit, the necessity for the State to raise additional revenue, and the ability of the State's taxpayers to pay additional taxes; and

WHEREAS, Investigation may disclose that it shall be necessary and proper that the Building and Loan Commissioner of the State of California should be made a constitutional officer of the State, duly elected by and responsible to the people of the State of California, and that the revenues from and the taxes paid through that office shall be subjected to closer scrutiny by the people; now, therefore, be it

Resolved by the Senate of the State of California, That there is hereby established an investigating committee on expenditures of the building and loan department to be known as the Senate Building and Loan Expenditure Investigating Committee, which committee is to exercise the powers and perform the duties hereby granted and imposed upon it during the session and any recess or recesses of the special session of the Legislature which convened on January 29, 1940, but in no event beyond the final adjournment thereof; and, be it further

Resolved, That the committee shall study, investigate and survey accurately and in detail the entire problem of the administration of the Building and Loan Department as it may affect the questions of the necessity for providing adequate revenues for the adequate functioning of State Government and the ability of the State's

taxpayers to pay additional taxes; and particularly that said committee may discover and recommend to the Senate such legislation or constitutional amendments, or both, which may appear necessary and desirable upon the subject for the purpose of which the committee may submit reports to the Senate from time to time; and be it further

Resolved, That the committee shall consist of four members of the Senate appointed by the Committee on Rules. Vacancy in the members of the committee occurring at any time shall be filled by the Rules Committee; and be it further

Resolved, That the committee may adopt, and from time to time amend, such rules as may appear necessary and proper to exercise the powers hereby granted and to perform the duties imposed. It may select a chairman and a secretary from its membership; and be it further

Resolved, That the committee may employ, prescribe the duties and fix the compensation of such professional assistants, clerical and other employees as it finds necessary for the conduct of its work and it may contract with such other agencies, public or private, as it deems necessary for the rendition of such services, studies and reports to it as will best assist it to effectuate the purposes for which it was created; and be it further

Resolved, That the committee is authorized to hold public hearings at Sacramento and at any place in California at which hearings the people are to have an opportunity to present their views to the committee; and be it further

Resolved, That the committee is authorized and empowered to summon and subpena witnesses, require the production of papers, books, accounts, reports, documents, records and papers of every kind and description, to issue subpenas and to take all necessary means to compel the attendance of witnesses and to procure testimony; and be it further

Resolved, That the committee, each of its members and any representative of the committee thereunto authorized by the committee or by its chairman is authorized and empowered to administer oaths. All of the provisions of Article VIII, Chapter II, Title I, Part III of the Political Code, relating to the attendance and examination of witnesses before the Legislature and committees thereof, apply to the committee hereby created; and be it further

Resolved, That every department, commission, board, agency, officer, and employee of the State Government and of the political subdivisions, the counties, the cities and the districts shall furnish the committee, upon request, such information, records and documents as the committee deems proper for the effectuation of the purposes for which it was created; and be it further

Resolved, That the committee is further authorized and empowered to make a complete investigation and study of every phase of the subject hereinabove mentioned and any and all matters incidental thereto and to do any and all things necessary or convenient to enable it fully and completely to exercise its powers and perform its duties; and be it further

Resolved, That the Sergeant-at-Arms of the Senate and the Deputies Sergeant-at-Arms of the Senate are hereby directed to serve any and all subpenas, orders and other process that may be issued by the committee, when directed so to do by the chairman or upon a vote of the majority of the membership of the committee; and be it further

Resolved, That the members of the committee shall serve without compensation but shall be allowed mileage at the rate of 5½ cents per mile each way, incurred in connection with their services upon the committee, and other actual and necessary expenses for living accommodations and meals, incurred in connection with their services upon the committee or in lieu of such expenses for accommodations and meals, an allowance of eight dollars per day; and be it further

Resolved, That the sum of $1,000 or so much thereof as may be necessary is hereby made available from the Contingent Fund of the Senate for expenses of the committee and its members, and for any charges, expenses or claims it may incur under this resolution, to be disbursed, after certification by the chairman of the committee, upon warrants drawn by the Controller upon the Treasurer.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 22 adopted by the following vote:

AYES—Senators Biggar, Breed, Collier, Crittenden, Cunningham, DeLap, Deuel, Foley, Garrison, Gordon, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Tickle, and Wagy—30.

NOES—None.

Approval of Journals.

The Senate Journals of Monday, February 5, 1940; Tuesday, February 6, 1940; Wednesday, February 7, 1940; Thursday, February 8, 1940; Friday, February 9, 1940, were on motion of Senator Seawell, approved as corrected by the Journal Clerk and the Minute Clerk.

Adjournment.

At twelve o'clock and eleven minutes p.m., on motion of Senator Seawell, the acting President of the Senate declared the Senate adjourned, until eleven o'clock a.m., Tuesday, February 13, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Tuesday, February 13, 1940

The Senate met at eleven o'clock a.m.
Hon. Ellis E Patterson, President of the Senate, in the chair.
Secretary Joseph A Beek at the desk.

Roll Call.

The roll was called, and the following answered to their names:

Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, Mixter, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—32.

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev. A Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Monday, February 12, 1940, the further reading was dispensed with, on motion of Senator Slater.

Leave of Absence.

Senator Myhand was, on motion of Senator Powers, granted leave of absence for this day.

Privilege of Floor of Senate Extended.

On request of Senator Neilsen, the privilege of the floor of the Senate Chamber for this day was unanimously extended to the following pupils of the fifth and sixth grades, St. Francis School, Sacramento: Lucille Horat, Harriet Reed, Shirley Eldred, Evelyn Anthony, Gloria Socal, Lenore Gable, Beverly Fischer, Barbara Fischer, Dolores Gloria, Betty Ann Sheehan, Marylou McElligott, Adele Silva, Patricia Leavens, Christine Leavens, Rita Baust, Ruth Harris, Marilyn Glackin, Mary Katheryn Desmond, Joan Moriarty, Rose Marie Keating, Margaret Bambery, and Josephine Pegenaute.

On request of Senator DeLap, the privilege of the floor of the Senate Chamber for this day was unanimously extended to the following students of the Eighth Grade Constitution Class, Carquinez Grammar School, Crockett: Alfred Avalos, Dorothy Bates, Charles Bon, Angiolina Borean, La Fae Bromley, Patsy Brown, Harl Byrd, Lewis Cook, Rose Costa, Zetta Mae Crowell, Virginia Curd, Aldo Da Re, Edward Drummond, Lorraine Ddys, Carmela Fennone, Grace Galway, Bernard

Ghirardo, Jack Griffin, Martina Higuera, Ralph Jungjohann, Violet Kates, Bill Knapton, Mary Matta, Laura McDole, Andrew Murphy, Lucian Ruiz, Katrina Schneiders, and Dolores Sherwood; and Miss Hazel Zappettini, Social Studies teacher; Miss Evelyn Hansen, English teacher; Mrs. Mae Jacobs, Domestic Science teacher; and to Mesdames Priscilla Stillson, Ruth Knapton, Mary Ann McDole, Esther Bowers, Viola Whyte, Della Mengel, Margaret McCluskey, and Gertrude Hutchinson.

On request of Senator Seawell the privilege of the floor of the Senate Chamber for this day was unanimously extended to Miss Nancy Hamburger and Ellis Schuler, teachers; Jerry Schuler and Alfred Briggs, bus drivers; and the following eighth grade pupils from Lincoln Union Grammar School of Lincoln in Placer County: Virginia Anderson, Constance Andressen, Angelo Arredondo, Richard Asher, Richard Baron, Alina Bellotti, Erma Besana, Janice Best, Kenneth Best, Shirlee Best, Tillie Bracamonte, Etollo Carnesecca, Florence Cooper, Robert Dart, Harold Englart, Earlene Fairless, Edna Fairless, Florence Fiorelli, Mary Flores, Jesus Frausto, Gust Frecholas, Annie Gallardo, Lorraine Garcia, Paul Garcia, Marcia Grey, Oliver Grey, Shirley Harris, Duayne Hoskins, Wilma Henry, Flora Howard, Harlo Hunter, Carmen Jiminez, Yurika Kakiuchi, William Killam, Verna Fae Kollenberg, Mollie Martinez, Mae Melendrez, Ray Miner, Rosemary Moore, Hiroshi Ohta, Candida Olivas, Raymond Padilla, Eileen Pantle, Doris Parscale, Nick Pasillas, Oleva Patterson, Celia Pulido, Betty Roberts, Bob Roberts, Ruth Rigers, Edward Russell, Daniel Salazar, Dora Serna, Teddy Serna, Josephine Silvas, Darlene Sligar, Evelyn Snyder, Elmer Thacker, Jonathan Hoskins, and Joyce Watts

On request of Senator Fletcher, the privilege of the floor of the Senate Chamber for this day was unanimously extended to James Brooks, Requa, Del Norte County; Bertha Stewart, Eureka, Humboldt County, and Arthur Tripper, Upper Lake, Lake County.

On request of Senator Shelley, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mrs. D. Shelley and Miss Marie Shelley.

On request of Senator Biggar, the privilege of the floor of the Senate Chamber for this day was unanimously extended to A. W. Biggar of Red Bluff.

On request of Senator Deuel, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Grayson Price, city attorney, and J. Oscar Goldstein, member State Bar, both of Chico.

On request of Senator Rich, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Arthur L. Rosen, instructor; and the following government students of Sutter Union High School: Gladys Briggs, Ivadell Burtis, Peter Brutti, Ione Campbell, Paolo Chesini, Bartley Cox, Glen Echols, Eugene Engstrom, Jordon Epperson, June Harris, Robert Helzer, Charles Hill, Bill Huntington, Virginia McKeehan, Darwin McPherrin, Donal Meyers, Willas Morris, Shirley Neep, James Neilson, Yukimi Nishida, Mary Okidoi, Dale Patterson, Elizabeth Shields, Gladys Umfress, Emogene Watson, Gertrude Welter, Richard Welter and Edna Ziegenmeyer.

On request of Senator Phillips, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Donald W.

McColly, secretary-manager, Riverside Chamber of Commerce, Riverside.

Message from the Governor.

The following message from the Governor was received and read:

STATE OF CALIFORNIA, GOVERNOR'S OFFICE,
SACRAMENTO, February 13, 1940.

To the Senate and the Assembly

GREETINGS: Both Senate Bill No. 57 and Assembly Bill No. 96 provide for the repeal of sections 2226 and 2229 of the Welfare and Institutions Code. By the repeal of these two sections, the authority to take the property agreements provided for will be rescinded, and provision is made for removing any cloud which may have been placed upon the title to property of aged persons because of the signing of such agreements. With this result the two proposed bills are in accord. They will effect the purpose of my placing in the call consideration of these two objectives; and these provisions receive my full approval.

However, my attention has been called to the fact that there has been inserted in Senate Bill No. 57 an amendment to section 2140 of the Welfare and Institutions Code, which reads as follows:

"SEC. 13. Section 2140 of the Welfare and Institutions Code is hereby amended to read as follows:

2140. The State Department of Social Welfare shall have the power to and shall prescribe the form of application, the manner and form of all reports and such additional rules and regulations as are necessary for the carrying out of the provisions of this chapter, and not inconsistent therewith. Such rules and regulations shall be binding upon the boards of supervisors of the various counties. However, neither the State Department of Social Welfare nor the State Social Welfare Board shall have authority, by rule, regulation, or otherwise, to withhold or to order to be withheld any money subject to payment to any county under this chapter because of any rule or regulation of the State Department of Social Welfare. The State Department of Social Welfare shall make such reports in such form and containing such information as the Social Security Board may from time to time require, and shall comply with such provisions as the Social Security Board may from time to time find necessary to assure the correctness and verification of such reports."

This legislation was not contemplated or included in the proclamation calling this special session.

This proposed amendment to section 2140 of the Welfare and Institutions Code would cause the removal of all provisions of the Old Age Security Law for the enforcement of the law and the rules and regulations of the State Social Welfare Board.

I can not believe that it is the intention of the Legislature to enact a law in conflict with the provisions of the Federal Social Security Act or the California State plan to comply with such act, under which Federal grants to California for aid to the aged are made. This amendment does so conflict.

In response to my request of the State Social Welfare Board as to the effect of this amendment upon the continuation of grants for such aid from the Federal Government, the State Social Welfare Board has furnished me with a reply from Richard M. Neustadt, regional director under the Federal Social Security Act, quoting a telegram received by him from the Director of the Department of Public Assistance, Federal Social Security Board, Washington, D. C., as follows:

"The power of the State Department to enforce its regulations and make its supervisory authority effective throughout the State has been a matter of concern to the Social Security Board since the approval of the plans. While the various assistance acts state in general terms the power of the State Department to make rules and regulations binding upon the counties and determine the amount of aid in specific cases, the only remedy mentioned in the code provisions which became effective August, 1937, and set forth the general powers of the State Department is the withholding power. Thus there is doubt as to the availability to the department of other usual remedies. When the Attorney General was appealed to on this very matter he was able to state only that the local authorities would have to comply with State requirements in order to secure funds from the State. We would suggest that the over-all powers of the department in bringing about local action in conformity with its regulations in any case should be clarified by express provision to the effect that the remedy by mandamus shall be available to the department as well as other usual remedies appropriate under the circumstances. If the withholding power is denied or substantially limited a ques-

tion of conformity would arise unless the law is otherwise clarified or the availability of adequate remedies to the State agency is otherwise assured for the enforcement of its regulations in every case. As a matter of fact the withholding power itself even as it exists in California is not regarded as a satisfactory basis for the supervisory authority of the State and has not been so regarded by the Social Security Board."

I hope with these facts before it, the Legislature will not include this amendment in either of the bills mentioned and thus jeopardize the aid which aged people are now receiving from the Federal Government through our compliance with the Federal act and the rules and regulations of the Federal Social Security Act.

The withdrawal of this Federal aid would result in the removal from the rolls of recipients of aged aid of some 35,000 old people who are in dire need of this assistance and would charge the State and counties with the full care of approximately 100,000 aged people at a monthly cost to the State and the counties of $3,250,000.

Respectfully yours,

CULBERT L. OLSON,
Governor of California.

CLO:M

Motion.

That the Governor's message on Old Age Security be referred both to the Legislative Counsel and to the Attorney General for an opinion upon the following questions:

a. Do the bills referred to, in their present form in all particulars, come within the proclamation convening the Legislature into extraordinary session?

b. Does any provision of either of the bills contravene any Federal act which will to any extent jeopardize California's right to aid from the Federal Government in carrying on old age assistance and security?

Motion carried, and such was the order.

Reports of Standing Committees.

The following reports of standing committees were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 12, 1940.

MR PRESIDENT: Your Committee on Rules has appointed Senators Crittenden, Shelley, Foley, and Rich as members of the Senate Investigating Committee on Building and Loan Activities, created under Senate Resolution No. 22.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 13, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Bill No. 6—An act to amend sections 232 and 377.5 of the Vehicle Code, relating to the installation of motor vehicle engines or motors;

Senate Bill No. 8—An act to amend sections 210 and 252 of the Vehicle Code, and to repeal sections 211, 212, 213 and 214 thereof, relating to permits to nonresident owners of motor vehicles;

Senate Bill No. 15—An act amending sections 3 and 5 of an act entitled "An act creating the Colorado River Board of California and the office of Colorado River Commissioner of California, prescribing the powers and duties of said board and commissioner," approved July 1, 1937, relating to powers and duties of the board and commissioner;

And reports that the same have been correctly enrolled and presented to the Governor on the thirteenth day of February, 1940, at eleven o'clock and thirty minutes a.m.

SEAWELL, Chairman.

On Finance, Revenue and Taxation.

SENATE CHAMBER, SACRAMENTO, February 13, 1940

MR. PRESIDENT: Your Committee on Finance, Revenue and Taxation, to which was referred:

Senate Bill No. 54—An act to add section 444.2 to the Political Code, relating to money in the State treasury, including temporary loans or transfers of money in special funds or other accounts in the treasury subject to the provisions of Article XXVI of the Constitution, the use or disposition of money loaned, and the repayment of such loans;

Has had the same under consideration, and respectfully reports the same back with amendments, and recommends that the amendments be adopted, and that it do pass as amended.

Committee membership—11, committee vote: Ayes—6; noes—3; absent—2.

TICKLE, Chairman.

SENATE CHAMBER, SACRAMENTO, February 13, 1940.

MR PRESIDENT: Your Committee on Finance, Revenue and Taxation, to which was referred:

Senate Bill No. 59—An act to amend sections 1, 6, 20, 21, 23, 30 and 38 of and to add sections 1 5, 6 5, 37 5, 37 6, 37.7, 38.1, 38 2, 38.3 and 38 4 to, and to repeal sections 16, 17, 18 and 19 of an act entitled "An act to provide for the licensing and regulation of itinerant merchants and making an appropriation therefor," approved July 21, 1939, relating to the licensing and regulation of itinerant merchants;

Has had the same under consideration, and respectfully reports the same back with amendments, and recommends that the amendments be adopted, and that it do pass as amended.

Committee membership—11; committee vote: Ayes—9; absent—2.

TICKLE, Chairman.

SENATE CHAMBER, SACRAMENTO, February 13, 1940.

MR. PRESIDENT: Your Committee on Finance, Revenue and Taxation, to which was referred:

Senate Bill No. 43—An act relating to parks and making an appropriation from the State Park Maintenance and Acquisition Fund for the operation, maintenance and extension of the State park system;

Has had the same under consideration, and respectfully reports the same back, and recommends that it do pass.

Committee membership—11; committee vote Ayes—9; absent—2.

TICKLE, Chairman.

SENATE CHAMBER, SACRAMENTO, February 13, 1940.

MR. PRESIDENT: Your Committee on Finance, Revenue and Taxation, to which was referred:

Senate Bill No. 13—An act to amend section 70 of the State Civil Service Act, relating to salary adjustments of civil service employees;

Has had the same under consideration, and respectfully reports the same back with amendments, and recommends that the amendments be adopted, and the bill be re-referred to this committee.

Committee membership—11; committee vote: Ayes—9; absent—2.

TICKLE, Chairman.

SENATE CHAMBER, SACRAMENTO, February 13, 1940.

MR. PRESIDENT: Your Committee on Finance, Revenue and Taxation, to which was referred:

Assembly Bill No. 2—An act authorizing any city of the first and one-half class to create a municipal department, to be under the control of a municipal commission, and authorizing such department, when so created, to establish, maintain and operate buildings and adjuncts for public assemblies, conventions, exhibitions, trade shows, trade fairs, and for other civic, commercial, cultural and recreational purposes, and purposes incidental thereto, and to authorize the renting and leasing thereof, or of parts thereof, to any nonprofit corporation or public entity for any of the foregoing purposes, and to provide funds for such purposes through the issuance of bonds payable out of the revenues therefrom, and to validate any proceedings heretofore taken for any purpose or purposes authorized by this act;

Has had the same under consideration, and respectfully reports the same back with amendments, and recommends that the amendments be adopted, and the bill be re-referred to this committee.

Committee membership—11; committee vote: Ayes—9; absent—2.

TICKLE, Chairman.

SENATE CHAMBER, SACRAMENTO, February 13, 1940.

MR. PRESIDENT: Your Committee on Finance, Revenue and Taxation, to which was referred:

Assembly Bill No. 10—An act to add section 5.18 to the Retail Sales Tax Act of 1933, and section 4.11 to the Use Tax Act of 1935, relating to exemptions, including the exemption of live stock and poultry of a kind the products of which ordinarily constitute food for human consumption;

Has had the same under consideration, and respectfully reports the same back, and recommends that it do pass.

Committee membership—11; committee vote: Ayes—9; absent—2.

TICKLE, Chairman.

SENATE CHAMBER, SACRAMENTO, February 13, 1940.

MR. PRESIDENT: Your Committee on Finance, Revenue and Taxation, to which was referred:

Senate Concurrent Resolution No. 6—Relative to the operation, maintenance, and extension of the State park system;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be adopted.

Committee membership—11; committee vote: Ayes—9; absent—2.

TICKLE, Chairman.

Communication.

The following communication was received, read, and on motion of Senator Fletcher ordered printed in the Journal:

Table Shows Spending of American Presidents.

Special Dispatch to The Sun.

THE SUN BUREAU, WASHINGTON, D. C., January 6, 1940.

This table sets forth the complete financial record of every President of the United States from the adoption of the Constitution in 1789 to date. The figures given up to 1939 show the actual receipts, expenditures and deficits recorded in the annals of the Treasury Department and certified to Congress in the annual report of the Secretary of the Treasury. Figures for 1940 and 1941 are the estimate presented to Congress by President Roosevelt in his budget message last Thursday (January 4th).

The totals show that Franklin D. Roosevelt, in eight years, has spent 58½ per cent as much as all of his predecessors put together in 144½ years. He received in taxes in these depression years 44 per cent as much as all of his predecessors together have collected, and he has almost exactly doubled the national debt.

President	No of Fiscal Years Served	Receipts	Expenditures	+ Surplus or — Deficit	Public Debt at End of Administration
Washington	8	$32,665,765	$34,088,506	—$1,422,741	$83,762,172
J Adams	4	34,984,839	34,262,668	+722,171	82,976,294
Jefferson	8	113,400,835	72,424,289	+40,976,546	65,196,318
Madison	8	130,311,080	176,473,974	—46,162,894	127,334,934
(War, 1812)					
Monroe	8	171,895,953	147,237,899	+24,658,054	90,875,877
J. Q. Adams	4	94,831,286	65,427,037	+29,404,249	67,475,044
Jackson	8	252,061,371	152,969,098	+99,092,273	336,958
Van Buren	4	102,219,579	122,325,262	—20,105,683	5,250,876
*Harrison and Tyler	4⅓	104,430,540	108,904,688	—4,474,148	15,925,303
Polk	4	123,139,658	175,477,220	—52,337,562	63,061,859
(Mexican War)					
Taylor	1	43,603,439	39,543,492	+4,059,947	63,452,774
Fillmore	3	163,993,174	140,088,047	+23,905,127	59,804,661
Pierce	4	282,172,928	255,154,264	+27,018,664	28,701,375
Buchanan	4	197,716,370	272,933,490	—75,217,120	90,582,417
Lincoln	4	763,026,123	3,352,380,410	—2,589,354,287	2,677,929,012
(Civil War)					
Johnson	4	1,225,248,460	1,578,557,655	+246,690,805	2,545,110,590
Grant	8	2,670,905,586	2,253,386,783	+417,518,803	2,107,759,903
Hayes	4	1,225,899,968	1,032,268,057	+193,631,911	2,019,285,728
Garfield and Arthur	4	1,474,023,408	1,027,742,757	+446,280,651	1,578,551,169
Cleveland	4	1,474,159,137	1,077,629,099	+396,530,038	1,249,470,511
(1st Adm.)					
Harrison	4	1,536,450,844	1,412,315,899	+124,134,945	961,431,766
Cleveland	4	1,316,948,887	1,441,674,184	—124,725,297	1,226,793,713
(2d Adm.)					
McKinley	4	2,076,208,146	2,093,918,534	—17,710,388	1,221,572,245
(Spanish-Amer War)					
T. Roosevelt	8	4,676,747,962	4,655,450,515	+21,297,447	1,148,315,372
Taft	4	2,794,065,060	2,799,211,874	—5,146,814	1,193,047,745
Wilson	8	24,375,781,688	46,938,260,143	—22,562,478,455	23,976,250,608
(World War)					
Harding	2	8,116,239,632	6,667,235,429	+1,449,004,203	22,349,687,758
Coolidge	6	23,959,941,899	18,585,549,136	+5,374,392,763	16,931,197,748
Hoover	4	11,453,002,513	15,490,476,656	—4,037,474,143	22,538,672,164
Total, all Presidents to F. D. Roosevelt	144½	$91,586,076,130	$112,203,367,065	—$20,617,290,935	$22,538,672,164
F. D. Roosevelt	8	40,089,857,957	65,628,526,692	—25,538,668,735	44,938,577,622
Grand Total, All Presidents	152½	$131,675,934,087	$177,831,893,757	—$46,155,959,670	$67,477,249,786

* Up until 1843 the fiscal year coincided with the calendar year. In the administration of President Tyler, however, it was changed to run from July 1, to the following June 30, thus making President Tyler accountable for four and one-half fiscal years instead of four.

Thirty Years of Tax Collections in California.

Compiled by the Research Department of the California State Chamber of Commerce

Fiscal year ended June 30	(a) Local property taxes by counties, cities and dists.	(b) State taxes (Gen. fund and special funds)	(c) State Unemployment reserve pay roll taxes	(d) Federal taxes (Internal Revenue Collections)	(e) Federal Social Security pay roll taxes	Total tax collections
1909	$43,217,965	$10,900,364	----------	$6,922,882	----------	$61,041,211
1910	45,469,701	11,656,851	----------	8,243,026	----------	65,369,578
1911	53,376,682	11,650,643	----------	8,876,649	----------	73,903,974
1912	55,385,955	14,646,318	----------	9,221,701	----------	79,253,974
1913	61,961,313	15,576,414	----------	9,684,145	----------	87,221,872
1914	65,682,262	18,880,898	----------	11,294,715	----------	95,857,875
1915	77,801,001	20,142,071	----------	13,129,027	----------	111,072,099
1916	81,928,954	20,890,284	----------	15,167,120	----------	117,986,358
1917	88,236,126	23,019,018	----------	23,775,974	----------	135,031,118
1918	91,717,031	23,326,028	----------	109,781,434	----------	224,824,496
1919	99,045,892	25,922,564	----------	122,438,203	----------	247,406,659
1920	121,673,596	28,529,615	----------	179,267,202	----------	329,470,413
1921	155,189,715	36,614,316	----------	181,249,339	----------	373,053,370
1922	160,817,533	46,255,654	----------	131,652,000	----------	338,725,187
1923	173,937,553	48,159,191	----------	114,876,000	----------	341,972,749
1924	201,432,335	53,422,186	----------	128,626,000	----------	383,480,521
1925	230,193,792	70,670,336	----------	121,778,000	----------	422,642,128
1926	254,189,566	79,641,906	----------	135,060,000	----------	468,891,472
1927	267,166,580	78,739,129	----------	139,489,000	----------	485,394,709
1928	294,266,906	92,530,105	----------	137,218,000	----------	524,015,011
1929	324,363,288	106,107,038	----------	154,629,000	----------	585,099,326
1930	343,353,515	103,686,036	----------	149,288,308	----------	596,327,859
1931	339,834,439	112,591,933	----------	113,066,013	----------	565,492,385
1932	319,042,014	102,154,696	----------	76,330,290	----------	497,527,002
1933	263,856,550	90,879,770	----------	94,674,183	----------	449,410,503
1934	233,050,313	126,652,864	----------	151,946,264	----------	511,658,441
1935	228,203,761	154,200,941	----------	176,844,846	----------	559,258,537
1936	255,011,667	183,328,580	----------	193,188,554	----------	632,448,835
1937	261,093,919	219,375,433	$46,969,088	240,673,600	$13,500,411	781,612,481
1938	288,678,195	240,891,122	63,972,670	273,178,852	42,491,177	909,212,016
1939	297,973,000	236,672,101	75,362,995	263,638,083	45,331,052	918,977,234

Sources: (a) Tabulations by California Taxpayers' Association from State Controller's reports (b) State Controller. (c) State Department of Employment (d) and (e) United States Treasury Department

Tax Collections in Relation to Population and Income.

Fiscal year ended June 30	(a) Estimated population Jan. 1	(b) Estimated total individual income previous calendar yr.	Per capita income previous calendar year	Per capita taxes collected	Ratio of taxes to income (%)
1920	3,426,861	$2,760,000,000	$805	$96 14	11 9
1925	4,762,746	4,047,000,000	850	88 74	10 4
1930	5,677,251	5,248,000,000	924	105 04	11 4
1935	6,188,000	3,387,000,000	547	90 38	16 5
1936	6,317,500	3,781,000,000	598	100 11	16 7
1937	6,431,700	4,435,000,000	690	121 52	17 6
1938	6,810,000	4,775,000,000	701	133 51	19 0
1939	6,940,000	4,415,000,000	636	132 42	20 8

Sources: (a) Population estimates by California Taxpayers' Association (b) Estimates of accountable incomes of all individuals in California by the National Industrial Conference Board

Consideration of Daily File.
Second Reading of Senate Bills.

Senate Bill No. 13—An act to amend section 70 of the State Civil Service Act, relating to salary adjustments of civil service employees.

Consideration of Committee Amendments.

Pursuant to the report of the Committee on Finance, Revenue and Taxation, the following amendments to Senate Bill No. 13 were read and adopted:

Amendment No. 1.

In line 2 of the title of the printed bill, as amended, strike out the period, and insert in lieu thereof the following: ", declaring the urgency thereof, and providing that this act shall take effect immediately."

Amendment No. 2.

On page 2, line 5, of the printed bill, as amended, after the period, add the following: "No employee receiving a salary of $150 or more per month shall receive

a salary adjustment in any fiscal year unless all employees in the State civil service receiving salaries of less than $150 per month who are entitled to salary adjustments within that fiscal year receive or provision is made for their receiving salary adjustments in that fiscal year."

Amendment No. 3.

On page 2 of the printed bill, as amended, after line 32, add the following:

"SEC. 2. This act is hereby declared to be an urgency measure necessary for the immediate preservation of public peace, health and safety within the meaning of section 1 of Article IV of the Constitution of this State and shall, therefore, go into immediate effect. A statement of the facts constituting such necessity is as follows.

Due to the financial condition of the State there is not sufficient money available with which to grant automatic salary adjustments to all State civil service employees. However, because of the manner in which money is appropriated to the various departments, boards, and agencies of the State, it is now possible for some employees receiving high salaries to receive automatic adjustments while other employees grouped in classifications having low salary ranges are not able to receive such automatic adjustments. This has caused dissatisfaction among State civil service employees and has resulted in the impairment of the efficiency of State services, requiring a prompt remedy which can only be accomplished by this act going into effect immediately."

Bill read second time, ordered to reprint, and re-referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 43—An act relating to parks and making an appropriation from the State Park Maintenance and Acquisition Fund for the operation, maintenance and extension of the State park system.

Bill read second time, ordered to engrossment, and on file for third reading.

Senate Bill No. 54—An act to add section 444.2 to the Political Code, relating to money in the State treasury, including temporary loans or transfers of money in special funds or other accounts in the treasury subject to the provisions of Article XXVI of the Constitution, the use or disposition of money loaned, and the repayment of such loans.

Consideration of Committee Amendments.

Pursuant to the report of the Committee on Finance, Revenue and Taxation, the following amendments to Senate Bill No. 54 were read and adopted:

Amendment No. 1.

On page 1, line 3, of the printed bill, strike out "Governor", and insert in lieu thereof the following: "Controller".

Amendment No. 2.

On page 1, line 9, of the printed bill, strike out "Governor also finds", and insert in lieu thereof the following: "Governor and State Treasurer find".

Amendment No. 3.

On page 1, lines 16 and 17, of the printed bill, strike out "Governor determines", and insert in lieu thereof the following: "Governor and State Treasurer determine".

Amendment No. 4.

On page 2, line 5, of the printed bill, after the period, add the following: "Nothing in this section warrants the transfer of any money from any fund so as to in any manner interfere with the object for which such fund was created."

Bill read second time, ordered to print, engrossment, and on file for third reading

Senate Bill No. 59—An act to amend sections 1, 6, 20, 21, 23, 30 and 38 of, and to add sections 1.5, 6.5, 37.5, 37.6, 37.7, 38.1, 38.2, 38.3

and 38.4 to, and to repeal sections 16, 17, 18 and 19 of an act entitled "An act to provide for the licensing and regulation of itinerant merchants and making an appropriation therefor," approved July 21, 1939, relating to the licensing and regulation of itinerant merchants.

Consideration of Committee Amendments.

Pursuant to the report of the Committee on Finance, Revenue and Taxation, the following amendments to Senate Bill No. 59 were read and adopted:

Amendment No. 1.

On page 2 of the printed bill, between lines 35 and 36, insert the following:

"(8) farmers who occasionally transport from the place of production to a warehouse, regular market, place of storage, or place of shipment the farm products of neighboring farmers in exchange for like services or for a cash consideration.

(9) persons, the principal part of whose business is the manufacturing, canning or processing of farm products or timber products."

Amendment No. 2.

On page 2 of the printed bill, strike out all of lines 40, 41, 42 and 43.

Bill read second time, ordered to print, engrossment, and on file for third reading.

Second Reading of Assembly Bills.

Assembly Bill No. 2—An act authorizing any city of the first and one-half class to create a municipal department, to be under the control of a municipal commission, and authorizing such department, when so created, to establish, maintain and operate buildings and adjuncts for public assemblies, conventions, exhibitions, trade shows, trade fairs, and for other civic, commercial, cultural and recreational purposes, and purposes incidental thereto, and to authorize the renting and leasing thereof, or of parts thereof, to any nonprofit corporation or public entity for any of the foregoing purposes, and to provide funds for such purposes through the issuance of bonds payable out of the revenues therefrom, and to validate any proceedings heretofore taken for any purpose or purposes authorized by this act.

Consideration of Committee Amendments.

Pursuant to the report of the Committee on Finance, Revenue and Taxation, the following amendments to Assembly Bill No. 2 were read and adopted:

Amendment No. 1.

On page 1 of the printed bill, as amended, strike out lines 4 to 10, inclusive, and insert in lieu thereof the following: "missioners, who shall be appointed, and may be removed by the mayor of such city, subject in both appointment and removal to the approval of the council by a majority vote, for such terms as may be prescribed by ordinance."

Amendment No. 2.

On page 2 of the printed bill, as amended, strike out lines 1 and 2.

Bill read second time, ordered to reprint, and re-referred to Committee on Finance, Revenue and Taxation.

Assembly Bill No. 10—An act to add section 5.18 to the Retail Sales Tax Act of 1933, and section 4.11 to the Use Tax Act of 1935, relating to exemptions, including the exemption of live stock and

poultry of a kind the products of which ordinarily constitute food for human consumption.

Bill read second time, and ordered on file for third reading.

Communication.

The following communication was received, read, and on motion of Senator Swing ordered printed in the Journal.

SACRAMENTO, CALIFORNIA, February 9, 1940.

Honorable Elmer E. Lore,
Assembly Chamber, State Capitol,
Sacramento, California.

Subject: *Rules and Regulations of the State Department of Social Welfare.*

Request: *No. 7446.*

DEAR MR. LORE: In connection with Senate Bill No. 57 as amended in the Senate on February 7, 1940, you have asked if the amendments made by that bill to section 2140 of the Welfare and Institutions Code relating to the rules and regulations of the State Department of Social Welfare are:

(a) Within the scope of the Governor's proclamation convening this special session, and

(b) Whether the proposed amendment is in conflict with any of the provisions of the United States Social Security Act.

In response to subdivision (a) of your inquiry we are of the opinion that the proposed amendment to section 2140 of the Welfare and Institutions Code is without the scope of the Governor's proclamation convening this special session and is therefore probably not a proper subject for legislation at this special session.

Items 5 and 6 of the Governor's proclamation seem to be the items which are most worthy of consideration in connection with the proposed amendments. You will note that item 5 is limited to legislation providing for the cancellation, release, or other modification of agreements, liens and other claims to or against the property of recipients of aged aid. It does not appear that legislation dealing with the rule making power of the board would fall within the subject of legislation specified in this item.

You will also note that the subject of legislation under item 6 in the Governor's proclamation is the revising of age qualifications for aid granted under the Old Age Security Law. It does not appear that the subject of legislation contained in the proposed amendment is germane to this item of the proclamation.

In connection with subdivision (b) of your inquiry it should be pointed out that at the present time sections 114 and 2140 of the Welfare and Institutions Code confer upon the State Department of Social Welfare the power to adopt rules and regulations which are necessary for carrying out the provisions of the Old Age Security Law and which are not inconsistent therewith. Such rules and regulations are expressly made binding upon the counties. The amendment which Senate Bill No. 57 proposes to make to this section seems to be limited to providing that neither the State Department of Social Welfare nor the State Social Welfare Board shall have the power to withhold any apportionment of funds due to any county because of any violation of a rule or regulation of the Department.

Section 2a of the Social Security Act provides in part that:

> "(a) A State plan for old age assistance must: (1) provide that it shall be in effect in all political subdivisions of the State, and, if administered by them, be mandatory upon them; * * * (3) either provide for the establishment or designation of a single State agency to administer the plan, or provide for the establishment or designation of a single State agency to supervise the administration of the plan * * * (5) provide such methods of administration * * * as are found by the Board to be necessary for the proper and efficient operation of the plan; * * *"

The Federal statute seems to contemplate that there shall be in existence a single State agency with power to supervise the administration of the State plan for old age assistance. Such is the situation in California.

At the present time section 2023 of the Welfare and Institutions Code expressly provides that no county shall receive any apportionment of funds from the State under the Old Age Security Law, unless it is complying with all of the requirements of that law.

It seems clear that some such provision is essential in order to permit the State Department of Social Welfare to effectively supervise the administration of the State plan for aid to the aged, in the manner contemplated by the Social Security Act.

Essentially, your question involves the determination of whether the Social Security Act requires that the State Department of Social Welfare be vested with the same power to enforce its own rules and regulations. Inasmuch as the rule making power of the board is directly limited by statute to the adoption of rules and regulations which are not inconsistent with the law, it would seem that a violation of a rule of the department is tantamount to a violation of the law.

While we are unable to say definitely that such is the case, it may well be that the Social Security Board would consider that the power of the department to enforce those rules which are under the law clearly within its power to adopt, is essential to its proper supervision of our State plan for aid to the aged.

Accordingly, you may consider it advisable to seek the opinion of the Social Security Board upon this particular question prior to the next regular session when legislation of this sort may be properly considered by the Legislature.

Very truly yours,

FRED B. WOOD, Legislative Counsel.
By GEORGE W. WAKEFIELD, Deputy.

GWW:am

Adjournment.

At eleven o'clock and forty-five minutes a.m., on motion of Senator Seawell, the President of the Senate declared the Senate adjourned, until eleven o'clock a m., Wednesday, February 14, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Wednesday, February 14, 1940.

The Senate met at eleven o'clock a.m.
Hon. Ellis E. Patterson, President of the Senate, in the chair.
Secretary Joseph A. Beek at the desk.

Roll Call.

The roll was called, and the following answered to their names:

Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Kenny, Mayo, McBride, McCormack, Mixter, Nielsen, Parkman, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—30.

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev. A. Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Tuesday, February 13, 1940, the further reading was dispensed with, on motion of Senator Slater.

Leave of Absence.

Senator Myhand was, on motion of Senator Parkman, granted leave of absence for this day.

Announcement.

By Senator Swing:

These oranges now being placed on your desk are presented to the Senate through the courtesy of A. E. Isham, public relations man of the Mutual Orange Distributors of Redlands, California.

Tomorrow there will be distributed for your enjoyment oranges presented by that stalwart Democrat and leading citizen of southern California, the Honorable Chas. M. Brown of Redlands. In behalf of Mr. Brown and Mr. Isham, I wish that this golden fruit of southern California will bring to you good health, happiness and a speedy adjournment.

Privilege of Floor of Senate Extended.

On request of Senator Garrison, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Rev. Chester A. Snyder of Fresno, Rev. E. T. Cornelius of Sacramento, and Carl Fanerso of Newman.

On request of Senator Mixter, the privilege of the floor of the Senate Chamber for this day was unanimously extended to G. H. Slack of Porterville.

On request of Senator Fletcher, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mr. and Mrs. Clark Batchelder of Del Mar and Dick Drake of Fallbrook.

Communications.

The following communications were received, read, and on motion of Senator Tickle, ordered printed in the journal; and also that photostatic copies be made of the communication and envelope referred to in the following telegram, and that such photostatic copies be printed in the Journal:

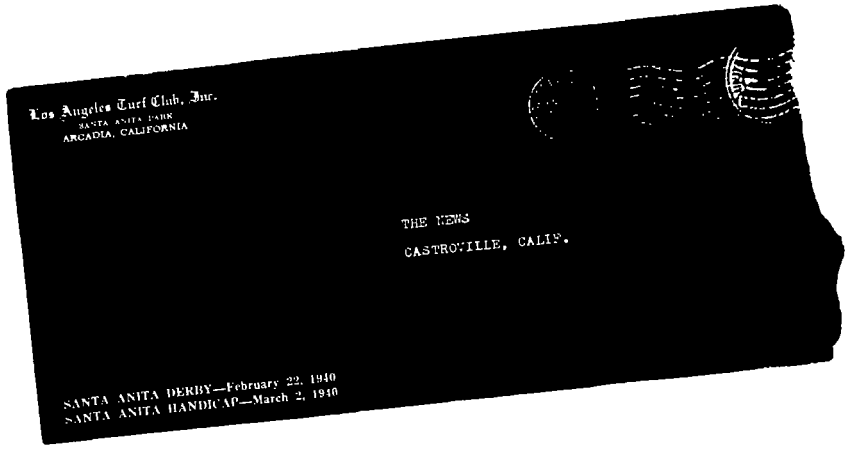
WESTERN UNION

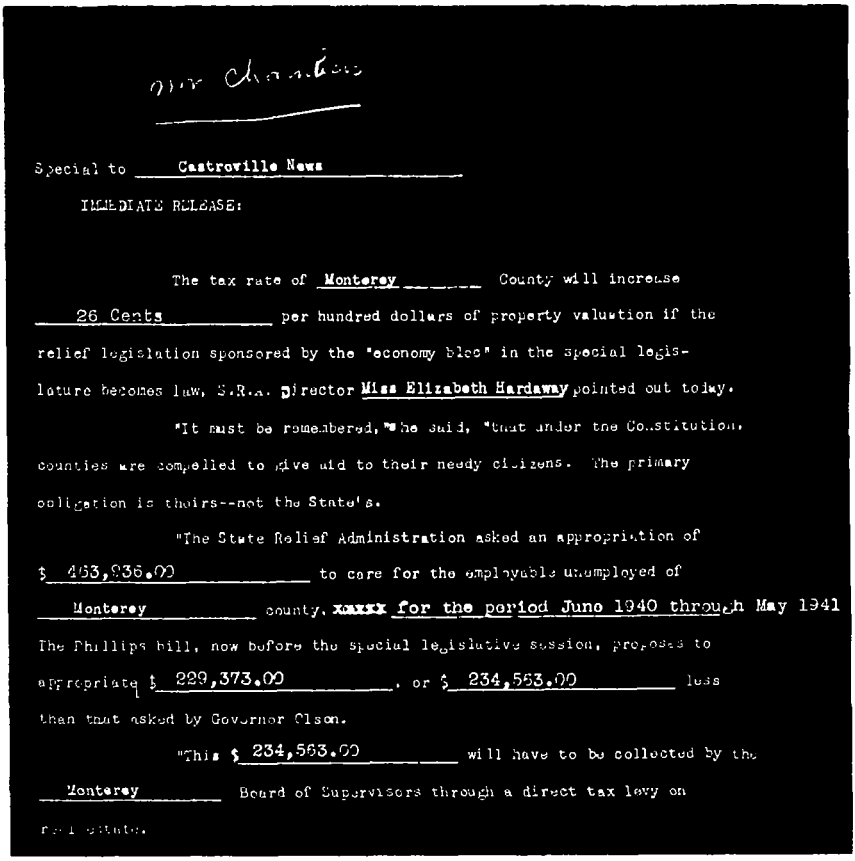
ARCADIA, CALIFORNIA, February 10, 1940

Lieutenant Governor Ellis E Patterson, President The Senate, State Capitol.

Photostatic copy of publicity release on tax information on Monterey County with Los Angeles Turf Club envelope was a deliberate forgery perpetrated to injure and discredit the Los Angeles Turf Club. The Los Angeles Turf Club did not mail the submitted information at any time in view of the fact that this matter has been falsely submitted to the Legislature. May we respectfully request that we be granted the courtesy of having this explanatory telegram read to your members in regular session.

LOS ANGELES TURF CLUB,
CHARLES H. STRUB, General Manager





Air Chamber

Special to Castroville News

IMMEDIATE RELEASE:

The tax rate of Monterey County will increase 26 Cents per hundred dollars of property valuation if the relief legislation sponsored by the "economy bloc" in the special legislature becomes law, S.R.A. Director Miss Elizabeth Hardaway pointed out today.

"It must be remembered," she said, "that under the Constitution, counties are compelled to give aid to their needy citizens. The primary obligation is theirs--not the State's.

"The State Relief Administration asked an appropriation of $ 463,936.00 to care for the employable unemployed of Monterey county, xxxxx for the period June 1940 through May 1941 The Phillips bill, now before the special legislative session, proposes to appropriate $ 229,373.00, or $ 234,563.00 less than that asked by Governor Olson.

"This $ 234,563.00 will have to be collected by the Monterey Board of Supervisors through a direct tax levy on real estate.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, February 13, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted

Assembly Concurrent Resolution No. 7—Relative to requesting cities of every class to enact a "stop-cane" law;

Assembly Joint Resolution No. 11—Relative to memorializing the Congress of the United States to enact legislation authorizing deportation proceedings in the Federal courts against undesirable aliens.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk

The above resolutions ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, February 13, 1940

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 53—An act to add section 2 to "An act granting certain tidelands and submerged lands of the State of California to the city of Long Beach

upon certain trusts and conditions," approved April 28, 1925, relating to the use of the revenues derived from such lands;

Assembly Bill No. 88—An act to add section 33.5 to the Retail Sales Act of 1933, and section 27.5 to the Use Tax Act of 1935, relating to proceedings thereunder, and to provide that this act shall take effect immediately.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk

The above bills ordered referred to Committee on Rules.

Report of Standing Committee.

The following report of standing committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 14, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Bill No. 43—An act relating to parks and making an appropriation from the State park maintenance and acquisition fund for the operation, maintenance and extension of the State park system;

Senate Concurrent Resolution No. 6—Relative to the operation, maintenance and extension of the State park system;

Senate Bill No. 54—An act to add section 444.2 to the Political Code, relating to money in the State treasury, including temporary loans or transfers of money in special funds or other accounts in the treasury subject to the provisions of Article XXVI of the Constitution, the use or disposition of money loaned, and the repayment of such loans;

Senate Bill No. 59—An act to amend sections 1, 6, 20, 21, 23, 30 and 38 of, and to add sections 1.5, 6 5, 37.5, 37.6, 37 7, 38.1, 38.2, 38 3 and 38.4 to, and to repeal sections 16, 17, 18 and 19 of an act entitled "An act to provide for the licensing and regulation of itinerant merchants and making an appropriation therefor," approved July 21, 1939, relating to the licensing and regulation of itinerant merchants;

And reports that the same have been correctly engrossed.

SEAWELL, Chairman.

Consideration of Daily File.
Third Reading of Senate Bills.

Senate Bill No. 54—An act to add section 444.2 to the Political Code, relating to money in the State treasury, including temporary loans or transfers of money in special funds or other accounts in the treasury subject to the provisions of Article XXVI of the Constitution, the use or disposition of money loaned, and the repayment of such loans.

Bill read third time.

The question being on the passage of the bill.

The roll was called, and Senate Bill No. 54 refused passage by the following vote:

AYES—Senators Breed, Crittenden, DeLap, Garrison, Gordon, Hollister, Jespersen, McBride, McCormack, Rich, Shelley, and Slater—12.

NOES—Senators Biggar, Brown, Collier, Cunningham, Deuel, Fletcher, Foley, Hays, Holohan, Keating, Kenny, Mayo, Metzger, Mixter, Nielsen, Parkman, Powers, Quinn, Seawell, Swing, and Wagy—21.

Senate Bill No. 59—An act to amend sections 1, 6, 20, 21, 23, 30 and 38 of, and to add sections 1 5, 6.5, 37.5, 37.6, 37.7, 38.1, 38.2, 38.3

and 38.4 to, and to repeal sections 16, 17, 18 and 19 of an act entitled "An act to provide for the licensing and regulation of itinerant merchants and making an appropriation therefor," approved July 21, 1939, relating to the licensing and regulation of itinerant merchants.

Bill read third time.

Motion to Re-refer Senate Bill No. 59.

Senator Deuel moved that Senate Bill No. 59 be re-referred to Committee on Finance, Revenue and Taxation.

The question being on the adoption of the motion to re-refer.

The roll was called, and the motion lost by the following vote:

AYES—Senators DeLap, Deuel, Gordon, Holohan, Jespersen, Mayo, McCormack, Metzger, Mixter, Nielsen, Parkman, Phillips, Powers, Rich, Seawell, and Tickle—16.
NOES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, Fletcher, Foley, Garrison, Hollister, Keating, Kenny, McBride, Quinn, Shelley, Slater, Swing, and Wagy—17.

The question being on the passage of the bill.

The roll was called, and Senate Bill No. 59 refused passage by the following vote:

AYES—Senators Biggar, Breed, Collier, Crittenden, Cunningham, Fletcher, Foley, Garrison, Hays, Hollister, Kenny, Mayo, Parkman, Phillips, Quinn, Rich, Shelley, Swing, Tickle, and Wagy—20.
NOES—Senators Brown, DeLap, Deuel, Gordon, Holohan, Jespersen, Keating, McBride, McCormack, Metzger, Mixter, Nielsen, Powers, Seawell, and Slater—15.

Senate Bill No. 43—An act relating to parks and making an appropriation from the State Park Maintenance and Acquisition Fund for the operation, maintenance and extension of the State park system.

Bill read third time.

The question being on the passage of the bill.

The roll was called, and Senate Bill No 43 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Nielsen, Parkman, Phillips, Powers, Quinn, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—32.
NOES—None.

Title read and approved.

Senate Bill No 43 ordered transmitted to the Assembly.

Senate Concurrent Resolution No. 6.

Relative to the operation, maintenance, and extension of the State Park System.

WHEREAS, A legislative measure entitled "An act relating to parks and making an appropriation from the State Park Maintenance and Acquisition Fund to be expended in accordance with law for the operation, maintenance and extension of the State park system" is now being considered by the Legislature; and

WHEREAS, The Legislature is advised that the money is urgently needed by the various State parks for repair of storm damage and decay and the addition of sanitary and other facilities to the park premises; and

WHEREAS, The facts submitted to the Legislature indicate that the proposed program for State parks will require expenditures for such repairs and additions in the sums listed below opposite the names of the State parks:

Seacliff Beach State Park	$6,500
Alamitos Beach State Park	1,500
Doheny Beach State Park	2,500
San Clemente State Park	1,500
San Jacinto Mountain State Park	1,500
Mill Creek Redwoods State Park	2,500
Borego Desert State Park	1,000
Cuyamaca Rancho State Park	2,500
Mission Bay State Park	3,500
California Redwood Park	2,500
Calaveras Big Trees Park	2,500
Castle Crags State Park	1,000
McArthur-Burney Falls Park	500
Mount Diablo State Park	1,000
Fort Ross Historic Monument	1,000
Armstrong Grove State Park	1,500
Van Damme State Park	2,000
Carpinteria Beach State Park	1,200
Point Lobos State Park	1,000
Pfeiffer Redwood State Park	2,500
Williams Grove State Park	1,500
Bliss-Rubicon-Tahoe Park	1,000
Custom House-Monterey	1,000
First Theatre	1,000
Morro Bay State Park	800
Pio Pico Mansion Historic Monument	1,500

now, therefore, be it

Resolved by the Senate of the State of California, the Assembly thereof concurring, That the Legislature recommend to the State Park Commission and the Division of Parks that the amount appropriated in such measure, if enacted into law, be so allocated and expended as set forth in this resolution.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Concurrent Resolution No. 6 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hollister, Holohan, Jespersen, Keating, Kenny, McCormack, Mixter, Nielsen, Parkman, Phillips, Powers, Quinn, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—30.

NOES—None.

Senate Concurrent Resolution No. 6 ordered transmitted to the Assembly.

Third Reading of Assembly Bills:

Assembly Bill No. 10—An act to add section 5.18 to the Retail Sales Tax Act of 1933, and section 4.11 to the Use Tax Act of 1935, relating to exemptions, including the exemption of live stock and poultry of a kind the products of which ordinarily constitute food for human consumption.

Bill read third time.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No 10 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen,

Keating, Kenny, Mayo, McCormack, Metzger, Mixter, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—34.
NOES—None.

Title read and approved

Assembly Bill No 10 ordered transmitted to the Assembly.

Motion to Reconsider.

Senator Kenny moved to reconsider the vote whereby Senate Bill No 54 was refused passage, and if reconsidered that Senate Bill No 54 be re-referred to Committee on Finance, Revenue and Taxation.

The question being on the adoption of the motion to reconsider.

The roll was called, and Senate Bill No. 54 reconsidered by the following vote:

AYES—Senators Breed, Brown, Cunningham, DeLap, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, McBride, McCormack, Mixter, Parkman, Phillips, Powers, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—27.
NOES—Senators Biggar, Collier, Mayo, Metzger, and Nielsen—5.

Senate Bill No 54 ordered re-referred to Committee on Finance, Revenue and Taxation.

Withdrawal from Committee of Senate Bill No. 53.

Senator Garrison moved that Senate Bill No. 53 be withdrawn from Committee on Finance, Revenue and Taxation, and that the consideration be continued until eleven o'clock a.m., Thursday, February 15, 1940.

Motion to Table.

Senator DeLap moved that above motion concerning Senate Bill No 53 be laid on the table.

Motion to Adjourn.

Senator Shelley moved that the Senate adjourn until eleven o'clock a.m., Thursday, February 15, 1940.

Ayes and Noes Demanded.

A roll call was demanded by Senators DeLap, Biggar and Tickle on the adoption of the motion to adjourn.

The roll was called, and the motion lost by the following vote:

AYES—Senators Collier, Garrison, Gordon, Hollister, Jespersen, Kenny, and Shelley—7.
NOES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Hays, Holohan, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—28.

Further Consideration of Motion to Table.

The question being on the adoption of the motion to table.

Motion carried.

Reports of Standing Committees.

The following reports of standing committees were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 14, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Concurrent Resolution No. 7—Relative to requesting cities of every class to enact a "stop-cane" law;

Assembly Joint Resolution No. 11—Relative to memorializing the Congress of the United States to enact legislation authorizing deportation proceedings in the Federal courts against undesirable aliens;

Has had the same under consideration, and respectfully reports the same back, and recommends that the resolutions be referred to the Committee on Governmental Efficiency.

Committee membership—5; committee vote Ayes—5.

SEAWELL, Chairman.

Assembly Concurrent Resolution No. 7 read, and referred to Committee on Governmental Efficiency.

Assembly Joint Resolution No. 11 read, and referred to Committee on Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, February 14, 1940

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 53—An act to add section 2 to "An act granting certain tidelands and submerged lands of the State of California to the city of Long Beach upon certain trusts and conditions," approved April 28, 1925, relating to the use of the revenues derived from such lands;

Assembly Bill No. 88—An act to amend section 21 of the Retail Sales Tax Act of 1933, and section 17 of the Use Tax Act of 1935, relating to assessments and refunds, and to provide that this act shall take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that the bills be referred to the Committee on Finance, Revenue and Taxation.

Committee membership—5; committee vote. Ayes—5.

SEAWELL, Chairman.

Assembly Bill No. 53 read first time, and referred to Committee on Finance, Revenue and Taxation.

Assembly Bill No. 88 read first time, and referred to Committee on Finance, Revenue and Taxation.

On Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, February 14, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Senate Joint Resolution No. 5—Relative to House Bill No. 7372, relating to Federal control of oil and gas production in California;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be adopted.

Committee membership—11; committee vote: Ayes—9; absent—2.

HAYS, Chairman.

SENATE CHAMBER, SACRAMENTO, February 14, 1940

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Senate Bill No. 61—An act to amend section 4 of an act entitled "An act defining industrial loan companies, providing for their incorporation, powers and supervision," approved May 18, 1917, relating to rates of interest and other charges on loans made by industrial loan companies;

Has had the same under consideration, and respectfully reports the same back with

amendments. and recommends that the amendments be adopted, and that it do pass as amended.

Committee membership—11; committee vote: Ayes—11.

HAYS, Chairman.

SENATE CHAMBER, SACRAMENTO, February 14, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Senate Concurrent Resolution No. 5—Relative to requesting certain data from the State Personnel Board;

Has had the same under consideration, and respectfully reports the same back, with amendments, and recommends that the amendments be adopted, and that it be adopted as amended.

Committee membership—11; committee vote: Ayes—9; absent—2.

HAYS, Chairman.

SENATE CHAMBER, SACRAMENTO, February 14, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Assembly Bill No. 5—An act to add section 3014.5 to the Civil Code, relating to trust receipt transactions, including those pertaining to motor vehicles;

Assembly Bill No. 38—An act to amend sections 867 and 868 of the Fish and Game Code, relating to yellow-tail, barracuda, and white sea bass;

Assembly Bill No. 80—An act to add section 651e to the Civil Code, relating to corporations furnishing courses of instruction in connection with the operation of a hospital owned or operated by the corporation;

Assembly Joint Resolution No. 14—Relative to the continuance of Japanese beetle suppression under Federal auspices;

Assembly Joint Resolution No. 13—Relative to the allocation of funds by the Congress of the United States to the Central Valley Project;

Has had the same under consideration, and respectfully reports the same back, and recommends that they do pass.

Committee membership—11; committee vote: Ayes—8; absent—3.

HAYS, Chairman.

Messages from the Assembly.

The following messages from the Assembly were received and read.

ASSEMBLY CHAMBER, SACRAMENTO, February 14, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly amended, and on this day passed as amended:

Senate Bill No. 7—An act to amend section 164 of the Vehicle Code, relating to renewal of registration of vehicles;

And respectfully requests your honorable body to concur in said amendments.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk

Senate Bill No. 7 ordered placed on the unfinished business file

ASSEMBLY CHAMBER, SACRAMENTO, February 14, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 72—An act to create a joint legislative committee to study, investigate, survey and report to the Legislature regarding motor vehicles, including needed changes in the laws relating thereto, the enforcement of existing laws and the safe operation of vehicles upon the public highways, and making an appropriation to carry out the provisions of this act, to take effect immediately.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk

Assembly Bill No. 72 ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, February 14, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 81—An act to amend section 64 of the Alcoholic Beverage Control Act and to add section 54.1 thereto, relating to alcoholic beverages;

Assembly Bill No. 82—An act to amend section 27 of the Bank and Corporation Franchise Tax Act, relating to taxes on banks and corporations, and to provide that this act shall take effect immediately;

Assembly Bill No. 83—An act to amend section 28 of The Personal Income Tax Act, relating to taxes on individuals, estates and trusts, and to provide for the disposition of the revenues therefrom, and to provide that this act shall take effect immediately.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk

The above bills ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, February 14, 1940.

MR. PRESIDENT. I am directed to inform your honorable body that the Assembly on this day adopted:

Assembly Concurrent Resolution No. 8—Relative to the construction of a secondary highway between Clovis and Friant, California;

Assembly Joint Resolution No. 15—Relative to the commemoration of the fiftieth anniversary of the establishment of Sequoia National Park;

Assembly Joint Resolution No. 16—Relative to memorializing the President and Congress against the passage of legislation to prohibit the filing of separate income tax returns by spouses in reference to community income.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk

The above resolutions ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, February 14, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly amended, and on this day passed as amended:

Senate Bill No. 5—An act to add section 862c to an act entitled "An act to provide for the organization, incorporation, and government of municipal corporations," approved March 13, 1883, relating to water systems of sixth class cities and the sale and distribution of water therefrom;

Senate Bill No. 47—An act to validate the organization, boundaries, governing officers or boards, acts, proceedings, and bonds of public bodies, to take effect immediately;

And respectfully requests your honorable body to concur in said amendments.

JACK CARL GREENBURG, Chief Clerk of Assembly
By C. W. BOOTH, Assistant Clerk

Second Reading of Senate Bills.

Senate Bill No. 61—An act to amend section 4 of an act entitled "An act defining industrial loan companies, providing for their incorporation, powers and supervision," approved May 18, 1917, relating to rates of interest and other charges on loans made by industrial loan companies.

Consideration of Committee Amendments.

Pursuant to the report of the Committee on Governmental Efficiency, the following amendments to Senate Bill No. 61 were read and adopted:

Amendment No. 1.

On page 2, line 4, of the printed bill, strike out "as a fee".

Amendment No. 2.

On page 2, line 7, of the printed bill, strike out "any kind or", and insert in lieu thereof the following: "all kinds and".

Amendment No. 3.

On page 2, line 8, of the printed bill, strike out ". In", and insert in lieu thereof the following: "; but in".

Amendment No. 4.

On page 2, line 11, of the printed bill, strike out the period, and insert in lieu thereof the following: ", if such rate of two and one-half per cent per month is

less than the aggregate amount of interest and other compensation otherwise permitted by this act."

Bill read second time, ordered to print, engrossment, and on file for third reading.

Senate Concurrent Resolution No. 5—Relative to requesting certain data from the State Personnel Board.

Consideration of Committee Amendment.

Pursuant to the report of the Committee on Governmental Efficiency, the following amendment to Senate Concurrent Resolution No. 5 was read and adopted:

Amendment No. 1.

On page 1, line 31, of the printed bill, strike out "June 30, 1939", and insert in lieu thereof the following: "January 1, 1940".

Resolution read, ordered to print, engrossment, and on file.

Second Reading of Assembly Bills.

Assembly Bill No. 5—An act to add section 3014.5 to the Civil Code, relating to trust receipt transactions, including those pertaining to motor vehicles.

Bill read second time, and ordered on file for third reading.

Assembly Bill No. 38—An act to amend sections 867 and 868 of the Fish and Game Code, relating to yellow-tail, barracuda, and white sea bass.

Bill read second time, and ordered on file for third reading.

Assembly Bill No. 80—An act to add section 651e to the Civil Code, relating to corporations furnishing courses of instruction in connection with the operation of a hospital owned or operated by the corporation.

Bill read second time, and ordered on file for third reading.

Unfinished Business.

Senate Bill No. 5—An act to add section 862c to an act entitled "An act to provide for the organization incorporation, and government of municipal corporations." approved March 13, 1883, relating to water systems of sixth-class cities and the sale and distribution of water therefrom, declaring the urgency of this act, to take effect immediately.

Consideration of Assembly Amendment.

The Senate took up for consideration Assembly amendment to Senate Bill No. 5.

Amendment No. 1.

On page 1, line 7, of the printed bill, as amended, after "the", insert the following: "acquisition,".

The question being Shall the Senate concur in Assembly amendment to Senate Bill No. 5?

The roll was called, and Assembly amendment to Senate Bill No. 5 concurred in by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Nielsen, Parkman, Powers, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—32.
NOES—None.

Senate Bill No 5 ordered to enrollment.

Senate Bill No. 47—An act to validate the organization, boundaries, governing officers or boards, acts, proceedings, and bonds of public bodies, to take effect immediately.

Consideration of Assembly Amendments.

The Senate took up for consideration Assembly amendments to Senate Bill No. 47.

Amendment No. 1.

On page 2, line 17, of the printed bill, after "elected", insert the following: ", qualified".

Amendment No. 2.

On page 2, line 38, of the printed bill, after "errors", insert the following: "in complying with statutory requirements".

Amendment No. 3.

On page 2, lines 39 and 40, of the printed bill, strike out "the statutory requirements of".

Amendment No. 4.

On page 2 of the printed bill, as introduced January 31, 1940, between lines 44 and 45, insert the following

"(c) Nothing contained herein shall be construed to render the creation of any city or district, or any change in the boundaries of any city or district, effective for purposes of assessment or taxation unless the statement, together with the map or plat, required to be filed under section 3720 of the Political Code, is filed in the manner and within the time required by said section."

The question being: Shall the Senate concur in Assembly amendments to Senate Bill No. 47?

The roll was called, and Assembly amendments to Senate Bill No. 47 concurred in by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Nielsen, Parkman, Powers, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—32.
NOES—None.

Senate Bill No. 47 ordered to enrollment

Adjournment.

At one o'clock p.m., on motion of Senator Seawell, the President of the Senate declared the Senate adjourned, until eleven o'clock a.m., Thursday, February 15, 1940

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Thursday, February 15, 1940.

The Senate met at eleven o'clock a.m.
Hon. Ellis E Patterson, President of the Senate, in the chair.
Secretary Joseph A. Beek at the desk

Roll Call.

The roll was called, and the following answered to their names:

Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—32.

Quorum present

Prayer.

Prayer was offered by the Chaplain, Rev. A. Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Wednesday, February 14, 1940, the further reading was dispensed with, on motion of Senator Swing.

Leaves of Absence.

Senator Shelley was, on motion of Senator Foley, granted leave of absence for this day.

Senator Hollister was, on motion of Senator Seawell, granted leave of absence for this day.

Privilege of Floor of Senate Extended.

On request of Senator Kenny, the privilege of the floor of the Senate Chamber for this day was unanimously extended to N. E. West, member, Board of Supervisors of Orange County.

On request of Senator Gordon, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Lowell Eddington, Pete Peterson, Fred Marr, and Lowell Palmer, Napa County.

On request of Senator McCormack, the privilege of the floor of the Senate Chamber for this day was unanimously extended to L. M. Robbries of Suisun.

On request of Senator Nielsen, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Lena B. Everett, teacher; and the following students of the Social Studies Class of the Stanford Junior High School of Sacramento: Ruth Applegate, Gordon Ashcraft, Sammy Asta, Susie Baker, Walter Bascom, Orville Benjamin, Andre Brochais, Mary Ann Bridgham, Beverly Carson, Lee Cole, George Collins, Frank Jacinto, Andrew Kratzer, Monte Larsen, Donald Loesch, Betty Lungershauer, Mabel Marshall, Norma Metcalfe, Mary Mitchell, Louis Nardi, Robert Oldham, Donald Orr, Melvin Parr, Jacqueline Perth, Donald Ramsden, Albert Reich, Ted Riola, Richard Sanderson, Katie Scharosch, Viola Schneberger, Harold Scofield, Nick Swijan, Gladys Turner, Carolyn Valine and Lorraine Vierra.

On request of Senator Mixter, the privilege of the floor of the Senate Chamber for this day was unanimously extended to M. A. Dula of Visalia, regional director, State Farm Bureau Federation; and Leland K. Martin, Tulare, president, Tulare County Farm Bureau.

On request of Senator Nielsen, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mrs. Beulah West and Court West, both of Folsom.

Reports of Standing Committees.

The following reports of standing committees were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 15, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Joint Resolution No. 5—Relative to House Bill No. 7372, relating to Federal control of oil and gas production in California;

Senate Concurrent Resolution No. 5—Relative to requesting certain data from the State Personnel Board;

Senate Bill No. 61—An act to amend section 4 of an act entitled "An act defining industrial loan companies, providing for their incorporation, powers and supervision," approved May 18, 1917, relating to rates of interest and other charges on loans made by industrial loan companies;

And reports that the same have been correctly engrossed.

SEAWELL, Chairman.

On Social Problems.

SENATE CHAMBER, SACRAMENTO, February 14, 1940.

MR. PRESIDENT: Your Committee on Social Problems, to which was referred:

Assembly Constitutional Amendment No. 6—A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by adding a new section numbered 13 to Article XVI thereof, relating to liens, mortgages, encumbrances, and agreements taken as security for aid to the aged, and to the powers of the Legislature in relation thereto;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be adopted.

Committee membership—11; committee vote: Ayes—10; absent 1.

PHILLIPS, Chairman.

SENATE CHAMBER, SACRAMENTO, February 14, 1940.

MR. PRESIDENT: Your Committee on Social Problems, to which was referred:

Assembly Bill No. 96—An act to amend sections 2224 and 2227 of, and to repeal sections 2226 and 2229 of the Welfare and Institutions Code, relating to aid to the aged, and providing for the cancellation and release of certain agreements affecting real property heretofore required of recipients of aid to the aged and their

heirs, declaring the urgency thereof and providing that this act shall take effect immediately;
Has had the same under consideration, and respectfully reports the same back, and recommends that it do pass.
Committee membership—11; committee vote: Ayes—10; absent—1.
PHILLIPS, Chairman.

Re-reference of Assembly Bill.

Senator Phillips moved that Assembly Constitutional Amendment No. 6 and Assembly Bill No. 96 be re-referred to Committee on Social Problems.

Motion carried, and such was the order.

Unfinished Business.

Senate Bill No. 7—An act to amend section 164 of the Vehicle Code, relating to renewal of registration of vehicles.

Consideration of Assembly Amendment.

The Senate took up for consideration Assembly amendment to Senate Bill No. 7.

Amendment No. 1.

On page 1, line 16, of the printed bill, as amended, after "charge", insert a comma and the following: "or upon request shall mail such notice to the legal owner at the latter's expense".

The question being: Shall the Senate concur in Assembly amendment to Senate Bill No. 7?

The roll was called, and Assembly amendment to Senate Bill No. 7 concurred in by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Holohan, Jespersen, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Quinn, Seawell, Slater, Swing, Tickle, and Wagy—30.
NOES—None

Senate Bill No. 7 ordered to enrollment

Consideration of Daily File.
Third Reading of Senate Bills.

Senate Joint Resolution No. 5.

Relative to House Bill No. 7372, relating to Federal control of oil and gas production in California.

WHEREAS, The State of California is one of the States of the Union wherein oil and gas are produced, refined, and made available for the uses of mankind; and

WHEREAS, The production of said natural resources is obtained in this State from three classes of lands: (1) Public lands owned by the United States of America as an incident of national sovereignty; (2) lands owned by the State of California by virtue of its sovereignty as a State; and (3) lands owned in fee by private persons and other private entities; and

WHEREAS, The right to regulate the method and manner of such production from national lands is solely within the jurisdiction of the Government of the United States; and

WHEREAS, The right to regulate the method and manner of such production from State lands is solely within the jurisdiction of the government of the State of California; and

WHEREAS, The State of California in its sovereign capacity as a State has assumed and asserted jurisdiction over the method and manner of such production from privately owned lands in the State of California by passage of laws calculated

and designed to prevent waste of oil and gas in the exploration for and production and refining thereof, to the extent deemed best in the wisdom of the Legislature of the State and subject to the will of the people of this State, expressed in accordance with our Constitution; and

WHEREAS, There has been introduced into the Congress of the United States a bill, known as House Bill 7372, providing for exercise of jurisdiction by the Government of the United States over all production of crude oil and gas in the State of California and in other States; and

WHEREAS, Said bill, if passed, would infringe upon the sovereignty of the State of California; now, therefore, be it

Resolved, by the Senate and Assembly of the State of California, jointly, That the State of California hereby respectfully protests the assertion of jurisdiction evidenced by the pendency of H. B. 7372, in the belief that the passage thereof would be an infringement of the sovereignty of the State of California as one of the United States of America; and be it further

Resolved, That the Secretary of the Senate is hereby instructed to transmit copies of this resolution to the President of the United States, to the presiding officer of the United States Senate, to the Speaker of the House of Representatives, to the Honorable Clarence F. Lea, Chairman of the Interstate and Foreign Commerce Committee of the House of Representatives, and to the Honorable William P. Cole, chairman of the subcommittee thereof.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Joint Resolution No. 5 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Parkman, Phillips, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—31

NOES—None.

Senate Joint Resolution No. 5 ordered transmitted to the Assembly.

Senate Concurrent Resolution No. 5.

Relative to requesting certain data from the State Personnel Board.

WHEREAS, The Legislature has been called upon to give consideration at this special session to bills designed to provide revenue for the State government, and at the same time to appropriate funds to provide salary adjustments or increases for State officers and employees during the 91st and 92d fiscal years; and

WHEREAS, In order to give proper consideration to these various measures, it is necessary that the Legislature have certain data concerning the financial operation of the State; now, therefore, be it

Resolved by the Senate of the State of California, the Assembly thereof concurring, That the State Personnel Board is hereby directed to prepare and submit immediately to the Senate and the Assembly a report containing a complete list of the officers and employees of each and every office, department, board, bureau, commission and institution of the government of the State of California, said report being set up so as to show:

(1) The name of each such office, department, board, bureau, commission or institution.

(2) The names of each of its officers and regular employees of every kind and character, with the title of the position and the amount of monthly salary or wages paid such officers and employees; and be it further

Resolved, That said report shall be as of the date of the adoption of this resolution; and be it further

Resolved, That said report shall contain a statement with reference to each such office, department, board, bureau and institution, showing the number of persons engaged for temporary or emergency employment during the fiscal year ending January 1, 1940, and the total amount expended on account of such temporary or emergency employment.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Concurrent Resolution No. 5 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Hays, Holohan, Kenny, Mayo, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Seawell, Slater, Tickle, and Wagy—25.
NOES—None.

Senate Concurrent Resolution No. 5 ordered transmitted to the Assembly.

Third Reading of Assembly Bills.

Assembly Bill No. 38—An act to amend sections 867 and 868 of the Fish and Game Code, relating to yellow-tail, barracuda, and white sea bass.

Bill read third time.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 38 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Parkman, Phillips, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—30.
NOES—None.

Title read and approved.

Assembly Bill No. 38 ordered transmitted to the Assembly.

Assembly Bill No. 80—An act to add section 651e to the Civil Code, relating to corporations furnishing courses of instruction in connection with the operation of a hospital owned or operated by the corporation.

Bill read third time.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 80 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—33.
NOES—None.

Title read and approved.

Assembly Bill No. 80 ordered transmitted to the Assembly.

Assembly Joint Resolution No. 14.

Relative to the continuance of Japanese beetle suppression under Federal auspices.

WHEREAS, A hearing has been called by the United States Bureau of Entomology and Plant Quarantine for February 27 at Washington, D. C., to consider whether or not that Federal agency shall continue to enforce regulatory measures to prevent the spread of the Japanese beetle within the United States, said agency having capably and effectively carried on this function for many years; and

WHEREAS, The abandonment of enforcement of quarantine against the Japanese beetle by this Federal agency will cause such enforcement work to be assumed by the several States, thereby encouraging the development of 48 different kinds of quarantine measures, and will require greatly increased costs for the same objective; and

WHEREAS, The Federal authorities have complete machinery already established and are in better position to conduct necessary investigational and research work relative to control and nursery inspection and certification technics; and

WHEREAS, The fullest protection to be afforded the agricultural industry against the rapid spread of one of the world's most serious fruit crop and garden pests appears best to be accomplished by an experienced and trained Federal agency; now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California does hereby urge that there be no abandonment of quarantine enforcement, nursery certification, control methods, research, or procedures directed to Japanese beetle suppression by the Federal Government, and that the present Federal agency be requested to continue the effective work now in progress; and, be it further

Resolved, That Congress be requested to make adequate financial provision for Japanese beetle suppression; and, be it further

Resolved, That a copy of this resolution be forwarded, by the Secretary of State, to the United States Secretary of Agriculture, the Chief of the United States Bureau of Entomology and Plant Quarantine, and the Senators and Congressional Representatives for California.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Joint Resolution No 14 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Rich, Seawell, Slater, Swing, Tickle, and Wagy—33.

NOES—None.

Assembly Joint Resolution No. 14 ordered transmitted to the Assembly.

Assembly Bill No. 5—An act to add section 3014.5 to the Civil Code, relating to trust receipt transactions, including those pertaining to motor vehicles.

Bill read third time.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 5 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—33.

NOES—None.

Title read and approved.

Assembly Bill No. 5 ordered transmitted to the Assembly.

Assembly Joint Resolution No. 13.

Relative to the allocation of funds by the Congress of the United States to the Central Valley Project.

WHEREAS, The Congress of the United States has heretofore authorized the Central Valley Project as a Federal project to be constructed by the United States Bureau of Reclamation; and

WHEREAS, The Congress of the United States has heretofore appropriated and made funds available for the construction of said project in the sum of $44,600,000; and

WHEREAS, The United States Bureau of Reclamation has entered into contracts, subject to availability of funds, for the construction of features of said project, in the sum of $73,000,000, of which the sum of approximately $32,000,000 has been expended; and

WHEREAS, The actual construction work on the Central Valley Project now provides employment on the project of more than six thousand men, with other thousands of men required for the production of materials involved in said construction; and

WHEREAS, Unless adequate appropriations are promptly made available by Congress for the continuance of such construction work, it will mean the stoppage of this work within the next few months, thereby adding to the already overburdened relief rolls of the State of California; and

WHEREAS, The President of the United States has included in his budget submitted to the Congress for the next fiscal year, the sum of $16,000,000 for the Central Valley Project; and

WHEREAS, The President has requested a supplemental emergency appropriation of $6,000,000 for the current fiscal year, which amount, together with that requested in the budget, we believe is still insufficient to adequately provide for the proper progress of construction; now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the President and the Congress of the United States are respectfully requested to take such action as will be required for providing appropriations for the coming fiscal year in the sum of $30,000,000 or more for the continuance of construction of the Central Valley Project; and be it further

Resolved, That copies of this resolution be transmitted by the chief clerk of the Assembly to the President and Vice President of the United States, to the Speaker of the House of Representatives, each Senator and Representative from California in the Congress of the United States, the members of the Appropriations Committee of the House, the Secretary of the Interior and the Commissioner of Reclamation.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Joint Resolution No. 13 adopted by the following vote:

AYES—Senators, Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Seawell, Slater, Swing, Tickle, and Wagy—33.

NOES—None.

Assembly Joint Resolution No 13 ordered transmitted to the Assembly.

Requests for Permission to Introduce Bills.

The following requests for permission to introduce bills were presented:

By Senator Seawell:

SENATE CHAMBER, SACRAMENTO, February 15, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act making an appropriation for the contingent expenses of the Senate for the fifty-third (extraordinary) session of the Legislature including expenses of committees created at that session, and declaring that this act shall take effect immediately.

Respectfully submitted.

SENATOR SEAWELL.

Request referred to Committee on Rules.

By Senator Kenny:

SENATE CHAMBER, SACRAMENTO, February 15, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act to amend the Street Opening Act of 1903 by adding section 18b thereto, relating to the refunding, repayment and adjustment of assessments and bonds.

Respectfully submitted.

SENATOR KENNY.

Request referred to Committee on Rules.

By Senator Kenny:

SENATE CHAMBER, SACRAMENTO, February 15, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act to amend the Improvement Act of 1911 by adding section 28b thereto, relating to the refunding, repayment and adjustment of assessments and bonds.

Respectfully submitted.

KENNY.

Request referred to Committee on Rules.

Reports of Standing Committee.

The following reports of standing committee were received and read.

On Rules.

SENATE CHAMBER, SACRAMENTO, February 15, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Bill No. 5—An act to add section 862c to an act entitled "An act to provide for the organization, incorporation, and government of municipal corporations," approved March 13, 1883, relating to water systems of sixth-class cities and the sale and distribution of water therefrom, declaring the urgency of this act, to take effect immediately;

Senate Bill No. 47—An act to validate the organization, boundaries, governing officers or boards, acts, proceedings, and bonds of public bodies, to take effect immediately;

And reports that the same have been correctly enrolled and presented to the Governor on the fifteenth day of February, 1940, at eleven o'clock a m.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 15, 1940.

MR. PRESIDENT: Your Committee on Rules to which was referred the following request by Senator Seawell for permission to introduce a bill:

An act making an appropriation for the contingent expenses of the Senate for the fifty-third (extraordinary) session of the Legislature including expenses of committees created at that session, and declaring that this act shall take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the bill introduced and referred to committee on Finance, Revenue and Taxation.

Committee membership—5; committee vote, Ayes—3; absent 2.

SEAWELL, Chairman.

Introduction, First Reading and Reference of Bills.

The following bill was introduced:

Senate Bill No. 76: By Senator Seawell—An act making an appropriation for the contingent expenses of the Senate for the fifty-third (extraordinary) session of the Legislature including expenses of committees created at that session, and declaring that this act shall take effect immediately.

Senate Bill No 76 read first time and referred to Committee on Finance, Revenue and Taxation.

Reports of Standing Committees.

The following reports of standing committees were received and read:

On Finance, Revenue and Taxation.

SENATE CHAMBER, SACRAMENTO, February 15, 1940

MR. PRESIDENT: Your Committee on Finance, Revenue and Taxation, to which was referred:

Senate Bill No. 76—An act making an appropriation for the contingent expenses of the Senate for the fifty-third (extraordinary) session of the Legislature, including

expenses of committees created at that session, and declaring that this act shall take effect immediately;
Has had the same under consideration, and respectfully reports the same back, and recommends that it do pass.
Committee membership—11; committee vote: Ayes—7; absent—4.

TICKLE, Chairman.

On Rules.

SENATE CHAMBER, SACRAMENTO, February 15, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:
Assembly Bill No. 72—An act to create a joint legislative committee to study, investigate, survey and report to the Legislature regarding motor vehicles, including needed changes in the laws relating thereto, the enforcement of existing laws and the safe operation of vehicles upon the public highways, and making an appropriation to carry out the provisions of this act, to take effect immediately;
Assembly Bill No. 82—An act to amend section 27 of the Bank and Corporation Franchise Tax Act, relating to taxes on banks and corporations, and to provide that this act shall take effect immediately;
Assembly Bill No. 83—An act to amend section 28 of The Personal Income Tax Act, relating to taxes on individuals, estates and trusts, and to provide for the disposition of the revenues therefrom, and to provide that this act shall take effect immediately;
Has had the same under consideration, and respectfully reports the same back, and recommends that the bills be referred to Committee on Finance, Revenue and Taxation.
Committee membership—5; committee vote: Ayes—4; absent—1.

SEAWELL, Chairman.

Assembly Bill No. 72 read first time, and referred to Committee on Finance, Revenue and Taxation.

Assembly Bill No. 82 read first time, and referred to Committee on Finance, Revenue and Taxation.

Assembly Bill No. 83 read first time, and referred to Committee on Finance, Revenue and Taxation.

SENATE CHAMBER, SACRAMENTO, February 15, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:
Assembly Bill No. 81—An act to amend section 64 of the Alcoholic Beverage Control Act and to add section 54.1 thereto, relating to alcoholic beverages;
Assembly Joint Resolution No. 15—Relative to the commemoration of the fiftieth anniversary of the establishment of Sequoia National Park;
Assembly Joint Resolution No. 16—Relative to memorializing the President and Congress against the passage of legislation to prohibit the filing of separate income tax returns by spouses in reference to community income;
Assembly Concurrent Resolution No. 8—Relative to the construction of a secondary highway between Clovis and Friant, California;
Has had the same under consideration, and respectfully reports the same back, and recommends that the bill and resolutions be referred to Committee on Governmental Efficiency.
Committee membership—5; committee vote: Ayes—4; absent—1.

SEAWELL, Chairman.

Assembly Bill No. 81 read first time, and referred to Committee on Governmental Efficiency.

Assembly Joint Resolution No. 15 read, and referred to Committee on Governmental Efficiency.

Assembly Joint Resolution No. 16 read, and referred to Committee on Governmental Efficiency.

Assembly Concurrent Resolution No. 8 read, and referred to Committee on Governmental Efficiency.

On Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, February 15, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Senate Bill No 46—An act to amend sections 130 and 130.1 of the Vehicle Code, relating to the records of the Department of Motor Vehicles;

Has had the same under consideration, and respectfully reports the same back with amendments, and recommends that the amendments be adopted, and that it do pass as amended.

Committee membership—11; committee vote: Ayes—8; noes—1; absent—2.

HAYS, Chairman.

SENATE CHAMBER, SACRAMENTO, February 15, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Senate Bill No 67—An act to repeal section 10886 of, to amend section 10885 of, and to add sections 10885.1 to 10886, inclusive, to the Insurance Code, relating to contributions in the form of certificates of advancement;

Has had the same under consideration, and respectfully reports the same back, and recommends that it do pass.

Committee membership—11; committee vote: Ayes—9; absent—2.

HAYS, Chairman.

Second Reading of Senate Bills.

Senate Bill No. 46—An act to amend sections 130 and 130.1 of the Vehicle Code, relating to the records of the Department of Motor Vehicles.

Consideration of Committee Amendments.

Pursuant to the report of the Committee on Governmental Efficiency the following amendments to Senate Bill No. 46 were read and adopted:

Amendment No. 1.

On page 1, line 8, of the printed bill, as amended, strike out "for any information given"; strike out lines 9, 10 and 11, and, in line 12, strike out "ment of Finance", and insert in lieu thereof the following: "the sum of fifteen cents for each item concerning which information is supplied from its records".

Amendment No. 2.

On page 2 of the printed bill, as amended, strike out lines 10 to 15, inclusive, and insert in lieu thereof the following: "the satisfaction of the director, and has paid or has made arrangements satisfactory to the director to pay the amount of one dollar per day for each person so working in said registration files of the Department of Motor Vehicles."

Amendment No. 3.

On page 1 of the printed bill, between lines 22 and 23, insert the following:

"(d) The Department shall not make any charge for any copies of records, or for information given out from its records, to any county, city, or city and county."

Bill read second time, ordered to print, engrossment, and on file for third reading.

Senate Bill No. 67—An act to repeal section 10886 of, to amend section 10885 of, and to add sections 10885.1 to 10886, inclusive, to the Insurance Code, relating to contributions in the form of certificates of advancement.

Bill read second time, ordered to engrossment, and on file for third reading.

Adjournment.

At eleven o'clock and fifty-five minutes a.m., on motion of Senator Seawell, the President of the Senate declared the Senate adjourned, until eleven o'clock a.m., Friday, February 16, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Friday, February 16, 1940.

The Senate met at eleven o'clock a m.
Hon. Ellis E. Patterson, President of the Senate, in the chair.
Secretary Joseph A Beek at the desk.

Roll Call.

The roll was called, and the following answered to their names:

Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Keating, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—32

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev. A. Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Thursday, February 15, 1940, the further reading was dispensed with, on motion of Senator Swing.

Leaves of Absence.

Senator Kenny was, on motion of Senator Keating, granted leave of absence for this day.

Senator Hollister was, on motion of Senator McBride, granted leave of absence for this day.

Senator Collier was, on motion of Senator McBride, granted leave of absence for this day.

Privilege of Floor of Senate Extended.

On request of Senator Garrison, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Clem Cole of Escalon and M. W. Fisher of Linden.

On request of Senator Biggar, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mrs. Harry Jordan, R. O. Brandt, Margery Brandt and Roselle Held, all of Lakeport.

On request of Senator Fletcher, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Judge F. F. Grant of San Diego.

Communication.

The following communication was received, read, and ordered printed in the Journal.

STATE OF CALIFORNIA, DEPARTMENT OF PUBLIC WORKS,
SACRAMENTO, February 14, 1940

Honorable J. A. Beek, Secretary of the Senate,
State Capitol Building, Sacramento, California.

DEAR SIR: Responsive to Senate Resolution No 19, transmitted by your letter of February 7, 1940, and received by me on February 8, 1940, there is submitted herewith a complete and detailed report upon the matters specified in the resolution. This report has been prepared by the State Engineer pursuant to my direction.

Very sincerely yours,

FRANK W. CLARK,
Director of Public Works

Senate Resolution No. 23.

The following resolution was offered:

By Senator Tickle:

Resolved, That the following named persons be stricken from the list of Senate attaches, and their names be stricken from the pay roll of the Senate, to take effect on completion of work February 10, 1940:

	Per day
Jeanne Vallee, Stenographer	$5 00
Irma Horne, Stenographer	5 00
Betty H Rourke, Stenographer	5 00
Dorothy E. Dittmer, Stenographer	5 00

Resolution read, and on motion of Senator Tickle adopted.

Senate Resolution No. 24.

The following resolution was offered:

By Committee on Contingent Expenses:

Resolved, That the Controller be and he is hereby directed to draw his warrant on the Contingent Fund of the Senate in the sum of $200 in favor of the Secretary of the Senate and the Treasurer is hereby directed to pay the same, the same being for postage for the Senate.

SEAWELL.
HOLOHAN.
KEATING.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 24 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Keating, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—32.

NOES—None.

Message from the Assembly.

The following message from the Assembly was received and read:

ASSEMBLY CHAMBER, SACRAMENTO, February 16, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Assembly Concurrent Resolution No. 9—Approving amendments to the charter of the city of Albany, county of Alameda, State of California, voted upon and ratified by the electors of said city at an election held therein on November 7, 1939.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Concurrent Resolution No. 9 ordered referred to Committee on Rules.

Reports of Standing Committees.

The following reports of standing committees were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 16, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Bill No. 7—An act to amend section 164 of the Vehicle Code, relating to renewal of registration of vehicles;

And reports that the same has been correctly enrolled and presented to the Governor on the sixteenth day of February, 1940, at eleven o'clock a.m.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 16, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Bill No. 46—An act to amend sections 130 and 130.1 of the Vehicle Code, relating to the records of the Department of Motor Vehicles;

Senate Bill No. 67—An act to repeal section 10886 of, to amend section 10885 of, and to add sections 10885.1 to 10886, inclusive, to the Insurance Code, relating to contributions in the form of certificates of advancement;

And reports that the same have been correctly engrossed.

SEAWELL, Chairman.

On Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, February 15, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Assembly Bill No. 55—An act to amend section 1300.17 of the Agricultural Code, relating to the marketing of agricultural products;

Assembly Bill No. 60—An act to add Division IX to the Public Resources Code, relating to soil conservation, creating the State Soil Conservation Commission and prescribing its powers and duties, providing for the organization and operation of soil conservation districts and the establishment and enforcement of land use regulations in such districts; to repeal an act entitled "An act declaring a State policy relating to soil conservation through the prevention or control of soil erosion, creating a State Soil Conservation Committee and defining its duties and authority; providing procedure for the organization, management and dissolution of soil conservation districts and defining their powers and providing for cooperation between the State Soil Conservation Committee, the United States, the State, counties, soil conservation districts, other public districts, and individuals and corporations," approved March 29, 1938; to validate the organization of districts and proceedings for organization taken under the act repealed and to provide for the continued operation of such districts and the completion of such proceedings under this act; Has had the same under consideration, and respectfully reports the same back with amendments, and recommends that the amendments be adopted, and that they do pass as amended.

Committee membership—11; committee vote: Ayes—9; absent—2.

HAYS, Chairman.

On Rules.

SENATE CHAMBER, SACRAMENTO, February 16, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Concurrent Resolution No. 9—Approving amendments to the charter of the city of Albany, county of Alameda, State of California, voted upon and rati-

fied by the electors of said city at an election held therein on November 7, 1939; Has had the same under consideration, and respectfully reports the same back, and recommends that it be placed on file.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 16, 1940.

MR. PRESIDENT: Your Committee on Rules to which was referred the following requests for permission to introduce a bill:

By Senator Kenny:

An act to amend the Street Opening Act of 1903 by adding section 18b thereto, relating to the refunding, repayment and adjustment of assessments and bonds;

By Senator Kenny:

An act to amend the Improvement Act of 1911 by adding section 28b thereto, relating to the refunding, repayment and adjustment of assessments and bonds; Has had the same under consideration, and respectfully reports the same back and recommends that permission be granted, the bills introduced and referred to Committee on Finance, Revenue and Taxation.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Consideration of Assembly Concurrent Resolution No. 9.

Assembly Concurrent Resolution No. 9—Approving amendments to the charter of the city of Albany, county of Alameda, State of California, voted upon and ratified by the electors of said city at an election held therein on November 7, 1939.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Concurrent Resolution No. 9 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Keating, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—31.

NOES—None.

Assembly Concurrent Resolution No. 9 ordered transmitted to the Assembly.

Consideration of Daily File.

Second Reading of Senate Bills.

Senate Bill No. 76—An act making an appropriation for the contingent expenses of the Senate for the fifty-third (extraordinary) session of the Legislature including expenses of committees created at that session, and declaring that this act shall take effect immediately.

Amendments from the Floor.

During second reading of Senate Bill No 76 the following amendments, offered by Senator Seawell, were read and adopted:

Amendment No. 1.

In line 4 of the title of the printed bill, after the word "session", insert the following: "and for any and all claims approved by the Senate".

Amendment No. 2.

On page 1, line 7, of the printed bill, after the word "session", insert the following: "and for any and all claims approved by the Senate".

Bill read second time, ordered to print, engrossment, and on file for third reading.

Request for Permission to Introduce a Bill.

The following request for permission to introduce a bill was presented · By Senator McBride:

SENATE CHAMBER, SACRAMENTO, February 15, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act making an appropriation for relief of hardship and destitution due to and caused by unemployment, and providing for the expenditure thereof in conjunction with the National Youth Administration program.

Respectfully submitted.

SENATOR McBRIDE.

Request referred to Committee on Rules.

Second Reading of Assembly Bills.

Assembly Bill No. 55—An act to amend section 1300.17 of the Agricultural Code, relating to the marketing of agricultural products.

Consideration of Committee Amendments.

Pursuant to the report of the Committee on Governmental Efficiency, the following amendments to Assembly Bill No. 55 were read and adopted:

Amendment No. 1.

On page 1, line 15, of the printed bill, immediately after the word "which", insert the following: "in the case of producers".

Amendment No. 2.

On page 1 of the printed bill, strike out all of lines 18 to 21, inclusive, and insert in lieu thereof the following: "ducers, regulated by such marketing order or in amounts which in the case of processors, distributors or other handlers will not exceed one and one-half (1½) per cent of the gross dollar volume of purchases of the commodity affected by the marketing order from producers or of the gross dollar volume of sales of the commodity affected by the marketing order and handled by all such processors, distributors or other handlers regulated by such marketing order".

Amendment No. 3.

On page 3, line 3, of the printed bill, immediately after the period, add the following: "Whenever both producers and processors, distributors or other handlers are regulated by a marketing order, the assessment for advertising or sales promotion may in the case of producers be based upon the form in which the agricultural commodity is delivered by producers to processors and in the case of processors, distributors and other handlers upon the processed form of such commodity as sold by processors, distributors or other handlers; provided, that no producer, processor, distributor or other handler shall be subject to such assessment for advertising or sales promotion covering the same agricultural commodity in more than one existing marketing order."

Bill read second time, ordered to print, and on file for third reading.

Assembly Bill No. 60—An act to add Division IX to the Public Resources Code, relating to soil conservation, creating the State Soil Conservation Commission and prescribing its powers and duties, providing for the organization and operation of soil conservation districts and the establishment and enforcement of land use regulations in such districts; to repeal an act entitled "An act declaring a State policy relating to soil conservation through the prevention or control of soil erosion, creating a State Soil Conservation Committee and defining its duties and authority; providing procedure for the organization, management and dissolution of soil conservation districts and defining

their powers and providing for cooperation between the State Soil Conservation Committee, the United States, the State, counties, soil conservation districts, other public districts, and individuals and corporations," approved March 29, 1938; to validate the organization of districts and proceedings for organization taken under the act repealed and to provide for the continued operation of such districts and the completion of such proceedings under this act.

Consideration of Committee Amendments.

Pursuant to the report of the Committee on Governmental Efficiency, the following amendments to Assembly Bill No. 60 were read and adopted:

Amendment No. 1.

On page 4, line 9, of the printed bill, strike out "and", and insert in lieu thereof the following: "the Governor, subject to the confirmation of the Senate, and shall".

Amendment No. 2.

On page 23, line 15, of the printed bill, after the period, insert the following: "No land use regulation shall apply to lands on which dredging or other mining operations are conducted, except in so far as such operations interfere with the prevention or control of soil erosion on other lands."

Bill read second time, ordered to print, and on file for third reading.

Third Reading of Senate Bills.

Senate Bill No. 61—An act to amend section 4 of an act entitled "An act defining industrial loan companies, providing for their incorporation, powers and supervision," approved May 18, 1917, relating to rates of interest and other charges on loans made by industrial loan companies.

Bill read third time.

The question being on the passage of the bill.

The roll was called, and Senate Bill No 61 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Keating, Mayo, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—30.

NOES—None.

Title read and approved.

Senate Bill No. 61 ordered transmitted to the Assembly.

Senate Bill No. 67—An act to repeal section 10886 of, to amend section 10885 of, and to add sections 10885.1 to 10886, inclusive, to the Insurance Code, relating to contributions in the form of certificates of advancement.

Bill read third time.

The question being on the passage of the bill.

The roll was called, and Senate Bill No. 67 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Keating, Mayo, McBride,

McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—31.
NOES—None.

Title read and approved.
Senate Bill No. 67 ordered transmitted to the Assembly.

Report of Standing Committee.

The following report of standing committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 16, 1940.

MR PRESIDENT: Your Committee on Rules to which was referred the following request by Senator McBride for permission to introduce a bill.

An act making an appropriation for relief of hardship and destitution due to and caused by unemployment, and providing for the expenditure thereof in conjunction with the National Youth Administration program;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the bill introduced and referred to Committee on Finance, Revenue and Taxation.

Committee membership—5, committee vote Ayes—4; absent—1.

SEAWELL, Chairman.

Introduction, First Reading and Reference of Bills.

The following bills were introduced:

Senate Bill No. 77: By Senator Kenny—An act to amend the Street Opening Act of 1903 by adding section 18b thereto, relating to the refunding, repayment and adjustment of assessments and bonds.

Senate Bill No. 77 read first time, and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 78: By Senator Kenny—An act to amend the Improvement Act of 1911 by adding section 28b thereto, relating to the refunding, repayment and adjustment of assessments and bonds.

Senate Bill No. 78 read first time, and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 79: By Senator McBride—An act making an appropriation for relief of hardship and destitution due to and caused by unemployment, and providing for the expenditure thereof in conjunction with the National Youth Administration program.

Senate Bill No. 79 read first time, and referred to Committee on Finance, Revenue and Taxation.

Resolution.

The following resolution was offered:
By Senator Seawell:

Resolved, That Senate Bill No 76 presents a case of urgency, as that term is used in section 15 of Article IV of the Constitution, and the provision of that section requiring that the bill shall be read on three several days in each House is hereby dispensed with, and it is ordered that said bill be read the third time, and placed upon its passage.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and the resolution adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—31.

NOES—None.

Report of Standing Committee.

The following report of standing committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 16, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Bill No. 76—An act making an appropriation for the contingent expenses of the Senate for the fifty-third (extraordinary) session of the Legislature including expenses of committees created at that session and for any and all claims approved by the Senate, and declaring that this act shall take effect immediately;

And reports that the same has been correctly engrossed.

SEAWELL, Chairman.

Third Reading of Senate Bills.

Senate Bill No. 76—An act making an appropriation for the contingent expenses of the Senate for the fifty-third (extraordinary) session of the Legislature including expenses of committees created at that session and for any and all claims approved by the Senate, and declaring that this act shall take effect immediately.

Bill read third time.

The question being on the passage of the bill.

The roll was called, and Senate Bill No. 76 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—31.

NOES—None.

Title read and approved.

Senate Bill No. 76 ordered transmitted to the Assembly.

Communication.

The following communication was received, read, and on motion of Senator Phillips ordered printed in the Journal:

Housing in the San Joaquin Valley.

By LEE ALEXANDER STONE, M.D.

Radio Address over KFBK, Sacramento,
February 15, 1940,
On the Public Forum Hour of the California Network.

It has been my privilege and pleasure to serve agriculture in California for the past ten years. During that time I have studied many of the problems farmers must face; I have tried in my humble way to assist in their solution. Housing, sanitation, and public health has been my work. I have believed it my duty, if I was to make a success of public health work, to study the problems of those with whom I was in constant association. If I have rendered even small assistance, I am happy.

In 1932 I approached the growers of Madera County and asked their support in a grower-owned camp project which would place labor camps on agricultural

acreages owned by farmers. That I met with success and a fine cooperative spirit is attested to by the fact that in Madera County there are 94 labor camps—with a cabin population approximating 3,000 cabins. All are grower-owned.

There are no Federal Government camps in Madera County. For years I have fought the establishment or building of such camps anywhere in the State of California. At many meetings of the State Chamber of Commerce and the Farm Bureau, I have spoken against such camps. I am still opposed to any type of paternalism which lowers the morale of people who, if left alone, might work out their own destiny. I do not believe that it is the duty of either the Federal Government or the State to keep alive professional indigency. There are thousands upon thousands of people in California and elsewhere who have lost all moral and physical stamina and have dropped to such a low level as now to be professional beggars. These persons have grown accustomed to accepting a living at the hands of the Government, State or county. They have lost all of their self-respect. Their morale is completely broken down.

The Farm Security Administration of the United States Department of Agriculture has spent millions of dollars to erect camps to house free (the small payments indigents pay to live in these camps is mere subterfuge), people that they may pay homage to the founders of the New Deal. These people were in the main once self-respecting and humble. Their needs were small and they were proud to work that money might be earned to pay their meager expenses.

I believe that if growers had been loaned the millions spent by the FSA with which to construct places to properly house labor, on long time terms with low interest rates, a professional indigent class would not now be as numerous as they are. Growers or farmers, as you may choose to call them, are going broke each year because of increase in taxation made necessary to keep alive an obnoxious paternal system which if carried on for a few years longer, will bankrupt the Nation and the State of California, and bring communism with its sadistic cruelties to our own doors.

The farmers of the San Joaquin Valley and elsewhere are capable of and are willing to house the labor they employ in livable cabins These cabins may not appeal to the sensitive minds of esthetes. They do keep camp inhabitants protected from the elements, and if the tenant is of the right sort, each cabin becomes a proper home. In the main, labor camps offer better places of habitation than their occupants had ever occupied in their lives before. In many instances because of grower liberality, migrants are allowed to remain in camps the year around. They pay no rent, and yet a great number befoul the cabins in which they live to an extent that no self-respecting hog would occupy one after the tenants had moved out.

Good sanitation is rarely observed by the average migrant for the good and simple reason his previous method of living had no place in it for either cleanliness or proper sanitary expression.

There is definitely no shortage of housing for migrants in labor camps in the San Joaquin Valley. There is a definite deficiency in the cities of the valley of houses for those of the better class able to pay a small rental charge. Hundreds of migrants who have attained a year's residence are having their rent paid by SRA and if for a shorter period money grants are supplied by the FSA. Many of them receive an extra SRA rent allowance of $15 per month. Five dollars of this money is used for part payment on land being purchased and balance is paid for lumber, usually secondhand, out of which to build a one or two room cabin.

A careful reading of Assembly Bill No. 57 and Senate Bill No. 62 of the present session of the Legislature will disclose to my listeners the fact that Governor Olson, Carey McWilliams and others of the Governor's staff who are very definite left-wingers, are attempting to ram down the throats of the people of California, a new act to be known as the "California State Housing Authority Law."

Carey McWilliams seeks in this law to destroy the splendid efforts of farmers to erect houses for their labor by having them declared insanitary and unfit for human habitation. While nothing is said about labor camps in the act, the general inference is that they are under fire. Should this act pass, hundreds and maybe hundreds of thousands of new migrants, without a dollar in their pockets, will continue to pour into California to become a taxpayers' burden. This proposed act presents paternalism plus. If passed by the Legislature, the people of the State, upon whose shoulders must fall the expense of operation, will be compelled to listen to additional crack-pot ideas of men and women bent upon placing those able to earn an honest living and willing to work, on a discount list, marked "for elimination." Until labor refuses to become the tool of those who seek their destruction by soft words, they will find themselves continually penalized by professional beggars, made so by politicians seeking to perpetuate themselves in office.

Paragraph "D" of section 24 of the proposed housing act, outlines the fact that only the very poor, who, out of the pittance they earn, not all of it by hard labor, but paid out of taxpayers' pockets through SRA and FSA, shall have given them for a very low rental charge conveniences and housing denied to men and women whose earning capacity to pay, while very low yet is greater than that of those

to be qualified for the very low rental charge offered by the housing law. In other words, many workers who are sincere in their desire to keep off relief rolls and away from professional beggary are to be penalized because they earn a little more than the housing law authorities might say that they shall earn. They are to be denied comforts as included in the rental charge of the proposed housing law to be paid those in the low income bracket, "heat, water, electricity, gas, cooking range and other necessary services or facilities whether or not the charge for such services or facilities is included in the rental."

This law will penalize the man or the woman capable and willing to work, that they and their loved ones may not suffer. It places a premium on mendicancy and a curse on those who are still willing and anxious to rise above mediocrity.

The "California State Housing Authority Law," while not openly, seeks to renew a war, with what left-wingers call, "abuses capital heaps upon the masses." When one looks backward and reads the pages which make up the history of capitalistic endeavor, they discover that the origination of all that which makes America an outstanding nation, came from the sweat of labor performed by men and women, and sometimes by boys and girls, who because of frugal living and strong moral stamina, sometimes facing defeat, rose above their surroundings and environment to start and keep alive business enterprises without which the United States would be a nation beyond prowess and courage to go ahead.

I have no fight with the so-called "moneyed class." Without it America would not now be using electricity instead of the candle, nor would it have developed desert spaces into garden spots to produce food that the Nation might eat. Wealth never was acquired by luck. Its genesis lies deep in the muscle and brawn of a determined people, not afraid to work and in whose brains lies that same spirit of pioneering found in the hearts of our forefathers. Labor honestly performed brings satisfaction, it despises the patronage offered by a smug political few, a patronage out of which some day will come, unless whipped now, the slavery of dictatorship.

Motion.

Senator Seawell moved that the report received by the Senate from the Director of the Department of Public Works, pursuant to the provisions of Senate Resolution No. 19, be referred to Senator Metzger for the purpose of audit.

Motion carried, and such was the order.

Message from the Assembly.

The following message from the Assembly was received and read:

ASSEMBLY CHAMBER, SACRAMENTO, February 16, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 11—An act to add section 1190.5 to the Labor Code, validating orders and proceedings of the Industrial Welfare Commission.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Bill No. 11 ordered referred to Committee on Rules.

Adjournment.

At twelve o'clock and fifteen minutes p.m., on motion of Senator Seawell, the President of the Senate declared the Senate adjourned, until ten o'clock a.m., Saturday, February 17, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Saturday, February 17, 1940.

The Senate met at ten o'clock a m.

Hon. Jerrold L Seawell, President Pro Tempore of the Senate, in the chair.

Secretary Joseph A. Beek at the desk.

Roll Call.

The roll was called, and the following answered to their names:

Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Foley Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Mayo, McCormack, Metzger, Mixter, Myhand, Nielsen, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—29.

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev. A. Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Friday, February 16, 1940, the further reading was dispensed with, on motion of Senator Slater.

Leaves of Absence.

Senator Kenny was, on motion of Senator Foley, granted leave of absence for this day.

Senator Shelley was, on motion of Senator Foley, granted leave of absence for this day.

Senator Collier was, on motion of Senator McBride, granted leave of absence for this day.

Senator Fletcher was, on motion of Senator Mixter, granted leave of absence for this day.

Senator Parkman was, on motion of Senator Myhand, granted leave of absence for this day.

Privilege of Floor of Senate Extended.

On request of Senator Myhand, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Margarette Bauer and Rita Bauer, both of Sacramento, and Doris Mose of San Bruno.

Senate Resolution No. 25.

The following resolution was offered:

By Senator Foley:

Resolved by the Senate of the State of California, That the Secretary of the Senate is hereby authorized and directed to have printed, at the expense of the legislative printing appropriation, not to exceed two thousand copies of Chapter 126 of the Statutes of 1935, entitled "An act prohibiting the use of certain canes, except by blind persons, providing protection against accidents to such persons, and providing penalties for violation hereof," approved April 30, 1935

Resolution read, and on motion of Senator Foley, adopted.

Report of Standing Committee.

The following report of standing committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 17, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred

Assembly Bill No. 11—An act to add section 1190.5 to the Labor Code, validating orders and proceedings of the Industrial Welfare Commission;

Has had the same under consideration, and respectfully reports the same back, and recommends that the bill be re-referred to the Committee on Finance, Revenue and Taxation.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Bill No. 11 read first time, and referred to Committee on Finance, Revenue and Taxation.

Consideration of Daily File.

Third Reading of Assembly Bills.

Assembly Bill No. 55—An act to amend section 1300.17 of the Agricultural Code, relating to the marketing of agricultural products.

Bill read third time

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 55 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Mayo,

McCormack, Metzger, Mixter, Myhand, Nielsen, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—29.
NOES—None.

Title read and approved.
Assembly Bill No. 55 ordered transmitted to the Assembly.

Senator Rich in the Chair.

At 10 o'clock and twenty minutes a m , Senator Rich of the Tenth District was called to the chair.

Senate Resolution No. 26.

The following resolution was offered, and ordered printed in the Journal:
By Senator Seawell:

Resolved, That the Rules of the Senate be amended to read as follows:

PROPOSED REVISION OF THE

STANDING RULES OF THE SENATE.

CONVENING AND SESSIONS.

Hour of Meeting.

1. The Senate shall meet at eleven o'clock a m. daily, except Sundays, unless otherwise ordered by the Senate.

Calling to Order.

2. The President, President pro tempore, or senior member present shall call the Senate to order at the hour stated, and if a quorum be present shall proceed with the order of business.

Attendance of Members.

3 No Senator shall absent himself from attendance upon the Senate without leave first obtained. A less number than a quorum of the Senate is hereby authorized to send the Sergeant-at-Arms, or any other person, for any and all absent Senators at the expense of such absent Senators, respectively, unless such excuse for nonattendance as shall be made to the Senate when a quorum is convened, shall be judged sufficient, and in that case the expense shall be paid out of the Contingent Fund of the Senate. The President or Acting President of the Senate, or less than a quorum present, shall have the power to issue process directly to the Sergeant-at-Arms, or to any other person, to compel the attendance of Senators absent without leave. Any senator who shall refuse to obey such process unless sick or unable to attend, shall be deemed guilty of contempt of the Senate, and the Sergeant-at-Arms, or any other person, to whom such process may be directed, shall have power to use such force as may be necessary to compel the attendance of such absent Senator, and for this purpose he may command the force of the county, or of any county in the State.

Order of Business.

4. The order of business shall be as follows:
1. Roll Call.
2. Prayer by the Chaplain.
3. Reading and approval of the Journal of the preceding day.
4. Presentation of petitions.
5. Messages from the Governor.
6. Messages from the Assembly.
7. Reports of standing committees.
8. Reports of select committees.
9. Motions, resolutions and notices.
10. Introduction, first reading, and reference of bills.
11. Special orders.
12. Unfinished business.
13. Consideration of daily file.
14. Announcement of committee meetings
15. Adjournment.

Executive Sessions.

5. When a motion is adopted to close the doors of the Senate, on the discussion of any business which may, in the opinion of the Senate, require an executive session, the President shall require all persons, except the Senators, President of the Senate, Secretary, Minute Clerk, and Sergeant-at-Arms, to withdraw, and during the discussion of said business the doors shall remain closed. Every Senator and officer present shall keep secret all matters and proceedings concerning which secrecy shall be enjoined by order of the Senate.

OFFICERS OF THE SENATE.

The President.

6. The Lieutenant Governor shall be the President of the Senate. He shall have a casting vote when the vote is equally divided and his vote will decide the issue.

The President shall maintain order in the Senate Chamber and in case of a disturbance or disorderly conduct in the lobbies, the President (or Chairman of the Committee of the Whole) shall have the power to order the same cleared.

The President Pro Tempore.

7. The President pro tempore shall, in the absence of the President, take the chair and call the Senate to order, at the hour of the meetings of the Senate, and shall have the same powers as the President.

It shall be the particular responsibility of the President pro tempore to secure the prompt and businesslike disposition of bills on file.

Presiding by Senators.

8. The President, or President pro tempore in the absence of the President, may name any Senator to perform the duties of the Chair. The Senator so named shall be vested, during such time, with all the powers of the President.

Secretary of the Senate.

9. It shall be the duty of the Secretary of the Senate to attend every session, call the roll, read all bills, amendments, resolutions, and all papers ordered read by the Senate or the presiding officer.

He shall superintend all printing and clerical work to be done for the Senate and shall have supervision over all attaches and employees of the Senate. He shall assign, reassign or transfer all attaches or employees to their respective duties.

He shall certify to and transmit to the Assembly all bills, joint and concurrent resolutions, constitutional amendments and papers requiring the concurrence of the Assembly, immediately after their passage or adoption by the Senate.

He shall also keep a correct Journal of the proceedings of the Senate, and shall notify the Assembly of the action by the Senate on all matters originating in the Assembly, and requiring action on the part of the Senate.

The Secretary of the Senate shall have custody of all bills, documents, papers and records of the Senate and shall not permit any such bills, records or papers to be taken from the desk or out of his custody by any person, except in the regular course of the business of the Senate.

All employees on the pay roll of the Senate are employees of the Senate and not of individual members and they are under the direct control of the Secretary of the Senate. Any insubordination or inefficiency on the part of any employee shall be reported by the Secretary to the Committee on Attaches.

Sergeant-at-Arms of the Senate.

10. The Sergeant-at-Arms shall attend the Senate during all of its sittings, execute the commands of the Senate from time to time, together with all such process issued by authority thereof, as shall be directed to him by the President. The Sergeant-at-Arms is authorized to arrest for contempt all persons outside the bar, or in the gallery, found in loud conversation, or otherwise making a noise to the disturbance of the Senate. The actual expenses of the Sergeant-at-Arms for every arrest, for each day's custody and releasement, and the traveling expenses for himself and special messenger going and returning shall be paid out of the contingent fund, and no other fees shall be paid him beyond his per diem. It shall also be the duty of the Sergeant-at-Arms to keep the accounts for pay and mileage of Senators.

The Sergeant-at-Arms shall place copies of all bills, joint and concurrent resolutions, constitutional amendments, and Journals, Histories and Files when printed, on the desks of Senators, at least one hour previous to the opening of session.

COMMITTEES OF THE SENATE.

Appointment of Committees.

11 The Committee on Rules shall consist of the President pro tempore of the Senate, who shall be the chairman of the committee, and four other members of the Senate to be elected by the Senate.

The Committee on Rules shall appoint all other committees of the Senate unless otherwise directed by the Senate and shall designate a chairman of each committee so appointed and a vice chairman of each standing committee.

Standing Committees.

12 The Standing Committees of the Senate, the number of members, and subjects to be referred to each are as follows.

1 Agriculture, 11 members—
All bills amending the Agricultural Code and uncodified legislation relating to the same subject.

2. Business and Professions, 11 members—
All bills amending the Business and Professions Code and uncodified legislation relating to the same subjects.

3 Natural Resources, 11 members—
All bills amending the Public Resources Code and uncodified legislation relating to mines and mining, oil, forestry, parks and to the public domain.

4 Education, 11 members—
All bills amending the School Code or relating to the University of California and any uncodified legislation relating to either.

5. Elections, 11 members—
All bills amending the Elections Code or uncodified legislation relating to the same subject, and Constitutional Amendments, after consideration by committees having jurisdiction of the appropriate subjects, for consideration of any question relating to submission to the voters.

6. Finance, 11 members—
All appropriation bills including the budget bill and claim bills but excepting appropriations from the funds of the Senate made by resolution.

7. Financial Institutions, 11 members—
All bills amending the Insurance Code and bills amending the Bank Act, Building and Loan Act, Corporate Securities Act and acts relating to the loan of money and credit unions, and any uncodified legislation relating to these subjects.

8. Fish and Game, 11 members—
All bills amending the Fish and Game Code and uncodified legislation relating to the same subject.

9 Governmental Efficiency, 11 members—
All legislation not specifically referred to another committee relating to:
a. State policy
b. New State functions
c State property
d. Reorganization
e. State employees

10 Judiciary, 11 members—
All bills amending the following codes.
a. Civil Code
b. Code of Civil Procedure
c Probate Code
d. Penal Code, and
e. All statutes of a penal nature not related closely to a subject embraced in some other code.

11. Labor, 11 members—
All bills amending the Labor Code and uncodified legislation relating to the same subject.

12. Local Government, 11 members—
All bills relating to:
a County government
b. Municipal corporations
c Special assessment districts when not regulated by the provisions of some other code and uncodified legislation on the above subjects.

13. Military and Veterans Affairs, 11 members—
All bills amending the Military and Veterans Code and uncodified legislation relating to the same subjects.

14. Public Health and Safety, 11 members—
All bills amending the Health and Safety Code and uncodified legislation relating to the same subjects.

15. Public Utilities, 11 members—
All legislation relating to public utilities and their regulation and not embraced within any other code.

16. Revenue and Taxation, 11 members—
All bills amending the Revenue and Taxation Code and other uncodified legislation relating to State and county taxes.

17. Rules, 5 members—
All proposed amendments to the rules, and all resolutions relating to the business of the Senate which are not acted upon without reference to committee. The Committee on Rules will constitute the Committee on Introduction of Bills after the recess and shall have charge of engrossment and enrollment of bills, contingent expenses of the Senate and legislative printing except in so far as these functions are delegated to the Secretary of the Senate.

18. Transportation, 11 members—
All bills amending the
a. Vehicle Code
b. Streets and Highways Code
c Harbors and Navigation Code, and
d. Uncodified legislation relating to the same subjects or to aviation.

19. Water Resources, 11 members—
All bills amending the Water Code and uncodified legislation relating to the same subject.

20. Welfare and Institutions, 11 members—
All bills amending the Welfare and Institutions Code and uncodified legislation relating to the same subject or to public aid.

Committee on Rules.

13. The Committee on Rules is charged with the general responsibility for the administrative functioning of the Senate. The committee shall also have the duty of making recommendations designed to promote, improve and expedite the business and procedure of the Senate, and of proposing any amendments to the rules deemed necessary to accomplish such purposes.

The rooms, passages and buildings set apart for the use of the Senate shall be under the direction of the Committee on Rules and the committee may assign the press desks in the Senate Chamber to accredited newspaper representatives.

Executive communication of nominations sent by the Governor to the Senate for their confirmation, shall be referred to the Committee on Rules, unless otherwise ordered by the Senate, without debate.

Schedule of Committee Meetings.

14. The Committee on Rules shall propose to the Senate such schedules for regular meetings of the standing committees as will permit a full attendance of their members without conflict of committee engagements.

The committee may also propose such special committee meetings or special schedules of committee meetings as will facilitate the business of the Senate. Such schedules may provide a special schedule of committee meetings following the constitutional recess or upon certain days of the week or to meet any special condition which may arise.

Quorum of Standing Committees—Vote.

15. Each standing committee shall determine (a) its own quorum, and (b) the number of votes necessary to take any action upon any bill, resolution, or other matter referred to it.

The vote by the number of ayes and noes on each bill reported back on all committee reports shall be noted in such reports and recorded in the Journal.

No Committee Expenditures Permitted.

16. No member of any committee shall be permitted to incur any expense chargeable to the Senate unless authorized by resolution of the Senate.

Special Investigating Committees.

17. No committee for the investigation of any special subject shall be appointed except pursuant to a resolution which shall be entered in the Journal and referred to the Committee on Rules, and which shall be approved by a vote of a majority of the members elected to the Senate. The subject and purposes of the investigations shall be expressed in the title of the resolution and the scope of the investigations shall be consistent with the subject and purposes so expressed No such committee shall have authority to extend its investigations to subjects not so expressed, nor beyond the scope indicated in the resolution. Unless otherwise stated in the resolution any committee so authorized shall be appointed within twenty days after the adoption of the resolution.

Powers of Standing Committees.

18. Each standing committee of the Senate to which a proposed law or bill is assigned shall have full power and authority, during the session of the Legislature at which such proposed law or bill is so assigned, to make such investigation and study of and concerning any such proposed law or bill as such committee shall determine necessary to enable it to properly act thereon.

In the exercise of the power granted by this rule, each committee may appoint a secretary and adopt such rules as may appear necessary and proper to carry out the powers granted and duties imposed under this rule. It may employ such clerical, legal and technical assistants as may appear necessary when money has been made available therefor by the Senate.

Each standing committee is authorized and empowered to summon and subpena witnesses, require the production of papers, books, accounts, reports, documents, records and papers of every kind and description, to issue subpenas and to take all necessary means to compel the attendance of witnesses and to procure testimony, oral and documentary.

The members of such committees are, and each of them is, authorized and empowered to administer oaths, and all of the provisions of Article VIII, Chapter II, Title 1, Part III of the Political Code, relating to the attendance and examination of witnesses before the Legislature and the committees thereof, shall apply to such committees.

The Sergeant-at-Arms of the Senate, or other person designated by the Sergeant-at-Arms or by the committee, shall serve any and all subpenas, orders and other process that may be issued by the committee, when directed to do so upon a vote of the majority of the membership of the committee.

All officers of this State, including the Legislative Counsel and the heads of each department, agency and subdivision thereof, and all employees of such departments, agencies and subdivisions, and all other persons whether connected with the State Government or not, shall give and furnish to these committees upon request such information, records and documents as the committees deem necessary or proper for the achievement of the purposes for which each standing committee was created.

Each standing committee may either during the session or during the constitutional recess, meet at the State Capitol and do any and all things necessary or convenient to enable it to exercise the powers and perform the duties herein granted to it and may expend such money as may be made available by the Senate for such purpose; but no committee shall incur any indebtedness unless money shall have been first made available therefor.

PROCEDURE AND RULES.

Joint and Concurrent Resolutions and Constitutional Amendments.

19. Joint and concurrent resolutions and constitutional amendments shall be treated the same as bills; except, that they shall have but one official reading, which reading shall occur after they have been reported by committee

Bills Considered During Last Fourteen Days.

20. No Senate bill shall be passed by the Senate within fourteen days of the time set for adjournment sine die of the two houses of the Legislature unless permission to vote on such a bill be granted by a three-fourths vote of the entire membership of the Senate, voting by roll call.

Parliamentary Rules.

21. In all cases not provided for by the Constitution, these rules, or by the Joint Rules of Senate and Assembly the authority shall be Mason's Manual.

Suspension or Amendment of Rules.

22 Except as in these Rules otherwise expressly permitted no standing rule or order of the Senate shall be rescinded or changed without a vote of two-thirds of the entire Senate, and one day's notice being given of the motion therefor; but a rule or order may be suspended temporarily by a vote of two-thirds of the members of the Senate. All proposed amendments to these rules shall, upon presentation, be referred to the Committee on Rules without debate.

INTRODUCTION AND REFERENCE OF BILLS.

Introduction, First Reading and Reference of Bills.

23. Any Senator desiring to introduce a bill shall send it to the Senate desk.

The Committee on Committees shall check all bills prior to introduction and all Assembly bills before reference to committee and shall designate the committees to which they shall be referred.

Under the order of introduction of bills, the Secretary shall assign a number to each Senate bill, shall read it the first time, and unless otherwise ordered by the Senate without debate it shall be referred to the committee designated by the Committee on Rules.

Under the order of Messages from the Assembly the Secretary shall read each Assembly bill the first time and unless otherwise ordered by the Senate, without debate, it shall be referred to the committee designated by the Committee on Rules.

Reference of Appropriation Bills.

24. All bills appropriating money from any fund, except the contingent fund or printing fund of the Senate, shall be referred to the Committee on Finance before being ordered to third reading.

Introduction of Bills by a Committee.

25. Any committee may introduce a bill germane to any subject within the proper consideration of such committee in the same manner as any member.

Introduction of Bills After the Constitutional Recess.

26. The Committee on Rules shall act as a committee on introduction of bills after the constitutional recess.

Whenever a request for leave to introduce a bill is received at the desk, under the order of Introduction of Bills, bearing the approval of the Committee on Rules and accompanied by the bill, the request shall be read, the question of permission to introduce the bill shall be put to a roll call vote and if there shall be thirty affirmative votes the bill shall be assigned a number by the secretary, be read first time, and referred to the committee recommended by the Committee on Rules unless otherwise referred on motion without debate.

No more than two bills shall be introduced by any one member after the constitutional recess. Joint and concurrent resolutions and constitutional amendments shall not require a vote to authorize their introduction, nor shall the number to be introduced by any one member be limited.

Senate Resolutions.

27. All Senate resolutions upon being presented shall be given a number by the Secretary. Such resolutions shall be printed in the Journal and indexed in the History and Journal.

BILLS IN COMMITTEE.

Committee Hearings.

28 During the constitutional recess or as soon thereafter as practicable the chairman of each committee shall prepare a schedule of hearings concerning bills referred to the committee The schedules shall be arranged according to subjects in so far as may be convenient.

The schedules and any changes therein shall be delivered to the Senate as soon as convenient in order that due notice may be given to persons interested in the legislation.

Substitute Committee Bills.

29. A committee may amend into one bill related provisions germane to the subject and embraced within the title; and with the consent of the author the committee may constitute such bill a committee bill by striking out of the heading of the bill

the line "Introduced by" and the name of the author and substituting therefor "Substitute committee bill of the Committee on" and the name of the committee.

Recalling a Bill from Committee.

30. The Senate may at any time by twenty-one votes recall a bill from committee.

CONSIDERATION OF BILLS.

Order of Making Files.

31. When bills are reported from committee they shall be placed upon the General File, to be kept by the secretary as follows: All bills when reported to the Senate by the committee shall be placed at the foot of the second-reading Senate or Assembly file, in the order in which the reports are made, and after the second reading they shall be placed at the foot of the Senate or Assembly third-reading file, in the order of reading, and precedence shall be given in the consideration of bills in the following order: Senate second-reading file, Assembly second-reading file and Senate third-reading file, Assembly third-reading file, unless otherwise ordered by the Senate. The bills upon third reading shall be considered in the order in which they appear upon the file, unless otherwise ordered by the Senate. Any bill under consideration at adjournment shall be placed upon the unfinished business file for the following day.

An inactive file shall be kept to which bills may be transferred at the request of the author, or on motion, and they shall be so transferred when they have been passed on third-reading file without action three successive times. Bills may be carried on the inactive file by author and bill number without setting forth the title.

Bills may be transferred from the inactive file to the second-reading file on motion, and after being read the second time such bills will take their place regularly on third-reading file and be available for consideration and passage.

Notices of committee hearings shall be published in the file whenever presented by chairmen of committees to the secretary for that purpose. For such purpose bills will be identified by subject or by number.

Special Order.

32. Any measure or subject may, by vote of a majority of those voting, be made a special order, and when the time fixed for its consideration arrives, the presiding officer shall lay it before the Senate.

Three Readings of Bills.

33. Pursuant to Article IV, section 15 of the Constitution, every bill shall be read on three several days previous to its passage, unless in case of urgency, the Senate by a vote of twenty-seven members dispense with this provision.

Messages from the Governor or Assembly.

34. Messages from the Governor or from the Assembly may be introduced at any stage of business except while a question is being put, while the ayes and noes are being called, or while a Senator is addressing the Senate.

Messages from the Governor or from the Assembly may be considered when indicated in the order of business or at any other time by unanimous consent or upon motion.

Engrossing Bills.

35. All Senate bills, constitutional amendments and joint or concurrent resolutions shall be engrossed before final action is taken on them in the Senate. Engrossment shall consist of comparing the printed engrossed bill with the original bill introduced and any amendments adopted to ascertain that it is correct. The engrossed copy shall be transmitted to the Assembly with proper indorsements, and the original shall be retained by the Senate.

Enrolling Bills.

36. All Senate bills shall be enrolled immediately following their final passage and receipt from the Assembly. An enrolled copy of every such bill, amendment or resolution shall be printed and examined to ascertain that it is a true and accurate copy of the measure as it was passed. It shall then be authenticated by the signatures of the President or President pro tempore of the Senate and the Secretary or an assistant secretary of the Senate and by the corresponding officers of the Assembly and transmitted without delay to the Governor.

DEBATE.

Statement of Motion.

37. No motion shall be debated until the same be distinctly announced by the President; and it shall be reduced to writing if desired by the President or any Senator, and read by the Secretary, before the same shall be debated.

Regulations as to Speaking.

38. 1. When a Senator desires to address the Senate, he shall rise in his place, address the President, and when recognized he may proceed to speak.

2. No Senator shall speak more than twice in any one debate on the same day, and at the same stage of the bill, without leave; and Senators who have once spoken shall not again be entitled to the floor (except for explanation) so long as any Senator who has not spoken desires to speak

3. No Senator shall be interrupted when speaking, and no question shall be asked him except through the presiding officer.

4. The author of a bill, motion, or resolution shall have the privilege of closing the debate.

Recognizing Members.

39 When two or more Senators arise at the same time to address the Senate, the presiding officer shall designate the Senator who is entitled to the floor.

Order in Debate.

40. When a Senator shall be called to order he shall sit down until the President shall have determined whether he is in order or not; and every question of order shall be decided by the President, subject to an appeal to the Senate by any Senator If a Senator be called to order for words spoken, the objectionable language shall immediately be taken down in writing by the Secretary of the Senate.

Right to Address the Senate.

41. No person other than a member of the Senate or the President thereof, shall address the Senate while it is in session but the Senate may resolve itself into a Committee of the Whole and while sitting as such committee may be addressed by persons other than members.

QUESTIONS AND MOTIONS.

Amendments to Bills.

42. When amendments to a bill are reported by a committee or offered from the floor, such amendments shall be submitted in triplicate.

Adoption of amendments to any bill in the Senate prior to third reading, other than by roll call, shall not preclude subsequent consideration in committee or on the third reading of the bill, of such amendments or any part thereof, by the Senate.

Motion to Lay on the Table.

43. When an amendment proposed to any pending measure shall be laid on the table, it shall not carry with it or prejudice such measure.

Division of a Question.

44. If a question in debate contains more than one distinct proposition, any Senator may have the same divided.

The Previous Question.

45. The previous question shall be put in the following form: "Shall the question be now put?" It shall require a majority vote of the Senators present; and its effect shall be to put an end to all debate except that the author of the bill or the amendment shall have the right to close, and the question under discussion shall thereupon be immediately put to a vote. On a motion for the previous question prior to a vote being taken by the Senate, a call of the Senate shall be in order.

Call of the Senate.

46. Upon a motion being carried for a call of the Senate, the President shall immediately order the doors to be closed, and shall direct the Secretary to call the names of the absentees as disclosed by the last previous roll call. Thereupon, no member shall be permitted to leave the Senate Chamber except by written permission of the President or President pro tempore. Those members who are found to be absent and for whom no excuse or insufficient excuses are made, may, by order of those present, be taken into custody, as they appear, or may be sent for and then taken

into custody by the Sergeant-at-Arms wherever found, or by special messenger to be appointed for that purpose. In the absence of a quorum, a majority of the members present may order a roll call of the Senate and compel the attendance of absentees in the manner above provided. No recess can be taken during a call of the Senate.

During a call, the Senate may consider and transact any matter or business that the Senators then present shall unanimously decide to consider, but no call of the Senate shall be had during a call of the Senate. When a call of the Senate is ordered, pending the completion of a roll call, the pending roll call shall become unfinished business, the consideration of which shall be continued until further proceedings under the call of the Senate are dispensed with, when it will forthwith become the order of business before the Senate.

Reconsideration.

47. On the day on which a vote has been taken on any question a reconsideration of the vote may be demanded by any three members

Consideration of the demand may be had on the day made or on the succeeding legislative day but may not be further postponed without the concurrence of twenty-seven members.

No vote on a Senate bill may be reconsidered on or after the fourteenth day prior to adjournment and no vote may be reconsidered on the last day of the session

When reconsideration of the vote by which any bill was passed has been demanded the Secretary shall not transmit it to the Assembly until the demand has been disposed of or the time for reconsideration has expired, but if the bill has already been transmitted to the Assembly the demand for reconsideration shall be preceded by a motion to request the Assembly to return the bill. This motion shall be put to vote immediately without debate and if not adopted shall preclude a demand for reconsideration

A demand to reconsider the vote on any debatable question opens the main question to debate and the vote on the reconsideration shall be on the merits of such main question.

VOTING BY SENATE.

Voting on Roll Call.

48. Whenever a roll call is required by the constitution or rules, or is ordered by the Senate or demanded by three members, every member within the Senate shall without debate answer "Aye" or "No" when his name is called.

The names of members shall be called alphabetically.

No Senator shall be permitted to vote or change his vote after the announcement of the vote by the presiding officer.

Excused from Voting.

49. When a Senator declines or fails to vote on call of his name he shall, after completion of the roll call, and before the announcement of the vote be required to assign his reasons therefor, and having assigned them, the presiding officer shall submit the question to the Senate: "Shall the Senator, for the reasons assigned by him, be excused from voting?" which question shall be decided without debate Unless the Senator is excused from voting, he shall be required to vote.

Voting by Presiding Senator.

50 When the President pro tempore or any other member of the Senate is presiding over the Senate he shall vote on roll call the same as though he were not presiding.

Vote Required.

51. Unless otherwise required by the Constitution, the Joint Rules of the Legislature or these rules, any action which can be taken by the Senate requires only a majority vote of the Senate, a quorum being present.

The following actions require thirty votes:

1. To introduce bills after the constitutional recess—(Constitution, Art. IV, Sec. 2).
2. To consider Senate bills during last fourteen days.

The following actions require twenty-seven votes:

3. To pass urgency measures—(Constitution, Art. IV, Sec. 1).
4. To suspend constitutional provision requiring reading bills on three several days—(Constitution, Art. IV, Sec. 15).
5. To pass bills over the Governor's veto—(Constitution, Art. IV, Sec. 16).
6. To increase or diminish the number of superior court judges or to remove judges—(Constitution, Art VI, Secs 9, 10).

7. To propose constitutional amendments or revision of the Constitution—(Constitution, Art. XVIII, Secs. 1, 2).
8. To change rate of taxation for State purposes—(Constitution, Art. XIII, Secs 14, 16).
9. To authorize deposit of public money in banks—(Constitution, Art. XI, Sec. 16½).
10. To remove Railroad Commissioners—(Constitution, Art. XII, Sec. 22).
11. To change rates or conditions under the State Employees Retirement System—(Constitution, Art. IV, Sec 22a).
12. To propose change in location of State capital—(Constitution, Art XX, Sec. 1).
13. To reconsider the vote by which a proposed constitutional amendment is defeated.
14. To suspend the rule against lobbying in the Senate Chamber
15. To amend or suspend the rules.

The following actions require twenty-one votes:

16. To pass bills, unless under some other rule a larger vote is required—(Constitution, Art IV, Sec. 15)
17. To adopt a concurrent resolution approving a county or city charter or amendments thereto—(Constitution, Art. XI, Secs. 7½ and 8).
18 To adopt joint and concurrent resolutions.
19 To reconsider bills, joint and concurrent resolutions.
20. To confirm appointments by the Governor or to reconsider the same.
21. To recall a bill from committee.
22. To concur in Assembly amendments or to adopt a report of a Committee on Free Conference.

Actions requiring fourteen votes:

23. To reconsider a vote by which a proposed constitutional amendment was adopted.

Vote Required for Amendments.

52 A constitutional amendment or bill requiring a vote of two-thirds of the members elected to the Senate for final adoption or passage may be amended by a majority of those voting.

CONTENTS OF SENATE JOURNAL.

Proceedings to Be Printed.

53. The proceedings of the Senate, when not acting as a Committee of the Whole, shall be entered in the Journal as concisely as possible, care being taken to record a true and accurate account of the proceedings.

Every vote of the Senate shall be recorded in the Journal. The committee vote on each bill reported back by a committee, and if a bill is signed out that fact also shall be recorded in the Journal.

Titles of Bills to Be Printed.

54. The titles of all bills, joint and concurrent resolutions, and constitutional amendments when introduced and when acted upon by the Senate, and a brief statement of the contents of each petition, memorial or paper presented to the Senate shall be printed in the Journal.

Other Matter to Be Printed.

55 Messages from the Governor (other than biennial messages and inaugural addresses) and joint and concurrent resolutions and constitutional amendments, when adopted, shall be printed in the Journal in full except that in case of a concurrent resolution approving a charter or charter amendments, the text of such charter or charter amendments shall not be printed in the Journal.

LEGISLATIVE PRINTING.

Duty of the Secretary to Order Printing.

56. It shall be the duty of the Secretary of the Senate and he is hereby directed during and between sessions of the Legislature to order for the Senate the necessary printing including stationery for the members, and to audit and approve all bills for printing to be charged to the Senate The Secretary shall order from the State

Printer such number of copies of bills, Journals, Histories, Files, forms and other printing as shall be necessary.

It shall further be the duty of the Secretary to order bills and other legislative publications for which there is a demand printed before the supply of same shall become exhausted.

Printing Only on Written Orders. Rush Orders.

57. The State Printer shall not charge any printing or other work to the Senate except as required by law unless he has a written order from the Secretary of the Senate prior to beginning the printing or other work. All printing ordered by the Secretary shall be delivered as directed by him. The Secretary may, when necessity requires it, order from the State Printer such printing as he deems necessary to be printed in advance of the regular order of business, under specially prepared written order, to be known as a "Rush Order."

Form of Printing Amendments.

58. When any bill of either house is amended it shall be immediately reprinted; new matter shall be printed in italics in the printed bill; and matter to be omitted shall be printed in type bearing a single horizontal line through the center and commonly known as "strike-out" type. When a bill is enrolled, all such italics and "strike-out" type shall be omitted and the bill shall be printed in the usual Roman type.

THE SENATE CHAMBER.

Admission Within Bar of Senate.

59. It shall be the duty of the Sergeant-at-Arms to prevent all persons except Senators, ex-Senators, members of the Assembly, State officers, officers of the two houses, and such accredited newspaper representatives as have seats assigned to them from coming within the bar of the Senate unless upon invitation of the President or a Senator. No visitor shall be allowed upon the floor while the Senate is in session.

Regulations for Lobbyists.

60. All persons appearing, or being, or desiring to appear, or be, at or in the Senate Chamber, or at or in any committee room of the Senate for the purpose of advocating the adoption, or defeat of any bill, measure or resolution, introduced in, pending before, or being considered by the Senate, or by any committee thereof, or for the purpose of soliciting the vote of any member of the Senate upon any such bill, measure, or resolution, or upon any anticipated or proposed bill, measure, or resolution, shall register with the Sergeant-at-Arms, his name and address, together with a statement of the person or persons, corporation or corporations, or interest represented by or intended to be represented by him, and shall file with the Sergeant-at-Arms his written authority to represent such person, corporation or interest, and thereupon the Sergeant-at-Arms shall issue to such person a certificate that he has so registered in conformity with this rule, which certificate shall be exhibited to the chairman of a committee upon request. A complete record of all persons so registered, together with their respective addresses, and the persons, corporations or interest represented by them, shall be kept, and preserved by the Sergeant-at-Arms, and shall be open at all times to public inspection.

No person shall appear at or enter the Senate Chamber, or any committee room of the Senate, for the purpose of advocating the adoption or defeat of any bill, measure, or resolution, without first having registered and secured the certificate as herein provided.

This rule shall not apply to members of either house of the Legislature, officers of the State or other public agencies, or citizens of the State of California appearing in their own interest or behalf who are not representing any group, organization or corporation.

No person engaged in presenting to the Senate or any of its committees any business, claim, or legislation, shall be permitted to engage in such business in the Senate Chamber or be permitted on the floor of the Senate at any time while the Senate is in session. Any person transgressing this rule shall be removed from the floor of the Senate and shall be debarred from the privilege of the floor during the remainder of the entire session. The President and President pro tempore are charged with the enforcement of this rule, and this rule can not be suspended except by a two-thirds vote of the entire Senate.

Adjournment.

At ten o'clock and thirty minutes a m., on motion of Senator Seawell, the President of the Senate declared the Senate adjourned, until eleven o'clock a.m., Monday, February 19, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Monday, February 19, 1940.

The Senate met at eleven o'clock a.m.
Hon. Ellis E. Patterson, President of the Senate, in the chair.
Secretary Joseph A. Beek at the desk.

Roll Call.

The roll was called, and the following answered to their names:

Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Parkman, Phillips, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—33.

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev. A. Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Saturday, February 17, 1940, the further reading was dispensed with, on motion of Senator Slater.

Leaves of Absence.

Senator Powers was, on motion of Senator Keating, granted leave of absence for this day.

Senator Nielsen was, on motion of Senator Deuel, granted leave of absence for this day.

Privilege of Floor of Senate Extended.

On request of Senator Garrison, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Donald Darst, teacher; and the following students of the American Government class of Modesto Union Academy: Harvey Bailey, Harold Donaldson,

Arthur Forsburg, Bill Greenlaw, Bernice Jones, Elizabeth Macomber, Yvonne Smith, Violet Squier, Harold Staddon, Burton Wetherbee, Mark Wheeler and Elizabeth Woodmansee.

On request of Senator Hays, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mrs. Agnes Jarvis of Fresno.

On request of Senator Slater, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mr. and Mrs. Fisher J. Kinslow of Santa Rosa.

On request of Senator Quinn, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Charles Hollinger of Ottawa, Canada.

On request of Senator Breed, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mr. and Mrs. Charles Haseltine of San Francisco.

On request of Senator Metzger, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Morris Duncan and Alex McCullah, both of Red Bluff.

On request of Senator Deuel, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mrs. M. Y. Shepard and Mrs. Anice Barber, both of Chico.

Communication.

The following communication was received, read, and ordered printed in the Journal:

STATE OF CALIFORNIA, DEPARTMENT OF FINANCE,
SACRAMENTO, February 17, 1940.

To the Senate of the State of California,
Sacramento, California.

ATTENTION: Mr. Joseph Beek, Secretary.

GENTLEMEN: Pursuant to Senate Resolution No. 17, dated February 5, 1940, there is presented herewith information requested in said resolution relative to State-owned passenger motor vehicles and the use of privately-owned motor vehicles on State business.

Statement No. 1 sets forth by agencies the number of automobiles registered to each agency as of June 30, 1939, and also as of February 1, 1940.

Statement No. 2 sets forth by agencies the make, model, and cost of each automobile, the appropriation from which purchased, by whom used, and the purpose for which used. These data are presented in the exact form in which received from the several agencies No attempt has been made to rearrange these data as sufficient time is not available.

Statement No. 3 sets forth the operating cost per mile of the various makes of cars operated by the Division of Highways and the State Department of Agriculture. While the resolution requested that the operating and maintenance cost of passenger vehicles be segregated by departments, these data are not compiled by the respective agencies for each separate motor vehicle The statements presented herewith include exceedingly accurate cost data kept by the State Department of Agriculture and the Division of Highways, which data are deemed a sufficient test to determine the cost of operating State-owned motor vehicles The cost of keeping such a record is considerable, and other State agencies have not been required to compile it. If it is the desire of the Senate that such data be compiled, at least three additional weeks will be required to obtain it. A further request from the Senate will be awaited before the work is undertaken.

Statement No. 4 sets forth by agencies the total amount paid for privately-owned motor vehicles on State business, showing the total number of miles traveled and number of persons to whom such mileage was paid

The resolution requests such additional information pertinent to the subject covered. Information was procured from seven other States having populations

larger or comparable to that of the State of California. Set forth below is a comparison of the information obtained relative to State-owned passenger vehicles in these States.

State	*Population*	*Square miles of land area*	*State highway mileage*	*Number of State-owned passenger vehicles*	*State-owned passenger vehicles per mile of highway*
California	6,059,000	155,652	13,918	2286	.164
Illinois	7,845,000	56,043	10,963	----	---
Massachusetts	4,425,000	8,039	1,891	965	510
Michigan	4,783,000	57,480	9,456	681	.072
New Jersey	4,328,000	7,514	5,116	808	158
New York	12,935,000	47,654	12,731	1050	082
Ohio	6,713,000	40,740	16,611	900	054
Pennsylvania	10,136,000	44,832	20,498	2592	.126
Texas	6,117,000	262,398	22,121	940	042

The following telegram was received from the Director of Finance of the State of Illinois:

"Information you requested regarding automobiles is not compiled. Would take considerable time to gather this information from the several departments, boards, commissions, and constitutional officers."

The Secretary of State, registrar of motor vehicles in Illinois, wired as follows:

"Can not supply information re passenger vehicles registered to State agencies. Not compiled"

If additional information is desired, please inform us, and every effort will be made to furnish it.

Yours very truly,

JOHN R. RICHARDS,
Director of Finance.

President Pro Tempore in the Chair.

At eleven o'clock and five minutes a.m., Hon. Jerrold L. Seawell, President Pro Tempore of the Senate, in the chair.

Communication.

The following communication was received, read, and ordered printed in the Journal:

STATE OF CALIFORNIA, OFFICE OF LEGISLATIVE COUNSEL,
SACRAMENTO, CALIFORNIA, February 17, 1940.

Honorable Joseph A. Beek, Secretary of the Senate,
State Capitol.
Sacramento, California.

Subject: *Operation and Effect of Assembly Bill No. 96 and Senate Bill No. 57 in relation to the special session proclamation and to the Federal Social Security Act.*

SIR: You advise us that the Senate has referred the Governor's message of February 13, 1940, respecting these bills (Senate Journal, February 13, page 211) to the Attorney General and to the Legislative Counsel for an opinion upon these questions

1. Do the bills referred to, in their present form, in all particulars come within the proclamation convening the Legislature into extraordinary session?
2. Does any provision of either of the bills contravene any Federal act which will to any extent jeopardize California's right to aid from the Federal Government in carrying on old age assistance and security?

First, as to Assembly Bill No. 96. This measure does not appear to present any problem under paragraphs (1) or (2), above. In our opinion, Assembly Bill No. 96 is within the scope of the proclamation and does not involve any conflict with the Federal Social Security Act or its administration.

Second, as to Senate Bill No. 57. This measure, as amended February 7, presents questions both as to the proclamation and as to the Federal Social Security Act.

The February 7 amendment adds to section 2140 of the Welfare and Institutions Code the following limitation upon the Social Welfare Board's general powers of supervision over the administration of our Old Age Security Law:

> "However, neither the State Department of Social Welfare nor the State Social Welfare Board shall have authority, by rule, regulation, or otherwise, to withhold or to order to be withheld any money subject to payment to any county under this chapter because of any rule or regulation of the State Department of Social Welfare."

(1) *As to the Scope of the Proclamation.*

This involves the interpretation and application of that clause of section 9 of Article V of our State Constitution which declares that on extraordinary occasions the Governor may convene the Legislature by proclamation, "stating the purposes" for which he has convened it, and that when convened the Legislature shall have no power to legislate "on any subjects other than those specified" in the proclamation.

The fundamental principle, recognized by the courts in all the states, is that in such a case it is the constitutional function of the Governor to designate the subject and the constitutional prerogative of the Legislature to decide what sort of legislation (if any at all) on or within that subject or any part of it is needed or desirable. The Legislature can not enlarge that subject, and the Governor can not by anything he puts in the proclamation hamper or restrict the Legislature as to what it may choose to enact on or within that subject.

But it may be and often is difficult to determine what is the "subject" which the Governor has specified—whether some broad general topic or a somewhat narrow and restricted aspect of the same. And we have no decisions of our own courts to guide us, for no close question under this clause of the Constitution has as yet been presented to them for their consideration and decision.

We are, therefore, required to turn to the courts of other states for guidance.

Our examination of the decisions of sister States persuades us that the February 7 amendment to Senate Bill No. 57 extends beyond the scope of the subjects specified and can not be considered legally effective as a whole.

The "subject" is found in Items 5 and 6 of the proclamation, reading as follows:

> "5. To consider and act upon legislation and a constitutional amendment providing for the cancellation, release or other modification of agreements, liens and other claims to or against the property of recipients of aid to the aged under the Old Age Security Law, and for the removal of authority to secure such agreements, liens and other claims.
>
> 6. To consider and act upon legislation revising the age qualifications for aid granted under the Old Age Security Law."

This, in our opinion, comprehends:

> (a) "Agreements, liens and other claims to or against the property of recipients" of aid granted under the Old Age Security Act; and
> (b) "Age qualifications" for such aid.

To revoke the existing authority of the Social Welfare Board to withhold moneys, in aid of enforcement of any rule or regulation pertaining to either of these subjects would be entirely within the scope of the proclamation. But the February 7 amendment goes beyond that, applying as it does to "any rule or regulation" of the Board under any phase of the Old Age Security Law.

Decisions in other States which persuade us that the "subjects" of Items 5 and 6 are as above indicated, include the following:

> *Arizona*: An Item "To consider and enact amendments to the Improvement Act of 1912 and acts amendatory or supplementary thereto with the object of restoring competitive bidding and eliminating any legal doubt or question as to the validity of bonds issued thereunder," did not include within its subject an act validating proceedings of a certain city in voting and issuing bonds for building an armory to be presented to the National Guard. (*McClintock* vs. *City of Phoenix*, 207 P. 611.)
>
> *Arkansas*: An Item "To provide for removal of authority to collect tolls on bridges and to pledge the State to keep the said bridges forever free," did not include within its subject the repeal of a law imposing fees on automobiles using the highways even though the repeal was designed to make up for the loss of revenue resulting from discontinuance of tolls (the theory of the repeal being that abrogation of such fees would induce more travel by auto and thereby increase receipts from the gasoline tax). (*Pope* vs. *Oliver*, 117 S. W. (2d) 1072.)
>
> *Arkansas*: An Item "For the purpose of enacting laws for establishing local road, bridge, drainage, school and levee districts, and amending and curing defects in existing special local laws for the same, and ratifying, confirming and validating local improvement districts, organized under general or

special laws, and to enact such laws as will permit the reconstruction or extension through improvement districts of waterworks systems, to the end that cities and towns, or new territory taken therein may be supplied with adequate service," did not include within its subject an act requiring the commissioners of all road districts, drainage districts, and improvement districts (formed under general laws) to file an annual report on a certain designated day in each year. (*Jones* vs. *State*, 242 S W. 377.)

Kentucky: An Item "To enable such measures as will provide sufficient revenue to carry on all proper functions of the State Government, including common schools * * *" did not include within its subject a provision extending for life the certificates of teachers who had taught for twenty years even though it did include the imposition of a $2.00 fee for extension of a teacher's certificate in certain types of cases, as a revenue producing measure (*Richmond* vs. *Loy*, 87 S. W. (2) 134).

Missouri: An Item for the amendment of a certain section of the Revised Statutes "to permit the division of cities of six hundred thousand or over into districts for justices of the peace, by such officers as your body may specify," does not include within its subject the matter of districting of cities of three hundred thousand or over, nor did it authorize legislation affecting constables even though constables were also dealt with in the very section of the statutes mentioned by the Governor in his proclamation. (*State ex rel Rice* vs. *Edwards*, 241 S. W. 945.)

Missouri: An item for legislation to make assessors in cities of five hundred thousand population elective officers, did not include the additional subjects of fixing their term of office, specifying their salaries, provisions for appointment of their deputies and employees, directions as to methods of assessment, and the creation of a Board of Equalization. (*Stocke* vs. *Edwards*, 244 S. W. 802.)

Missouri: An Item for "An act to repeal Sec. 9961 of Art. 9, Ch. 59 of the Rev. Stats. of Mo. 1929, relating to limitation of actions in connection with delinquent and back taxes, and to enact a new section in lieu thereof, to be known as section 9961, relating to limitation of sales for delinquent taxes and validity thereof," did not include within its subject the matter of changing the date when tax delinquent property might be sold. (*Schlafly* vs. *Baumann*, 108 S. W. (2d) 363.)

Pennsylvania: An Item "To designate the amount to be expended each year in the erection of county bridges, and to take such other measures in regard to them as safety may require," did not include within its subject an act prescribing that the county commissioners in building and repairing bridges do the same by contract after due advertisement for at least three weeks, save when the cost involved was less than $250. (*Fayette County* vs. *County Commissioners*, 35 Pa. C. C. 401.)

Tennessee: An Item for "a road law for Maury County," did not include the subject of an act to regulate privately owned turnpikes even though restricted in its application to such turnpikes in that county, the Item being construed as referring to publicly owned roads. (*Columbia & Pulaski Turnpike Co.* vs. *Hughes*, 174 S. W. 1108.)

Tennessee: An Item "To make such appropriation of the public moneys as may be deemed necessary and proper to maintain the State's institutions, offices, and departments, with the exception of educational institutions, these having been liberally provided for at the regular session," did not include within its subject the matter of appropriating money to the National Conservation Exposition Company even though some of the purposes of the latter were the same as the State Department of Agriculture but unconnected with the department, the Exposition Company not being comprehended within the scope of the term "State's institutions, offices and departments." (*State* vs. *Woollen*, 161 S. W. 1006.)

Decisions in those cases in which it was found that the questioned statute was within the scope of the proclamation (of which there are a goodly number) appear to be in harmony with those above cited. In each instance it was a matter of interpreting the language used in the proclamation, to ascertain the scope of the subject specified.

For example, in the *Pennsylvania* case of *In re Lakens*, 72 Atl. 862, the Item read:

> *"To designate the uses to which moneys may be applied to candidates, political managers, and committees in political campaigns, both for nominations and elections*, and to require the managing committees and managers of all political parties to file with some designated official at the close of each campaign, a detailed statement in writing, accompanied by affidavit, of the amounts collected and the purposes for which they were expended." (Italics ours.)

The court considered that the italicized portion indicated that the subject was "the lawful and unlawful use of money in political campaigns," and that the remainder of the Item merely specified means and methods which did not tie the hands of the Legislature; hence, that an act which required the candidate himself to file accounts was on the subject specified.

Similarly, in the *Tennessee* case of *Hyde* vs. *State*, 174 S. W. 1127, where the Item read:

> "A bill to regulate the intra-state trade or sale of opium or coca leaves, or any compound, manufactive, salt, derivative or preparation thereof,"

and the narcotics law enacted contained a proviso excepting from its provisions the dispensing of drugs to his patient by a licensed physician in the course of his professional practice, and the sale of drugs by a registered pharmacist to a consumer pursuant to a written prescription issued by a physician, such exemption was deemed an incident to the regulation of the sale of those narcotics (not essentially a regulation of the profession of physician or pharmacist), hence, well within the scope of the subject specified in the proclamation.

A certain *Colorado* case deserves mention because of some language in it which might indicate that if a Governor mentions a statute or some slight phase of a topic, the whole topic, or the entire field covered by the statute, is opened up as the "subject" specified. This is the case of *People* vs *Dist. Court*, 46 Pac. 681. The court said:

> "The Governor by specially designating in the proclamation * * * as one of the subjects of legislation, the law relating to elections, etc., in this State, known as the 'Australian Ballot Law,' for amendment, must be held to have submitted the whole subject-matter of such act for legislative action thereon." (p. 681.)

One might infer therefrom that where (as in Items 5 and 6 of the proclamation of January 29, 1940) the Governor mentions this State's Old Age Security Law, everything that act deals with is the "subject."

But when we examine the proclamation which the Colorado court had before it (not the mere excerpt quoted in the opinion), the reason for the court's conclusion becomes clear. For that Item started out with a general clause (a main paragraph) reading:

> "To enact that the law in relation to elections, etc., in this State, known as the Australian Ballot Law, be amended so as to provide:"

Then followed ten subparagraphs (lettered "a" to "k") of detailed specifications touching upon nearly every phase of the Australian Ballot Law. Quite logical, therefore, for the court to interpret the main clause (above quoted) as intended to designate the "Australian Ballot Law" as the subject, and to view the ten subparagraphs as but the specification of means and methods, which latter could not be legally controlling. The Legislature could act as it might choose in respect to any and all phases of the "subject," which was the Australian Ballot Law.

Quite appropriately, therefore, did the Colorado court say that the Governor, having designated the subject:

> "Had no more authority to go further than this, and specify the particular character of the amendments to be voted upon, than he would have had to have prepared the bills, and attached them to his call, and directed the Legislature to have passed or rejected the same, without amendment.
>
> "Such specific instructions can, at best, be regarded as advisory only, and not as limiting the character of legislation that might be had upon the general subject of the Australian Ballot Law." (p. 681.)

But in specifying the "subject" he may make it either broad or narrow, as aptly expressed by the Court in *State* vs. *Woolen*, Tenn., 161 S. W. 1006:

> "He can by bona fide definition limit the subject to be legislated on so as to make that subject either broad or narrow.
>
> "This narrowing by definition is accomplished, as in all other matters under the dominion of the laws of thought and the laws of expression in human language, by the imposition of qualifying matter upon a general subject.
>
> "Just as the general subject 'animal' may by the addition of qualifying limitations be reduced to the concept man, and this down further to some special race, or class, or group of men. Each one of these would in its turn be truly a subject of thought, and concerning which propositions might be affirmed, or laws enacted." (p. 1015.)

Accordingly, we conclude that the February 7 amendment to Senate Bill No. 57 extends beyond the scope of the proclamation.

(2) *As to the Federal Social Security Act.*

This involves the interpretation of a portion of Title I of the United States Social Security Act, and the relationship of certain provisions of that title to our State plan for old age assistance.

Those portions of the Social Security Act which appear to be pertinent to the present question are:

"SEC. 2. (a) A State plan for old age assistance must (1) provide that it shall be in effect in all political subdivisions of the State * * * (3) provide for the establishment or designation of a single State agency to supervise the administration of the plan; * * * (5) provide such methods of administration * * * as are found by the board (Social Security Board) to be necessary for the proper and efficient operation of the plan * * * .

"(b) The board shall approve any plan which fulfills the conditions specified in subsection (a) except * * * ."

"A State plan for old age assistance" consists of:

1. The law itself (the Old Age Security Law).
2. The rules and regulations adopted by the administrative agency for the execution of the law; i.e., rules and regulations adopted by the State Department of Social Welfare.

The State plan and each and every change therein must comply with the provisions of Sec. 2 (a) of the Social Security Act, and be approved by the Social Security Board before Federal funds may be allocated to the State.

It appears to us that the February 7th amendment to Senate Bill No. 57 raises one single question:

Does the revocation of the existing authority of the State Department of Social Welfare to withhold moneys, in aid of the enforcement of its rules and regulations, deprive our State plan "of such methods of administration as are found by the board (Social Security Board) to be necessary for the proper and efficient operation of the plan?"

That does not appear to be a question to which a categorical "yes" or "no" answer may be given.

Because there is such a great variance in the methods of administration of State plans for old age assistance in the 48 States and the Territories, the Social Security Board does not appear to have promulgated any general rules applicable to all States as to what methods of administration it considers necessary or essential for the proper and efficient operation of a State plan. Rather it appears to have passed judgment upon each individual plan, demanding as to each that the methods of administration are "such as will secure adequate supervision and efficient operation." (Letter from chairman of the Social Security Board to Honorable Henry Horner, Governor of Illinois, May 8, 1936.)

In the same letter it is declared:

"The Social Security Board deals with the State rather than with the local administrative units, and it is apparent that the State agency must be in a position to assure the Social Security Board that old age assistance will be administered in all parts of the State in conformity with the specific provisions of the Federal act, and in conformity with the provisions of the State plan."

These seem to be the basic principles followed by the Social Security Board.

There have been at least two instances in which the Social Security Board has, after hearing, suspended allotments to the State for noncompliance with the Social Security Act.

These instances involved the States of Illinois and Oklahoma and in each case one of the grounds for the Board's decision was the failure of the State adequately to supervise the State plan.

For example, the conclusions of law and the Board's decision in the Illinois case read in part as follows:

"(1) The State has failed duly and adequately to supervise the County Departments within the meaning and intent of said Section 2 (a) (3). It has not furnished the County Departments with guidance as to the meaning of the State Law and old-age assistance program, and as to the basic procedures, standards and policies to be followed by the County Departments; * * *" (Page 10 of Decision, In the Matter of the Hearing pursuant to section 4 of the Social Security Act on the administration of old age assistance in the State of Illinois, July 27, 1937.)

In its decision in the Oklahoma case, the Board found that:

"There has not been, in practice, administration or supervision of the plans by the single State agency, the Oklahoma Public Welfare Commission * * * This is attributable to the failure of the State Commission to define its policies clearly and to observe them consistently, to the failure of the State Commission to supervise adequately and to instruct the County Assistance Boards and the county staffs with respect to the State Commission's policies, to the fact that the County Assistance Boards have differed from and refused to comply with the State Commission's policies as established by rule and regulation and to the State Commission's failure to appoint and to employ personnel adequate in number or caliber when the County Assistance Boards

have, without authority objected." (Page 2, of Decision, In the Matter of Hearings Pursuant to Section 4 * * * on the administration of plans for old age assistance * * * in the State of Oklahoma, March 2, 1938.)

The Federal board's decisions in the Illinois and Oklahoma cases indicate that the Federal board deems it essential that the State agency vested with supervision of administration of the State plan (in California, the Social Welfare Board) be vested with the power:

1. To promulgate rules and regulations appropriate and adequate to uniformity of interpretation and administration (including uniform standards of assistance and amounts of aid granted) throughout the counties of the State; and

2. To enforce compliance with such rules and regulations upon the part of the several counties.

As to the method of enforcing such compliance, we do not infer that the Federal board is wedded to any one method as the sole and exclusive means of enforcement. There is some indication that the Federal board might favorably consider conference by a Legislature upon its State supervising agency of the power through appropriate court proceedings (mandamus, perhaps) to enforce county compliance with its rules and regulations, in lieu of the power to withhold money.

Whether or not California's State Social Welfare Board already has such power of enforcement (by judicial proceeding), we are not certain just yet.

It appears to have authority to prosecute actions concerning all matters relating to the business activities and subjects under its jurisdiction (Political Code, Sec. 353). However, that power might be deemed modified or restricted in relation to enforcement of the provisions of the Old Age Security Law, in view of the special authority to withhold moneys in case of non-compliance by a county with aid to the aged requirements.

To abrogate the power to withhold moneys unless at the same time it is certain, or is made certain, that the State board possesses a substitutional power of enforcement (such as institution and maintenance of court proceedings) satisfactory to the Federal board, would, we believe, jeopardize California's right to aid from the Federal Government in carrying on old age assistance and security.

In conclusion, as to these two bills in their present form, we are of the opinion:

1. Assembly Bill No. 96 appears to be within the scope of the proclamation, and not in contravention of any Federal act, rule, regulation or policy that might jeopardize California's right to aid from the Federal Government in carrying on old age assistance and security.

Senate Bill No. 57 extends beyond the scope of the proclamation, and, if it were effective (as to abrogation of the power to withhold moneys), would probably jeopardize California's right to such aid from the Federal Government.

Respectfully submitted.

FRED B. WOOD,
Legislative Counsel.

Communication.

The following communication was received, read, and on motion of Senator Metzger, ordered printed in the Journal:

To the Members of the Senate.

It is my belief, based on observation of conditions both in Sacramento and Los Angeles, that the State of California owns more automobiles than are needed for the efficient conduct of official business. In spite of this condition, it is necessary for many State employees to drive their own cars on a mileage basis while on official State business. This paradox is caused by the ownership of State automobiles by individual State Departments, Divisions, and Agencies. Individual automobiles are earmarked for the sole use of certain State officials. These automobiles are often unused more than 50 per cent of the time, and often the major portion of their use consists in transporting these particular officials between their homes and their offices. I have on many occasions followed State automobiles from the residence of the driver to various State office buildings in the morning and home again in the evening.

The misuse of State cars is a minor evil however, compared to the present wasteful method of departmental ownership. Let me cite a specific example. The Department of Finance has at times maintained an automobile at Los Angeles for the Director of Finance. This car was reserved for the sole use of the Director. It is only right and proper that the Director of Finance should have an automobile available for his use when he is in Los Angeles. However, the Director is probably in Los Angeles less than 10 per cent of the time. The rest of the time his car stands idle while depreciation goes merrily on. While this car stands idle in the garage of the State Building in Los Angeles, some of the accountants of the Department of Finance are forced of necessity to use their own cars for trips out

of town on State business. Multiply this example by as many Departments, Divisions, Bureaus, Commissions, and other agencies as there are in the State Government and you will begin to get some idea of the resulting wastes in the use and ownership of State automobiles.

Respectfully submitted.

D. JACK METZGER.

Communication.

The following communication was received, read, and ordered printed in the Journal:

STATE OF CALIFORNIA, LEGAL DEPARTMENT,
SAN FRANCISCO, February 17, 1940

Honorable Joseph A. Beek, Secretary of the Senate,
State Capitol, Sacramento, California.

DEAR SIR: We have your letter stating that the Senate has requested our opinion on the following subjects:

"a. Do Senate Bill No. 57 and Assembly Bill No. 96, in their present form in all particulars, come within the proclamation convening the Legislature into extraordinary session?

b. Does any provision of either of the bills contravene any Federal act which will to any extent jeopardize California's right to aid from the Federal Government in carrying on old age assistance and security?

You have enclosed Assembly Bill No. 96 and Senate Bill No. 57 as amended February 7, 1940.

Assembly Bill No. 96 is an act to amend sections 2224 and 2227 of, and to repeal sections 2226 and 2229 of, the Welfare and Institutions Code relating to aid to the aged, and providing for the cancellation and release of certain agreements affecting real property heretofore required of recipients of said aid.

Senate Bill No. 57, as amended February 7, 1940, is an act to repeal sections 2226 and 2229, and to amend sections 2007, 2140 and 2227 of the Welfare and Institutions Code; purporting also to relate to the identical subject as Assembly Bill No. 96.

Items 5 and 6 of the Governor's proclamation calling the special session follow:

"5. To consider and act upon legislation and a constitutional amendment providing for the cancellation, release or other modification of agreements, liens and other claims to or against the property of recipients of aid to the aged under the Old Age Security Law, and for the removal of authority to secure such agreements, liens and other claims.

6. To consider and act upon legislation revising the age qualifications for aid granted under the Old Age Security Law."

Senate Bill No. 57 contains the following provision:

"However, neither the State Department of Social Welfare nor the State Social Welfare Board shall have authority, by rule, regulation, or otherwise, to withhold or to order to be withheld any money subject to payment to any county under this chapter because of any rule or regulation of the State Department of Social Welfare."

In our opinion the subject of Item 5 is limited to legislation providing for the cancellation, release or modification of agreements, liens and other claims to or against the property of old age aid recipients. The provision of the proposed bill having to do with the rule-making power of the Department of Social Welfare is not within this call. It is likewise beyond the scope of the subject proposed by Item 6 in the proclamation, which is to consider age qualifications.

Answering your second question it is our opinion that the proposed amendment to section 2140 of the Welfare and Institutions Code, which would prevent the State Department of Social Welfare and the State Social Welfare Board from enforcing any rules or regulations by withholding funds due to a county, might jeopardize the right of the State to receive Federal funds.

Section 2a of the Federal Social Security Act follows in part:

"A State plan for old age assistance must:

(1) provide that it shall be in effect in all political subdivisions of the State, and, if administered by them, be mandatory upon them; * * * (3) either provide for the establishment or designation of a single State agency to administer the plan, or provide for the establishment or designation of a single State agency to supervise the administration of the plan * * * (5) provide such methods of administration * * * as are found by the Board to be necessary for the proper and efficient operation of the plan * * *"

Under this act the Federal Board has broad powers to determine whether a plan operated by a State administration is considered proper and efficient. The act expressly requires that a State plan must be binding on all political subdivisions of the State. It is therefore our opinion that the proposed legislation, which would

limit the State's authority over the counties, could very well jeopardize the State's right to Federal aid.

Very truly yours,

EARL WARREN,
Attorney General.

FWF:W.
3602.

Report.

The following report by Senator Metzger was received, read, and ordered printed in the Journal:

Audit of Report Submitted by Department of Public Works Pursuant to Senate Resolution No. 19.

On February 7, 1940, the Senate adopted a resolution requesting the Director of Public Works to furnish information to this body concerning the disposition of the proceeds of a $100,000 appropriation made by the Legislature in June 1939 under the provisions of Chapter 670 This appropriation was intended to assist in furthering the Central Valley Project.

This resolution was directed to obtaining answers to three questions: (1) How much of the $100,000 appropriation has been expended to date? (2) For what purposes was the money expended in carrying out the intentions of the appropriation? (3) What plans have been made with respect to spending the balance of the appropriation?

On February 14, a report purporting to answer these questions was completed by the Division of Water Resources and on February 16 a copy of this report, together with other material, was delivered to the Senate. An examination of this report and the supplementary material discloses the following:

1. The report states that of the total $100,000 appropriated under Chapter 670, $24,932 was expended between July 1, 1939 and February 1, 1940. Inasmuch as the appropriation bill earmarked the money for the 91st and 92d fiscal years, the amount expended to date represents a fair proportion of the total This answers question No. 1.

2. With respect to what this money was spent for, the report attempts to answer this question first by enumerating a long list of studies and investigations, some of which cover a period of several years into the past and could not possibly be tied in to Chapter 670. Secondly, the report sets forth a schedule of claims and invoices filed and of warrants paid, but this schedule does not indicate the nature of the work done or objectives accomplished. A mere listing of payroll employees and a vague listing of studies covering a long period of time and the entire scope of the project does not answer the question concerning the exact purposes for which the $24,932 was spent.

3 With respect to what future plans are, the report is again vague. A little understanding is afforded by schedule 8 but the objectives set forth herein cover not only the use of the proceeds of Chapter 670 but also the support appropriation contained in the budget and the proceeds of Federal aid provided by the U. S. Bureau of Reclamation. Thus question No. 3 is only answered in part, and then only in general terms.

An examination of the report discloses certain inconsistencies and administrative neglect in carrying out the provisions of Chapter 670. The following may be cited:

1. Although it was understood that part of the proceeds of the $100,000 appropriation would be used to finance trips to Washington, D. C in furtherance of Federal aid to this project, the report does not indicate any expenditures for this purpose.

2. Although the report states that $24,932 was expended out of this appropriation during the first seven months of this fiscal year, most of this money was used to pay the salaries of regular employees of the Division of Water Resources. According to the records of the State Personnel Board, the division has added but two new positions to its staff since July 1, 1939 These were: (1) a Coordinator of Informational Activities at a monthly salary of $320, and (2) an Electric Power Utility Rate Adviser and Accountant at a monthly salary of $420. These two employees were paid $3,521 up to February 1. In addition an employee certified before July 1, 1939 (Louis Bartlett) received $3,306 during this period which could be charged to this appropriation, making a total of $6,827 in salaries of new employees engaged in work carrying out the purposes of this act. But the remainder of the $24,932 was spent for the salaries of regular employees and miscellaneous expense.

3. On page 9 of the report, it is stated "The engineering and economic phases of the work which have been performed from July 1, 1939 to January 31, 1940, have included the following:" Then there follows a long list of studies, some of which date back many years. The two reports submitted to the Senate illustrating

the work done under this appropriation are numbered 11 and 14 and are dated June 1939 and May 1939 respectively, and yet they are included in the list of work done since July 1, 1939. The $100,000 appropriation did not become available until July 1 and could not have been used to finance prior studies.

4. Although the Senate resolution requested information concerning future plans for spending the proceeds of Chapter 670, the answer submitted consists of a report prepared by A. D. Edmonston on November 27, 1939 and covers all appropriations. The Department has not set forth its plans for spending the balance of the appropriation contained in Chapter 670.

Conclusion.

Senate Resolution No. 19 requested specific information regarding the expenditure of the money provided in Chapter 670 of the Statutes of 1939. The report submitted to the Senate in reply is a voluminous mass of detail relating to Central Valley Project activities in general. Nowhere in the report is there a concise statement showing exactly the accomplishments resulting from the expenditure of moneys out of the $100,000 appropriation or what is expected to be accomplished in the future through the expenditure of the unexpended balance in this appropriation. In brief, the report does not comply with Senate Resolution No. 19.

Respectfully submitted.

SENATOR METZGER.

Message from the Assembly.

The following message from the Assembly was received and read:

ASSEMBLY CHAMBER, SACRAMENTO, February 17, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Senate Joint Resolution No. 5—Relative to House Bill No. 7372, relating to Federal control of oil and gas production in California;

Assembly Joint Resolution No. 18—Relative to Kings River flood control.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Senate Joint Resolution No. 5 ordered to enrollment.

Assembly Joint Resolution No. 18 ordered referred to Committee on Rules.

Reports of Standing Committees.

The following reports of standing committees were received and read:

On Contingent Expenses.

SENATE CHAMBER, SACRAMENTO, February 19, 1940.

MR. PRESIDENT: Your Committee on Contingent Expenses, to which was referred:

Senate Bill No. 58—An act making an additional appropriation for legislative printing, binding, etc., to take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that it do pass.

Committee membership—3; committee vote: Ayes—3.

KEATING, Chairman.

On Social Problems.

SENATE CHAMBER, SACRAMENTO, February 17, 1940.

MR. PRESIDENT: Your Committee on Social Problems, to which was referred:

Assembly Constitutional Amendment No. 6—A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by adding a new section numbered 13 to Article XVI thereof, relating to liens, mortgages, encumbrances, and agreements taken as security for aid to the aged, and to the powers of the Legislature in relation thereto;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be adopted.

Committee membership—11; committee vote. Ayes—10; absent—1.

PHILLIPS, Chairman.

SENATE CHAMBER, SACRAMENTO, February 17, 1940.

MR. PRESIDENT: Your Committee on Social Problems, to which was referred:

Assembly Bill No. 96—An act to amend sections 2224 and 2227 of, and to repeal sections 2226 and 2229 of the Welfare and Institutions Code, relating to aid to the

aged, and providing for the cancellation and release of certain agreements affecting real property heretofore required of recipients of aid to the aged and their heirs, declaring the urgency thereof and providing that this act shall take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that it do pass.

Committee membership—11; committee vote: Ayes—6; noes—4; absent—1.

PHILLIPS, Chairman.

Second Reading of Senate Bills.

Senate Bill No. 58—An act making an additional appropriation for legislative printing, binding, etc., to take effect immediately.

Bill read second time, ordered to engrossment, and on file for third reading.

Second Reading of Assembly Bills.

Assembly Bill No. 96—An act to amend sections 2224 and 2227 of, and to repeal sections 2226 and 2229 of the Welfare and Institutions Code, relating to aid to the aged, and providing for the cancellation and release of certain agreements affecting real property heretofore required of recipients of aid to the aged and their heirs, declaring the urgency thereof and providing that this act shall take effect immediately.

Bill read second time, and ordered on file for third reading.

Resolution.

The following resolution was offered:

By Senator Swing:

Resolved, That Assembly Bill No. 96 presents a case of urgency, as that term is used in section 15 of Article IV of the Constitution, and the provision of that section requiring that the bill shall be read on three several days in each House is hereby dispensed with, and it is ordered that said bill be read the third time, and placed upon its passage.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and the resolution adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Gordon, Hays, Hollister, Jespersen, Keating, McBride, McCormack, Metzger, Mixter, Myhand, Parkman, Phillips, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—30.

NOES—None.

Whereupon the President declared the provisions of section 15, Article IV of the Constitution suspended for the purpose of considering, at this time, Assembly Bill No. 96.

Bill read third time.

Urgency Clause.

SEC. 7. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution and shall therefore go into immediate effect. A statement of the facts constituting such necessity is as follows:

Uncertainty and confusion in the administration and enforcement of those provisions of the Old Age Security Law in the Welfare and Institutions Code which are repealed by this act has resulted in a lack of uniformity in the application of the law in the several counties of this State.

If this condition is permitted to continue this State may be deprived of all Federal grants in aid for old age assistance which would bring financial ruin to both State and county governments and result in an untold increase of human suffering and the endangering of the public peace, health and safety.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Jespersen, Keating, McBride, McCormack, Metzger, Mixter, Myhand, Parkman, Phillips, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—31.
NOES—None.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 96 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Jespersen, Keating, Kenny, McBride, McCormack, Metzger, Mixter, Myhand, Parkman, Phillips, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—30.
NOES—None.

Title read and approved.

Assembly Bill No. 96 ordered transmitted to the Assembly.

Requests for Permission to Introduce Bills.

The following requests for permission to introduce bills were presented:

By Senator Biggar:

SENATE CHAMBER, SACRAMENTO, February 19, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act making an appropriation to the Relief Administrator and the Relief Commission for the relief of hardship and destitution due to and caused by unemployment, and providing for the expenditure thereof.

Respectfully submitted.

SENATOR BIGGAR.

Request referred to Committee on Rules.

By Senator Fletcher:

SENATE CHAMBER, SACRAMENTO, February 19, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to offer a concurrent resolution, the title of which is set forth below:

Relative to advertisement of the San Diego Quadri-centennial Celebration on motor vehicle license plates.

Respectfully submitted.

SENATOR FLETCHER.

Request referred to Committee on Rules.

Consideration of Daily File.

Third Reading of Senate Bills.

Senate Bill No. 46—An act to amend sections 130 and 130.1 of the Vehicle Code, relating to the records of the Department of Motor Vehicles.

Bill read third time.

The question being on the passage of the bill.

The roll was called, and Senate Bill No. 46 passed by the following vote:

AYES—Senators Biggar, Breed, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Jespersen, Keating, Kenny,

McBride, McCormack, Metzger, Mixter, Myhand, Parkman, Phillips, Quinn, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—30.
NOES—None.

Title read and approved.
Senate Bill No. 46 ordered transmitted to the Assembly.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, February 19, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Senate Bill No. 76—An act making an appropriation for the contingent expenses of the Senate for the fifty-third (extraordinary) session of the Legislature including expenses of committees created at that session, and declaring that this act shall take effect immediately.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk

Senate Bill No. 76 ordered to enrollment.

ASSEMBLY CHAMBER, SACRAMENTO, February 19, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 50—An act to amend sections 2, 23, 24, 25, 26, 27, 28, 29, 30, 31, 37, 40, 41, 44, 54, 63, 67, 72 and 73 of the Gift Tax Act of 1939, to repeal section 76 thereof, and to add sections 2.3, 2.4, 6.5, 10.5, 12.5, 29.5, 39.5, 42.5, 43.3, 43.5, 44.5, 48.5, 53.5, 61.5 and 73.5 thereto, relating to the taxation of transfer of property and the administration of said act, to take effect immediately;

Assembly Bill No. 52—An act to add section 5014 to the Public Resources Code, relating to parks and appropriating the money deposited in the State Park Maintenance and Acquisition Fund for the operation, maintenance and extension of the State park system;

Assembly Bill No. 93—An act to amend section 13 of an act entitled "An act to provide for the regulation and licensing of horse racing, horse race meetings, and the wagering on the results thereof; to create the California Horse Racing Board for the regulation, licensing and supervision of said horse racing and wagering thereon; to provide penalties for the violation of the provisions of this act, and to provide that this act shall take effect upon the adoption of a constitutional amendment ratifying its provisions," approved June 5, 1935, relating to the allocation of money derived under the act.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

The above bills ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, February 19, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Assembly Joint Resolution No. 19—Relative to the making of payments by the Federal Government to counties to reimburse them for loss of tax receipts on account of the use of certain land by the United States;

Assembly Concurrent Resolution No. 11—Relative to the prospective retirement of Robert Alexander from the State service;

Assembly Joint Resolution No. 17—Relative to memorializing the President and the Congress of the United States in relation to legislation providing aid for disabled persons.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

The above resolutions ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, February 19, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Senate Bill No. 55—An act to add section 580d to the Code of Civil Procedure, and to repeal section 580c of the Code of Civil Procedure as added by Chapter 586

of the Statutes of 1939, relating to the abolishing of deficiency judgments in all cases where a power of sale is exercised under any mortgage or deed of trust upon real property.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Senate Bill No. 55 ordered to enrollment.

ASSEMBLY CHAMBER, SACRAMENTO, February 19, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Senate Concurrent Resolution No 6—Relative to the operation, maintenance, and extension of the State Park System.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk

Senate Concurrent Resolution No. 6 ordered to enrollment.

ASSEMBLY CHAMBER, SACRAMENTO, February 19, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Senate Bill No 44—An act making an appropriation for the support of the Department of Social Welfare, transferring money from the Social Welfare Fund to the General Fund, and declaring the urgency thereof, to take effect immediately.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk

Senate Bill No. 44 ordered to enrollment.

ASSEMBLY CHAMBER, SACRAMENTO, February 19, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly amended, and on this day passed as amended:

Senate Bill No. 4—An act to add section 374.5 to the Vehicle Code, relating to license plates for exempt vehicles, and declaring the urgency of this act;

Senate Bill No. 68—An act to amend sections 11000, 11001, 11003, 11009, 11010, 11035, 11160, 11166 05, 11166 06, 11166 07, 11166.08, 11166 1, 11166 11, 11166 12, 11167, 11200, 11250, 11391, 11392, 11393, 11425, 11477, 11530, 11531, 11555, 11610, 11611, 11625, 11712, 11713, 11715, 11716, 11720 and 11780, and the article heading of Article 2, Chapter 5, Division 10, and to repeal sections 11036, 11178, 11332, 11392, 11710 and 11711 of, and to add sections 11556 and 11557 to, the Health and Safety Code, relating to narcotics and the use, prescribing, sale, possession, or transportation thereof;

And respectfully requests your honorable body to concur in said amendments.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk

Consideration of Assembly Amendments to Senate Bill No. 68.

The Senate took up for consideration Assembly amendments to Senate Bill No. 68.

Amendment No. 1.

On page 4, line 6, of the printed bill, after "11200", insert the following: "nor to preparations containing codeine without additional narcotics when compounded with other medicinal ingredients prescribed in writing in good faith for medicinal purposes only".

Amendment No. 2.

On page 9, line 7, of the printed bill, strike out "cannibis", and insert in lieu thereof the following: "cannabis".

Amendment No. 3.

On page 7 of the printed bill, strike out all of lines 18 to 30, inclusive, and insert in lieu thereof the following:

"1. To the Department of Finance for all expenditures made or incurred by it in connection with the sale, including expenditure for any necessary repairs, storage or transportation, of any vehicle seized under this article.

2. To the Attorney General for all expenditures made or incurred by him in connection with the forfeiture proceedings of any vehicle seized under this article, including but not limited to, expenditures for witness fees, reporters' fees, transcripts, printing, traveling and investigation.

3. To the State division for all expenditures for traveling, investigation, storage, and other expenses made or incurred by the division after the seizure, and in connection with the forfeiture of any vehicle seized under this article."

The question being: Shall the Senate concur in Assembly amendments to Senate Bill No. 68?

The roll was called, and Assembly amendments to Senate Bill No. 68 concurred in by the following vote:

AYES—Senators Biggar, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Parkman, Seawell, Slater, Swing, Tickle, and Wagy—27.
NOES—None.

Senate Bill No. 68 ordered to enrollment.

Consideration of Assembly Amendment to Senate Bill No. 4.

The Senate took up for consideration Assembly amendment to Senate Bill No. 4.

Amendment No. 1.

On page 1, line 4, of the printed bill, strike out ", in its discretion, may issue for", and strike out all of line 5, and in line 6, strike out "ment officers who are", and insert in lieu thereof the following: "shall issue for any exempt vehicles used by a sheriff of a county, policeman of a city or town, chief or inspector of the State Division of Narcotic Enforcement, any Federal law enforcement officer, Inspector State Division of Mines, liquor enforcement officers of the Board of Equalization, district attorneys, and the Attorney General, who are".

The question being: Shall the Senate concur in Assembly amendment to Senate Bill No. 4?

The roll was called, and the Senate refused to concur in Assembly amendment to Senate Bill No. 4 by the following vote:

AYES—None.
NOES—Senators Biggar, Brown, Crittenden, Cunningham, DeLap, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Jespersen, Keating, Kenny, Mayo, McBride, Metzger, Mixter, Myhand, Parkman, Phillips, Seawell, Slater, Swing, Tickle, and Wagy—26.

Approval of Journals.

The Senate Journals of Monday, February 12, 1940; Tuesday, February 13, 1940; Wednesday, February 14, 1940; Thursday, February 15, 1940; Friday, February 16, 1940; Saturday, February 17, 1940, were, on motion of Senator Swing, approved as corrected by the Journal Clerk and Minute Clerk.

Adjournment.

At twelve o'clock and fifteen minutes p.m., on motion of Senator Swing, the President of the Senate declared the Senate adjourned until eleven o'clock a.m., Tuesday, February 20, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Tuesday, February 20, 1940.

The Senate met at eleven o'clock a.m.
Hon. Ellis E. Patterson, President of the Senate, in the chair.
Secretary Joseph A. Beek at the desk.

Roll Call.

The roll was called, and the following answered to their names:

Senators Biggar, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—33.

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev. A. Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Monday, February 19, 1940, the further reading was dispensed with, on motion of Senator Slater.

Privilege of Floor of Senate Extended.

On request of Senator Rich, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Richard Wilson of Meridian.

On request of Senator Fletcher, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mr. and Mrs. G. Edward Prouty of Littleton, Mass., and Mr. and Mrs. Ralph Conant of Boston, Mass.

On request of Senator Tickle, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Howard O'Brien and J. K. Graham, city councilman, both of Hollister.

On request of Senator Seawell, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Elmer Richey, instructor; and the following members of the Roseville Union High

School Boys Forum: C. Daniel Wood, Gloyd T. Clowdus, John W. Mahan, Robert N. Seawell, Robert I. Brunner, Aldo C. Pineschi, Eldo Bianchi, Archie H. Tewell, George Nyeda, George Yonehiro, Victor Abrahamson, Stuart Driver, Joe S Montero, John Carbone, Arthur Costenborder, Carl Norden, Bob Fowler, Ellis Roskelley, David Fiddyment, Bill Miller, Peter Carbone, John Fiddyment, and Jack Sucho.

On request of Senator Gordon, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Kenneth P. Hotelling and I. E. Charlesworth, Jr.; also L. T. Sims, principal, and the following students from Clarksburg High School: Ben Acosta, Earl Baliel, Tom Birmingham, Betty Butler, Genette Heringer, Gan Hitomi, Ruth Holmes, Sylva Houglan, Tomiko Imamura, Miyoko Kawahisa, Emiko Matsumoto, Kazuto Matsumoto, Donna Mangan, Joe Mangan, Joe Mente, Bill Mesquita, Tad Morishige, Hiroshi Nishikubo, Matsuo Nishida, Tetsuo Osaki, Kinuko Shimada, Bill Sweeney, Grace Tagami, Matazo Tagami, and Henry Tsukiji.

Announcement.

By Senator Swing:

On behalf of Mr. Mark D. Anderson of Redlands, who represents the Redlands Highland Fruit Exchange, I desire to present to the Senate Sunkist oranges grown and packed in the county of San Bernardino. This fruit, together with the other fruit which I have had the privilege of having distributed to you, has been sent directly to our Journal Clerk, Mr. N. L. Levering, but it has been my good fortune to present it to you Mr Anderson, in sending this, states that he is appreciative of the work of the Senate in preventing additional taxes. I ask that his name be printed in the Journal.

Communication.

The following communication was received, read, and on motion of Senator Seawell ordered printed in the Journal, and referred to the Chief of California Highway Patrol:

1939 SAN DIEGO COUNTY GRAND JURY,
COURT HOUSE, SAN DIEGO, CALIFORNIA.

To the Presiding Officer, State Senate,
Sacramento, California.

DEAR SIR: The San Diego grand jury has had under consideration the "Road Ramblers' Club," an organization of young men who style themselves "qualified automobile speed enthusiasts."

The qualifying provision for membership is possession of an automobile capable of making high speeds. Upon the group's organization two years ago, the minimum speed was set at 70 miles per hour. This has since been raised to 80, then to 90, and recently to 95. Three members recently figured in an accident on a county highway in which high speed and the inability to stop the car in time to avoid an accident were the chief contributing factors. One young man was killed and the two others were injured.

We are informed that this organization is more or less state-wide and that there are other similar associations comprised of "speed enthusiasts." This particular club in San Diego now contains 23 members with an average age of 22 years and 8 months.

Since there appears to be no legislation which would adequately control organizations of this character, we respectfully suggest that this problem be submitted to the Judiciary Committee of your body for suitable remedial legislation. We shall be glad to furnish further information, if desired.

Yours truly,

1939 SAN DIEGO COUNTY GRAND JURY,
LARA P. GOOD, Foreman.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, February 19, 1940

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day respectfully refused to recede from its amendments to:

Senate Bill No. 4—An act to add section 374.5 to the Vehicle Code, relating to license plates for exempt vehicles, and declaring the urgency of this act;

And appointed Assemblymen Kepple, Fulcher and Carlson, as a Committee on Free Conference to meet a like committee from the Senate.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

ASSEMBLY CHAMBER, SACRAMENTO, February 19, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Senate Bill No. 43—An act relating to parks and making an appropriation from the State Park Maintenance and Acquisition Fund for the operation, maintenance and extension of the State Park System;

Senate Bill No. 69—An act to add section 443.2 to the Political Code, relating to the payment of warrants of the State of California in legal tender.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Senate Bills Nos. 43 and 69 ordered to enrollment.

ASSEMBLY CHAMBER, SACRAMENTO, February 19, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed

Assembly Bill No. 47—An act to amend sections 124, 127, 3591, 3594, 3616, 3651, 3659, 3661, 3691, 3807, 4101, 4111, 4112, 4113 and 4147 of, to amend the title of Chapter 8 of Part 6 of Division 1 of, to repeal sections 3614, 3707 and 4108 of, to add sections 3511.5, 3521, 3662 and 3663 to, to add Chapter 4.3, consisting of sections 3534 to 3562, and Chapter 4.6, consisting of sections 3571 to 3578, to Part 6 of Division 1 of, the Revenue and Taxation Code, and to amend sections 3833.3, 3857.2 and 3859.20 of, to repeal sections 3773.1, 3833 and 3859.18 of, and to add sections 3773.1, 3773.2, 3785.4, 3785.5 and 3785.6 to, and to add Chapter IXb, consisting of sections 3860.01 to 3860.32, and Chapter IXc, consisting of sections 3861.1 to 3861.8, to Title IX of Part III of, the Political Code, relating to property taxation, including the right of redemption and the classification and control of tax deeded property, and making an appropriation.

JACK CARL GREENBURG, Chief Clerk of Assembly
By C. W. BOOTH, Assistant Clerk.

Assembly Bill No. 47 ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, February 19, 1940

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Assembly Joint Resolution No. 20—Relative to memorializing the President and the Congress of the United States to expedite the Santa Fe Retarding Basin Project.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Joint Resolution No. 20 ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, February 17, 1940

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day concurred in Senate amendments to:

Assembly Bill No. 55.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Appointment of Committee on Free Conference.

MR. PRESIDENT: Your Committee on Committees announces the appointment of Senators Kenny, Breed and Mayo as a committee on Free Conference, concerning:
Senate Bill No. 4;
To meet a like committee from the Assembly.

SEAWELL, Chairman.

Reports of Standing Committees.

The following reports of standing committees were received and read:

On Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, February 20, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Assembly Bill No. 81—An act to amend section 6.4 of the Alcoholic Beverage Control Act and to add section 54.1 thereto, relating to alcoholic beverages;

Assembly Concurrent Resolution No. 7—Relative to requesting cities of every class to enact a "stop-cane" law;

Has had the same under consideration, and respectfully reports the same back, and recommends that they do pass.

Committee membership—11; committee vote: Ayes—7; absent—4.

HAYS, Chairman.

On Finance, Revenue and Taxation.

SENATE CHAMBER, SACRAMENTO, February 19, 1940.

MR. PRESIDENT: Your Committee on Finance, Revenue and Taxation, to which was referred:

Assembly Bill No. 74—An act making an appropriation to meet the deficiency in the appropriation for printing constitutional amendments, Secretary of State's office, for the 91st and 92d fiscal years, to take effect immediately;

Assembly Bill No. 75—An act making an appropriation to meet a deficiency in the appropriation for legislative printing, binding, etc., to take effect immediately,

Assembly Bill No. 82—An act to amend section 27 of the Bank and Corporation Franchise Tax Act, relating to taxes on banks and corporations, and to provide that this act shall take effect immediately;

Assembly Bill No. 83—An act to amend section 28 of The Personal Income Tax Act, relating to taxes on individuals, estates and trusts, and to provide for the disposition of the revenues therefrom, and to provide that this act shall take effect immediately;

Assembly Bill No. 88—An act to amend section 21 of the Retail Sales Tax Act of 1933, and section 17 of the Use Tax Act of 1935, relating to assessments and refunds, and to provide that this act shall take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that they do pass.

Committee membership—11; committee vote: Ayes—11.

TICKLE, Chairman.

SENATE CHAMBER, SACRAMENTO, February 19, 1940.

MR. PRESIDENT: Your Committee on Finance, Revenue and Taxation, to which was referred

Assembly Bill No. 2—An act authorizing any city of the first and one-half class to create a municipal department, to be under the control of a municipal commission, and authorizing such department, when so created, to establish, maintain and operate buildings and adjuncts for public assemblies, conventions, exhibitions, trade shows, trade fairs, and for other civic, commercial, cultural and recreational purposes, and purposes incidental thereto, and to authorize the renting and leasing thereof, or of parts thereof, to any nonprofit corporation or public entity for any of the foregoing purposes, and to provide funds for such purposes through the issuance of bonds payable out of the revenues therefrom, and to validate any proceedings heretofore taken for any purpose or purposes authorized by this act;

Assembly Bill No. 11—An act to add section 1190.5 to the Labor Code, validating orders and proceedings of the Industrial Welfare Commission;

Assembly Bill No. 69—An act to amend sections 1 and 6 of, and to add sections 1.5 and 6.5 to an act entitled "An act to provide for the licensing and regulation of itinerant merchants and making an appropriation therefor," approved July 21, 1939, relating to itinerant merchants;

Has had the same under consideration, and respectfully reports the same back with amendments, and recommends that the amendments be adopted, and the bills be re-referred to this committee.

Committee membership—11; committee vote: Ayes—11.

TICKLE, Chairman.

SENATE CHAMBER, SACRAMENTO, February 19, 1940.

MR. PRESIDENT: Your Committee on Finance, Revenue and Taxation, to which was referred:

Senate Bill No. 54—An act to add section 444.2 to the Political Code, relating to money in the State treasury, including temporary loans or transfers of money in special funds or other accounts in the treasury subject to the provisions of Article XXVI of the Constitution, the use or disposition of money loaned, and the repayment of such loans;

Has had the same under consideration, and respectfully reports the same back with amendments, and recommends that the amendments be adopted, and that it do pass as amended.

Committee membership—11; committee vote: Ayes—10; noes—1.

TICKLE, Chairman.

SENATE CHAMBER, SACRAMENTO, February 19, 1940.

MR. PRESIDENT: Your Committee on Finance, Revenue and Taxation, to which was referred:

Senate Bill No. 65—An act making an appropriation for the establishment of aviation facilities for the California National Guard, declaring the urgency of this act, to take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that it do pass.

Committee membership—11; committee vote: Ayes—10; noes—1.

TICKLE, Chairman.

SENATE CHAMBER, SACRAMENTO, February 19, 1940.

MR. PRESIDENT: Your Committee on Finance, Revenue and Taxation, to which was referred:

Senate Bill No. 72—An act providing for the cancellation of license and registration fee penalties in connection with vehicles operated by public agencies as lessees under lease, lease-sale or rental-purchase agreements, and to repeal an act entitled "An act providing for the cancellation of license and registration fee penalties in connection with vehicles operated by public agencies as lessees under lease, lease-sale or rental-purchase agreements, to take effect immediately," approved February 5, 1940, to take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that it do pass.

Committee membership—11; committee vote: Ayes—11.

TICKLE, Chairman.

On Rules.

SENATE CHAMBER, SACRAMENTO, February 20, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Bill No. 44—An act making an appropriation for the support of the Department of Social Welfare, transferring money from the Social Welfare Fund to the General Fund, and declaring the urgency thereof, to take effect immediately;

Senate Bill No. 55—An act to add section 580d to the Code of Civil Procedure, and to repeal section 580c of the Code of Civil Procedure as added by Chapter 586 of the Statutes of 1939, relating to the abolishing of deficiency judgments in all cases where a power of sale is exercised under any mortgage or deed of trust upon real property;

Senate Bill No. 68—An act to amend sections 11000, 11001, 11003, 11009, 11010, 11035, 11160, 11166.05, 11166.06, 11166.07, 11166.08, 11166.1, 11166.11, 11166.12, 11167, 11200, 11250, 11391, 11392, 11393, 11425, 11477, 11530, 11531, 11555, 11610, 11611, 11625, 11712, 11713, 11715, 11716, 11720 and 11780, and the article heading of Article 2, Chapter 5, Division 10, and to repeal sections 11036, 11178, 11332, 11396, 11710 and 11711 of, and to add sections 11556 and 11557 to, the Health and Safety Code, relating to narcotics and the use, prescribing, sale, possession, or transportation thereof;

Senate Concurrent Resolution No. 6—Relative to the operation, maintenance, and extension of the State park system;

And reports that the same have been correctly enrolled and presented to the Governor on the twentieth day of February, 1940, at eleven o'clock a.m.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 20, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Bill No. 58—An act making an additional appropriation for legislative printing, binding, etc., to take effect immediately;

And reports that the same has been correctly engrossed.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 20, 1940

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Bill No. 76—An act making an appropriation for the contingent expenses of the Senate for the fifty-third (extraordinary) session of the Legislature including expenses of committees created at that session and for any and all claims approved by the Senate, and declaring that this act shall take effect immediately;

Senate Joint Resolution No. 5—Relative to House Bill No. 7372, relating to Federal control of oil and gas production in California;

And reports that the same have been correctly enrolled and presented to the Governor on the nineteenth day of February, 1940, at five o'clock p m.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 20, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following request by Senator Fletcher for permission to introduce a concurrent resolution:

Relative to advertisement of the San Diego Quadri-centennial Celebration on Motor Vehicle License Plates;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the resolution introduced, and referred to Committee on Governmental Efficiency.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 20, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following request by Senator Biggar for permission to introduce a bill:

An act making an appropriation to the Relief Administrator and the Relief Commission for the relief of hardship and destitution due to and caused by unemployment, and providing for the expenditure thereof;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the bill introduced, and referred to Committee on Finance, Revenue and Taxation.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 20, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 50—An act to amend sections 2, 23, 24, 25, 26, 27, 28, 29, 30, 31, 37, 40, 41, 44, 54, 63, 67, 72 and 73 of the Gift Tax Act of 1939, to repeal section 76 thereof, and to add sections 2.3, 2.4, 6.5, 10.5, 12.5, 29.5, 39.5, 42.5, 43.3, 43.5, 44.5, 48.5, 53.5, 61.5 and 73.5 thereto, relating to the taxation of transfer of property and the administration of said act, to take effect immediately;

Assembly Bill No. 93—An act to amend section 13 of an act entitled "An act to provide for the regulation and licensing of horse racing, horse race meetings, and the wagering on the results thereof; to create the California Horse Racing Board for the regulation, licensing and supervision of said horse racing and wagering thereon; to provide penalties for the violation of the provisions of this act, and to provide that this act shall take effect upon the adoption of a constitutional amendment ratifying its provisions," approved June 5, 1933, relating to the allocation of money derived under the act;

Assembly Bill No. 52—An act relating to parks and making an appropriation from the State Park Maintenance and Acquisition Fund for the operation, maintenance and extension of the State park system;

Has had the same under consideration, and respectfully reports the same back, and recommends that the bills be re-referred to the Committee on Finance, Revenue and Taxation.

Committee membership—5; committee vote: Ayes—5

SEAWELL, Chairman

Assembly Bill No. 50 read first time, and referred to Committee on Finance, Revenue and Taxation.

Assembly Bill No 93 read first time, and referred to Committee on Finance, Revenue and Taxation.

Assembly Bill No. 52 read first time, and referred to Committee on Finance, Revenue and Taxation.

SENATE CHAMBER, SACRAMENTO, February 20, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Joint Resolution No. 17—Relative to memorializing the President and the Congress of the United States in relation to legislation providing aid for disabled persons;

Assembly Joint Resolution No. 18—Relative to Kings River flood control;

Assembly Joint Resolution No. 19—Relative to the making of payments by the Federal Government to counties to reimburse them for loss of tax receipts on account of the use of certain land by the United States;

Assembly Concurrent Resolution No. 11—Relative to the prospective retirement of Robert Alexander from the State service;

Has had the same under consideration, and respectfully reports the same back, and recommends that the measures be re-referred to the Committee on Governmental Efficiency.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Joint Resolution No 17 read, and referred to Committee on Governmental Efficiency.

Assembly Joint Resolution No. 18 read, and referred to Committee on Governmental Efficiency.

Assembly Joint Resolution No. 19 read, and referred to Committee on Governmental Efficiency.

Consideration of Assembly Concurrent Resolution No. 11.

Senator Slater asked for, and was granted, unanimous consent for the consideration of Assembly Concurrent Resolution No. 11, without reference to committee, for purposes of adoption.

Assembly Concurrent Resolution No. 11.

Relative to the prospective retirement of Robert Alexander from the State service.

WHEREAS, Prior to the next regular session of the Legislature Robert Alexander, Assistant State Printer, will reach the age of automatic retirement from the service of the State; and

WHEREAS, Robert Alexander has established the extraordinary and unparalleled record of fifty-three consecutive years of State service in the same department; and

WHEREAS, Said Robert Alexander has been in the service of this State through more than half of the period of existence of this State, having entered the service on October 31, 1887, and having served under no less than thirteen different governors; and

WHEREAS, Throughout his service, from his first position as a youthful messenger to his present position as a still youthful Assistant State Printer, Robert Alexander has faithfully performed his duties with a characteristic attitude of willing and helpful cooperation, and made of all with whom he came into contact friends not only for himself but for the State he served; and

WHEREAS, His prospective retirement by reason of having reached the statutory age for retirement implies no diminution of Robert Alexander's willingness to continue to serve his State and to add many years to his already magnificent record; and

WHEREAS, It is fitting that the Legislature of the State of California, at this extraordinary session thereof, take cognizance of the remarkable services of a well loved public servant; now, therefore, be it

Resolved by the Assembly of the State of California, the Senate thereof concurring, That the Legislature of the State of California, on behalf of the members thereof and of the people of the State, hereby commends Robert (Bob) Alexander for his long and faithful services to the State, and expresses a hope that he will enjoy to the utmost many years of happiness in his retirement; and be it further

Resolved, That the Chief Clerk of the Assembly cause a copy of this resolution to be suitably engrossed and illuminated and presented to said Robert Alexander

as an expression of the good wishes of the members of the Legislature and of all branches of the government of the State.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Concurrent Resolution No. 11 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—36.

NOES—None.

Assembly Concurrent Resolution No. 11 ordered transmitted to the Assembly.

Introduction, First Reading and Reference of Bills.

The following bills were introduced:

Senate Concurrent Resolution No. 7: By Senator Fletcher—Relative to advertisement of the San Diego Quadri-Centennial Celebration on motor vehicle license plates.

Senate Concurrent Resolution No. 7 read, and referred to Committee on Governmental Efficiency.

Senate Bill No. 80: By Senator Biggar—An act making an appropriation to the Relief Administrator and the Relief Commission for the relief of hardship and destitution due to and caused by unemployment, and providing for the expenditure thereof.

Senate Bill No. 80 read first time, and referred to Committee on Finance, Revenue and Taxation.

Consideration of Daily File.
Third Reading of Assembly Bills.
Assembly Constitutional Amendment No. 6.

A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by adding a new section numbered 13 to Article XVI thereof, relating to liens, mortgages, encumbrances, and agreements taken as security for aid to the aged, and to the powers of the Legislature in relation thereto.

Resolved by the Assembly, the Senate concurring, That the Legislature of the State of California, in extraordinary session commencing on the twenty-ninth day of January, 1940, two-thirds of the members elected to each of the two houses of the Legislature voting therefor, hereby proposes to the people of the State of California that the Constitution of the State be amended by adding a new section, to be numbered 13, to Article XVI thereof, to read as follows:

Sec. 13 (a) The people of the State of California, for themselves, for the State government, and for every county and other agency of the government of the State, do hereby abjure, renounce, and relinquish all rights and claims heretofore acquired by the State or any county or other agency of the State under the provisions of the Old Age Security Act of the State of California (Chapter 530 of the Statutes of 1929, as amended), or the Old Age Security Law (Chapter 1 of Division III of the Welfare and Institutions Code), or both, against the property of recipients of aid to the aged lawfully granted and received pursuant to said laws, or against such recipients personally, in so far as such rights and claims are based upon or arise out of liens, mortgages, transfers or other encumbrances taken by any county as security for aid granted pursuant to the provisions of said laws, or

either of them, or are based upon or arise out of agreements not to transfer or encumber real property without the consent of the board of supervisors entered into pursuant to the provisions of sections 2226 and 2229 of the Welfare and Institutions Code as added thereto by Chapter 719 of the Statutes of 1939;

(b) All liens, mortgages, and other encumbrances heretofore taken by any county as security for aid granted under the aforesaid laws, or either of them, are hereby released, and shall hereafter be conclusively presumed to have been paid;

(c) Every agreement not to transfer or encumber real property without the consent of the board of supervisors heretofore executed pursuant to the provisions of sections 2226 and 2229 of the Welfare and Institutions Code as added thereto by Chapter 719 of the Statutes of 1939 is hereby rescinded, canceled and declared to be hereafter of no force and effect, subject to the consent thereto of the applicant or recipient of aid, his legal representative, or successor in interest in the property concerning which the agreement was made. The failure of the applicant or recipient, his legal representative, or successor in interest, to cause to be recorded in the office of the county recorder within thirty days after this section becomes effective an instrument expressly withholding consent to the rescission and cancellation of any such agreement shall constitute consent thereto, and every such agreement, to the rescission and cancellation of which consent has not been expressly withheld, shall, from a date thirty days after this section becomes effective, be conclusively presumed to have been rescinded, canceled, and of no effect;

(d) The board of supervisors of each county shall immediately execute and record appropriate instruments of release or rescission and cancellation of all such liens, mortgages, encumbrances and agreements and shall take such other steps as may be necessary to relieve the recipients of aid heretofore granted to such persons under either or both of such statutes and the real property of the recipients from all obligation to repay either to the county or to the State any such aid lawfully granted to or received by any such person;

(e) Notwithstanding any other provision of this Constitution, the Legislature shall have power to release, rescind, cancel, or otherwise nullify in whole or in part any encumbrance on property, personal obligation, or other form of security heretofore or hereafter exacted or imposed by the Legislature to secure the repayment to, or reimbursement of, the State, and the counties or other agencies of the State government, of aid lawfully granted to and received by aged persons;

(f) Should an amendment to this Constitution by adding a new section to be numbered 12 to this article, as proposed by Assembly Constitutional Amendment No. 1 of the fifty-third session of the Legislature (Resolutions Chapter 58 of the Statutes of 1939), be enacted at the general election held on November 5, 1940, nothing in this section shall be construed to limit or restrict the operation of the provisions of said section 12

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Constitutional Amendment No. 6 adopted by the following vote:

AYES—Senators Breed, Brown, Collier, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Seawell, Slater, Swing, and Wagy—29.

NOES—None.

Assembly Constitutional Amendment No. 6 ordered transmitted to the Assembly.

Assembly Bill No. 60—An act to add Division IX to the Public Resources Code, relating to soil conservation, creating the State Soil Conservation Commission and prescribing its powers and duties, providing for the organization and operation of soil conservation districts and the establishment and enforcement of land use regulations in such districts; to repeal an act entitled "An act declaring a State policy relating to soil conservation through the prevention or control of soil erosion, creating a State Soil Conservation Committee and defining its duties and authority; providing procedure for the organization, management and dissolution of soil conservation districts and defining their powers and providing for cooperation between the State Soil Conservation Committee, the United States, the State, counties, soil conserva-

tion districts, other public districts, and individuals and corporations," approved March 29, 1938; to validate the organization of districts and proceedings for organization taken under the act repealed and to provide for the continued operation of such districts and the completion of such proceedings under this act.

Amendment from the Floor.

During third reading of Assembly Bill No. 60 the following amendment, offered by Senator Phillips, was read and refused adoption:

Amendment No. 1.

On page 27 of the printed bill, as amended, after line 24, insert the following:

"SEC. 5 The provisions of Division IX of the Public Resources Code, as added thereto by this act shall expire and shall be of no further force and effect upon the first day of October, 1941."

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 60 passed by the following vote:

AYES—Senators Breed, Brown, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hollister, Holohan, Jespersen, Kenny, Mayo, McBride, Mixter, Myhand, Parkman, Quinn, Seawell, Slater, Swing, and Tickle—23.

NOES—Senators Biggar, Collier, Crittenden, Hays, Keating, McCormack, Metzger, Phillips, Powers, Rich, and Wagy—11

Title read and approved.

Assembly Bill No 60 ordered transmitted to the Assembly.

Second Reading of Senate Bills.

Senate Bill No. 54—An act to add section 444.2 to the Political Code, relating to money in the State treasury, including temporary loans or transfers of money in special funds or other accounts in the treasury subject to the provisions of Article XXVI of the Constitution, the use or disposition of money loaned, and the repayment of such loans.

Consideration of Committee Amendments.

Pursuant to the report of the Committee on Finance, Revenue and Taxation, the following amendments to Senate Bill No. 54 were read and adopted:

Amendment No. 1.

On page 1, line 10, of the printed bill, as amended, strike out "Treasurer", and insert in lieu thereof the following: "Controller"

Amendment No. 2.

On page 1, line 17, of the printed bill, as amended, strike out "Treasurer", and insert in lieu thereof the following: "Controller".

Amendment No. 3.

On page 2 of the printed bill, as amended, strike out all of line 27, and insert in lieu thereof the following: "this code, except that the total amount of money subject to the provisions of Article XXVI of the Constitution which is loaned or transferred to the general fund or general cash revolving fund shall not at any time exceed the sum of five million dollars."

Amendment No. 4.

On page 2 of the printed bill, as amended, strike out all of lines 33 to 36, inclusive.

Amendment No. 5.

On page 2, line 27, of the printed bill, as amended, after the period insert the following: "Nothing in this section shall be construed as authorizing the loan or transfer to the general fund or general cash revolving fund of money in the fish and game preservation fund or any other special funds or accounts, except such

funds or accounts as are subject to the provisions of Article XXVI of the Constitution."

Bill read second time, ordered to print, engrossment, and on file for third reading.

Senate Bill No. 65—An act making an appropriation for the establishment of aviation facilities for the California National Guard, declaring the urgency of this act, to take effect immediately.

Bill read second time, ordered to engrossment, and on file for third reading.

Senate Bill No. 72—An act providing for the cancellation of license and registration fee penalties in connection with vehicles operated by public agencies as lessees under lease, lease-sale or rental-purchase agreements, and to repeal an act entitled "An act providing for the cancellation of license and registration fee penalties in connection with vehicles operated by public agencies as lessees under lease, lease-sale or rental-purchase agreements, to take effect immediately," approved February 5, 1940, to take effect immediately.

Bill read second time, ordered to engrossment, and on file for third reading.

Second Reading of Assembly Bills.

Assembly Bill No. 81—An act to amend section 6.4 of the Alcoholic Beverage Control Act and to add section 54.1 thereto, relating to alcoholic beverages.

Bill read second time, and ordered on file for third reading.

Assembly Bill No. 74—An act making an appropriation for printing constitutional amendments, Secretary of State's office, for the 91st and 92d fiscal years, to take effect immediately.

Bill read second time, and ordered on file for third reading.

Assembly Bill No. 75—An act making an appropriation to meet a deficiency in the appropriation for legislative printing, binding, etc., to take effect immediately.

Bill read second time, and ordered on file for third reading.

Assembly Bill No. 82—An act to amend section 27 of the Bank and Corporation Franchise Tax Act, relating to taxes on banks and corporations, and to provide that this act shall take effect immediately.

Bill read second time, and ordered on file for third reading.

Assembly Bill No. 83—An act to amend section 28 of The Personal Income Tax Act, relating to taxes on individuals, estates and trusts, and to provide for the disposition of the revenues therefrom, and to provide that this act shall take effect immediately.

Bill read second time, and ordered on file for third reading.

Assembly Bill No. 88—An act to add section 33.5 to the Retail Sales Tax Act of 1933, and section 27.5 to the Use Tax Act of 1935, relating to proceedings thereunder, and to provide that this act shall take effect immediately.

Bill read second time, and ordered on file for third reading.

Assembly Bill No. 2—An act authorizing any city of the first and one-half class to create a municipal department to be under the control of a municipal commission, and authorizing such department, when so created, to establish, maintain and operate buildings and adjuncts for public assemblies, conventions, exhibitions, trade shows, trade fairs, and for other civic, commercial, cultural, recreational or incidental uses, and to authorize the renting and leasing thereof, or of parts thereof, to any nonprofit corporation or public entity, and to provide funds for such purposes through the issuance of bonds payable out of the revenues therefrom.

Consideration of Committee Amendments.

Pursuant to the report of the Committee on Finance, Revenue and Taxation, the following amendments to Assembly Bill No. 2 were read and adopted:

Amendment No. 1.

On page 1, line 6, of the title of the printed bill, following the comma after the word "civic", strike out "com-".

Amendment No. 2.

On page 1, line 7, of the title of the printed bill, strike out "mercial,".

Amendment No. 3.

On page 2, line 10, of the printed bill, following the comma after the word "civic", strike out "commercial,".

Amendment No. 4.

On page 2, line 33, of the printed bill, following the comma after the word "civic", strike out "commercial,".

Amendment No. 5.

On page 2, line 38, of the printed bill, following the comma after the word "civic", strike out "commercial,".

Amendment No. 6.

On page 2, line 46, of the printed bill, following the comma after the word "civic", strike out "commercial,".

Amendment No. 7.

On page 3, line 6, of the printed bill, following the comma after the word "civic", strike out "com-".

Amendment No. 8.

On page 3, line 7, of the printed bill, strike out "mercial,".

Amendment No. 9.

On page 3, line 14, of the printed bill, following the comma after the word "civic", strike out "commercial,".

Bill read second time, ordered to reprint, and re-referred to Committee on Finance, Revenue and Taxation

Assembly Bill No. 11—An act to add section 1190.5 to the Labor Code, validating orders and proceedings of the Industrial Welfare Commission.

Consideration of Committee Amendments.

Pursuant to the report of the Committee on Finance, Revenue and Taxation, the following amendments to Assembly Bill No. 11 were read and adopted:

Amendment No. 1.

On page 1, line 3, of the printed bill, as amended, strike out "All", and insert in lieu thereof the following: "The following".

Amendment No. 2.

On page 1, line 7, of the printed bill, as amended, strike out "ratified.", and insert in lieu thereof the following: "ratified:

No. 3A—Fruit and Vegetable Canning Industry, passed by Commission June 26, 1929, effective September 14, 1929.

No. 5A—Mercantile Industry, passed by Commission December 20, 1922, effective April 8, 1923.
No. 6A—Fish Canning Industry, passed by Commission January 19, 1923, effective May 9, 1923.
No. 7A—Laundry and Dry-Cleaning Industry, passed by Commission May 3, 1923, effective July 23, 1923.
No. 8A—Fruit and Vegetable Packing Industry, passed by Commission May 3, 1923, effective August 8, 1923.
No. 9A—General and Professional Offices, passed by Commission June 21, 1933, effective August 28, 1933.
No. 10A—Unclassified Occupations, passed by Commission June 8, 1923, effective September 14, 1923.
No. 11A—Manufacturing Industry, passed by Commission January 30, 1923, effective May 8, 1923.
No. 12A—Hotels and Restaurants, passed by Commission June 8, 1923, effective September 14, 1923.
No. 15A—Nut Cracking and Sorting Industry, passed by Commission June 8, 1923, effective September 14, 1923.
No. 16A—Motion Picture Industry (Extras), passed by Commission January 30, 1931, effective April 11, 1931.
No. 17—Motion Picture Industry (Script Women, Wardrobe Women), passed by Commission June 1, 1931, effective August 11, 1931.
No. 18—Sanitary Regulations for any occupation, trade or industry, passed by Commission December 4, 1931, effective February 26, 1932."

Bill read second time, ordered to reprint, and re-referred to Committee on Finance, Revenue and Taxation.

Assembly Bill No. 69—An act to amend sections 1 and 6 of and to add sections 1.5 and 6.5 to an act entitled "An act to provide for the licensing and regulation of itinerant merchants and making an appropriation therefor," approved July 21, 1939, relating to itinerant merchants.

Consideration of Committee Amendments.

Pursuant to the report of the Committee on Finance, Revenue and Taxation, the following amendments to Assembly Bill No. 69 were read and adopted:

Amendment No. 1.

In lines 1 and 2 of the title of the printed bill, strike out "1 and 6 of, and to add sections 1.5 and 6.5 to", and insert in lieu thereof the following: "6, 20, 21, 23 and 30 of, to add section 6.5 to, and to repeal sections 16, 17, 18 and 19 of".

Amendment No. 2.

On page 1, line 1, of the printed bill, strike out "Section 1 of the act cited in the title thereof", and strike out lines 2 to 20, inclusive, and in line 21, strike out "SEC. 3. Section 6 of said act", and insert in lieu thereof the following "Section 6 of the act cited in the title hereof".

Amendment No. 3.

On page 2, line 37, of the printed bill, strike out "SEC. 4.", and insert in lieu thereof the following:
"(8) farmers who occasionally transport from the place of production to a warehouse, regular market, place of storage, or place of shipment the farm products of neighboring farmers in exchange for like services or for a cash consideration
(9) persons, the principal part of whose business is the manufacturing, canning or processing of farm products or timber products.
SEC. 2."

Amendment No. 4.

On page 2 of the printed bill, after line 45, insert the following:
"SEC. 3. Sections 16, 17, 18 and 19 of said act are hereby repealed
SEC. 4. Section 20 of said act is hereby amended to read as follows:
Sec. 20. In any action against a licensee arising out of business done in this State by the licensee as an itinerant merchant and instituted in any court in this State, service of summons or other legal process upon the commission shall constitute valid service of the licensee against whom the summons is directed.
SEC. 5. Section 21 of said act is hereby amended to read as follows:
Sec. 21. The commission shall keep a record of all processes served upon it as an agent for each licensee, identifying in such record each process so served,

the court from which issued, the title and the nature of the action, and the time and date of service.

SEC 6. Section 23 of said act is hereby amended to read as follows:

Sec. 23. The court in which is pending an action against a licensee arising out of business done in this State by the licensee as an itinerant merchant may grant such continuances as are necessary to afford the licensee a reasonable opportunity to defend the action.

SEC. 7. Section 30 of said act is hereby amended to read as follows.

Sec 30. A licensee may renew his license by filing an application and paying the license fee in the manner prescribed in this act in connection with the issuance of an original license. The commission shall not renew the license of any licensee against whom there is an unsatisfied judgment rendered in any action arising out of the licensee's business in this State as an itinerant merchant

SEC. 8. If any clause, sentence, paragraph or part of this act shall for any reason be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder of this act, but shall be confined in its operation to the clause, sentence, paragraph, or part thereof, directly involved in the controversy in which such judgment shall have been rendered."

Bill read second time, ordered to reprint, and re-referred to Committee on Finance, Revenue and Taxation.

Senate Resolution No. 27.

The following resolution was offered:

By Senator Mayo:

WHEREAS, The Senate has learned with deep regret of the death of Mrs Ella Ellington Caminetti, and

WHEREAS, Mrs Caminetti was the widow of the late Anthony Caminetti, Senior, who was formerly a member of this Senate, member from California of the United States House of Representatives, and United States Commissioner of Immigration, and

WHEREAS, Funeral services for Mrs Caminetti are to be held today in the city of Jackson; now, therefore, be it

Resolved by the Senate of the State of California That when the Senate adjourns this day, it do so out of respect to the memory of Mrs Anthony Caminetti, Senior, and be it further

Resolved, That the Secretary of the Senate is hereby instructed to transmit appropriate copies of this resolution to Anthony Caminetti, Junior, Insurance Commissioner of the State of California and former Superior Court Judge of Amador County, son of Mrs Caminetti, and to Mrs Henrietta Hoagg of San Francisco, a sister of Mrs Caminetti.

Resolution read, and on motion of Senator Mayo unanimously adopted by a rising vote of the Senate.

Request for Permission to Introduce a Bill.

The following request for permission to introduce a bill was presented:

By Senator Phillips et al:

SENATE CHAMBER, SACRAMENTO, February 20, 1940.

MR PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, providing the conditions and terms upon which any expenditure for such relief may be made and declaring that this act shall take effect immediately

Respectfully submitted.

SENATOR PHILLIPS AND OTHERS.

Request referred to Committee on Rules.

Reports of Standing Committees.

The following reports of standing committees were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 20, 1940.

MR PRESIDENT. Your Committee on Rules has examined:

Senate Bill No 65—An act making an appropriation for the establishment of aviation facilities for the California National Guard, declaring the urgency of this act, to take effect immediately;

Senate Bill No. 72—An act providing for the cancellation of license and registration fee penalties in connection with vehicles operated by public agencies as lessees under lease, lease-sale or rental-purchase agreements, and to repeal an act entitled "An act providing for the cancellation of license and registration fee penalties in connection with vehicles operated by public agencies as lessees under lease, lease-sale or rental-purchase agreements, to take effect immediately," approved February 5, 1940, to take effect immediately;

And reports that the same have been correctly engrossed.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 20, 1940.

MR. PRESIDENT Your Committee on Rules to which was referred the following request by Senator Phillips et al. for permission to introduce a bill·

An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, providing the conditions and terms upon which any expenditure for such relief may be made and declaring that this act shall take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the bill introduced and placed on second reading file.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

On Finance, Revenue and Taxation.

SENATE CHAMBER, SACRAMENTO, February 19, 1940

MR. PRESIDENT· Your Committee on Finance, Revenue and Taxation, to which was referred·

Assembly Bill No. 53—An act to add section 2 to "An act granting certain tidelands and submerged lands of the State of California to the city of Long Beach upon certain trusts and conditions," approved April 28, 1925, relating to the use of the revenues derived from such lands;

Has had the same under consideration, and respectfully reports the same back, and recommends that it do pass.

Committee membership—11; committee vote· Ayes—8; noes—3.

TICKLE, Chairman.

Motion to Re-refer Assembly Bill No. 53.

Senator Tickle moved that Assembly Bill No. 53 be re-referred to Committee on Finance, Revenue and Taxation.

Ayes and Noes Demanded.

A roll call was demanded by Senators Kenny, Hollister and Garrison on the adoption of the motion to re-refer.

The roll was called and Assembly Bill No. 53 re-referred to Committee on Finance, Revenue and Taxation by the following vote:

AYES—Senators Biggar, Breed, Collier, Crittenden, DeLap, Deuel, Fletcher, Hays, Holohan, Mayo, McCormack, Metzger, Mixter, Myhand, Parkman, Phillips, Powers, Rich, Seawell, Swing, Tickle, and Wagy—22.

NOES—Senators Brown, Cunningham, Foley, Garrison, Gordon, Hollister, Jespersen, Keating, Kenny, McBride, Quinn, and Slater—12

Introduction, First Reading and Reference of Bills.

The following bill was introduced:

Senate Bill No. 81: By Senators Phillips, Biggar, Crittenden, Metzger, Mixter, Nielsen and Wagy—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, providing the conditions and terms upon which any expenditure for such relief may be made and declaring that this act shall take effect immediately.

Senate Bill No. 81 read first time, and ordered held at desk without reference to committee.

Recess.

At twelve o'clock and forty minutes p.m., on motion of Senator Seawell, the President of the Senate declared recess until two o'clock p.m.

Reconvened.

At two o'clock p.m., the Senate reconvened.

Lieutenant Governor Ellis E. Patterson, President of the Senate, in the chair.

Secretary Joseph A. Beek at the desk.

Third Reading of Senate Bills.

Senate Bill No. 58—An act making an additional appropriation for legislative printing, binding, etc., to take effect immediately.

Bill read third time.

The question being on the passage of the bill.

The roll was called.

Call of the Senate.

Pending the announcement of the vote, Senator Seawell moved a call of the Senate.

Motion carried.

The Secretary was directed to call the roll.

The roll was called, and the following answered to their names:

Senators Biggar, Breed, Brown, Cunningham, DeLap, Garrison, Gordon, Hays, Hollister, Keating, Kenny, McCormack, Metzger, Mixter, Myhand, Phillips, Powers, Seawell, Slater, and Wagy—20.

The Secretary announced the absentees.

Time, two o'clock and ten minutes p.m.

The President of the Senate directed the Sergeant-at-Arms to close the doors.

The Sergeant-at-Arms having been furnished with the names of the absentees, was directed to bring them to the bar of the Senate.

Further Proceedings Under Call of the Senate Dispensed With.

At two o'clock and forty minutes p m., further proceedings under the call of the Senate were dispensed with, on motion of Senator Seawell.

The names of the absentees were called, and Senate Bill No. 58 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Cunningham, DeLap, Deuel, Fletcher, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Seawell, Slater, Swing, Tickle, and Wagy—32.
NOES—None.

Title read and approved.

Senate Bill No. 58 ordered transmitted to the Assembly.

Resolution.

The following resolution was offered:

By Senator Seawell:

Resolved, That Senate Bill No. 81 presents a case of urgency, as that term is used in section 15 of Article IV of the Constitution, and the provision of that section requiring that the bill shall be read on three several days in each House is hereby dispensed with, and it is ordered that said bill be read the second and third times, and placed upon its passage.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and the resolution adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Cunningham, DeLap, Deuel, Fletcher, Gordon, Hollister, Holohan, Jespersen, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Seawell, Slater, Swing, Tickle, and Wagy—29.
NOES—Senator Garrison—1.

Whereupon the President declared the provisions of section 15, Article IV of the Constitution suspended for the purpose of considering, at this time, Senate Bill No. 81.

Consideration of Senate Bill No. 81.

Senate Bill No. 81—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, providing the conditions and terms upon which any expenditure for such relief may be made, and declaring that this act shall take effect immediately.

Bill read second time.

Bill read third time.

Urgency Clause.

SEC. 17. This act is hereby declared to be an urgency measure, necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution and as such shall take effect immediately. The facts constituting such necessity are as follows:

The appropriation for unemployment relief for the ninety-first fiscal year is inadequate and is about to be exhausted and it is necessary that additional funds be made available immediately. Unless this act providing immediate funds and the means for the expenditure thereof and safeguards against their waste takes effect immediately relief operations will have to be suspended at a time when the need is great, which will result in untold hardship and suffering to a great number of persons receiving relief in this State at this time, and will cause serious unrest throughout the State.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Cunningham, DeLap, Deuel, Fletcher, Gordon, Hollister, Holohan, Jespersen, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Seawell, Slater, Swing, Tickle, and Wagy—29.
NOES—Senator Garrison—1.

The question being on the passage of the bill.

The roll was called, and Senate Bill No. 81 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Gordon, Hays, Holohan, Jespersen, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—31.
NOES—Senators Foley, Garrison, Hollister, and Kenny—4.

Title read and approved.

Senate Bill No. 81 ordered transmitted to the Assembly.

Reports of Standing Committee.

The following reports of standing committee were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 20, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 47—An act to amend sections 124, 127, 3591, 3594, 3616, 3651, 3659, 3661, 3691, 3807, 4101, 4111, 4112, 4113 and 4147 of, to amend the title of Chapter 8 of Part 6 of Division I of, to repeal sections 3614, 3707 and 4108 of, to add sections 3511.5, 3521, 3662 and 3663 to, to add Chapter 4.3, consisting of sections 3534 to 3562, and Chapter 4 6, consisting of sections 3571 to 3578, to Part 6 of Division I of, the Revenue and Taxation Code, and to amend sections 3833.3, 3857.2 and 3859.20 of, to repeal sections 3773.1, 3833 and 3859.18 of, and to add sections 3773.1, 3773.2, 3785.4, 3785.5 and 3785 6 to, and to add Chapter IXb, consisting of sections 3860.01 to 3860 32, and Chapter IXc, consisting of sections 3861.1 to 3861.8, to Title IX of Part III of, the Political Code, relating to property taxation, including the right of redemption and the classification and control of tax deeded property, and making an appropriation;

Has had the same under consideration, and respectfully reports the same back, and recommends that the bill be referred to the Committee on Finance, Revenue and Taxation.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Bill No. 47 read first time, and referred to Committee on Finance, Revenue and Taxation.

SENATE CHAMBER, SACRAMENTO, February 20, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Joint Resolution No. 20—Relative to memorializing the President and the Congress of the United States to expedite the Santa Fe Retarding Basin Project;

Has had the same under consideration, and respectfully reports the same back, and recommends that the resolution be referred to the Committee on Governmental Efficiency.

Committee membership—5, committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Joint Resolution No. 20 read, and referred to Committee on Governmental Efficiency.

Adjournment.

On motion of Senator Seawell, at three o'clock and fifty minutes p.m., the President of the Senate declared the Senate adjourned out of respect to the memory of the late Mrs. Anthony Caminetti, Sr., until eleven o'clock a.m., Wednesday, February 21, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Wednesday, February 21, 1940.

The Senate met at eleven o'clock a.m.
Hon. Ellis E. Patterson, President of the Senate, in the chair.
Secretary Joseph A. Beek at the desk.

Roll Call.

The roll was called, and the following answered to their names:

Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—33.

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev. A. Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Tuesday, February 20, 1940, the further reading was dispensed with, on motion of Senator Slater.

Privilege of Floor of Senate Extended.

On request of Senator Swing, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Wells Ross of Ontario, and Ray Hoagland of Riverside.

On request of Senator Gordon, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mr. McPherson, principal; and the following students of St. Helena Union High School: Frank Stetson, Billie Poncetta, Barbara Cole, Jean Armes, Anita Cheli, Barbara Thompson, Jackie McManus, Tony

Padilla, Bob Wood, Johnny Brickman, Steve Leitner, Mathilde Carpy, Virginia Engeli, and Mr. Albert Carpy.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, February 20, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day refused passage to

Senate Bill No. 48—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, and to provide that this act shall take effect immediately

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk

ASSEMBLY CHAMBER, SACRAMENTO, February 20, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly amended, and on this day passed as amended

Senate Bill No. 81—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, providing the conditions and terms upon which any expenditure for such relief may be made and declaring that this act shall take effect immediately;

And respectfully requests your honorable body to concur in said amendments

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Reports of Standing Committee.

The following reports of standing committee were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 21, 1940

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Bill No. 54—An act to add section 444.2 to the Political Code, relating to money in the State treasury, including temporary loans or transfers of money in special funds or other accounts in the treasury subject to the provisions of Article XXVI of the Constitution, the use or disposition of money loaned, and the repayment of such loans;

And reports that the same has been correctly re-engrossed.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 21, 1940

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Bill No. 43—An act relating to parks and making an appropriation from the State Park Maintenance and Acquisition Fund for the operation, maintenance and extension of the State park system;

Senate Bill No. 69—An act to add section 443.2 to the Political Code, relating to the payment of warrants of the State of California in legal tender;

And reports that the same have been correctly enrolled and presented to the Governor on the twenty-first day of February, 1940, at eleven o'clock a.m.

SEAWELL, Chairman.

Senate Resolution No. 28.

The following resolution was offered:

By Senators Slater, Keating, Biggar, Gordon, Collier and Shelley:

Relative to the naming of the Funston Avenue Approach to the Golden Gate Bridge as "Doyle Drive."

WHEREAS, The directors of the Golden Gate Bridge and Highway District, mindful of his having pioneered the building of the now world famous span across

the Golden Gate, have gone on record favoring the naming of the Funston Avenue Approach to the Golden Gate Bridge as "Doyle Drive" in tribute to Frank P. Doyle, one of their colleagues and who is known state-wide as the "Father of the Golden Gate Bridge," and believing such a token is in small measure appreciative not only on the part of the district but the State generally in recognition of Mr. Doyle's continuing promotion of the welfare of public enterprise such as is represented in the Golden Gate Bridge; therefore, be it

Resolved by the Senate of the State of California, That it cooperate with the directors of the Golden Gate Bridge and Highway District in requesting the Department of Public Works and the California Highway Commission to name that portion of Highway Route 56 lying between Funston Avenue and Lake Street in the City and County of San Francisco and the Marina Approach to the Golden Gate Bridge in said City and County of San Francisco, "Doyle Drive"; and be it further

Resolved, That a copy of this resolution be transmitted to the Director of the Department of Public Works, the State Highway Commission and State Highway and Bridge Engineer, with the request that in the event of their thus honoring Frank P. Doyle, suitable markers be provided adjacent to the said highway.

Resolution read, and on motion of Senator Slater, adopted.

Consideration of Daily File.
Third Reading of Senate Bills.

Senate Bill No. 72—An act providing for the cancellation of license and registration fee penalties in connection with vehicles operated by public agencies as lessees under lease, lease-sale or rental-purchase agreements, and to repeal an act entitled "An act providing for the cancellation of license and registration fee penalties in connection with vehicles operated by public agencies as lessees under lease, lease-sale or rental-purchase agreements, to take effect immediately," approved February 5, 1940, to take effect immediately.

Bill read third time.

Urgency Clause.

SEC. 3. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution and shall therefore go into immediate effect. A statement of the facts constituting such necessity is as follows:

Prior to 1937 political subdivisions were not required to pay registration fees and vehicle license fees on vehicles owned by them or controlled by them under a lease agreement. A change was made in the Vehicle Code which inadvertently operated to require the payment of such fees.

Many political subdivisions are financially unable to pay the accrued fees and penalties thereon and it is necessary to afford them immediate relief from such burden as provided in this act. Unless this act takes immediate effect further penalties will accrue, thus increasing the existing burden upon such political subdivisions.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, Deuel, Fletcher, Foley, Gordon, Hollister, Holohan, Jespersen, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Parkman, Powers, Quinn, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—29.

NOES—None.

The question being on the passage of the bill.

The roll was called and Senate Bill No 72 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, Deuel, Foley, Gordon, Hollister, Holohan, Jespersen, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Parkman, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—29.
NOES—None.

Title read and approved.
Senate Bill No. 72 ordered transmitted to the Assembly.

Third Reading of Assembly Bills.

Assembly Bill No. 81—An act to amend section 6.4 of the Alcoholic Beverage Control Act and to add section 54 1 thereto, relating to alcoholic beverages.

Bill read third time.
The question being on the passage of the bill.
The roll was called, and Assembly Bill No. 81 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Hollister, Holohan, Jespersen, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Parkman, Powers, Quinn, Rich, Shelley, Slater, Swing, Tickle, and Wagy—29
NOES—None.

Title read and approved.
Assembly Bill No. 81 ordered transmitted to the Assembly.

Assembly Bill No. 74—An act making an appropriation to meet the deficiency in the appropriation for printing constitutional amendments, Secretary of State's office, for the 91st and 92d fiscal years, to take effect immediately.

Bill read third time.
The question being on the passage of the bill.
The roll was called, and Assembly Bill No. 74 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, Deuel, Fletcher, Foley, Gordon, Hollister, Holohan, Jespersen, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Parkman, Powers, Rich, Shelley, Slater, Swing, Tickle, and Wagy—28.
NOES—None.

Title read and approved.
Assembly Bill No. 74 ordered transmitted to the Assembly.

Assembly Bill No. 75—An act making an appropriation to meet a deficiency in the appropriation for legislative printing, binding, etc., to take effect immediately.

Bill read third time.
The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 75 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, Deuel, Fletcher, Foley, Gordon, Hollister, Holohan, Jespersen, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Parkman, Powers, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—29.
NOES—None.

Title read and approved.
Assembly Bill No. 75 ordered transmitted to the Assembly.

Unfinished Business.

Senate Bill No. 81—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, providing the conditions and terms upon which any expenditure for such relief may be made and declaring that this act shall take effect immediately.

Consideration of Assembly Amendments.

The Senate took up for consideration Assembly amendments to Senate Bill No 81.

Amendment No. 1.

On page 2 of the printed bill, strike out lines 10 to 13, inclusive.

Amendment No. 2.

On page 2, line 31, of the printed bill, after "cash." insert the following: "wages,".

Amendment No. 3.

On page 5 of the printed bill, between lines 25 and 26, insert the following:
"SEC 12 3 If any county takes any recipients of relief resident of that county from the State Relief Administration, furnishes all materials, equipment, tools, supervision, and transportation, and sponsors and finances useful but nonessential work relief projects, it need not reimburse the State for the value of the labor supplied by the relief administration"

The question being: Shall the Senate concur in Assembly amendments to Senate Bill No. 81?
The roll was called, and the Senate refused to concur in Assembly amendments to Senate Bill No 81 by the following vote:

AYES—None
NOES—Senators Biggar Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—35.

Request for Permission to Offer a Concurrent Resolution.

The following request for permission to offer a concurrent resolution was presented:
By Senator Phillips:

SENATE CHAMBER, SACRAMENTO, February 21, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to offer a concurrent resolution, the title of which is set forth below:
Relative to aid to self-help cooperative organizations and associations
Respectfully submitted.

SENATOR PHILLIPS

Request referred to Committee on Rules.

Adjournment.

At twelve o'clock and twenty minutes p.m., on motion of Senator Seawell, the President of the Senate declared the Senate adjourned, until eleven o'clock a.m., Thursday, February 22, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Thursday, February 22, 1940.

The Senate met at eleven o'clock a.m.
Hon. Ellis E. Patterson, President of the Senate, in the chair.
Secretary Joseph A. Beek at the desk.

Roll Call.

The roll was called, and the following answered to their names:

Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—36.

Quorum present.

Prayer.

The following prayer was offered by Rev. Raymond Lull Bailey, Chaplain of the Assembly, and on motion of Senator Slater ordered printed in the Journal:

Almighty God, Everlasting Father, immanent in history, transcendent to time, we bow our heads this day in the presence of a hallowed memory that we would continually vitalize as a living reality. Lest we forget the tradition of his courage, his fidelity to democratic ideals, his fierce passion for the right and his high integrity, may we enshrine in grateful hearts once more, the Father of our Country, George Washington, upon this commemoration of his birth. May we believe that Thou didst raise him up to lead the colonies to unity and us to national greatness. God keep us steadfast to his purpose Amen.

REV. RAYMOND LULL BAILEY.

Reading of the Journal.

During the reading of the Journal of Wednesday, February 21, 1940, the further reading was dispensed with, on motion of Senator Slater.

Privilege of Floor of Senate Extended.

On request of Senator Garrison, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Miss Shirley Armstrong, Miss Merle Woods, Miss Bonnie Bovee, Joseph Wilson and Paul Garrison, all of Modesto.

On request of Senator Crittenden, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mrs. Betty Perrin of Stockton.

On request of Senator Nielsen, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Donald Smith of Sacramento.

On request of Senator Parkman, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Geogie McLaughlin of San Francisco.

Communication.

The following communication was received, read, and ordered printed in the Journal:

STATE OF CALIFORNIA, BUREAU OF PRINTING,
SACRAMENTO, February 7, 1940

Hon. J. A. Beek, Secretary,
Fifty-third California Senate,
State Capitol, Sacramento, California

DEAR MR BEEK: In accordance with provisions of section 695 of the Political Code, we have prepared summary from our accounts to show the handling given in sales of documents published through direction of the Legislature. Our account covers the period from July 1, 1938, to June 30, 1939.

We are depositing $6,109 15 in the State treasury and entering instructions to the State Controller that the sum is to be credited to the General Fund, from which source an appropriation was made to cover expenses of legislative printing.

You will note that we deducted $3.906 in expense for postage and applied as a credit $3,000 which was paid to our order from the appropriation for postage for the Fifty-third Legislature in 1939.

Trusting that you will find this in order, we are
Very truly yours,

GEORGE H. MOORE, State Printer.
By ROBERT A. GARDINER, Supervisor of Documents

SUPERVISOR OF DOCUMENTS.
Sacramento, California.

Statement of Consignment Liability at June 30, 1939—Legislature

Gross Sales—July 1, 1938 to June 30, 1939:			
Budget, 1935-37	2 at	$0 50	$1 00
Budget, 1937-39	70	1 00	70 00
Budget, 1939-41	457	1 00	457 00
Report on Revenue and Taxation	3	5 00	15 00
Constitution, Annotated—1933	7	3 50	24 50
Handbook of Information, 52d Session	25	1 00	25 00
Handbook of Information, 53d Session	19	1 00	19 00
Chaptered Law Service	139	6 00	834 00
Assembly and Senate Journals, 1935 (Set)	7	22 50	157 50
Assembly Journals, 1937	2	7 50	15 00
Senate Journals, 1937	2	7 50	15 00
Statutes and Amendments, 1933	3	7 50	22 50
Statutes and Amendments, 1935	5	9 00	45 00
Statutes and Amendments, 1937	24	9 50	228 00
Statutes of 1938, Extra Session	369	2 50	922 50
Manual of Legislative Procedure	17	1 50	25 50
Legislative Material	---	---	676 07
California Blue Book	956	3 00	2,868 00
Legislative Bill Service	282	45 00	12,690 00
Total Gross Sales			$19,110 57
Deductions:			
Discounts, Returns and Allowances		739 85	
Express		391 00	
Postage		3,906 00	
Extra Salaries—Handling Legislative Bill Service		466 13	
Expense—Blue Books—Printing Plant		14 85	
Printing Plant—Assembling Library Bill Service		746 93	
Senate and Assembly Publication Charges		2,129 70	
Prorata of Administrative Expenses		7,606 96	
		$16,001 42	
Less: Check to apply on postage		3,000 00	
Total Deductions			$13,001 42
Consignment Payable Current			$6,109 15

Communication.

The following communication, on motion of Senator Slater, was ordered printed in the Journal:

STATE BOARD OF EQUALIZATION, STATE OF CALIFORNIA,
SACRAMENTO, January 15, 1940.

Hon. John R. Richards, Director of Finance, State Capitol, Sacramento, California

DEAR MR. RICHARDS: Pursuant to your request we have reviewed what was said to you by Mr. W. P. Wing, Secretary of the California Wool Growers Association, in his letter of December 13, 1939, concerning the inequalities of the Sales and Use Tax Acts as applied to sales of breeding live stock held at public auction.

In accordance with Opinion No. NS-714 rendered by the Attorney General on November 18, 1937, we have regarded retail sales of breeding live stock as taxable within the purview of the Sales Tax Act. The Attorney General rejected the contentions that the sales of live stock for breeding purposes constituted sales of food products within the meaning of the exemption provided by section 5(e) of the act, and that the sales constituted sales for resale inasmuch as the live stock is usually resold after having been used for breeding purposes.

Save for a case brought in the Sacramento Superior Court (Kirk v. Johnson), the Attorney General's opinion has not been contested in litigation. In that case it was held that the gross receipts from the sale of dairy cows are taxable, and the court ruled specifically that the sales of such cows were not sales of food products and were for a purpose other than resale. This decision was permitted to become final.

While it may be conceded that the Attorney General has correctly interpreted the existing law, sellers of breeding live stock have insisted that they should enjoy an exemption, as a matter of policy, inasmuch as the live stock is eventually sold for food products They have also advanced the contention that sales of breeding live stock should be regarded in the same manner as sales of seed, that is, sales for resale.

At its 1939 session the Legislature passed Senate Bills Nos. 437 and 438 providing for exemption from the Retail Sales Tax Act and the Use Tax Act, respectively, of sales and use of "feeds, seeds, and fertilizers used in the production of food for human consumption, and live stock and poultry of a kind the products of which ordinarily constitute food for human consumption." These bills did not become law, however, because of failure to obtain the approval of the Governor.

To a substantial extent the amendments so proposed were merely in confirmation of established administrative practice since feeds, seeds, and fertilizers used in the production of food for human consumption are already excluded from the purview of the tax by ruling of this board made pursuant to a resolution adopted in 1933 by the Joint Committee of the Legislature on Revenue and Taxation. Live stock and poultry sold for human consumption are likewise exempt under 1935 amendments.

In view of this administrative construction and the subsequent amendment of the statute, it seems clear under well-established legal doctrines that this construction now has force of law so that the only exemption which the amendments would have added would be that of live stock and poultry first used for breeding purposes or for production of milk and eggs but ultimately themselves used as food products for human consumption Moreover, much of the live stock and poultry now sold is already exempt because the sales are made by farmers on an occasional basis rather than in the regular course of retail trade.

By extending the exemption to border-line cases in which live stock and poultry are brought together by farmers at central points and sold at public auction or sold through live stock dealers, it would seem that a desirable change in the law would be effected, clarifying what is now an unfortunately confusing situation. Farmers and poultry raisers strongly resent the application of the sales or use tax with respect to the live stock and poultry sold at such auctions or through dealers, and urge that the tax is unfair

From the best information available it appears that if the exemption which was contemplated by Senate Bills Nos. 437 and 438 should be adopted, the revenue from sales and use taxes might be decreased to the extent of approximately $45,000 a year, representing the tax on the sale or use of live stock and poultry first used for breeding purposes, dairy purposes, or in egg production and later sold as food for human consumption. It is so difficult, however, to determine which of these sales are made in the regular course of retail trade and which are merely occasional sales by farmers, that the administrative expense involved is out of all proportion with the revenue derived. Consequently, we doubt seriously that any appreciable effect on the tax yield would result if such measures should become law.

When Governor Olson vetoed Senate Bills Nos. 437 and 438 it was doubtless in pursuance of his announced policy of withholding approval of further tax exemptions until such time as additional revenues might be provided We venture to suggest, however, that in this particular instance it may well be that practically no reduction of revenue would be involved and that such changes in the law have much to commend them from the standpoint of removing what appears to have been an extremely irritating application of the tax

Mr. Wing's letter to you and the copy of your answer of December 14 are returned herewith.

Very truly yours,

DIXWELL L PIERCE,
Secretary.

DLP.M.
cc Mr. W. P. Wing.
Mr. John Curry.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, February 21, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day respectfully refused to recede from its amendments to:

Senate Bill No. 81—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, providing the conditions and terms upon which any expenditure for such relief may be made and declaring that this act shall take effect immediately;

And appointed Assemblymen Kepple, Millington and Lore as a Committee on Free Conference to meet a like committee from the Senate.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

ASSEMBLY CHAMBER, SACRAMENTO, February 21, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 113—An act making an appropriation for relief of hardship and destitution due to and caused by unemployment, and providing for the expenditure thereof in conjunction with the National Youth Administration program.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Bill No. 113 ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, February 21, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Assembly Concurrent Resolution No. 12—Relative to commendation of Robert Chandler, superintendent of the Industrial Home for the Adult Blind at Oakland, California

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Concurrent Resolution No. 12 referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, February 21, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Senate Bill No. 72—An act providing for the cancellation of license and registration fee penalties in connection with vehicles operated by public agencies as lessees under lease, lease-sale or rental-purchase agreements, and to repeal an act entitled "An act providing for the cancellation of license and registration fee penalties in connection with vehicles operated by public agencies as lessees under lease, lease-sale or rental-purchase agreements, to take effect immediately," approved February 5, 1940, to take effect immediately.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Senate Bill No. 72 ordered to enrollment.

Appointment of Free Conference Committee.

MR. PRESIDENT: Your Committee on Committees announces the appointment of Senators Phillips, Nielsen and Foley as a Committee on Free Conference, concerning:

Senate Bill No. 81;

To meet a like committee from the Assembly

SEAWELL, Chairman

Reports of Standing Committees.

The following reports of standing committees were received and read:

On Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, February 22, 1940

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Assembly Joint Resolution No. 16—Relative to memorializing the President and Congress against the passage of legislation to prohibit the filing of separate income tax returns by spouses in reference to community income;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be adopted.

Committee membership—11; committee vote: Ayes—7; noes—2; absent—2.

HAYS, Chairman.

SENATE CHAMBER, SACRAMENTO, February 22, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Senate Concurrent Resolution No. 7—Relative to advertisement of the San Diego Quadri-centennial Celebration on motor vehicle license plates;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be adopted.

Committee membership—11; committee vote: Ayes—9; absent—2.

HAYS, Chairman.

On Rules.

SENATE CHAMBER, SACRAMENTO, February 22, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following request by Senator Phillips for permission to introduce a Concurrent Resolution:

Relative to aid to self-help cooperative organizations and associations;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, and the resolution introduced.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Introduction, First Reading and Reference of Bills.

The following concurrent resolution was introduced:

Senate Concurrent Resolution No. 8: By Senator Phillips—Relative to aid to self-help cooperative organizations and associations.

Consideration of Senate Concurrent Resolution No. 8.

Senator Phillips asked for, and was granted, unanimous consent for the consideration of Senate Concurrent Resolution No. 8, without reference to committee, for purposes of adoption.

Senate Concurrent Resolution No. 8.

Relative to aid to self-help cooperative organizations and associations.

WHEREAS, The Relief Administrator and the Relief Commission have granted aid to grant, semigrant and nongrant cooperative organizations and associations heretofore and without question; now, therefore, be it

Resolved by the Senate of the State of California, the Assembly thereof concurring, That the Relief Administrator and Relief Commission permit members of the semigrant cooperative organizations and associations to work at the warehouse and to participate in appropriations heretofore made for the relief of hardship and desti-

tution due to and caused by unemployment, until this matter has had thorough investigation by the Legislature and competent legal opinion obtained.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Concurrent Resolution No. 8 adopted by the following vote:

AYES—Senators Biggar, Brown, Cunningham, Deuel, Fletcher, Foley, Gordon, Hays, Holohan, Jespersen, Keating, McBride, Mixter, Myhand, Nielsen, Phillips, Powers, Seawell, Shelley, Slater, and Wagy—21.

NOES—None.

Senate Concurrent Resolution No. 8 ordered transmitted to the Assembly.

Consideration of Daily File.

Third Reading of Assembly Bills.

Assembly Concurrent Resolution No. 7.

Relative to requesting cities of every class to enact a "stop-cane" law.

WHEREAS, The problem of safety in crossing the streets and highways of the State is of serious concern to all citizens, and

WHEREAS, Thousands of pedestrians lose their lives or suffer serious injuries in automobile accidents each year; and

WHEREAS, Many persons in this State are blind or otherwise physically disabled and are therefore at a great disadvantage in protecting themselves from these hazards; and

WHEREAS, There has been developed a cane, or walking stick mechanically equipped so that a sign bearing the word "stop", visible from a great distance, can at will be made to appear, and designed to give immediate notice to the drivers of vehicles that the person displaying the cane is blind or otherwise physically handicapped and that such vehicles should proceed with great caution; now, therefore, be it

Resolved by the Assembly of the State of California, the Senate thereof concurring, That the Legislature hereby urges and requests all cities of every class to consider and act upon an ordinance recognizing the use of "stop-canes"; imposing upon motorists a legal duty to take especial regard for and give the right of way to persons carrying such canes; and restricting the use of such canes to blind or otherwise physically handicapped persons.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Concurrent Resolution No 7 adopted by the following vote:

AYES—Senators Biggar, Brown, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Keating, McBride, Mixter, Myhand, Nielsen, Phillips, Powers, Seawell, Slater, and Wagy—22.

NOES—None.

Assembly Concurrent Resolution No 7 ordered transmitted to the Assembly.

Consideration of Senate Concurrent Resolution No. 7.

Senate Concurrent Resolution No. 7.

Relative to advertisement of the San Diego Quadri-centennial Celebration on motor vehicle license plates

WHEREAS, The San Diego-Cabrillo Quadri-centennial Celebration will be held in the city of San Diego in 1942 to celebrate the 400th anniversary of the discovery of California; and

WHEREAS, The success of this celebration will be accompanied by increased business and good will for the State, and will call attention to her achievements; and

WHEREAS, It is desirable to advertise the celebration and so aid in assuring its success; therefore, be it

Resolved by the Senate of the State of California, the Assembly thereof concurring, That the Department of Motor Vehicles is urged and requested to have placed upon the face of all license plates issued for motor vehicles in the year 1942 the following:

Cabrillo Centennial San Diego

in addition to such matters as are required by law; and be it further

Resolved, That copies of this resolution be transmitted to the Department of Motor Vehicles.

Resolution read.

The question being on the adoption of the resolution.

The roll was called.

Call of the Senate.

Pending the announcement of the vote, Senator Seawell moved a call of the Senate.

Motion carried.

The Secretary was directed to call the roll.

The roll was called, and the following answered to their names:

Senators Brown, Fletcher, Garrison, Gordon, Holohan, Jespersen, Keating, Mayo, Myhand, Powers, Seawell, and Slater—12.

The Secretary announced the absentees.

Time, eleven o'clock and twenty-five minutes a.m.

The President of the Senate directed the Sergeant-at-Arms to close the doors.

The Sergeant-at-Arms having been furnished with the names of the absentees, was directed to bring them to the bar of the Senate.

Further Proceedings Under Call of the Senate Dispensed With.

At eleven o'clock and fifty minutes a.m., further proceedings under the call of the Senate were dispensed with, on motion of Senator Seawell.

The names of the absentees were called, and Senate Concurrent Resolution No. 7 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Deuel, Fletcher, Foley, Garrison, Gordon, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McCormack, Mixter, Myhand, Parkman, Shelley, and Slater—22

NOES—Senators DeLap, Hays, McBride, Powers, Quinn, Rich, Seawell, Tickle, and Wagy—9.

Senate Concurrent Resolution No. 7 ordered transmitted to the Assembly.

Motion to Take from the Table.

Senator Garrison moved that the motion to withdraw Senate Bill No. 53 from Committee on Finance, Revenue and Taxation previously made by him be taken from the table.

Ayes and Noes Demanded.

A roll call was demanded by Senators Garrison, Kenny and Hollister on the adoption of the motion.

The roll was called.

Call of the Senate.

Pending the announcement of the vote, Senator Garrison moved a call of the Senate.

Motion lost.

The motion to take from the table lost by the following vote:

AYES—Senators Collier, Foley, Garrison, Hollister, Kenny, and Shelley—6.

NOES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Gordon, Hays, Holohan, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—28.

Reports of Standing Committees.

The following reports of standing committees were received and read:

On Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, February 22, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Assembly Joint Resolution No. 19—Relative to the making of payments by the Federal Government to counties to reimburse them for loss of tax receipts on account of the use of certain land by the United States;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be adopted.

Committee membership—11; committee vote: Ayes—9; absent—2

HAYS, Chairman.

SENATE CHAMBER, SACRAMENTO, February 22, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Assembly Concurrent Resolution No. 8—Relative to the construction of a secondary highway between Clovis and Friant, California;

Has had the same under consideration, and respectfully reports the same back with amendments, and recommends that the amendments be adopted, and that it be adopted as amended.

Committee membership—11; committee vote: Ayes—9; absent—2.

HAYS, Chairman.

SENATE CHAMBER, SACRAMENTO, February 22, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Assembly Bill No. 44—An act to validate the organization, boundaries, governing officers or boards, acts, proceedings, and bonds of public bodies, to take effect immediately;

Has had the same under consideration, and respectfully reports the same back with amendments, and recommends that the amendments be adopted, and that it do pass as amended.

Committee membership—11; committee vote: Ayes—9; absent—2.

HAYS, Chairman.

On Rules.

SENATE CHAMBER, SACRAMENTO, February 22, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 113—An act providing for the expenditure, in conjunction with the National Youth Administration program, of money appropriated for relief of hardship and destitution due to and caused by unemployment;

Has had the same under consideration, and respectfully reports the same back, and recommends that the bill be referred to the Committee on Finance, Revenue and Taxation.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Bill No. 113 read first time, and referred to Committee on Finance, Revenue and Taxation.

SENATE CHAMBER, SACRAMENTO, February 22, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Concurrent Resolution No. 12—Relative to commendation of Robert Chandler, Superintendent of the Industrial Home for the Adult Blind at Oakland, California;

Has had the same under consideration, and respectfully reports the same back, and recommends that the resolution be referred to the Committee on Governmental Efficiency.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Concurrent Resolution No. 12 ordered referred to Committee on Governmental Efficiency.

Second Reading of Assembly Bills.

Assembly Concurrent Resolution No. 8—Relative to the construction of a secondary highway between Clovis and Friant, California.

Consideration of Committee Amendment.

Pursuant to the report of the Committee on Governmental Efficiency, the following amendment to Assembly Concurrent Resolution No. 8 was read and adopted:

Amendment No. 1.

On page 1, line 22, of the printed measure, strike out the period, and insert in lieu thereof the following: ", and report its findings and recommendations to the Assembly and to the Senate, at the next regular (54th) session of the Legislature; and be it further

Resolved, That the Chief Clerk of the Assembly is hereby directed to transmit a copy of this resolution to the California Highway Commission, through its secretary."

Resolution read, ordered to print, and on file.

Assembly Bill No. 44—An act to validate the organization, boundaries, governing officers or boards, acts, proceedings, and bonds of public bodies, to take effect immediately.

Consideration of Committee Amendments.

Pursuant to the report of the Committee on Governmental Efficiency, the following amendments to Senate Bill No. 44 were read and adopted:

Amendment No. 1.

On page 1 of the printed bill, as amended, strike out lines 3 to 9, inclusive, and insert in lieu thereof the following:

"(a) The term "public body" means counties, cities and counties, cities, public districts, including school".

Amendment No. 1a.

On page 1, line 20, of the printed bill, as amended, before "regional", insert the following: "and".

Amendment No. 2.

On page 1, line 22, of the printed bill, as amended, strike out "(c)", and insert in lieu thereof the following: "(b)".

Amendment No. 3.

On page 2, line 13, of the printed bill, as amended, strike out "The members", and insert in lieu thereof the following: "In so far as any other matter to which this act relates is or may be affected, the members".

Amendment No. 4.

On page 2 of the printed bill, as amended, strike out lines 18 to 20, inclusive.

Amendment No. 5.

On page 2, line 21, of the printed bill, as amended, strike out "6", and insert in lieu thereof the following: "5".

Amendment No. 6.

On page 2, line 36, of the printed bill, as amended, strike out "7", and insert in lieu thereof the following: "6".

Amendment No. 7.

On page 2 of the printed bill, as amended, between lines 43 and 44, insert the following:

"(c) Nothing contained herein shall be construed to render the creation of any city or district, or any change in the boundaries of any city or district, effective for purposes of assessment or taxation unless the statement, together with the map or plat, required to be filed under section 3720 of the Political Code, is filed in the manner and within the time required by said section

SEC. 8. This act may be cited as the Validating Act of 1940.

SEC. 9 The Legislature hereby declares that in enacting the Validating Act of 1939 it was the intention of the Legislature that said act should have the same scope and effect as if it had been enacted in the same language as sections 1 to 7, inclusive, of this act."

Amendment No. 8.

On page 2, line 44, of the printed bill, as amended, strike out "8", and insert in lieu thereof the following: "10".

Amendment No. 9.

On page 3 of the printed bill, as amended, strike out lines 26 and 27

Bill read second time, ordered to print, and on file for third reading.

Report of Committee on Free Conference.

The following report of committee was received and read:

SENATE CHAMBER, SACRAMENTO, February 21, 1940.

MR. PRESIDENT. Your Committee on Free Conference concerning:

Senate Bill No. 4—An act to add section 374.5 to the Vehicle Code, relating to license plates for exempt vehicles, and declaring the urgency of this act;

Reports that it has met a like committee of the Assembly, consisting of Assemblymen Kepple, Fulcher and Carlson, and reports that the Committee on Free Conference has agreed to recommend the following:

That the Senate concur in the Assembly amendments, and that the bill be further amended as follows:

Amendment No. 1.

On page 1 of the printed bill, as amended, strike out lines 3 to 17, inclusive, and insert in lieu thereof the following:

"374.5. Exceptions as to Type of License Plates for Exempt Vehicles. The department may issue for any exempt vehicle license plates in the series of plates issued for nonexempt vehicles. Such plates may be issued for a period not extending beyond the then current calendar year and only upon the certification of the Attorney General that the issuance of such plates has been requested by the head of a law enforcement agency of a city, city and county, county, State, or Federal department, that the vehicle is assigned to the duty of investigating actual or suspected violations of the law, and is intended for the use in line of duty of regularly employed law enforcement officers of a city, city and county, county, State or Federal department. The department shall maintain a record of any such registration, which record shall not be open to public inspection. Such record shall be disclosed in the event of any accident involving such vehicle on demand of the Attorney General or upon an order of court."

MAYO
KENNY.
BREED.
Senate Committee on Free Conference.

KEPPLE.
CARLSON.
Assembly Committee on Free Conference.

Report of Committee on Free Conference read

The question being the adoption of the report of the Committee on Free Conference.

The roll was called, and the report of the Committee on Free Conference adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, and Wagy—34
NOES—Senator Crittenden—1.

Third Reading of Senate Bills.

Senate Bill No. 54—An act to add section 444.2 to the Political Code, relating to money in the State treasury, including temporary loans or transfers of money in special funds or other accounts in the treasury subject to the provisions of Article XXVI of the Constitution, the use or disposition of money loaned, and the repayment of such loans.

Bill read third time.

The question being on the passage of the bill.

The roll was called, and Senate Bill No. 54 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Keating, Kenny, McBride, McCormack, Metzger, Myhand, Nielsen, Parkman, Powers, Rich, Seawell, Shelley, Slater, Swing, and Wagy—29.
NOES—Senators Mayo, Mixter, Quinn, and Tickle—4.

Title read and approved.

Senate Bill No. 54 ordered transmitted to the Assembly.

Senate Bill No. 65—An act making an appropriation for the establishment of aviation facilities for the California National Guard, declaring the urgency of this act, to take effect immediately.

Bill read third time.

Urgency Clause.

SEC. 2. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution and shall therefore take effect immediately. The facts constituting such necessity are as follows:

The activities of certain nations whose philosophies and ambitions are hopelessly incompatible with our own have compelled the United States, in self-defense, to commit herself to a policy of adequate military and naval protection, to be achieved in part by the immediate building of additional aviation facilities and an augmented aviation reserve corps from which piloting material can be drawn readily in case of national emergency. One of the several agencies contributing towards the fruition of this policy is the California National Guard.

This act will enable the California National Guard to continue apace its work of diffusing military education and training in aviation. The present world crisis threatening our public peace, health and safety requires that it go into effect immediately.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Keating, Kenny, Mayo McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—34.
NOES—None.

The question being on the passage of the bill.

The roll was called, and Senate Bill No. 65 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—32.
NOES—None.

Title read and approved.
Senate Bill No. 65 ordered transmitted to the Assembly.

Recess.

At twelve o'clock and twenty minutes p.m., on motion of Senator Seawell, the President of the Senate declared recess until three o'clock p.m.

Reconvened.

At three o'clock p.m., the Senate reconvened.
Lieutenant Governor Ellis E. Patterson, President of the Senate, in the chair.
Secretary Joseph A. Beek at the desk.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, February 22, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly amended, and on this day passed as amended:
Senate Joint Resolution No. 1—Relative to memorializing Congress to enact a plan for old age assistance wholly supported by Federal funds;
And respectfully requests your honorable body to concur in said amendments.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Senate Joint Resolution No. 1 ordered placed on the unfinished business file.

ASSEMBLY CHAMBER, SACRAMENTO, February 22, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:
Senate Bill No. 58—An act making an additional appropriation for legislative printing, binding, etc., to take effect immediately.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Senate Bill No. 58 ordered to enrollment.

ASSEMBLY CHAMBER, SACRAMENTO, February 22, 1940

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted the report of the Committee on Free Conference concerning:
Senate Bill No. 4—An act to add section 3745 to the Vehicle Code, relating to license plates for exempt vehicles, and declaring the urgency of this act.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Senate Bill No. 4 ordered to enrollment.

ASSEMBLY CHAMBER, SACRAMENTO, February 22, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:
Assembly Concurrent Resolution No. 13—Relative to requesting the Attorney General of the State of California to intervene on behalf of the State in any litiga-

tion involving the tidelands and submerged lands heretofore granted by the State to the city of Long Beach or involving the use thereof and the revenues therefrom.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Concurrent Resolution No. 13 ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, February 22, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly amended, and on this day passed as amended:

Senate Bill No. 64—An act to amend the title and section 18 of, and to add sections 1a, 1b, 1c, 1d, 3a and 21 to an act entitled "An act to provide for the acquisition, installation, construction, reconstruction, extension, repair and maintenance by municipalities of water works, electric power works, gas works, lighting works, and other public works and utilities; for the assessment of the cost and expenses thereof upon the property benefited; and for the issuance of improvement bonds to represent such assessments, and to repeal an act entitled 'An act to provide for the lighting of public streets, lanes, alleys, courts and places in municipalities, and for the assessment of the costs and expenses thereof upon the property benefited thereby,' approved March 21, 1905," relating to the acquisition, installation, construction, reconstruction, extension, repair and maintenance of public utilities and of works and improvements mentioned in the Improvement Act of 1911 by municipalities, counties, cities and counties, unincorporated territory, and any district or public corporation authorized by law to construct such public improvements, or by any combination thereof; the assessment of the cost and expenses thereof upon the property benefited; the issuance of bonds to represent such assessments; providing a short title therefor; and providing that this act shall take effect immediately;

And respectfully requests your honorable body to concur in said amendments.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Consideration of Assembly Amendments to Senate Bill No. 64.

The Senate took up for consideration Assembly amendments to Senate Bill No. 64.

Amendment No. 1.

On page 4, of the printed bill, after line 8, add the following paragraphs:

"The City Council, at any time after the publication of any resolution of intention adopted hereunder, or the ordering of the improvement or acquisition, or the confirmation of the assessment, or ordering the issuance of bonds, and any contractor, at any time after the award of contract to him, may bring an action in the Superior Court of the County in which said city is located, to determine the validity of said *proceedings, assessment, bonds, contract, improvement or acquisition, or any thereof.* Such action shall be brought pursuant to and be governed by the provisions of, and shall have the effect, as provided in section 16 of said Improvement Act of 1911, except as herein otherwise provided.

Said bonds shall be sold in the manner provided in the Improvement Bond Act of 1915 for the sale of bonds issued on assessments levied under the Street Opening Act of 1903, and the proceeds thereof shall be deposited in the fund specified in section 13 hereof. The notice in the resolution of intention may recite a maximum rate of interest to be paid on such indebtedness, not to exceed 6 per cent per annum payable semiannually, which rate when so recited, shall not be exceeded in the issuance of said bonds. In such case the bidder shall specify in his bid the rate of interest on which his bid is based, which rate need not be the same for each year. The city may purchase said bonds at par and accrued interest with money from the general or other fund of the city, in which case the city shall have the *same rights with reference thereto as other purchasers.*

At the time of ordering the issuance of bonds, the council shall fix the rate or rates of interest in accordance with the accepted bid. If the city is the purchaser, the council shall fix a rate not in excess of the highest qualified bid if bids have been called for or received. All said bonds shall be made payable to bearer."

Amendment No. 2.

On page 4 of the printed bill, as amended in Assembly, strike out lines 15 to 17, inclusive, and insert in lieu thereof the following:

"Such bonds may be issued and sold by the city council as they shall determine, and".

Amendment No. 3.

On page 4 of the printed bill, strike out lines 22 to 34, inclusive, and insert in lieu thereof the following: "semiannually, which rate when so recited shall not be exceeded in the issuance of said bonds. All said bonds shall be made".

The question being: Shall the Senate concur in Assembly amendments to Senate Bill No. 64?

The roll was called, and Assembly amendments to Senate Bill No. 64 concurred in by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Garrison, Gordon, Hays, Hollister, Holohan, Keating, Kenny, Mayo, McCormack, Metzger, Mixter, Myhand, Parkman, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—31.

NOES—None.

Senate Bill No. 64 ordered to enrollment.

Reports of Standing Committees.

The following reports of standing committees were received and read:

On Finance, Revenue and Taxation.

SENATE CHAMBER, SACRAMENTO, February 22, 1940.

MR. PRESIDENT: Your Committee on Finance, Revenue and Taxation, to which was referred:

Senate Bill No. 13—An act to amend section 70 of the State Civil Service Act, relating to salary adjustments of civil service employees, declaring the urgency thereof, and providing that this act shall take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that it do pass.

Committee membership—11; committee vote: Ayes—11.

TICKLE, Chairman.

SENATE CHAMBER, SACRAMENTO, February 22, 1940.

MR. PRESIDENT: Your Committee on Finance, Revenue and Taxation, to which was referred:

Assembly Bill No. 50—An act to amend sections 2, 23, 24, 25, 26, 27, 28, 29, 30, 31, 37, 40, 41, 44, 54, 63, 67, 72 and 73 of the Gift Tax Act of 1939, to repeal section 76 thereof, and to add sections 2.3, 2.4, 6.5, 10.5, 12.5, 29.5, 39.5, 42.5, 43.3, 43.5, 44.5, 48.5, 53.5, 61.5 and 73.5 thereto, relating to the taxation of transfer of property and the administration of said act, to take effect immediately;

Has had the same under consideration, and respectfully reports the same back with amendments, and recommends that the amendments be adopted, and that it do pass as amended.

Committee membership—11; committee vote: Ayes—11.

TICKLE, Chairman.

SENATE CHAMBER, SACRAMENTO, February 22, 1940.

MR. PRESIDENT: Your Committee on Finance, Revenue and Taxation, to which was referred:

Assembly Bill No. 2—An act authorizing any city of the first and one-half class to create a municipal department, to be under the control of a municipal commission, and authorizing such department, when so created, to establish, maintain and operate buildings and adjuncts for public assemblies, conventions, exhibitions, trade shows, trade fairs, and for other civic, cultural and recreational purposes, and purposes incidental thereto, and to authorize the renting and leasing thereof, or of parts thereof, to any nonprofit corporation or public entity for any of the foregoing purposes, and to provide funds for such purposes through the issuance of bonds payable out of the revenues therefrom, and to validate any proceedings heretofore taken for any purpose or purposes authorized by this act;

Assembly Bill No. 69—An act to amend sections 6, 20, 21, 23 and 30 of, to add section 6.5 to, and to repeal sections 16, 17, 18 and 19 of an act entitled "An act to provide for the licensing and regulation of itinerant merchants and making an appropriation therefor," approved July 21, 1939, relating to itinerant merchants;

Has had the same under consideration, and respectfully reports the same back, and recommends that they do pass.

Committee membership—11; committee vote: Ayes—11.

TICKLE, Chairman.

On Rules.

SENATE CHAMBER, SACRAMENTO, February 22, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Bill No. 72—An act providing for the cancellation of license and registration fee penalties in connection with vehicles operated by public agencies as lessees under lease, lease-sale or rental-purchase agreements, and to repeal an act entitled "An act providing for the cancellation of license and registration fee penalties in connection with vehicles operated by public agencies as lessees under lease, lease-sale or rental-purchase agreements, to take effect immediately," approved February 5, 1940, to take effect immediately;

And reports that the same has been correctly enrolled and presented to the Governor on the twenty-second day of February, 1940, at three o'clock p.m.

SEAWELL, Chairman.

Senate Resolution No. 29.

The following resolution was offered and ordered referred to Committee on Rules:

By Senator Metzger

WHEREAS, Item No 2 of the Proclamation of the Governor calling this special session of the Legislature authorizes the Legislature to consider and act upon legislation and constitutional amendments providing revenues and means for the collection thereof for the State Government, including among other sources horse race license fees; and

WHEREAS, Item No 28 of the Proclamation authorizes the Legislature to consider and act upon legislation to amend Chapter 769 of the Statutes of 1933 relating to horse racing, including amendments relating to the California Horse Racing Board, the administration of the act, license fees, licensees' commissions, and the allocation of revenues derived by the State under the act; and

WHEREAS, In order to enable the Senate to act advisedly in the premises pursuant to the authorization contained in said proclamation items it is necessary and desirable that the Senate obtain complete and adequate information as to all the matters referred to therein, including complete information as to the administration of the act regulating the licensing of horse racing, the conduct and operation of horse racing tracks in this State and systems of wagering on the results of horse races licensed under said act, the financial condition of tracks licensed and operating thereunder, the cost of their operations, their income and expenditures, together with such additional information as may be available and pertinent with reference to the administration of the act, the need for amendments thereto, including the need for additional provisions regarding the regulating and licensing of horse racing and the administration thereof, and the extent to which increases or changes in the license fees imposed upon the operators of such tracks are appropriate, feasible and equitable; and

WHEREAS, It is rumored that the California Horse Racing Board or persons acting or purporting to act upon its behalf have threatened reprisals against the operators of horse racing tracks in the event that such operators should oppose any increase in the amount of license fees required to be paid by them; now, therefore, be it

Resolved by the Senate of the State of California, That there is hereby established an investigating committee to be known as the Senate Special Committee on Horse Racing, to be appointed by the Senate Committee on Committees and to consist of five members; and be it further

Resolved, That said committee is hereby authorized to exercise the powers and perform the duties hereby granted and imposed upon it during the sessions of and any recess or recesses of the extraordinary session of the Legislature which convened on January 29, 1940, but in no event beyond the final adjournment thereof; and be it further

Resolved, That the committee shall study, investigate and survey the administration of the act regulating the licensing of horse racing (Chapter 769, Statutes of 1933, as amended), the conduct and operation of horse racing tracks in this State and systems of wagering on the results of horse races licensed under said act, and the need for additional provisions of law regarding the regulating and licensing of horse racing and the administration thereof, and be it further

Resolved, That the committee shall study, investigate and survey the financial condition of the tracks licensed and operated under said act, the cost of their operations, the amounts of their income and expenditures, the source or sources of such income and the nature and purposes of such expenditures; and be it further

Resolved, That the committee shall study, investigate and survey the necessities and requirements of all fairs and expositions now receiving financial assistance

from the Fair and Exposition Fund as provided by said Chapter 769, Statutes of 1933, as well as all other purposes for which the money in said fund is now or may be allocated; and be it further

Resolved, That the committee shall study, investigate, and survey the extent to which increases or changes in the license fees imposed upon the operators of such tracks are appropriate, feasible, and equitable under all the circumstances involved; and be it further

Resolved, That the committee shall investigate the truth or falsity of rumors that the California Horse Racing Board, or its agents, or other persons purporting to act for said board, have threatened reprisals in any form against licensees under the act who should oppose any increase in the license rates before any committee of this Legislature or either House thereof or otherwise or to force or persuade the operator of any track to surrender any concession or any funds or proceeds of racing days as a condition to being assigned or given any particular days; and be it further

Resolved, That the committee may adopt, and from time to time amend, such rules as may appear necessary and proper to exercise the powers hereby granted and to perform the duties imposed. It may select a chairman and a secretary from its membership; and be it further

Resolved, That the committee may employ, prescribe the duties and fix the compensation of such professional assistants, clerical and other employees as it finds necessary for the conduct of its work and it may contract with such other agencies, public or private, as it deems necessary for the rendition of such services, studies and reports to it as will best assist it to effectuate the purposes for which it was created; and be it further

Resolved, That the committee is authorized to hold public hearings at Sacramento and at any place in California at which hearings the people are to have an opportunity to present their views to the committee; and be it further

Resolved, That the committee is authorized and empowered to summon and subpena witnesses, require the production of papers, books, accounts, reports, documents, records and papers of every kind and description, to issue subpenas and to take all necessary means to compel the attendance of witnesses and to procure testimony; and be it further

Resolved, That the committee, each of its members and any representative of the committee thereunto authorized by the committee or by its chairman is authorized and empowered to administer oaths. All of the provisions of Article VIII, Chapter II, Title I, Part III of the Political Code, relating to the attendance and examination of witnesses before the Legislature and committees thereof, apply to the committee hereby created; and be it further

Resolved, That every department, commission, board, agency, officer, and employee of the State government and of the political subdivisions, the counties, the cities and the districts shall furnish the committee, upon request, such information, records and documents as the committee deems proper for the effectuation of the purposes for which it was created; and be it further

Resolved, That the committee is further authorized and empowered to make a complete investigation and study of every phase of the subject hereinabove mentioned and any and all matters incidental thereto and to do any and all things necessary or convenient to enable it fully and completely to exercise its powers and perform its duties; and be it further

Resolved, That the Sergeant-at-Arms of the Senate and the Deputies Sergeant-at-Arms of the Senate are hereby directed to serve any and all subpenas, orders and other process that may be issued by the committee, when directed so to do by the chairman or upon a vote of the majority of the membership of the committee, and be it further

Resolved, That the members of the committee shall serve without compensation but shall be allowed mileage at the rate of 5½ cents per mile each way, incurred in connection with their services upon the committee, and other actual and necessary expenses for living accommodations and meals, incurred in connection with their services upon the committee or in lieu of such expenses for accommodations and meals, an allowance of eight dollars per day; and be it further

Resolved, That the sum of $1,500 or so much thereof as may be necessary is hereby made available from the Contingent Fund of the Senate for expenses of the committee and its members, and for any charges, expenses or claims it may incur under this resolution, to be disbursed, after certification by the chairman of the committee, upon warrants drawn by the Controller upon the Treasurer.

Second Reading of Senate Bill.

Senate Bill No. 13—An act to amend section 70 of the State Civil Service Act, relating to salary adjustments of civil service employees.

Bill read second time, ordered to engrossment, and on file for third reading.

Second Reading of Assembly Bills.

Assembly Bill No. 2—An act authorizing any city of the first and one-half class to create a municipal department to be under the control of a municipal commission, and authorizing such department, when so created, to establish, maintain and operate buildings and adjuncts for public assemblies, conventions, exhibitions, trade shows, trade fairs, and for other civic, commercial, cultural, recreational or incidental uses, and to authorize the renting and leasing thereof, or of parts thereof, to any nonprofit corporation or public entity, and to provide funds for such purposes through the issuance of bonds payable out of the revenues therefrom.

Bill read second time, and ordered on file for third reading.

Assembly Bill No. 69—An act to amend sections 1 and 6 of and to add sections 1.5 and 6.5 to an act entitled "An act to provide for the licensing and regulation of itinerant merchants and making an appropriation therefor," approved July 21, 1939, relating to itinerant merchants.

Bill read second time, and ordered on file for third reading.

Assembly Bill No. 50—An act to amend sections 2, 23, 24, 25, 26, 27, 28, 29, 30, 31, 37, 40, 41, 44, 54, 63, 67, 72 and 73 of the Gift Tax Act of 1939, to repeal section 76 thereof, and to add sections 2 3, 2.4, 6.5, 10.5, 12.5, 29.5, 39.5, 42.5, 43.3, 43 5, 44.5, 48.5, 53.5, 61.5 and 73 5 thereto, relating to the taxation of transfer of property and the administration of said act, to take effect immediately.

Consideration of Committee Amendment.

Pursuant to the report of the Committee on Finance, Revenue and Taxation, the following amendment to Assembly Bill No 50 was read and adopted:

Amendment No. 1.

On page 4, line 32, of the printed bill, as amended, strike out the period, and insert in lieu thereof the following: "and except where the transfer is:
(a) In trust
(b) Of a future interest in property.
(c) A transfer by gift as defined in section 37."

Bill read second time, ordered to print, and on file for third reading.

Third Reading of Assembly Bills.

Assembly Bill No. 82—An act to amend section 27 of the Bank and Corporation Franchise Tax Act, relating to taxes on banks and corporations, and to provide that this act shall take effect immediately.

Bill read third time.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 82 passed by the following vote:

AYES—Senators Breed, Brown, Collier, DeLap, Deuel, Fletcher, Garrison, Gordon, Hays, Hollister, Holohan, Keating, Kenny, McBride, McCormack, Metzger, Myhand,

Parkman, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy —27.

NOES—None.

Title read and approved.

Assembly Bill No 82 ordered transmitted to the Assembly.

Assembly Bill No. 83—An act to amend section 28 of The Personal Income Tax Act, relating to taxes on individuals, estates and trusts, and to provide for the disposition of the revenues therefrom, and to provide that this act shall take effect immediately.

Bill read third time.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 83 passed by the following vote:

AYES—Senators Breed, Brown, Collier. Crittenden, DeLap, Deuel, Fletcher, Garrison, Gordon, Hays, Hollister, Holohan, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Myhand, Parkman, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing. and Wagy—28.

NOES—None.

Title read and approved.

Assembly Bill No. 83 ordered transmitted to the Assembly.

Assembly Bill No. 88—An act to amend section 21 of the Retail Sales Tax Act of 1933, and section 17 of the Use Tax Act of 1935, relating to assessments and refunds, and to provide that this act shall take effect immediately.

Bill read third time.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 88 passed by the following vote:

AYES—Senators Breed, Brown, Collier, Crittenden, DeLap, Deuel, Fletcher, Garrison, Gordon, Hays, Hollister, Holohan, Keating. Kenny, Mayo, McBride, McCormack, Metzger, Myhand, Parkman, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—28.

NOES—None.

Title read and approved.

Assembly Bill No. 88 ordered transmitted to the Assembly.

Message from the Assembly.

The following message from the Assembly was received and read:

ASSEMBLY CHAMBER, SACRAMENTO, February 22, 1940

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly refused to sustain the Governor's reduction from $50,000 to $5,000 in.

Assembly Bill No. 64—An act making an appropriation for the contingent expenses of the Assembly for the fifty-third (extraordinary) session of the Legislature including expenses of committees created at that session, and declaring that this act shall take effect immediately

Herewith is a copy of the Governor's message relative to said bill.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

(Copy)

Message from the Governor.

February 21, 1940.

To the Honorable Members of the Assembly

GREETINGS: I have this day approved and delivered to the Secretary of State Assembly Bill No. 64, with the following changes inscribed on the bill:

"I object to the appropriation of $50,000 and hereby reduce the sum to $5,000, and with this reduction I approve the bill.

I understand that there are now outstanding miscellaneous claims totaling about $2,000 and, in addition, claims to cover the expense of a legislative committee authorized to expend the sum of $500. I have been informed that the sum of $5,000 which I have approved is sufficient to cover these claims and any additional contingent expenses of the Assembly which are likely to be incurred at this session of the Legislature.

The moneys appropriated by this bill must be set aside by the State Controller from the General Fund for a period of four years in order to cover any claims which might come in within that time. Under the terms of the bill and section 9 of Article V of the Constitution, the unexpended amount can not be carried over and used to cover the expenses of another session of the Legislature.

Believing the Assembly would not wish to appropriate for its contingent expenses more than is necessary, and realizing a future appropriation may be made should an emergency arise, I am taking the action above indicated."

Respectfully submitted.

(Signed) CULBERT L. OLSON,
Governor.

Sustaining Governor's Veto.

Message from the Governor announcing his objections to Assembly Bill No. 64, read previously

The question being: Shall Assembly Bill No. 64 become a law as originally passed by the Legislature and appropriating fifty thousand dollars ($50,000.00) notwithstanding the objections of the Governor reducing the amount of the appropriation to five thousand dollars ($5,000 00)?

The roll was called, and the Senate refused to sustain the objections of the Governor making the reduction by the following vote:

AYES—Senators Biggar, Breed, Brown, Colher, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Gordon, Hays, Holohan, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—33.

NOES—Senators Garrison, and Hollister—2

Whereupon the bill became a law as originally passed by the Legislature notwithstanding the objections of the Governor.

Assembly Bill No. 64 ordered transmitted to the Assembly.

Report of Standing Committee.

The following report of standing committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 22, 1940

MR PRESIDENT: Your Committee on Rules has examined:

Senate Bill No. 13—An act to amend section 70 of the State Civil Service Act, relating to salary adjustments of civil service employees, declaring the urgency thereof, and providing that this act shall take effect immediately;

And reports that the same has been correctly engrossed.

SEAWELL, Chairman.

Leave of Absence.

Senator Jespersen was, on motion of Senator Cunningham, granted leave of absence for the balance of this legislative day.

Recess.

At four o'clock p.m., on motion of Senator Seawell, the President of the Senate declared recess until eight o'clock p.m

Reconvened.

At eight o'clock p.m., the Senate reconvened.

Lieutenant Governor Ellis E. Patterson, President of the Senate, in the chair.

Secretary Joseph A. Beek at the desk.

Message from the Assembly.

The following message from the Assembly was received and read:

ASSEMBLY CHAMBER, SACRAMENTO, February 22, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No 57—An act to create a public agency of the State to be known as the California Housing Authority to undertake slum clearance and projects to provide dwelling accommodations for persons of low income in the State; to define the powers and duties of the California Housing Authority and to provide for the exercise of such powers, including acquiring property, borrowing money, issuing bonds and other obligations, and giving security therefor; to provide for a certification of the bonds by the Attorney General; to confer remedies on obligees of the California Housing Authority; to exempt the property and securities of the California Housing Authority from taxation and assessments; to authorize certain payments in lieu of such taxation and assessments.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Bill No. 57 ordered referred to Committee on Rules.

Call of the Senate.

Senator Garrison moved a call of the Senate.

Motion carried.

The Secretary was directed to call the roll.

The roll was called, and the following answered to their names:

Senators Brown, Collier, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hollister, Kenny, Metzger, Mixter, Myhand, Parkman, Phillips, and Wagy—16.

The Secretary announced the absentees.

Time, eight o'clock p.m.

The President of the Senate directed the Sergeant-at-Arms to close the doors.

The Sergeant-at-Arms having been furnished with the names of the absentees, was directed to bring them to the bar of the Senate.

Further Proceedings Under Call of the Senate Dispensed With.

At eight o'clock and twenty-eight minutes p m., further proceedings under the call of the Senate were dispensed with, on motion of Senator Garrison.

Report of Committee on Free Conference.

The following report of committee was received and read:

SENATE CHAMBER, SACRAMENTO, February 22, 1940.

MR. PRESIDENT: Your Committee on Free Conference concerning:

Senate Bill No 81—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, providing the conditions and terms upon which any expenditure for such relief may be made and declaring that this act shall take effect immediately;

Reports that it has met a like committee of the Assembly, consisting of Assemblymen Lore, Millington and Kepple, and reports that the Committee on Free Conference has agreed to recommend the following:

That the Senate concur in the Assembly amendments, and that the bill be further amended as follows:

Amendment No. 1.

On page 2 of the printed bill, as amended, between lines 28 and 29, insert the following paragraph:

"Notwithstanding the provisions of this section, the relief commission is hereby authorized, for the purposes of administering this appropriation and safeguarding

its expenditure, to establish and enforce immediately rules of eligibility for relief from the appropriation consistent with the provisions of this act relating to eligibility for relief from the appropriation after April 1, 1940."

Amendment No. 2.

On page 2, line 29, of the printed bill, as amended, strike out "Not", and insert in lieu thereof the following:

"(a) On and after April 1, 1940, not".

Amendment No. 3.

On page 2, line 40, of the printed bill, as amended, after "section", insert the following: "All expenditures made for (i) distribution of surplus commodities, (ii) the maintenance and operation of relief camps under subdivisions (c) and (d) of section 3 of the California Unemployment Relief Act of 1935, and (iii) the maintenance and operation of medical and dental clinics, may be charged, when expended, to the 82 per cent classification provided in this section."

Amendment No. 4.

On page 2, line 41, of the printed bill, as amended, before "Of", insert the following: "(b)".

Amendment No. 5.

On page 2, line 50, of the printed bill, as amended, strike out "Of", and insert in lieu thereof the following: "(c) From the effective date of this act, of".

Amendment No. 5a.

On page 3, line 1, of the printed bill, as amended, after "thereof", insert the following ", as if the 3 per cent limitation of subdivision (a) were in effect."

Amendment No. 6.

On page 3 of the printed bill, as amended, between lines 9 and 10, insert the following:

"(d) The money available under the provisions of this section for works projects may be used for the administrative expenses incurred in connection therewith."

Amendment No. 7.

On page 3, line 10, of the printed bill, as amended, before "If", insert the following: "(e)".

Amendment No. 8.

On page 5, line 30, of the printed bill, as amended, strike out "need not", and insert in lieu thereof the following: "may, but need not,".

Amendment No. 9.

On page 6, line 41, of the printed bill, as amended, after "employment", insert the following: ", or to be a candidate for nomination or election to any office, whether partisan or nonpartisan"

PHILLIPS.
NIELSEN.
FOLEY.
Senate Committee on Free Conference.

KEPPLE.
LORE.
MILLINGTON.
Assembly Committee on Free Conference.

Report of Committee on Free Conference read.

The question being the adoption of the report of the Committee on Free Conference.

The roll was called, and the report of the Committee on Free Conference adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Keating, Kenny, Mayo, McBride, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, and Wagy—33.

NOES—None.

Notice of Motion to Rescind.

Senator Seawell gave notice that on the next legislative day he would move to rescind the vote by which the Senate refused to concur in the Assembly amendments to Senate Bill No 81.

Unfinished Business.

Senate Joint Resolution No. 1—Relative to memorializing Congress to enact a plan for old age assistance wholly supported by Federal funds.

Consideration of Assembly Amendments.

The Senate took up for consideration Assembly amendments to Senate Joint Resolution No. 1.

Amendment No. 1.

In line 2 of the title of the printed measure, as amended, strike out "assistance", and insert in lieu thereof the following "security".

Amendment No. 2.

On page 1 of the printed measure, as amended, strike out line 21, and insert in lieu thereof the following: "old age security to be financed wholly from Federal funds, such, for example, as that contemplated in the proposed "General Welfare Act" now pending before the Congress of the United States as H. R. 8264 and S. 3255;".

Amendment No. 3.

On page 1 of the printed bill, strike out lines 14 to 18, inclusive, and insert in lieu thereof the following: "old age assistance to be financed wholly from Federal funds; and be it further".

The question being: Shall the Senate concur in Assembly amendments to Senate Joint Resolution No. 1?

The roll was called, and Assembly amendments to Senate Joint Resolution No. 1 concurred in by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Keating, Kenny, McBride, Metzger, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, and Wagy—31

NOES—None.

Senate Joint Resolution No. 1 ordered to enrollment.

Adjournment.

At eight o'clock and forty-five minutes p. m., on motion of Senator Seawell, the President of the Senate declared the Senate adjourned, until eleven o'clock a. m., Friday, February 23, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Friday, February 23, 1940.

The Senate met at eleven o'clock a m
Hon. Ellis E. Patterson, President of the Senate, in the chair.
Secretary Joseph A Beek at the desk.

Roll Call.

The roll was called, and the following answered to their names:

Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—34.

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev. A. Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Thursday, February 22, 1940, the further reading was dispensed with, on motion of Senator Slater.

Privilege of Floor of Senate Extended.

On request of Senator Garrison, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Elsie M. Rogers of Sacramento, and Carl Fauerso, president Newman Chamber of Commerce; Edmund Murtos, Western Coop. Dairymen's Union of Crows Landing; Anthony Mattis, president Western Coop. Dairymen's Union of Gustine.

On request of Senator Nielsen, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mrs. Josephine Haug, Marion Mansfield and Judge Gladys Burroughs, all of Sacramento.

On request of Senator Fletcher, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Martha Jones, Juanita Kizer and Frieda Jasmagy, all of San Diego.

On request of Senator Breed, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Frank G. Steward of Berkeley.

On request of Senator Rich, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mrs. Alf Pennington and Mrs. Ida Jones, both of Meridian

On request of Senator Crittenden, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mr. and Mrs. W. H Dozier of Lodi; R M. Clark, former superior court judge and member of the Assembly of Ventura County.

On request of Senator Seawell, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Paul Ullrich of Nevada County.

Message from the Assembly.

The following message from the Assembly was received and read:

ASSEMBLY CHAMBER, SACRAMENTO, February 22, 1940

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted the report of the Committee on Free Conference concerning:

Senate Bill No 81—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, providing the conditions and terms upon which any expenditure for such relief may be made and declaring that this act shall take effect immediately.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk

Senate Bill No. 81 ordered to enrollment.

Reports of Standing Committee.

The following reports of standing committee were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 22, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Concurrent Resolution No. 13—Requesting the Attorney General of the State of California to intervene on behalf of the State in any litigation involving the tidelands and submerged lands heretofore granted by the State to the city of Long Beach or involving the use thereof and the revenues therefrom;

Assembly Bill No 57—An act to create a public agency of the State to be known as the California Housing Authority to undertake slum clearance and projects to provide dwelling accommodations for persons of low income in the State; to define the powers and duties of the California Housing Authority and to provide for the exercise of such powers, including acquiring property, borrowing money, issuing bonds and other obligations, and giving security therefor; to provide for a certification of the bonds by the Attorney General; to confer remedies on obligees of the California Housing Authority; to exempt the property and securities of the California Housing Authority from taxation and assessments; and to authorize certain payments in lieu of such taxation and assessments;

Has had the same under consideration, and respectfully reports the same back, and recommends that the bills be re-referred to the Committee on Finance, Revenue, and Taxation.

Committee membership—4; committee vote. Ayes—4.

SEAWELL, Chairman.

Assembly Concurrent Resolution No. 13 read, and referred to Committee on Finance, Revenue and Taxation

Assembly Bill No. 57 read first time, and referred to Committee on Finance, Revenue and Taxation.

SENATE CHAMBER, SACRAMENTO, February 23, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Senate Resolution No. 29—Relative to Senate Special Committee on Horse Racing.

Has had the same under consideration, and respectfully reports the same back, and recommends that the resolution be placed on file.

Committee membership—4; committee vote: Ayes—4

SEAWELL, Chairman.

Consideration of Senate Resolution No. 29.

WHEREAS, Item No. 2 of the Proclamation of the Governor calling this special session of the Legislature authorizes the Legislature to consider and act upon legislation and constitutional amendments providing revenues and means for the collection thereof for the State Government, including among other sources horse race license fees; and

WHEREAS, Item No. 28 of the Proclamation authorizes the Legislature to consider and act upon legislation to amend Chapter 769 of the Statutes of 1933 relating to horse racing, including amendments relating to the California Horse Racing Board, the administration of the act, license fees, licensees' commissions, and the allocation of revenues derived by the State under the act; and

WHEREAS, In order to enable the Senate to act advisedly in the premises pursuant to the authorization contained in said proclamation items it is necessary and desirable that the Senate obtain complete and adequate information as to all the matters referred to therein, including complete information as to the administration of the act regulating the licensing of horse racing, the conduct and operation of horse racing tracks in this State and systems of wagering on the results of horse races licensed under said act, the financial condition of tracks licensed and operating thereunder, the cost of their operations, their income and expenditures, together with such additional information as may be available and pertinent with reference to the administration of the act, the need for amendments thereto, including the need for additional provisions regarding the regulating and licensing of horse racing and the administration thereof, and the extent to which increases or changes in the license fees imposed upon the operators of such tracks are appropriate, feasible and equitable; and

WHEREAS, It is rumored that the California Horse Racing Board or persons acting or purporting to act upon its behalf have threatened reprisals against the operators of horse racing tracks in the event that such operators should oppose any increase in the amount of license fees required to be paid by them, now, therefore, be it

Resolved by the Senate of the State of California, That there is hereby established an investigating committee to be known as the Senate Special Committee on Horse Racing, to be appointed by the Senate Committee on Committees and to consist of five members; and be it further

Resolved, That said committee is hereby authorized to exercise the powers and perform the duties hereby granted and imposed upon it during the sessions of and any recess or recesses of the extraordinary session of the Legislature which convened on January 29, 1940, but in no event beyond the final adjournment thereof; and be it further

Resolved, That the committee shall study, investigate and survey the administration of the act regulating the licensing of horse racing (Chapter 769, Statutes of 1933, as amended), the conduct and operation of horse racing tracks in this State and systems of wagering on the results of horse races licensed under said act, and the need for additional provisions of law regarding the regulating and licensing of horse racing and the administration thereof, and be it further

Resolved, That the committee shall study, investigate and survey the financial condition of the tracks licensed and operated under said act, the cost of their operations, the amounts of their income and expenditures, the source or sources of such income and the nature and purposes of such expenditures; and be it further

Resolved, That the committee shall study, investigate and survey the necessities and requirements of all fairs and expositions now receiving financial assistance from the Fair and Exposition Fund as provided by said Chapter 769, Statutes of 1933, as well as all other purposes for which the money in said fund is now or may be allocated, and be it further

Resolved, That the committee shall study, investigate, and survey the extent to which increases or changes in the license fees imposed upon the operators of

such tracks are appropriate, feasible, and equitable under all the circumstances involved; and be it further

Resolved, That the committee shall investigate the truth or falsity of rumors that the California Horse Racing Board, or its agents, or other persons purporting to act for said board, have threatened reprisals in any form against licensees under the act who should oppose any increase in the license rates before any committee of this Legislature or either House thereof or otherwise or to force or persuade the operator of any track to surrender any concession or any funds or proceeds of racing days as a condition to being assigned or given any particular days; and be it further

Resolved, That the committee may adopt, and from time to time amend, such rules as may appear necessary and proper to exercise the powers hereby granted and to perform the duties imposed. It may select a chairman and a secretary from its membership; and be it further

Resolved, That the committee may employ, prescribe the duties and fix the compensation of such professional assistants, clerical and other employees as it finds necessary for the conduct of its work and it may contract with such other agencies, public or private, as it deems necessary for the rendition of such services, studies and reports to it as will best assist it to effectuate the purposes for which it was created; and be it further

Resolved, That the committee is authorized to hold public hearings at Sacramento and at any place in California at which hearings the people are to have an opportunity to present their views to the committee; and be it further

Resolved, That the committee is authorized and empowered to summon and subpena witnesses, require the production of papers, books, accounts, reports, documents, records and papers of every kind and description, to issue subpenas and to take all necessary means to compel the attendance of witnesses and to procure testimony; and be it further

Resolved, That the committee, each of its members and any representative of the committee thereunto authorized by the committee or by its chairman is authorized and empowered to administer oaths. All of the provisions of Article VIII, Chapter II, Title I, Part III of the Political Code, relating to the attendance and examination of witnesses before the Legislature and committees thereof, apply to the committee hereby created; and be it further

Resolved, That every department, commission, board, agency, officer, and employee of the State Government and of the political subdivisions, the counties, the cities and the districts shall furnish the committee, upon request, such information, records and documents as the committee deems proper for the effectuation of the purposes for which it was created; and be it further

Resolved, That the committee is further authorized and empowered to make a complete investigation and study of every phase of the subject hereinabove mentioned and any and all matters incidental thereto and to do any and all things necessary or convenient to enable it fully and completely to exercise its powers and perform its duties; and be it further

Resolved, That the Sergeant-at-Arms of the Senate and the Deputies Sergeant-at-Arms of the Senate are hereby directed to serve any and all subpenas, orders and other process that may be issued by the committee, when directed so to do by the chairman or upon a vote of the majority of the membership of the committee; and be it further

Resolved, That the members of the committee shall serve without compensation but shall be allowed mileage at the rate of 5½ cents per mile each way, incurred in connection with their services upon the committee, and other actual and necessary expenses for living accommodations and meals, incurred in connection with their services upon the committee or in lieu of such expenses for accommodations and meals, an allowance of eight dollars per day; and be it further

Resolved, That the sum of $1,500 or so much thereof as may be necessary is hereby made available from the Contingent Fund of the Senate for expenses of the committee and its members, and for any charges, expenses or claims it may incur under this resolution, to be disbursed after certification by the chairman of the committee, upon warrants drawn by the Controller upon the Treasurer.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 29 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Gordon, Hays, Hollister, Holohan, Keating, Kenny, Mayo,

McBride, McCormack, Metzger, Minter, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—33.
NOES—None.

Request for Permission to Offer a Senate Concurrent Resolution.

The following request for permission to offer a Senate Concurrent Resolution was presented:

By Senators Kenny, Seawell, Slater and Shelley:

SENATE CHAMBER, SACRAMENTO, February 23, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to offer a Senate Concurrent Resolution, the title of which is set forth below:

Relative to the illness of newspaper correspondent William H Jordan.

Respectfully submitted.

SENATOR KENNY AND OTHERS.

Request referred to Committee on Rules.

Request for Permission to Offer a Joint Resolution.

The following request for permission to offer a Joint Resolution was presented:

By Senator Biggar:

SENATE CHAMBER, SACRAMENTO, February 23, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to offer a Joint Resolution, the title of which is set forth below:

Relative to contributions by the Federal Government for the support of indigent, aged and sick American Indians

Respectfully submitted.

SENATOR BIGGAR.

Request referred to Committee on Rules

Message from the Assembly.

The following message from the Assembly was received and read:

ASSEMBLY CHAMBER, SACRAMENTO, February 22, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 105—An act providing for the expenditure by the Relief Administrator and the Relief Commission through the counties of money appropriated for the relief of hardship and destitution due to and caused by unemployment, establishing the conditions and procedure for the expenditure thereof, specifying the purposes for which the expenditures may be made, defining the persons eligible for relief therefrom, and prohibiting any political activities in connection therewith;

Assembly Bill No. 6—An act making an appropriation to the emergency fund specified in Item 212 of the Budget Act of 1939 for the purpose of augmenting appropriations for the support of the government of the State, in order to provide for salary adjustments or increases for State officers and employees, and providing that this act shall take effect immediately.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C W. BOOTH, Assistant Clerk.

The above bills ordered referred to Committee on Rules.

Report of Standing Committee.

The following report of standing committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 23, 1940.

MR PRESIDENT Your Committee on Rules to which was referred the following request by Senators Kenny, Slater, Seawell and Shelley for permission to offer a concurrent resolution:

Relative to the illness of newspaper correspondent William H. Jordan
Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the resolution offered, and placed on file
SEAWELL, Chairman

Introduction, First Reading and Reference of Bills.

The following bill was introduced:

Senate Concurrent Resolution No. 9: By Senators Kenny, Seawell, Slater and Shelley—Relative to the illness of newspaper correspondent William H. Jordan.

Consideration of Senate Concurrent Resolution No. 9.

Senate Concurrent Resolution No. 9.

Relative to the illness of newspaper correspondent William H. Jordan.

WHEREAS, William H. Jordan, veteran newspaper man and valued member of the staff of the San Francisco Examiner is seriously ill in the Merritt Hospital, in Oakland, California; and

WHEREAS, Mr. Jordan has reported the proceedings of this Legislature for many years and is the dean of legislative correspondents; and

WHEREAS, During his years of service he has engaged in many activities of a constructive nature for the welfare, advancement and development of the State of California; and

WHEREAS, He has earned the admiration and respect of the members of this and past sessions of the Legislature by his loyalty and unyielding devotion to duty, and by his ever willingness to assist his fellow men; and

WHEREAS, He has endeared himself to all who know him by his lovable and genial personality; now, therefore, be it

Resolved by the Senate of the State of California, the Assembly thereof concurring, That the Legislature and the People of the State of California sincerely miss the presence of William H. Jordan in these legislative halls, and extend to him their best wishes for a speedy and complete recovery; and be it further

Resolved, That the Secretary of the Senate prepare and transmit to Mr. Jordan a suitably engrossed copy of this resolution.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Concurrent Resolution No. 9 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—35.

NOES—None.

Senate Concurrent Resolution No. 9 ordered transmitted to the Assembly.

Consideration of Daily File.
Third Reading of Senate Bills.

Senate Bill No. 13—An act to amend section 70 of the State Civil Service Act, relating to salary adjustments of civil service employees, declaring the urgency thereof, and providing that this act shall take effect immediately.

Bill read third time.

Urgency Clause.

SEC. 2. This act is hereby declared to be an urgency measure necessary for the immediate preservation of public peace, health and safety within the meaning of section 1 of Article IV of the Constitution of this State and shall, therefore, go

into immediate effect. A statement of the facts constituting such necessity is as follows:

Due to the financial condition of the State there is not sufficient money available with which to grant automatic salary adjustments to all State civil service employees. However, because of the manner in which money is appropriated to the various departments, boards, and agencies of the State, it is now possible for some employees receiving high salaries to receive automatic adjustments while other employees grouped in classifications having low salary ranges are not able to receive such automatic adjustments. This has caused dissatisfaction among State civil service employees and has resulted in the impairment of the efficiency of State services, requiring a prompt remedy which can only be accomplished by this act going into effect immediately.

Urgency clause read.

The question being on the adoption of the urgency clause

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—33

NOES—None.

The question being on the passage of the bill

The roll was called, and Senate Bill No. 13 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—34.

NOES—None.

Title read and approved.

Senate Bill No. 13 ordered transmitted to the Assembly.

Assembly Joint Resolution No. 16.

Relative to memorializing the President and Congress against the passage of legislation to prohibit the filing of separate income tax returns by spouses in reference to community income.

WHEREAS, The community property system constitutes a vital part of the laws of California and of seven of her sister States; and

WHEREAS, The system existing in California originated long before California's admission into the Union on September 9, 1850, and during the time of the Spanish and Mexican occupation; and

WHEREAS, Transactions and business relationships in this State involving hundreds of millions of dollars have been or are in the course of being negotiated on the logical assumption that the principles of community property so historically a part of California will continue in existence and be accorded universal respect and recognition; and

WHEREAS, There is now pending before the Congress of the United States a bill (H. R. 7361) which will prohibit a wife from filing a separate income tax return on her share of community property income and taking the credits and deductions thereon to which she is now legally entitled; and

WHEREAS, The effect of such legislation would be to ignore completely the community property law of California and of her sister community property States, and would result in unprecedented chaos and confusion; and

WHEREAS, Such legislation would furthermore constitute an injurious denial of privileges to the female sex and a return to an era of history when women were in the same category as chattels; now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the people of the State of California hereby register an emphatic protest against the passage of H. R. 7361 now pending before the Congress of the United States; and be it further

Resolved, That the Chief Clerk of the Assembly forward a copy of this resolution to the President and Vice President of the United States, to the Speaker of the

House of Representatives of the Congress of the United States, and to each Senator and member of the House of Representatives from California in the Congress of the United States.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Joint Resolution No. 16 adopted by the following vote:

AYES—Senators Biggar, Crittenden, Deuel, Fletcher, Foley, Gordon, Hollister, Holohan, Kenny, Mayo, McBride, McCormack, Metzger, Nielsen, Parkman, Quinn, Rich, Seawell, Shelley, Slater, and Swing—21.

NOES—Senators Breed, Brown, Collier, Cunningham, DeLap, Hays, Keating, Mixter, Myhand, Phillips, Powers, Tickle, and Wagy—13.

Assembly Joint Resolution No. 16 ordered transmitted to the Assembly.

Assembly Joint Resolution No. 19.

Relative to the making of payments by the Federal Government to counties to reimburse them for loss of tax receipts on account of the use of certain land by the United States.

WHEREAS, There are in the eleven Public Land States of the Northwest over 300,000,000 acres of tax free lands owned by the Federal Government and held in national forests, national parks, national monuments, national wild life refuges, national grazing land acquisition projects, military and naval reservations, Indian reservations and Indian trust lands, and

WHEREAS, There are according to the California Tax Research Bureau in its 1933 report to the Legislature over 20,000,000 acres of national forests and national park lands in the mountain counties of California which was valued by the bureau at the sum of over $190,000,000, and which are at present tax free; and

WHEREAS, The remaining acres of the mountain counties of California have to give the United States Government and the people who live within such national forests a full set of county officers to prosecute crimes alleged to have been committed within such national forests; and

WHEREAS, The privately owned lands of the mountain counties of California have to furnish schools for the education of the children who live within such national forests, providing buildings, teachers, janitors, conveyances for the children of school age to and from school and paying all other expenses of operating such schools; and

WHEREAS, These mountain counties of California have to pay for medical attendance, food, clothing, shelter and finally the funeral expenses of all the indigents who reside or have resided within the confines of such national forests; and

WHEREAS, The members of this Legislature believe that the United States Government should pay its just portion of the costs of these county governments; and

WHEREAS, The Government is constantly purchasing privately owned lands, withdrawing the same from assessment and taxation for national forests, national parks and other purposes, thereby impoverishing the counties from which the land is withdrawn; and

WHEREAS, Many counties in California are overburdened with taxation on account of the withdrawal from sale, settlement and taxation of large tracts of land for national forests, national parks, national monuments, national grazing land acquisition projects, military and naval reserves, Indian reservations and Indian trust lands; and

WHEREAS, Many counties in the State of Oregon have received and are still receiving large sums of money annually in lieu of taxes on federally-owned lands amounting to millions of dollars; and

WHEREAS, There are now pending in Congress two bills, H. R. 4506 and H. R. 4833, the first of which, if enacted, would bring to the treasuries of the counties of California approximately $120,000,000 annually to reimburse them for loss of tax receipts on account of the use of land by the United States, and the latter of which, if enacted, would put into these county treasuries the approximate sum of $200,000,000 annually; and

WHEREAS, The members of this Legislature believe that the Congress of the United States should pass one of the bills or introduce and pass a similar bill which will provide for payments to counties of the State of California in annual installments to reimburse them for loss of tax receipts on account of use by the United States of lands within such counties; and

WHEREAS, Many of the forest supervisors and other executive officers of the national forest organization have time and again privately expressed the hope that the Federal Government would make payments to States or local subdivisions in lieu of taxes on all government lands within such States or local subdivisions; now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the Congress of the United States be memorialized to enact legislation providing for the payment annually to counties in the eleven Public Land States of the Northwest of money to reimburse them for loss of tax receipts on land owned or used by the United States; and be it further

Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of the Interior, to the Secretary of Agriculture, to the Speaker of the House of Representatives of the Congress of the United States, and to each Senator or member of the House of Representatives from California in the Congress of the United States, and that the Senators and Representatives from California are hereby respectfully requested to urge such legislation.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Joint Resolution No. 19 adopted by the following vote:

AYES—Senators Biggar, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Keating, Kenny, Mayo, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, and Wagy—31

NOES—None.

Assembly Joint Resolution No. 19 ordered transmitted to the Assembly.

Reports of Standing Committee.

The following reports of standing committee were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 23, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 105—An act providing for the expenditure by the Relief Administrator and the Relief Commission through the counties of money appropriated for the relief of hardship and destitution due to and caused by unemployment, establishing the conditions and procedure for the expenditure thereof, specifying the purposes for which the expenditures may be made, defining the persons eligible for relief therefrom, and prohibiting any political activities in connection therewith;

Has had the same under consideration, and respectfully reports the same back, and recommends that the bill be re-referred to the Committee on Social Problems.

Committee membership—5; committee vote: Ayes—3; absent—2.

SEAWELL, Chairman.

Assembly Bill No. 105 read first time, and referred to Committee on Social Problems.

SENATE CHAMBER, SACRAMENTO, February 23, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 6—An act to amend section 13101 of the Health and Safety Code, relating to the compensation of the State Fire Marshal;

Has had the same under consideration, and respectfully reports the same back, and recommends that the bill be re-referred to Committee on Finance, Revenue and Taxation.

Committee membership—5, committee vote: Ayes—3; absent—2.

SEAWELL, Chairman.

Assembly Bill No. 6 read first time, and referred to Committee on Finance, Revenue and Taxation

Recess.

At twelve o'clock m., on motion of Senator Seawell, the President of the Senate declared recess until three o'clock p.m.

Reconvened.

At three o'clock p m , the Senate reconvened.

Lieutenant Governor Ellis E Patterson, President of the Senate, in the chair.

Secretary Joseph A. Beek at the desk.

Call of the Senate.

Senator Seawell moved a call of the Senate.

Motion carried.

The Secretary was directed to call the roll.

The roll was called, and the following answered to their names:

Senators Brown, Deuel, Fletcher, Garrison, Gordon, Hays, Holohan, Mayo, Mixter, Myhand, Powers, Seawell, and Slater—13.

The Secretary announced the absentees.

Time, three o'clock and three minutes p m.

The President of the Senate directed the Sergeant-at-Arms to close the doors.

The Sergeant-at-Arms having been furnished with the names of the absentees, was directed to bring them to the bar of the Senate.

Proceedings Under Call of the Senate.
Third Reading of Assembly Bills.

Assembly Bill No. 44—An act to validate the organization, boundaries, governing officers or boards, acts, proceedings, and bonds of public bodies, to take effect immediately.

Bill read third time.

Urgency Clause.

SEC. 10. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution of the State of California, and shall take effect immediately.

The following is a statement of the facts constituting such necessity:

The peace, health, safety and welfare of the citizens of the State depend directly upon the orderly, proper and unhampered function of public bodies during the time this act otherwise would require before becoming effective. It is imperative and essential that during said time:

(1) Such citizens shall be afforded the protection of the police, fire, safety, sanitary and other regulations and protections provided by public bodies.

(2) Many public and private works and construction within the boundaries of such public bodies, and dependent on their validity, be commenced and continued without restriction or delay, which will help to alleviate the present wide-spread unemployment and economic distress, encourage circulation of money and add materially to property values.

(3) Such public bodies shall have full power to borrow money and receive grants of money from both private and public agencies, including the Federal Government, for essential public works projects and construction upon their credit and standing.

(4) Such public bodies perform effectively certain acts and initial proceedings for the purpose of providing and assuring revenues and finances for such works projects and construction as well as for all general purposes during the coming fiscal year, which will thereby allow them to meet, establish and obtain credit and

to meet their obligations in full—all of which require the immediate validation of such public bodies in the manner herein set forth

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Keating, Mayo, McBride, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Seawell, Shelley, Slater, Swing, and Wagy—30.

NOES—None.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 44 passed by the following vote:

AYES—Senators Biggar, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Keating, Mayo, McBride, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Seawell, Shelley, Slater, Swing, and Wagy—29.

NOES—None.

Title read and approved.

Assembly Bill No. 44 ordered transmitted to the Assembly.

Assembly Concurrent Resolution No. 8.

Relative to the construction of a secondary highway between Clovis and Friant, California.

WHEREAS, The construction of Friant Dam is placing and will continue to place an increasing burden upon the roads adjoining Friant, California; and

WHEREAS, There is no rapid, direct route of travel over State highways from Clovis to Friant, California; and

WHEREAS, There now exists a county road known as the "Jenny Lind Road" which connects the cities of Clovis and Friant; and

WHEREAS, The route covered by the county road known as the "Jenny Lind Road" if adequately improved could solve the traffic problems now resulting from the increased traffic due to the construction of Friant Dam; now, therefore, be it

Resolved by the Assembly of the State of California, the Senate thereof concurring, That the California Highway Commission is requested to authorize preliminary surveys to determine the advisability of including in the State highway system a direct route from Route 76 at Clovis, to Friant; and be it further

Resolved, That the California Highway Commission investigate and determine the advisability of making a secondary highway of that county road known as the "Jenny Lind Road," now existing between Clovis and Friant, California, and report its findings and recommendations to the Assembly and to the Senate, at the next regular (54th) session of the Legislature; and be it further

Resolved, That the Chief Clerk of the Assembly is hereby directed to transmit a copy of this resolution to the California Highway Commission, through its secretary.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Concurrent Resolution No. 8 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Keating, Mayo, McBride, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, and Wagy—32.

NOES—None.

Assembly Concurrent Resolution No. 8 ordered transmitted to the Assembly.

Assembly Bill No. 69—An act to amend sections 6, 20, 21, 23 and 30 of, to add section 6 5 to, and to repeal sections 16, 17, 18 and 19 of an act entitled "An act to provide for the licensing and regulation of itinerant merchants and making an appropriation therefor," approved July 21, 1939, relating to itinerant merchants.

Amendments from the Floor.

During third reading of Assembly Bill No. 69, the following amendments, offered by Senator Gordon, were read:

Amendment No. 1.

In line 2 of the title of the printed bill, as amended, strike out "and 30", and insert in lieu thereof the following: ", 30, 35 and 39"

Amendment No. 2.

In lines 3 and 4 of the title of the printed bill, as amended, strike out "and 19", and insert in lieu thereof the following: ", 19, 33 and 34".

Amendment No. 3.

On page 3 of the printed bill, as amended, between lines 33 and 34, insert the following:

"SEC. 8. Sections 33 and 34 of said act are hereby repealed.

SEC. 9. Section 35 of said act is hereby amended to read as follows:

Sec. 35. Each itinerant merchant shall pay a license fee in the amount of five dollars for each motor vehicle to be used by him in the conduct of his business. The fee shall be paid to the commission at the time application is made for a license.

SEC. 10. Section 39 of said act is hereby amended to read as follows:

Sec. 39. Any member of the California Highway Patrol may, for the purpose of making an investigation, stop any motor vehicle in which goods are being transported on any public highway by or on behalf of an itinerant merchant.

If the member of the patrol has reason to believe that the driver is not lawfully in possession of the goods, the patrolman may take possession of the goods and hold them for thirty days pending an investigation."

Amendment No. 4.

On page 3, line 34, of the printed bill, as amended, strike out "SEC 8.", and insert in lieu thereof the following: "SEC. 11."

Ayes and Noes Demanded.

A roll call was demanded by Senators Biggar, Quinn and Gordon, on the adoption of the amendments.

The roll was called, and the amendments refused adoption by the following vote:

AYES—Senators Breed, Crittenden, Fletcher, Garrison, Gordon, Hollister, Holohan, Keating, Mayo, McCormack, Metzger, Mixter, Nielsen, Powers, Rich, Slater, and Tickle—17.

NOES—Senators Biggar, Brown, Collier, Cunningham, DeLap, Deuel, Foley, Hays, Kenny, McBride, Myhand, Parkman, Phillips, Quinn, Seawell, Shelley, Swing, and Wagy—18.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 69 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Hays, Hollister, Holohan, Kenny, Mayo, McBride, Myhand, Parkman, Phillips, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—28.

NOES—Senators Gordon, Keating, McCormack, Metzger, Mixter, Nielsen, and Powers—7.

Title read and approved.

Assembly Bill No. 69 ordered transmitted to the Assembly.

Reports of Standing Committees.

The following reports of standing committees were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 23, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Bill No. 81—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, providing the conditions and terms upon which any expenditure for such relief may be made and declaring that this act shall take effect immediately;

And reports that the same has been correctly enrolled and presented to the Governor on the twenty-third day of February, 1940, at 12 o'clock and fifteen minutes p.m.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 23, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Bill No. 4—An act to add section 374.5 to the Vehicle Code, relating to license plates for exempt vehicles, and declaring the urgency of this act;

Senate Bill No. 58—An act making an additional appropriation for legislative printing, binding, etc., to take effect immediately;

Senate Bill No. 64—An act to amend the title and section 18 of, and to add sections 1a, 1b, 1c, 1d, 3a and 21 to an act entitled "An act to provide for the acquisition, installation, construction, reconstruction, extension, repair and maintenance by municipalities of water works, electric power works, gas works, lighting works, and other public works and utilities; for the assessment of the cost and expenses thereof upon the property benefited; and for the issuance of improvement bonds to represent such assessments, and to repeal an act entitled 'An act to provide for the lighting of public streets, lanes, alleys, courts and places in municipalities, and for the assessment of the costs and expenses thereof upon the property benefited thereby,' approved March 21, 1905," approved June 6, 1913, relating to the acquisition, installation, construction, reconstruction, extension, repair and maintenance of works and improvements mentioned in the Improvement Act of 1911 and of public utilities and other public works by municipalities, counties, cities and counties, unincorporated territory, and any district or public corporation authorized by law to construct such public improvements, or by any combination thereof; the assessment of the cost and expenses thereof upon the property benefited, the issuance of bonds to represent such assessments; providing a short title therefor; and providing that this act shall take effect immediately;

Senate Joint Resolution No. 1—Relative to memorializing Congress to enact a plan for old age security wholly supported by Federal funds;

And reports that the same have been correctly enrolled and presented to the Governor on the twenty-third day of February, 1940, at twelve o'clock and fifteen minutes p.m.

SEAWELL, Chairman.

On Social Problems.

SENATE CHAMBER, SACRAMENTO, February 23, 1940

MR. PRESIDENT: Your Committee on Social Problems, to which was referred:

Assembly Bill No. 105—An act providing for the expenditure by the Relief Administrator and the Relief Commission through the counties of money appropriated for the relief of hardship and destitution due to and caused by unemployment, establishing the conditions and procedure for the expenditure thereof, specifying the purposes for which the expenditures may be made, defining the persons eligible for relief therefrom, and prohibiting any political activities in connection therewith;

Has had the same under consideration, and respectfully reports the same back, and recommends that it do pass

Committee membership—11; committee vote: Ayes—9; noes—2.

PHILLIPS, Chairman.

Resolution.

The following resolution was offered:

By Senator Seawell:

Resolved, That Assembly Bill No. 105 presents a case of urgency, as that term is used in section 15 of Article IV of the Constitution, and the provision of that section requiring that the bill shall be read on three several days in each House is

hereby dispensed with, and it is ordered that said bill be read the second and third times, and placed upon its passage.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and the resolution adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Hollister, Holohan, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—32.

NOES—Senator Garrison—1

Whereupon the President declared the provisions of section 15, Article IV of the Constitution suspended for the purpose of considering, at this time, Assembly Bill No 105.

Consideration of Assembly Bill No. 105.

Assembly Bill No. 105—An act providing for the expenditure by the Relief Administrator and the Relief Commission through the counties of money appropriated for the relief of hardship and destitution due to and caused by unemployment, establishing the conditions and procedure for the expenditure thereof, specifying the purposes for which the expenditures may be made, defining the persons eligible for relief therefrom, and prohibiting any political activities in connection therewith.

Bill read second time.

Bill read third time.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 105 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Gordon, Hays, Holohan, Keating, Mayo, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Rich, Seawell, Slater, Tickle, and Wagy—27.

NOES—Senators Foley, Garrison, Hollister, Kenny, McBride, Quinn, and Shelley—7.

Title read and approved.

Assembly Bill No. 105 ordered transmitted to the Assembly.

Assembly Bill No. 50—An act to amend sections 2, 23, 24, 25, 26, 27, 28, 29, 30, 31, 37, 40, 41, 44, 54, 63, 67, 72 and 73 of the Gift Tax Act of 1939, to repeal section 76 thereof, and to add sections 2.3, 2.4, 6.5, 10.5, 12.5, 29.5, 39.5, 42.5, 43.3, 43.5, 44.5, 48.5, 53.5, 61.5 and 73.5 thereto, relating to the taxation of transfer of property and the administration of said act, to take effect immediately.

Amendments from the Floor.

During third reading of Assembly Bill No. 50 the following amendments, offered by Senator Kenny, were read and adopted:

Amendment No. 1.

On page 4, line 33, of the printed bill, strike out the following: "(a) In trust."

Amendment No. 2.

On page 4, line 34, of the printed bill, strike out "(b)", and insert in lieu thereof the following: "(a)".

Amendment No. 3.

On page 4, line 35, of the printed bill, strike out the following:
"(c) A transfer by gift as defined in section 37."

Bill read, ordered to print, and on file for third reading.

Assembly Bill No. 2—An act authorizing any city of the first and one-half class to create a municipal department, to be under the control of a municipal commission, and authorizing such department, when so created, to establish, maintain and operate buildings and adjuncts for public assemblies, conventions, exhibitions, trade shows, trade fairs, and for other civic, cultural and recreational purposes, and purposes incidental thereto, and to authorize the renting and leasing thereof, or of parts, thereof, to any nonprofit corporation or public entity for any of the foregoing purposes, and to provide funds for such purposes through the issuance of bonds payable out of the revenues therefrom, and to validate any proceedings heretofore taken for any purpose or purposes authorized by this act.

Amendments from the Floor.

During third reading of Assembly Bill No 2 the following amendments, offered by Senator Powers, were read and refused adoption:

Amendment No. 1.

On page 1, lines 4 and 5, of the printed bill, strike out "buildings and adjuncts", and insert in lieu thereof the following: "a municipal auditorium".

Amendment No. 2.

On page 2, line 2, of the printed bill, strike out "buildings and adjuncts", and insert in lieu thereof the following: "a municipal auditorium".

Amendment No. 3.

On page 2, line 8, of the printed bill, strike out "or sites for such buildings and adjuncts", and insert in lieu thereof the following: "for a municipal auditorium".

Amendment No. 4.

On page 2, lines 12 and 13, of the printed bill, strike out commencing with word "all", and ending with "property", and insert in lieu thereof the following: "such municipal auditorium".

Amendment No. 5.

On page 2, line 15, of the printed bill, strike out "buildings, adjuncts", and insert in lieu thereof the following: "municipal auditorium".

Amendment No. 6.

On page 2, line 37, of the printed bill, strike out "buildings, adjuncts", and insert in lieu thereof the following: "A municipal auditorium".

Amendment No. 7.

On page 2, lines 49 and 50, of the printed bill, strike out "buildings, adjuncts", and insert in lieu thereof the following. "A municipal auditorium".

Amendment No. 8.

On page 3, line 12, of the printed bill, strike out "buildings", and insert in lieu thereof the following: "A municipal auditorium".

Amendment No. 9.

On page 3, line 12, of the printed bill, strike out "or sites".

Amendment No. 10.

On page 6, line 24, of the printed bill, after the word "city", insert the following: "of the first and one-half class".

Amendment No. 11.

On page 6, line 27, of the printed bill, strike out "or sites building or buildings".

Amendment No. 12.

On page 6, line 33, of the printed bill, strike out "on sites".

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 2 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Keating, Kenny, Mayo,

Mixter, Myhand, Parkman, Powers, Quinn, Rich, Shelley, Slater, Swing, and Wagy—27.

NOES—Senators Collier and McBride—2

Title read and approved.

Assembly Bill No. 2 ordered transmitted to the Assembly

Senate Resolution No. 30.

The following Resolution was offered:

By Senator Collier:

Relative to requesting certain data from the State Personnel Board.

WHEREAS, The Legislature has been called upon to give consideration at this special session to bills designed to provide revenue for the State Government, and at the same time to appropriate funds to provide salary adjustments or increases for State officers and employees during the 91st and 92d fiscal years; and

WHEREAS, In order to give proper consideration to these various measures, it is necessary that the Legislature have certain data concerning the financial operation of the State; now, therefore, be it

Resolved, That the State Personnel Board is hereby directed to prepare and submit immediately to the Senate a report containing a complete list of the officers and employees of each and every office, department, board, bureau, commission and institution of the government of the State of California, said report being set up so as to show:

(1) The name of each such office, department, board, bureau, commission or institution.

(2) The names of each of its officers and regular employees of every kind and character, with the title of the position and the amount of monthly salary or wages paid such officers and employees; and be it further

Resolved, That said report shall be as of the date of the adoption of this resolution; and be it further

Resolved, That said report shall contain a statement with reference to each such office, department, board, bureau and institution, showing the number of persons engaged for temporary or emergency employment during the calendar year ending January 1, 1940, and the total amount expended on account of such temporary or emergency employment.

Resolution read, and on motion of Senator Collier adopted.

Report.

The following report by Senator Metzger, was received, read, and ordered printed in the Journal:

Memorandum on State-Owned Automobiles.

An examination of the roster of state-owned automobiles prepared by the Department of Finance pursuant to Senate Resolution No. 17 discloses the following:

1. The summary indicates that the State owns and operates 2,286 passenger automobiles. The State Department of Motor Vehicles records show that there are some 5,200 diamond E license plates issued and that roughly 70 per cent represent passenger vehicles, the remainder being trucks and road equipment. It is evident that the roster compiled by the Department of Finance is incomplete. A cursory examination of this roster reveals that the automobiles owned and operated by the University of California and the seven State colleges are omitted.

2. Although the summary does not indicate any state-owned automobiles operated by the Governor's office, an examination of the list shows that the Department of Motor Vehicles has purchased two Cadillac sedans and one Buick sedan and assigned them to the Governor's office. Likewise, the State Relief Administration has assigned a Buick sedan to the Governor's office.

3. A Pontiac sedan purchased by the Department of Finance at a cost of $1,156 (License plate E27-27) is assigned to the Lieutenant Governor, although his official duties do not call for automobile transportation.

4. Several State officials whose duties confine them to Sacramento have state owned automobiles assigned to them.

5. The Director of Penology received an allocation of $1,637 from the Emergency Fund on June 30, 1939 (the last day transfers from 1937-39 Emergency Fund could

be made) and bought a LaSalle, although it is questionable that this office requires this type of transportation.

Automobiles Used by Governor's Office.

During the 1939 session of the Legislature the Governor requested a considerable increase in the appropriation for the support of his office. He stated that his budget would be an honest one, implying that he would not borrow employees and equipment from other departments. An examination of the roster of state-owned automobiles prepared by the Department of Finance pursuant to Senate Resolution No. 17 does not indicate that the Governor's office has any automobiles, but the following vehicles purchased by other departments are assigned to the Governor:

Cadillac sedan, purchased on December 30, 1937, at cost of $3,660, bought by Department of Motor Vehicles.

Cadillac sedan, purchased on February 23, 1939, at cost of $4,130, bought by Department of Motor Vehicles.

Buick sedan, purchased on June 30, 1939, at cost of $2,569, bought by Department of Motor Vehicles.

Buick Sedan, purchased on December 23, 1938, at cost of $2,460, bought by State Relief Administration

Respectfully submitted

SENATOR METZGER.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, February 23, 1940

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Senate Concurrent Resolution No. 9—Relative to the illness of Newspaper Correspondent William H Jordan.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Senate Concurrent Resolution No 9 ordered to enrollment.

ASSEMBLY CHAMBER, SACRAMENTO, February 23, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 58—An act to amend sections 2, 3 and 4 of the Housing Cooperation Law, relating to aid by public bodies to housing projects undertaken pursuant to the California State Housing Authority Law, and providing that this act shall take effect immediately.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Bill No. 58 ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, February 23, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Assembly Joint Resolution No 21—Relative to memorializing the members of the Congress of the United States from California in connection with losses sustained by poultry fee suppliers in connection with rural rehabilitation programs.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Joint Resolution No 21 ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, February 23, 1940.

MR PRESIDENT: I am directed to inform your honorable body that the Assembly amended, and on this day passed as amended:

Senate Bill No. 61—An act to amend section 4 of an act entitled "An act defining industrial loan companies, providing for their incorporation, powers and super-

vision," approved May 18, 1917, relating to rates of interest and other charges on loans made by industrial loan companies;
And respectfully requests your honorable body to concur in said amendments.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk

Senate Bill No. 61 ordered placed on the unfinished business file.

Request for Permission to Introduce a Bill.

The following request for permission to introduce a bill was presented:

By Senators Phillips, Biggar, Mixter and Crittenden:

SENATE CHAMBER, SACRAMENTO, February 23, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment and providing for the expenditure thereof in conjunction with the Federal Government for the distribution of surplus commodities, declaring the urgency thereof to take effect immediately.

Respectfully submitted.

SENATOR PHILLIPS AND OTHERS.

Request referred to Committee on Rules.

Report of Standing Committee.

The following report of standing committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 23, 1940.

MR. PRESIDENT: Your Committee on Rules to which was referred the following request by Senators Phillips, Biggar, Mixter and Crittenden for permission to introduce a bill:

An act making appropriation for the relief of hardship and destitution due to and caused by unemployment and providing for the expenditure thereof in conjunction with the Federal Government for the distribution of surplus commodities, declaring the urgency thereof to take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the bill introduced and referred to Committee on Social Problems.

Committee membership—5; committee vote: Ayes—4; absent—1.

SEAWELL, Chairman.

Introduction, First Reading and Reference of Bills.

The following bill was introduced:

Senate Bill No. 82: By Senators Phillips, Biggar, Mixter and Crittenden—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment and providing for the expenditure thereof in conjunction with the Federal Government for the distribution of surplus commodities, declaring the urgency thereof to take effect immediately.

Senate Bill No. 82 read first time, and referred to Committee on Social Problems.

Further Proceedings Under Call of the Senate Dispensed With.

At five o'clock and forty minutes p.m., further proceedings under the call of the Senate were dispensed with, on motion of Senator Seawell.

Message from the Governor.

The following message from the Governor was received and read:

STATE OF CALIFORNIA, GOVERNOR'S OFFICE,
SACRAMENTO, February 23, 1940.

To the Honorable Members of the Senate,
Sacramento, California.

GREETINGS: I am returning herewith, without my signature, Senate Bill No. 81, entitled "An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, providing the conditions and terms upon which any expenditure for such relief may be made and declaring that this act shall take effect immediately." My objections are:

As I pointed out in my message to this special session of the Legislature, the curtailment of WPA employment since June 1, 1939, and the operation of other uncontrollable factors have greatly increased the number of cases entitled to State relief. Regardless of this fact, the amount of the appropriation made in this bill of $12,200,000 for the relief of hardship and destitution due to and caused by unemployment and the administration thereof until June 1, 1940, is about 19 per cent below actual expenditures for the same period of 1939. According to the estimates of the State Relief Administrator it will be necessary, if this bill becomes a law, to cut the relief allowances to those now on relief approximately 40 per cent below present budgetary allowances.

Present budget allowances now provide for relief on a mere subsistence basis. I can not approve a bill that will cut those allowances approximately 40 per cent and deny those dependent upon relief—some 369,000 persons, many of whom are women and children—the minimum necessities of existence.

I point out also that sufficient consideration appears not to have been given to the problems facing the State Relief Administration in the period between now and March 31. Under this bill the State Relief Administration is faced with the problem of not only carrying on relief, but of liquidating approximately 40 per cent of its program. According to the figures of the Relief Administrator, the administrative costs of direct relief in December was 15.1 per cent of about $5,500,000 Without the drastic reductions in the normal relief requirements, which this bill would impose, I would agree, as I recommended in my message, to a 15 per cent limitation on administrative costs. Under the provisions of Senate Bill No 81 an increase in the percentage of administrative costs is made necessary although a 15 per cent limitation thereon is made. There are certain costs which can not be eliminated or reduced. In order to keep within that limit it may be necessary to reduce rents and personnel by as much as 50 per cent. Thirty days notice must be given on the cancellation of leases. Property and equipment must be moved in order to contract the program and reduce operating costs.

It may be necessary to serve notices of dismissal on half of the employees Those who have been with the organization for six months or more are entitled to two weeks notice and accrued vacation time. It will be necessary to give notices of dismissal so that all accrued vacation time will have been paid out of the March pay roll.

The serving of notices of dismissal on 30 or 40 or 50 per cent of the personnel will inevitably cause great confusion. During this confusion and while offices and equipment are being moved, it will be necessary to go through 116,000 case files and adjust them to the new provisions of this act; such as provisions dealing with family budgets, aliens and the ownership of automobiles. It will not only be necessary to make adjustments based on changes in the present law, but it may be necessary to materially reduce the case load as well as to make horizontal cuts in relief budgets of as much as 40 per cent.

Another fundamental objection that I have to this bill is that it would, as is intended by its sponsors, defeat this administration's efforts to carry forward a program for the reemployment of persons on relief in public works projects, in the establishment of production projects and the development of self-help cooperatives, a program voted for by an overwhelming majority of the people as a sound, constructive method of solving the problem of unemployment relief and eventually doing away with the cash dole system, which places a heavy burden on the State and its tax resources.

As to other provisions of the act that are not related to the amount of the appropriation, sufficient consideration does not seem to have been given to families from other States who have lost their legal residence there, acquired legal residence here, and can not be returned to their State of origin.

Transportation costs may be provided to return those who have not lost their residence elsewhere but no provision is made for subsistence costs en route or subsistence costs while such families are awaiting the result of California's efforts to establish legal residence. The time required by other States to verify residence is a matter over which the relief administration has no control. It sometimes takes over 45 days to obtain verification of residence and consent to return.

It seems to me that any extension of the period of residence requirements should be effective at some future date and as a warning to the unemployed of other States that relief can not be obtained by establishing residence in California for less than the period fixed. Any such provision should be so qualified as not to deny relief to residents and citizens of this State who have become citizens and have been thrown out of employment, or have lost their investments since becoming California residents.

There are provisions in section 15 of the bill which I would strongly approve in any act, particularly subdivisions a, b, d and e. Such provisions are now being enforced as administrative policy. But provision c, and particularly provision f, impose restrictions on the rights and civil liberties of employees of the State Relief Administration that are not imposed upon employees of any other branch of the State Government and constitute, it seems to me, a serious interference with their fundamental civil liberties. Subdivision f, for instance, says that it shall be unlawful for any person employed in the Relief Administration to be an "active" member of political organization, or take an "active" part in political campaigns..

Is it "active" for any employee to attend a meeting of an organization to discuss economic or social questions that are involved in political campaigns? Is it "active" to discuss public issues or otherwise exercise the ordinary political rights of any citizen?

The word "active" is a relative term and may be interpreted to prevent the activity of attending any public meeting at which any public issue is discussed. What is "activity" as used in this bill? Do you know? Does anybody know? It seems to me that this provision, whatever its purpose, should not be enacted without a definition of the words "active" and "activity."

I would overlook these latter objections in the face of the present relief crisis, but the pronounced inadequacy for cash dole relief and the destruction of hope for reemployment, the loss to the State and to society, in terms of undernourished children, ill health, frustration, demoralization and crime, that this Senate Bill No. 81 would cause, are considerations so serious that I can not bring myself to a decision to approve it, however much I would like to be in accord with the final determination of a two-thirds vote of the Legislature on this or any other matter.

Respectfully submitted.

CULBERT L. OLSON,
Governor.

Sustaining Governor's Veto.

Message from the Governor announcing his objections to Senate Bill No. 81, read previously.

The question being: Shall Senate Bill No. 81 become a law, notwithstanding the objections of the Governor?

The roll was called, and the Senate refused to sustain the objections of the Governor by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Gordon, Hays, Holohan, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—30

NOES—Senators Foley, Garrison, Hollister, Kenny, and Shelley—5

Adjournment.

At five o'clock and forty-five minutes p.m., on motion of Senator Seawell, the President of the Senate declared the Senate adjourned, until eleven o'clock a.m., Saturday, February 24, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Saturday, February 24, 1940.

The Senate met at eleven o'clock a.m.
Hon. Ellis E. Patterson, President of the Senate, in the chair.
Secretary Joseph A. Beek at the desk

Roll Call.

The roll was called, and the following answered to their names:

Senators Brown, Crittenden, Cunningham, Deuel, Foley, Garrison, Gordon, Hays, Holohan, Keating, Kenny, Mayo, McBride, Metzger, Mixter, Myhand, Nielsen, Phillips, Powers, Seawell, Slater, and Wagy—22.

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev. A. Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Friday, February 23, 1940, the further reading was dispensed with, on motion of Senator Slater.

Leaves of Absence.

Senators Breed, Swing, McCormack and Jespersen were, on motion of Senator Seawell, granted leaves of absence for this day.

Privilege of Floor of Senate Extended.

On request of Senator Mixter, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mr. and Mrs. Roger Palmer and Miss Margaret Palmer, all of Sacramento.

On request of Senator Biggar, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mr. and Mrs. Elmo H. Adams, of Oakland.

On request of Senator Nielsen, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Betty Jane Hyman and June Hornstein, both of Berkeley, and Mr. and Mrs. Simon Hornstein, of Sacramento.

Reports of Standing Committee.

The following reports of standing committee were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 24, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 58—An act to amend sections 2, 3 and 4 of the Housing Cooperation Law, relating to aid by public bodies to housing projects undertaken pursuant to the California State Housing Authority Law;

Has had the same under consideration, and respectfully reports the same back, and recommends that the bill be re-referred to Committee on Social Problems.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Bill No. 58 read first time, and referred to Committee on Social Problems.

SENATE CHAMBER, SACRAMENTO, February 24, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Joint Resolution No 21—Relative to memorializing the members of the Congress of the United States from California in connection with losses sustained by poultry feed suppliers in connection with rural rehabilitation programs;

Has had the same under consideration, and respectfully reports the same back, and recommends that the resolution be placed on file.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman

Call of the Senate.

Senator Seawell moved a call of the Senate.

Motion carried.

The Secretary was directed to call the roll.

The roll was called, and the following answered to their names:

Senators Brown, Crittenden, Cunningham, Deuel, Foley, Garrison, Gordon, Hays, Holohan, Keating, Mayo, McBride, Metzger, Mixter, Myhand, Nielsen, Phillips, Powers, Seawell, Slater, and Wagy—21.

The Secretary announced the absentees.

Time, eleven o'clock and fifteen minutes a m.

The President of the Senate directed the Sergeant-at-Arms to close the doors.

The Sergeant-at-Arms having been furnished with the names of the absentees, was directed to bring them to the bar of the Senate.

Proceedings Under Call of the Senate.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, February 23, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day refused to sustain the Governor's veto to:

Senate Bill No. 81—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, providing the conditions and terms

upon which any expenditure for such relief may be made and declaring that this act shall take effect immediately.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

ASSEMBLY CHAMBER, SACRAMENTO, February 23, 1940

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 100—An act to add section 1305.4 to the Vehicle Code, relating to the taking of bail upon service of warrants;

Assembly Bill No. 61—An act making an appropriation to the Emergency Fund specified in Item 212 of the Budget Act of 1939 for the purpose of augmenting appropriations for the support of the government of the State, in order to provide for salary adjustments or increases for State officers and employees, and providing that this act shall take effect immediately;

Assembly Bill No. 106—An act making an appropriation to the Relief Administrator and the Relief Commission for the relief of hardship and destitution due to and caused by unemployment through the support of self-help cooperative organizations and associations.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

The above bills ordered referred to Committee on Rules

ASSEMBLY CHAMBER, SACRAMENTO, February 23, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day concurred in Senate amendments to:

Assembly Bill No. 2.
Assembly Bill No. 44.
Assembly Bill No. 69.
Assembly Concurrent Resolution No. 8.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

ASSEMBLY CHAMBER, SACRAMENTO, February 23, 1940

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly amended, and on this day passed as amended:

Senate Bill No. 67—An act to repeal section 10886 of, to amend section 10885 of, and to add sections 10885.1 to 10886, inclusive, to the Insurance Code, relating to contributions in the form of certificates of advancement;

And respectfully requests your honorable body to concur in said amendments.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Consideration of Assembly Amendments to Senate Bill No. 67.

The Senate took up for consideration Assembly amendments to Senate Bill No. 67.

Amendment No. 1.

On page 1, line 10, of the printed bill, after the word "State.", insert the following: "Commission or promotional expenses shall not be paid in connection with the advance of any such money to the insurer."

Amendment No. 2.

On page 2, line 13, of the printed bill, strike out ".", and insert in lieu thereof the following: "; provided, however, that a certificate of advancement shall not be issued to or for a beneficiary of any policy or certificate holder in whole or partial settlement of any claim under any policy or certificate and provided further that no such certificate of advancement shall be sold or issued to or for any beneficiary of a policy or certificate within one year of the time when such beneficiary has had accrued to him any claim under any policy or certificate."

Amendment No. 3.

On page 2, line 17, of the printed bill, after "sioner.", insert the following: "Interest on any certificate of advancement shall not exceed eight per cent per annum."

Amendment No. 4.

On page 2 of the printed bill, strike out all of lines 41, 42 and 43, and insert in lieu thereof the following: "At the option of the insurer Certificates of advancement must be redeemed in the order of their issuance."

Amendment No. 5.

On page 2, line 46, of the printed bill, strike out "plus ten", and insert in lieu thereof the following: "."

Amendment No. 6.

On page 2 of the printed bill, strike out all of lines 46 and 47.

Amendment No. 7.

On page 4, line 46, of the printed bill, strike out ", if there shall have been paid hereon pay-", and insert in lieu thereof the following: "."

Amendment No. 8.

On page 4 of the printed bill, strike out all of lines 47 and 48, and in line 49, strike out "cate) from the date hereof."

Amendment No. 9.

On page 4, line 51, of the printed bill, strike out "plus ten per cent".

The question being: Shall the Senate concur in Assembly amendments to Senate Bill No. 67?

The roll was called, and Assembly amendments to Senate Bill No. 67 concurred in by the following vote:

AYES—Senators Biggar, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Keating, Kenny, Mayo, McBride, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Shelley, Slater, Tickle, and Wagy—29.

NOES—None.

Senate Bill No. 67 ordered to enrollment.

Request for Permission to Offer a Joint Resolution.

The following request for permission to offer a Joint Resolution was presented:

By Senators Crittenden and Phillips:

SENATE CHAMBER, SACRAMENTO, February 24, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, we request permission to offer a Joint Resolution, the title of which is set forth below:

Relative to memorializing the President and the Congress of the United States to enact S. 2212, relating to the development of marketing and marketing services for farm commodities.

Respectfully submitted.

SENATORS CRITTENDEN AND PHILLIPS.

Request referred to Committee on Rules.

Report of Standing Committee.

The following report of standing committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 24, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following request by Senators Crittenden and Phillips for permission to offer a Joint Resolution:

Relative to memorializing the President and the Congress of the United States to enact S. 2212, relating to the development of marketing and marketing service for farm commodities.

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the resolution offered and placed on file.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Introduction, First Reading and Reference of Bills.

The following bill was introduced:

Senate Joint Resolution No. 6: By Senators Crittenden and Phillips—Relative to memorializing the President and the Congress of the United States to enact S 2212, relating to the development of marketing and marketing services for farm commodities.

Consideration of Senate Joint Resolution No. 6.

Senate Joint Resolution No. 6.

Relative to memorializing the President and the Congress of the United States to enact S. 2212, relating to the development of marketing and marketing services for farm commodities.

WHEREAS, The marketing of agricultural products is a matter of deep concern to the people of this State; and

WHEREAS, There is now pending before the Congress of the United States, a bill designated S 2212, to provide for the development of marketing and marketing services for farm commodities; and

WHEREAS, Said bill proposes to appropriate $5,000,000 to be apportioned to the several States for the purpose of organizing, fostering, promoting, and developing marketing and marketing services for farm commodities in order to provide a steady flow of standardized farm commodities to centers of distribution; and

WHEREAS, The purposes of said bill are in all respects desirable and the enactment of said bill would be highly beneficial to the agricultural industry of this State as well as other States, now, therefore, be it

Resolved by the Senate and the Assembly of the State of California, jointly, That the Legislature of the State of California hereby respectfully urges and memorializes the President and the Congress of the United States to enact S. 2212 now pending in the Congress; and be it further

Resolved, That the Secretary of the Senate is hereby directed to send copies of this resolution to the President and the Vice President of the United States, the Speaker of the House of Representatives, and to each member of the Senate and the House of Representatives in the Congress of the United States from California

Resolution read

The question being on the adoption of the resolution.

The roll was called, and Senate Joint Resolution No. 6 adopted by the following vote:

AYES—Senators Biggar, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Keating, Kenny, McBride, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—31.

NOES—None

Senate Joint Resolution No. 6 ordered transmitted to the Assembly.

Unfinished Business.

Senate Bill No. 61—An act to amend the title and section 4 of an act entitled "An act defining industrial loan companies, providing for their incorporation, powers and supervision," approved May 18, 1917,

relating to rates of interest and other charges on loans made by industrial loan companies.

Consideration of Assembly Amendments.

The Senate took up for consideration Assembly amendments to Senate Bill No. 61.

Amendment No. 1.

In line 1 of the title of the printed bill, as amended, after "amend", insert the following: "the title and".

Amendment No. 2.

On page 2 of the printed bill, as amended, strike out lines 9 to 14, inclusive, and insert in lieu thereof the following: "the total amount taken in advance for interest and such other compensation, including brokerage, (a) shall in no event exceed 1 per cent of the face amount of the loan for each full month for which the loan is made, and (b) if the loan is made for a period of less than one month, shall in no event exceed one-thirtieth of one per cent of the face amount of the loan for each day for which the loan is made.

Interest after the maturity of a loan may equal but shall not exceed the rate of 1 per cent per month on the unpaid amount of the loan.

The total interest and other compensation of an industrial loan company and of a broker or third party negotiator charged, contracted for or received by the company and the broker or negotiator in connection with a loan made by the company shall not exceed the maximum rate of interest and other compensation herein permitted."

Amendment No. 3.

On page 2 of the printed bill, as amended, after line 31, insert the following:

"SEC. 2 The title of said act is hereby amended to read as follows:

An act defining industrial loan companies; providing for their incorporation, powers and supervision; and regulating the rates of interest and other charges of industrial loan companies and brokers or third party negotiators in connection with loans made by such companies."

The question being: Shall the Senate concur in Assembly amendments to Senate Bill No. 61?

The roll was called, and Assembly amendments to Senate Bill No. 61 concurred in by the following vote:

AYES—Senators Biggar, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Keating, Kenny, Mayo, McBride, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—32.

NOES—None.

Senate Bill No. 61 ordered to enrollment.

Request for Permission to Offer a Joint Resolution.

The following request for permission to offer a Joint Resolution was presented:

By Senator Kenny:

SENATE CHAMBER, SACRAMENTO, February 24, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to offer a Joint Resolution, the title of which is set forth below:

Relative to urging the enactment of House of Representatives Bill No. 7447 now pending in the Congress of the United States, providing for Federal aid in the construction of the "T" tunnel project at San Pedro Harbor.

Respectfully submitted.

SENATOR KENNY.

Request referred to Committee on Rules.

Consideration of Daily File.
Third Reading of Assembly Bills.

Assembly Bill No. 50—An act to amend sections 2, 23, 24, 25, 26, 27, 28, 29, 30, 31, 37, 40, 41, 44, 54, 63, 67, 72 and 73 of the Gift Tax Act of 1939, to repeal section 76 thereof, and to add sections 2.3, 2.4, 6.5, 10.5, 12.5, 29.5, 39.5, 42 5, 43.3, 43.5, 44.5, 48 5, 53.5, 61.5 and 73.5 thereto, relating to the taxation of transfer of property and the administration of said act, to take effect immediately.

Bill read third time.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 50 passed by the following vote:

AYES—Senators Biggar, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hollister, Holohan, Keating, Kenny, Mayo, McBride, Metzger, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—30.

NOES—None.

Title read and approved.

Assembly Bill No. 50 ordered transmitted to the Assembly.

Assembly Joint Resolution No. 21.

Relative to memorializing the members of the Congress of the United States from California in connection with losses sustained by poultry feed suppliers in connection with rural rehabilitation programs.

WHEREAS, The United States Farm Security Administration in its activities connected with the rehabilitation and resettlement of poultry raisers in this State has permitted, and to some extent caused, great loss to a number of suppliers of poultry feed; and

WHEREAS, Many poultry raisers were, at the time rural rehabilitation programs were instituted, indebted to suppliers of feed in varying sums both secured and unsecured; and

WHEREAS, As a part of the plan to rehabilitate the poultry raisers the feed suppliers were prevailed upon to forego their legal rights and to sign nondisturbance agreements on the promise of Government agents in charge that the old obligations of the poultrymen would be liquidated and new purchases promptly paid for; and

WHEREAS, In many instances the flocks of poultrymen were replenished by poultry purchased and delivered to them by Government agents as part of the program, and feed was furnished for such poultry by feed suppliers upon the urgent request of, and the express promise of payment by, the Government agent in charge; and

WHEREAS, In many instances, when feed suppliers tried to collect their mounting accounts, they were persuaded to continue to supply feed for the poultry involved upon the promise of the Government agents in charge that the United States of America would save them harmless and upon the assurance that the credit of the United States was good; and

WHEREAS, The program of rehabilitating small farmers and poultry raisers through establishing or continuing them in the poultry raising business has proved, in great part, to have been a failure; and

WHEREAS, Certain of Government agents in charge of such rehabilitation programs have been discharged from the service and their promises and agreements repudiated; and

WHEREAS, The greatest item of the cost of raising poultry is in obtaining feed supplies, and in many instances poultry feed has been supplied in connection with such programs and has not been paid for; and

WHEREAS, The result has been and is that the suppliers of poultry feed are faced with a great loss, incurred through no fault of their own, and due to their willingness to cooperate with the Farm Security Administration and the agents thereof; and

WHEREAS, It appears proper that the foregoing conditions be called to the attention of the members of the Congress of the United States from California; now, therefore, be it

Resolved by the Assembly and the Senate of the State of California, jointly, That the Legislature of the State of California hereby memorializes the members of the Congress of the United States from California to investigate the matters referred to in this resolution and, after such investigation, to take such steps and proceedings, by legislation or otherwise, as shall appear appropriate to make restitution to the feed suppliers of this State who have sustained loss by reason of the matters set forth in this resolution; and be it further

Resolved, That the chief clerk of the Assembly is hereby instructed to transmit copies of this resolution to each member in the Congress of the United States from the State of California.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Joint Resolution No. 21 adopted by the following vote:

AYES—Senators Biggar, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Kenny, Mayo, McBride, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Shelley, Slater, Tickle, and Wagy—30.

NOES—None.

Assembly Joint Resolution No. 21 ordered transmitted to the Assembly.

Reports of Standing Committee.

The following reports of standing committee were received and read:

On Finance, Revenue and Taxation.

SENATE CHAMBER, SACRAMENTO, February 24, 1940.

MR PRESIDENT: Your Committee on Finance, Revenue and Taxation, to which was referred:

Assembly Bill No. 93—An act to amend section 13 of an act entitled "An act to provide for the regulation and licensing of horse racing, horse race meetings, and the wagering on the results thereof; to create the California Horse Racing Board for the regulation, licensing and supervision of said horse racing and wagering thereon; to provide penalties for the violation of the provisions of this act, and to provide that this act shall take effect upon the adoption of a constitutional amendment ratifying its provisions," approved June 5, 1933, relating to the allocation of money derived under the act;

Has had the same under consideration, and respectfully reports the same back, and recommends that it do pass

Committee membership—11; committee vote: Ayes—8; absent—3

TICKLE, Chairman.

SENATE CHAMBER, SACRAMENTO, February 24, 1940.

MR. PRESIDENT: Your Committee on Finance, Revenue and Taxation, to which was referred:

Assembly Bill No. 72—An act to create a joint legislative committee to study, investigate, survey and report to the Legislature regarding motor vehicles, including needed changes in the laws relating thereto, the enforcement of existing laws and the safe operation of vehicles upon the public highways, and making an appropriation to carry out the provisions of this act, to take effect immediately;

Has had the same under consideration, and respectfully reports the same back with amendments, and recommends that the amendments be adopted, and that it do pass as amended.

Committee membership—11; committee vote: Ayes—6; absent—5.

TICKLE, Chairman.

SENATE CHAMBER, SACRAMENTO, February 23, 1940.

MR. PRESIDENT: Your Committee on Finance, Revenue and Taxation, to which was referred:

Assembly Bill No. 94—An act to amend the title and to add sections 5, 6, 7 and 9 to "An act providing for a State exhibit at the Golden Gate International Exposition to be held in the San Francisco Bay region, California, in 1939, providing for the

construction of a State building or buildings therefor and the gardening and improvement of the surrounding grounds, creating a California Commission for the Golden Gate International Exposition to have charge and control of said State exhibit and building or buildings, defining its powers and duties and making an appropriation therefor," approved May 25, 1937, relating to the Golden Gate International Exposition, defining the powers and duties of the California Commission for the Golden Gate International Exposition, and making an appropriation, declaring the urgency thereof and providing that this act shall take effect immediately;
Has had the same under consideration, and respectfully reports the same back with amendments, and recommends that the amendments be adopted, and that it do pass as amended.

Committee membership—11; committee vote: Ayes—11.

TICKLE, Chairman.

Second Reading of Assembly Bills.

Assembly Bill No. 93—An act to amend section 13 of an act entitled "An act to provide for the regulation and licensing of horse racing, horse race meetings, and the wagering on the results thereof; to create the California Horse Racing Board for the regulation, licensing and supervision of said horse racing and wagering thereon; to provide penalties for the violation of the provisions of this act, and to provide that this act shall take effect upon the adoption of a constitutional amendment ratifying its provisions," approved June 5, 1935, relating to the allocation of money derived under the act.

Bill read second time, and ordered on file for third reading.

Assembly Bill No. 94—An act to amend the title and to add sections 5, 6, 7 and 9 to "An act providing for a State exhibit at the Golden Gate International Exposition to be held in the San Francisco Bay region, California, in 1939, providing for the construction of a State building or buildings therefor and the gardening and improvement of the surrounding grounds, creating a California Commission for the Golden Gate International Exposition to have charge and control of said State exhibit and building or buildings, defining its powers and duties and making an appropriation therefor," approved May 25, 1937, relating to the Golden Gate International Exposition, defining the powers and duties of the California Commission for the Golden Gate International Exposition, and making an appropriation, declaring the urgency thereof and providing that this act shall take effect immediately.

Consideration of Committee Amendments.

Pursuant to the report of the Committee on Finance, Revenue and Taxation, the following amendments to Assembly Bill No. 94 were read and adopted:

Amendment No. 1.

On page 2, line 9, of the printed bill, strike out "$516,266", and insert in lieu thereof the following: "$350,000".

Amendment No. 2.

On page 2, line 28, of the printed bill, after the word "exhibit", insert a comma, and strike out the balance of line 28, and strike out all of lines 29 and 30 down to and including the word "approve".

Amendment No. 3.

On page 3, line 30, of the printed bill, strike out "may", and insert in lieu thereof the following: "must".

Amendment No. 4.

On page 3, line 31, of the printed bill, strike out "$85,000", and insert in lieu thereof the following: "$100,000".

Amendment No. 5.

On page 3 of the printed bill, between lines 35 and 36, insert the following: "Not more than sixty thousand dollars of the amounts appropriated herein shall be used for the entertainment of distinguished guests and others".

Amendment No. 6.

On page 3, line 5, of the printed bill, after the word "authorized", insert a comma and the following: "with the approval of the Department of Finance,"

Amendment No. 7.

On page 3, line 14, of the printed bill, after the word "may", insert a comma and the following: "with the approval of the Department of Finance,".

Amendment No. 8.

On page 3, line 18, of the printed bill, after the word "authorized", insert a comma and the following. "with the approval of the Department of Finance,".

Bill read second time, ordered to print, and on file for third reading.

Assembly Bill No. 72—An act to create a joint legislative committee to study, investigate, survey and report to the Legislature regarding motor vehicles, including needed changes in the laws relating thereto, the enforcement of existing laws and the safe operation of vehicles upon the public highways, and making an appropriation to carry out the provisions of this act, to take effect immediately.

Consideration of Committee Amendment.

Pursuant to the report of the Committee on Finance, Revenue and Taxation, the following amendment to Assembly Bill No. 72 was read and adopted:

Amendment No. 1.

On page 2, line 2, of the printed bill, strike out "three", and insert in lieu thereof the following. "six"

Bill read second time, ordered to print, and on file for third reading.

Request for Permission to Offer a Concurrent Resolution.

The following request for permission to offer a Concurrent Resolution was presented:

By Senators Phillips and Seawell:

SENATE CHAMBER, SACRAMENTO, February 24, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, we request permission to offer a Concurrent Resolution, the title of which is set forth below:

Relative to a fact-finding committee on employment, and defining its powers and duties.

Respectfully submitted.

SENATORS PHILLIPS AND SEAWELL.

Request referred to Committee on Rules.

Motion to Withdraw from Committee.

Senator Seawell moved that the above request for permission to offer a resolution be withdrawn from Committee on Rules, the resolution offered, and placed on file.

Motion carried, and such was the order.

Introduction, First Reading and Reference of Bills.

The following bill was introduced:

Senate Concurrent Resolution No. 10: By Senators Phillips and Seawell—Relative to a fact-finding committee on employment, and defining its powers and duties.

Further Proceedings Under Call of the Senate Dispensed With.

At one o'clock and five minutes p.m., further proceedings under the call of the Senate were dispensed with, on motion of Senator Seawell.

Consideration of Senate Concurrent Resolution No. 10.

Senate Concurrent Resolution No. 10.

Relative to a fact-finding committee on employment, and defining its powers and duties.

WHEREAS, It is imperative that all pertinent facts bearing upon employment in California be found, assembled and analyzed, to the end that the Senate and Assembly and the members of each may be enabled to act advisedly in the formulation of a comprehensive and effective plan for the gainful employment of all able-bodied citizens of the State and in the consideration and enactment of legislation calculated to inaugurate such a plan and put it into immediate operation; and

WHEREAS, The facts can best and most expeditiously be ascertained and analyzed and such a plan formulated by the Legislature through a joint Fact-Finding Committee of the Senate and Assembly charged with the study of every phase of this subject during this session of the Legislature and any recesses thereof, reporting to the Legislature as soon as may be; and

WHEREAS, The Governor in his proclamation convening this Legislature in extraordinary session has specified among the subjects which have created or which bear upon this extraordinary occasion, The need for the appropriation and expenditure of moneys for unemployment relief (Item 1), a need for a State agency to undertake slum clearance and provide dwelling accommodations for persons of low income (Item 7), a need for extension of aid by public bodies to housing projects undertaken pursuant to the California State Housing Authority Law (Item 8), a need for soil conservation and the control of run-off and prevention of soil erosion (Item 12), a need for legislation fostering extension of the public use of tax deeded lands and also the restoration of tax deeded lands to private use, cultivation and production (Item 35), a need for legislation relating to advertising and sales promotion *in connection with marketing orders for agricultural commodities in furtherance* of increased sale and consumption of such commodities (Item 13), and a need for legislation providing revenues and means for the collection thereof for the State Government (Item 2), and His Excellency has elaborated thereon in his message delivered to the Legislature January 29, 1940; and it would appear that each of these asserted needs springs out of factors which point to fundamental underlying conditions affecting gainful enterprise and employment which demand intensive study and analysis if the Legislature is to discharge its responsibility of taking the best possible considered action upon and seeking the most nearly complete solution of the several problems embraced within these various subjects specified in the proclamation, now, therefore, be it

Resolved by the Senate of the State of California, the Assembly thereof concurring, That a committee on employment, designated "The Fact-Finding Committee," of seventeen members, consisting of the Speaker of the Assembly and eight other members of the Assembly appointed by the Speaker and the President Pro Tempore of the Senate and seven other members of the Senate appointed by the Committee on Committees thereof, is hereby created, which committee is authorized and directed to gather, assemble, study and analyze all facts relating to any and every phase of employment, with a view to formulating such a plan and preparing and submitting such legislative measures as will enable the State to bring about and assure the gainful employment in private enterprise of all of its able-bodied citizens, to which end the committee shall have and exercise the duty and power:

(1) To select a chairman from its membership and to employ and fix the compensation of a secretary and such clerical, expert and technical assistants as it may deem necessary;

(2) To create subcommittees from its membership, assigning to the subcommittee any study, inquiry, investigation or hearing which the committee itself has authority to undertake or hold, and the subcommittee for the purpose of this assignment shall have and exercise all of the powers conferred upon the committee limited by the express terms of the resolution or resolutions of the latter defining the powers and duties of the subcommittee, which powers may be withdrawn or terminated at any time by the committee;

(3) To adopt and from time to time amend such rules governing its procedure (including the fixing of its own quorum and the number of votes necessary to take action on any matter) as may to it appear appropriate;

(4) To contract with such other agencies, public or private, as it deems necessary for the rendition and affording of such services, facilities, studies and reports to the committee as will best assist it to carry out the purposes for which it is created,

(5) To hold public hearings at any place in California, at which hearings the people are to have an opportunity to present their views to the committee;

(6) To make a complete study, survey and investigation of every phase of the subject of this resolution, including but not limited to the operation, effect, administration, enforcement, and needed revision of any and all laws in any wise bearing upon or relating to the encouragement of increase of employment in private enterprise, the finding of jobs and placement of workers therein, the furtherance of apprentice training, vocational training and education or re-education, the relief of hardship and destitution due to and caused by unemployment or otherwise, the affording of unemployment insurance, or the discovery and the fostering of the discovery and development of new frontiers in industry, commerce or agriculture and new uses for the resources and products of the State, and the method, adequacy and efficiency of the functioning of any and all governmental agencies, State or local, in any way charged or concerned with the administration or enforcement of any such laws or any part of any thereof, and the competency and efficiency of the personnel of any such agency;

(7) To meet at any and all times during this session of the Legislature, whether the Senate or Assembly be actually then sitting or not, and at any and all places within the State, in the performance of its duties and in carrying out the objects and purposes of this resolution;

(8) To summon and subpena witnesses, require the production of papers, books, accounts, reports, documents, and records of every kind and description, to issue subpenas, and to take all necessary means to compel the attendance of witnesses and procure testimony;

(9) To report its findings and recommendations to the Senate and Assembly and to the people from time to time and at any time, and

(10) To do any and all other things necessary or convenient to enable it fully and adequately to exercise its powers, perform its duties, and accomplish the objects and purposes of this resolution; and be it further

Resolved, That the committee, each of its members, and any representative of the committee thereunto authorized by the committee or by its chairman, is authorized and empowered to administer oaths; and all of the provisions of Article VIII, Chapter II, Title I, Part III of the Political Code, relating to the attendance and examination of witnesses before the Legislature and committees thereof, apply to the committee hereby created; and be it further

Resolved, That the Sergeants-at-Arms of the Senate and of the Assembly and each of them or other officers designated by either of them, are hereby directed to serve any and all subpenas, orders and other process issued by the committee, when directed so to do by the chairman or by a majority of the membership of the committee; and be it further

Resolved, That every department, commission, board, agency, officer and employee of the State government and of any political subdivision, county, city, or public district of or in this State shall furnish the committee and any subcommittee, upon request, any and all such assistance, and information, records and documents as the committee or subcommittee deems proper for the accomplishment of the purposes for which the committee is created; and be it further

Resolved, That the members of the committee shall serve without compensation but shall be allowed mileage at the rate of five and one-half cents per mile each way incurred in connection with their services upon the committee and other actual and necessary expenses for living accommodations and meals, incurred in connection with their services upon the committee, or in lieu of such expenses for accommodations and meals an allowance of $8.00 per day; and be it further

Resolved, That the sum of thirty thousand dollars ($30,000) or so much thereof as may be necessary is hereby made available from the contingent funds of the Senate and of the Assembly for the expenses of the committee and its members and for any charges, expenses or claims it may incur under this resolution, to be paid equally from the contingent funds of the Senate and of the Assembly and

disbursed, after certification by the chairman of the committee, upon warrants drawn by the State Controller upon the State Treasurer.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Concurrent Resolution No. 10 adopted by the following vote:

AYES—Senators Biggar, Collier, Crittenden, Cunningham, DeLap, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Keating, Kenny, Mayo, McBride, Metzger, Mixter, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—29

NOES—None.

Senate Concurrent Resolution No. 10 ordered transmitted to the Assembly.

Reports of Standing Committee.

On Rules.

SENATE CHAMBER, SACRAMENTO, February 24, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 106—An act making an appropriation to the Relief Administrator and the Relief Commission for the relief of hardship and destitution due to and caused by unemployment through the support of self-help cooperative organizations and associations, declaring the urgency thereof, to take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that the bill be referred to the Committee on Social Problems.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 24, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 61—An act making an appropriation to the Emergency Fund specified in Item 212 of the Budget Act of 1939 for the purpose of augmenting appropriations for the support of the government of the State, in order to provide for salary and wage adjustments for State employees receiving less than one hundred fifty dollars per month and providing that this act shall take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that the bill be referred to the Committee on Finance, Revenue and Taxation.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 24, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 100—An act to add section 135.4 to the Vehicle Code, relating to the taking of bail upon service of warrants,

Has had the same under consideration, and respectfully reports the same back, and recommends that the bill be referred to the Committee on Governmental Efficiency.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 24, 1940.

MR PRESIDENT Your Committee on Rules to which was referred the following request by Senator Kenny for permission to offer a Joint Resolution

Relative to urging the enactment of House of Representatives Bill No 7447 now pending in the Congress of the United States, providing for Federal aid in the construction of the "T" tunnel project at San Pedro Harbor;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted the Joint Resolution be offered and referred to Committee on Governmental Efficiency

SEAWELL, Chairman

Introduction, First Reading and Reference of Bills.

The following bill was introduced:

Senate Joint Resolution No. 7: By Senator Kenny—Relative to urging the enactment of House of Representatives Bill No. 7447 now

pending in the Congress of the United States, providing for Federal aid in the construction of the "T" tunnel project at San Pedro Harbor.

Senate Joint Resolution No. 7 read, and referred to Committee on Governmental Efficiency.

Adjournment.

At one o'clock and twelve minutes p.m., on motion of Senator Seawell, the President of the Senate declared the Senate adjourned, until ten o'clock a.m., Sunday, February 25, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Sunday, February 25, 1940.

The Senate met at ten o'clock a m.
Hon. Ellis E Patterson, President of the Senate, in the chair
Secretary Joseph A Beck at the desk.

Roll Call.

The roll was called, and the following answered to their names:

Senators Biggar, Brown, Crittenden, Cunningham, DeLap, Deuel, Foley, Garrison, Gordon, Holohan, Mayo, Mixter, Myhand, Phillips, Powers, Quinn, Rich, Seawell, Slater, Tickle, and Wagy—21

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev A Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Saturday, February 24, 1940, the further reading was dispensed with, on motion of Senator Slater.

Privilege of Floor of Senate Extended.

On request of Senator Mixter, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mrs. Frank W. Mixter, Miss Doris Randall and Chester F. Mixter.

Call of the Senate.

Senator Seawell moved a call of the Senate.
Motion carried.
The Secretary was directed to call the roll.
The roll was called, and the following answered to their names:

Senators Biggar, Brown, Crittenden, Cunningham, DeLap, Deuel, Foley, Garrison, Gordon, Holohan, Mayo, Mixter, Myhand, Phillips, Powers, Quinn, Rich, Seawell, Slater, Tickle, and Wagy—21.

The Secretary announced the absentees
Time, ten o'clock and five minutes a.m.

The President of the Senate directed the Sergeant-at-Arms to close the doors.

The Sergeant-at-Arms having been furnished with the names of the absentees, was directed to bring them to the bar of the Senate.

Proceedings Under Call of the Senate.
Reports of Standing Committees.

The following reports of standing committees were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 25, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Concurrent Resolution No. 9—Relative to the illness of newspaper correspondent William H. Jordan;

And reports that the same has been correctly enrolled and presented to the Governor on the twenty-fourth day of February, 1940, at two o'clock p.m.

SEAWELL, Chairman.

On Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, February 24, 1940

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Assembly Bill No. 62—An act to submit to the people at the general election in November, 1940, amendments proposed to the Constitution of the State of California by the extraordinary session of the Legislature, to take effect immediately,

Has had the same under consideration, and respectfully reports the same back, and recommends that it do pass.

Committee membership—11; committee vote: Ayes—7; absent—4.

HAYS, Chairman.

SENATE CHAMBER, SACRAMENTO, February 24, 1940

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Assembly Joint Resolution No. 20—Relative to memorializing the President and the Congress of the United States to expedite the Santa Fe Retarding Basin Project;

Assembly Joint Resolution No. 17—Relative to memorializing the President and the Congress of the United States in relation to legislation providing aid for disabled persons;

Has had the same under consideration, and respectfully reports the same back, and recommends that they be adopted.

Committee membership—11; committee vote: Ayes—8; absent—3.

HAYS, Chairman.

Consideration of Daily File.
Third Reading of Assembly Bills.

Assembly Bill No. 72—An act to create a joint legislative committee to study, investigate, survey and report to the Legislature regarding motor vehicles, including needed changes in the laws relating thereto, the enforcement of existing laws and the safe operation of vehicles upon the public highways, and making an appropriation to carry out the provisions of this act, to take effect immediately.

Amendment from the Floor.

During third reading of Assembly Bill No. 72 the following amendment, offered by Senator Tickle, was read and adopted:

Amendment No. 1.

On page 2 of the printed bill, as amended, strike out lines 47 to 50, inclusive, and insert in lieu thereof the following:

"SEC. 6. For the purpose of carrying out the provisions of this act the sum of two thousand five hundred dollars is hereby appropriated as follows: seven hundred

fifty dollars from the contingent fund of the Senate, and one thousand seven hundred fifty dollars from the contingent fund of the Assembly."

Bill read, ordered to print, and on file for third reading.

Assembly Bill No. 94—An act providing for State and county exhibits at the Golden Gate International Exposition to be held in the San Francisco Bay region, California, providing for the construction of a State building or buildings therefor and the gardening and improvement of the surrounding grounds, providing for the disposition or demolition of buildings, exhibits, and other property upon the termination of the exposition, creating a California Commission for the Golden Gate International Exposition to have charge and control of such exhibits and such building or buildings, defining its powers and duties and making an appropriation therefor.

Amendment from the Floor.

During third reading of Assembly Bill No. 94 the following amendment, offered by Senator Tickle, was read and adopted:

Amendment No. 1.

On page 3, lines 33 and 34, of the printed bill, as amended, strike out "the commission must expend not to exceed "$100,000", and insert in lieu thereof the following: "$100,000, if expended by the commission, shall only be expended".

Bill read second time, ordered to print, and on file for third reading.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, February 24, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No 7—An act to add section 13109.5 to the Health and Safety Code, relating to the powers and duties of the State Fire Marshal in the furnishing of fire protection and prevention service at the hospitals, institutions and schools in the State Department of Institutions, and making an appropriation therefor;

Assembly Bill No. 90—An act to amend sections 5, 6 and 13 of an act entitled "An act to provide for the regulation and licensing of horse racing, horse race meetings, and the wagering on the results thereof; to create the California Horse Racing Board for the regulation, licensing and supervision of said horse racing and wagering thereon; to provide penalties for the violation of the provisions of this act, and to provide that this act shall take effect upon the adoption of a constitutional amendment ratifying its provisions," approved June 5, 1933, relating to the administration of the act, providing for the designation of a chairman of the California Horse Racing Board and for salaries of the chairman and other members of said board, increasing the amount allocated for administration of the act, and providing for a fund to be expended at the sole discretion of the board for enforcement of the act, and increasing the salary of the secretary of said board.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W BOOTH, Assistant Clerk.

The above bills ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, February 23, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Assembly Concurrent Resolution No. 14—Calling upon the State Relief Administration to cooperate with the agricultural industry in obtaining employment for the unemployed;

Assembly Concurrent Resolution No. 15—Relative to the winning of the Santa Anita Derby by Sweepida, a California bred, California owned, and California piloted symbol of the equine superiority of the Golden State

JACK CARL GREENBURG, Chief Clerk of Assembly
By C. W. BOOTH, Assistant Clerk

The above resolutions ordered referred to Committee on Rules

Reports of Standing Committee.

The following reports of standing committee were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 25, 1940

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 7—An act to add section 13109.5 to the Health and Safety Code, relating to the powers and duties of the State Fire Marshal in the furnishing of fire protection and prevention service at the hospitals institutions and schools in the State Department of Institutions, and making an appropriation therefor;

Assembly Bill No. 90—An act to amend sections 5, 6 and 13 of an act entitled "An act to provide for the regulation and licensing of horse racing, horse race meetings, and the wagering on the results thereof, to create the California Horse Racing Board for the regulation, licensing and supervision of said horse racing and wagering thereon; to provide penalties for the violation of the provisions of this act, and to provide that this act shall take effect upon the adoption of a constitutional amendment ratifying its provisions," approved June 5, 1933, relating to the administration of the act, providing for the designation of a chairman of the California Horse Racing Board and for salaries of the chairman and other members of said board, increasing the amount allocated for administration of the act, and providing for a fund to be expended at the sole discretion of the board for enforcement of the act, and increasing the salary of the secretary of said board;

Has had the same under consideration, and respectfully reports the same back, and recommends that the bills be re-referred to the Committee on Finance, Revenue and Taxation.

Committee membership—5; committee vote: Ayes—4; absent—1

SEAWELL, Chairman

Assembly Bill No. 7 read first time, and referred to Committee on Finance, Revenue and Taxation.

Assembly Bill No. 90 read first time, and referred to Committee on Finance, Revenue and Taxation.

SENATE CHAMBER, SACRAMENTO, February 25, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred

Assembly Concurrent Resolution No. 14—Calling upon the State Relief Administration to cooperate with the agricultural industry in obtaining employment for the unemployed;

Assembly Concurrent Resolution No. 15—Relative to the winning of the Santa Anita Derby by Sweepida, a California bred, California owned, and California piloted symbol of the equine superiority of the Golden State;

Has had the same under consideration, and respectfully reports the same back, and recommends that the bills be placed on file.

Committee membership—5; committee vote: Ayes—4; absent—1.

SEAWELL, Chairman

Further Proceedings Under Call of the Senate Dispensed With.

At eleven o'clock a.m., further proceedings under the call of the Senate were dispensed with, on motion of Senator Seawell.

Third Reading of Assembly Bills (Resumed).

Assembly Bill No. 94—An act to amend the title and to add sections 5, 6, 7 and 9 to "An act providing for a State exhibit at the Golden Gate International Exposition to be held in the San Francisco Bay

region, California, in 1939, providing for the construction of a State building or buildings therefor and the gardening and improvement of the surrounding grounds, creating a California Commission for the Golden Gate International Exposition to have charge and control of said State exhibit and building or buildings, defining its powers and duties and making an appropriation therefor," approved May 25, 1937, relating to the Golden Gate International Exposition, defining the powers and duties of the California Commission for the Golden Gate International Exposition, and making an appropriation, declaring the urgency thereof and providing that this act shall take effect immediately.

Bill read third time.

Urgency Clause.

SEC. 6. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution and shall therefore go into immediate effect. A statement of the facts constituting such necessity is as follows:

The Golden Gate International Exposition in 1940 is scheduled to open on May 25, 1940, and in order to enable the State to participate in and to secure the success of the exposition it is necessary that expenditures by the California Commission for the Golden Gate International Exposition commence immediately. The holding of the exposition in 1940 will cause large numbers of persons from other States and from other parts of the world to visit California, and the expenditures for food, shelter, transportation and pleasure by such visitors will immediately increase the prosperity of the State, provide employment for many residents in this State, and correspondingly will decrease hardship and destitution among its inhabitants. Unless this act takes effect immediately and expenditures commence forthwith it will be impossible for the exposition to reopen, which would not only result indirectly in continued unemployment for many persons but would involve disastrous losses to creditors of the exposition held in 1939.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, and Wagy—31.

NOES—None.

The question being on the passage of the bill.

The roll was called.

Call of the Senate.

Pending the announcement of the vote, Senator Shelley moved a call of the Senate.

Motion carried.

The Secretary was directed to call the roll.

The roll was called, and the following answered to their names:

Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Quinn, Rich, Seawell, Shelley, Slater, and Wagy—31.

The Secretary announced the absentees.

Time, eleven o'clock and five minutes a.m.

The President of the Senate directed the Sergeant-at-Arms to close the doors.

The Sergeant-at-Arms having been furnished with the names of the absentees, was directed to bring them to the bar of the Senate.

Proceedings Under Call of the Senate.
Third Reading of Assembly Bills (Resumed).

Assembly Bill No. 93—An act to amend section 13 of an act entitled "An act to provide for the regulation and licensing of horse racing, horse race meetings, and the wagering on the results thereof; to create the California Horse Racing Board for the regulation, licensing and supervision of said horse racing and wagering thereon; to provide penalties for the violation of the provisions of this act, and to provide that this act shall take effect upon the adoption of a constitutional amendment ratifying its provisions," approved June 5, 1933, relating to the allocation of money derived under the act.

Bill read third time.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 93 refused passage by the following vote:

AYES—Senators Breed, Garrison, Hays, Shelley, and Wagy—5.
NOES—Senators Biggar, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Gordon, Holohan, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, and Tickle—28.

Further Proceedings Under Call of the Senate Dispensed With.

At eleven o'clock and fifteen minutes a.m., further proceedings under the call of the Senate were dispensed with, on motion of Senator Shelley.

The names of the absentees were called, and Assembly Bill No. 94 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Deuel, Fletcher, Foley, Garrison, Holohan, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, and Tickle—27.
NOES—Senators Cunningham, DeLap, Gordon, Hays, Mixter, and Wagy—6.

Title read and approved.

Assembly Bill No. 94 ordered transmitted to the Assembly.

Senate Resolution No. 31.

The following resolution was offered:

By Senator Crittenden:

Resolved by the Senate of the State of California, That there is hereby made available to the Senate Building and Loan Expenditure Investigating Committee (created by Senate Resolution No. 22, adopted by the Senate on February 12, 1940) in addition to any money otherwise made available to that committee, the sum of $1,000, or so much thereof as may be necessary, from the Contingent Fund of the Senate for expenses of the committee and its members, and for any charges, expenses or claims it may incur under said resolution, to be disbursed, after certification by the chairman of the committee, upon warrants drawn by the Controller upon the Treasurer.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 31 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Gordon, Hays, Holohan, Keating, Kenny, Mayo, McBride,

McCormack, Metzger, Mixter, Myhand, Nielsen, Phillips, Powers, Seawell, Shelley, Slater, Tickle, and Wagy—29

NOES—None

Senate Resolution No. 32.

The following resolution was offered:

By Senator Tickle:

Resolved, That the following named persons be and the same are hereby stricken from the pay roll of the Senate on the completion of work on February 24, 1940.

Joseph F. Nolan, Sergeant-at-Arms;
Harry Jordan, Bookkeeper;
A. Raymond Grant, Chaplain;
James Boyd Garrison, Minute Clerk;
Maitland Pennington, Assistant Secretary;
John Lea, Assistant Secretary;
Robert G Alderman, Engrossing and Enrolling Clerk,
N. L Levering, Journal Clerk;
Vera L Frank, Chief Stenographer;
Vera Fowler, Stenographer;
Flora Gilliam, Stenographer;
Genevieve Dalton, Stenographer;
Frank H. Moore, Assistant Sergeant-at-Arms;
Desmond Sullivan, Assistant Sergeant-at-Arms.

Resolution read, and on motion of Senator Tickle, adopted

Leaves of Absence.

Senator Swing was, on motion of Senator Rich, granted leave of absence for this day

Senator Jespersen was, on motion of Senator Gordon, granted leave of absence for this day.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, February 25, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Assembly Concurrent Resolution No. 16—Calling upon the State Planning Board to make a study of housing needs in California;

Assembly Concurrent Resolution No. 18—Relative to a recess of the Senate and Assembly of the State of California;

Assembly Concurrent Resolution No. 19—Relative to Works Projects Administration sewing projects.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W BOOTH, Assistant Clerk

The above resolutions ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, February 24, 1940

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Senate Bill No 65—An act making an appropriation for the establishment of aviation facilities for the California National Guard, declaring the urgency of this act, to take effect immediately.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W BOOTH, Assistant Clerk

Senate Bill No. 65 ordered to enrollment.

ASSEMBLY CHAMBER, SACRAMENTO, February 24, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day concurred in Senate amendments to:

Assembly Bill No. 50.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

ASSEMBLY CHAMBER, SACRAMENTO, February 24, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Senate Joint Resolution No 6—Relative to memorializing the President and the Congress of the United States to enact S. 2212, relating to the development of marketing and marketing services for farm commodities;

Senate Concurrent Resolution No. 10—Relative to a fact-finding committee on employment, and defining its powers and duties.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Senate Joint Resolution No 6 ordered to enrollment.

Senate Concurrent Resolution No. 10 ordered to enrollment.

Request for Permission to Offer a Concurrent Resolution.

The following request for permission to offer a Concurrent Resolution was presented:

By Senators Phillips, Crittenden, Cunningham, Foley, Metzger, Mixter, Nielsen, Shelley, McBride, Biggar and Wagy:

SENATE CHAMBER, SACRAMENTO, February 25, 1940.

MR PRESIDENT: In accordance with the provisions of the standing rules of the Senate, we request permission to offer a Concurrent Resolution, the title of which is set forth below:

Relative to encouraging and aiding the self-help cooperative movement.

Respectfully submitted.

SENATOR PHILLIPS AND OTHERS.

Request for Unanimous Consent.

Senator Phillips asked for and was granted unanimous consent for the consideration of the above resolution, without reference to Committee on Rules for purposes of introduction and adoption.

Introduction, First Reading and Reference of Bills.

The following bill was introduced:

Senate Concurrent Resolution No. 11: By Senators Phillips, Crittenden, Cunningham, Foley, Metzger, Mixter, Nielsen, Shelley, McBride, Biggar and Wagy—Relative to encouraging and aiding the self-help cooperative movement.

Communication.

The following communication was received from Committee on Social Problems, read, and on motion of Senator Phillips ordered printed in the Journal:

The following motion was made, seconded and carried unanimously by the Senate Committee on Social Problems, meeting in Room 414 at three o'clock p.m. on February 24, 1940:

That no further action be taken on Assembly Bill No. 106 until after recess, and that it be placed as the first order of business after the Facts Finding Committee makes its report; and further, that the committee pass a Senate resolution directing that $25,000 of the $122,000 set aside in Senate Bill No. 81 for the use of cooperatives be delegated for the use of the non-

grant cooperatives, and that the restrictive features of this bill, Assembly Bill No. 106, be included in this resolution, and that all members of the committee sign the resolution

PHILLIPS, Chairman

Consideration of Senate Concurrent Resolution No. 11.

Senator Phillips asked for, and was granted, unanimous consent for the consideration of Senate Concurrent Resolution No. 11, without reference to committee for purposes of adoption.

Senate Concurrent Resolution No. 11.

Relative to encouraging and aiding the self-help cooperative movement

WHEREAS, The problem of administering aid for the relief of hardship and destitution without impairing the morale and work habits of the recipients of such aid is of much concern to the citizens of this State; and

WHEREAS, Direct relief is admitted by all to offer no permanent solution of the problem; and

WHEREAS, Production projects for the unemployed which compete with private industry present certain dangers to employed citizens and tax payers; and

WHEREAS, The self-help cooperative movement offers the possibility of a safe and workable method for aiding the unemployed to retain their skill and develop their abilities while they earn their subsistence, now, therefore, be it

Resolved by the Senate of the State of California, the Assembly thereof concurring, That it is the intent and the desire of the Legislature of the State of California, and the Relief Commission and the Relief Administrator are respectfully urged and requested to comply therewith that the self-help cooperative movement should be encouraged and aided, subject to the limitation that self-help cooperative organizations and associations so aided may sell, exchange, or otherwise dispose of their products only to (i) the Relief Administrator and the Relief Commission, (ii) persons receiving relief under the California Unemployment Relief Act of 1935, or other public assistance laws, and (iii) other self-help cooperative organizations and associations eligible for assistance under this act, and be it further

Resolved, That it is the intent and desire of the Legislature of the State of California, and the Relief Commission and the Relief Administrator are respectfully urged and requested to comply therewith, that in administering such aid to self-help cooperative organizations and associations the administration of aid to nongrant self-help cooperative organizations and associations shall be separated from the administration of aid to grant and semi-grant self-help cooperative organizations and associations; and be it further

Resolved, That it is the intent and the desire of the Legislature of the State of California, and the Relief Commission and the Relief Administrator are respectfully urged and requested to comply therewith, that the sum of twenty-five thousand dollars ($25,000) out of the moneys appropriated by Chapter 12 of the Statutes of 1940, or so much thereof as may, in the opinion of the Relief Commission and the Relief Administrator, be necessary, shall be expended, or administered through a revolving fund, for aid to nongrant self-help cooperative organizations and associations; and be it further

Resolved, That the Secretary of the Senate is hereby directed to deliver copies of this resolution to the members of the Relief Commission and to the Relief Administrator.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Concurrent Resolution No. 11 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Keating, Kenny, Mayo, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—32.

NOES—None.

Senate Concurrent Resolution No. 11 ordered transmitted to the Assembly.

Senate Resolution No. 33.

The following resolution was offered:

By Senator Tickle:

WHEREAS, The Legislature of the State of California assembled in extraordinary session will be at recess from February 25, 1940, to May 13, 1940; and

WHEREAS, It will be necessary for the Secretary of the Senate during such period of recess to conduct the business of the Senate and perform the duties provided by law, the standing rules of the Senate and resolutions adopted by the Senate and to employ certain necessary assistance incident thereto; therefore be it

Resolved, That the Comptroller be and he is hereby authorized and directed to draw his warrants in favor of the Secretary of the Senate and in favor of officers and employees who render services to the Senate as certified weekly by the Secretary, from the fund set aside for the pay of officers and employees of the Senate at the per diem provided by law, and the Treasurer is hereby directed to pay the same.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 33 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—32.

NOES—None.

Senate Resolution No. 34.

The following resolution was offered:

By Committee on Contingent Expenses:

Resolved, That the Controller be and he is hereby authorized and directed to draw his warrant on the contingent fund of the Senate in the sum of $1,102.77 in favor of the Secretary of the Senate to pay the bills and for the purposes set forth below, and the Treasurer is directed to pay the same, vouchers for all expenditures to be filed with the Controller

River Lines, freight	$1 14
Schwabacher Frey, ring binders	74 16
Department of Finance, mimeographing and pro rata telephone	59 11
Pacific Telephone and Telegraph Co.	82 67
Western Union	92 73
Postal Telephone and Cable Co.	66 15
Bureau of Purchases, supplies	137 13
Claude G. Putnam, illuminating resolutions	240 00
H. S. Crocker Co	8 45
Carithers Sign Co.	6 50
Postage	200 00
Railway Express Agency	10 44
Geo M. Hammond, typewriter rentals	90 00
Zellerbach Paper Co.	10 50
Art Morris, keys	1 00
Department of Penology, teletype charges	10 29
Cascade Towel Supply	12 50

KEATING, Chairman
HOLOHAN.
SEAWELL

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 34 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—32.

NOES—None.

Senate Resolution No. 35.

The following resolution was offered:

By Committee on Contingent Expenses:

Resolved, That the Controller be and he is hereby authorized and directed to draw his warrant on the contingent fund of the Senate in a sum of two thousand dollars ($2,000) in favor of Joseph A. Beek, Secretary of the Senate, and the Treasurer is hereby directed to pay the same, for postage, telephone service, telegraph service, supplies, rental of typewriters, illuminating resolutions, traveling expenses and any other incidental expenses in connection with conducting the business of the Senate during the recess between February 25, 1940, and May 13, 1940

The Secretary of the Senate is instructed to file with the Controller receipts covering all expenditures made hereunder.

KEATING, Chairman.
HOLOHAN.
SEAWELL.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 35 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—32

NOES—None.

Reports of Standing Committee.

The following reports of standing committee were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 25, 1940

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Bill No. 61—An act to amend the title and section 4 of an act entitled "An act defining industrial loan companies, providing for their incorporation, powers and supervision," approved May 18, 1917, relating to rates of interest and other charges on loans made by industrial loan companies;

Senate Bill No. 67—An act to repeal section 10886 of, to amend section 10885 of, and to add sections 10885.1 to 10886, inclusive, to the Insurance Code, relating to contributions in the form of certificates of advancement;

And reports that the same have been correctly enrolled and presented to the Governor on the twenty-fifth day of February, 1940, at eleven o'clock a.m.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 25, 1940

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Concurrent Resolution No. 16—Calling upon the State Planning Board to make a study of housing needs in California;

Assembly Concurrent Resolution No. 19—Relative to Works Projects Administration sewing projects;

Has had the same under consideration, and respectfully reports the same back, and recommends that the concurrent resolutions be referred to Committee on Social Problems.

Committee membership—5; committee vote, Ayes—5.

SEAWELL, Chairman

Assembly Concurrent Resolutions Nos. 16 and 19 read, and referred to Committee on Social Problems.

SENATE CHAMBER, SACRAMENTO, February 25, 1940

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Concurrent Resolution No. 18—Relative to a recess of the Senate and Assembly of the State of California;

Has had the same under consideration, and respectfully reports the same back, and recommends that the Assembly concurrent resolution be placed on file.

Committee membership—5; committee vote, Ayes—5.

SEAWELL, Chairman.

Consideration of Assembly Concurrent Resolution No. 18.

Assembly Concurrent Resolution No. 18.

Relative to a recess of the Senate and Assembly of the State of California.

WHEREAS, The Legislature of the State of California is convened in extraordinary session, which commenced on the twenty-ninth day of January, 1940, pursuant to a proclamation of the Governor of the State of California, as provided by section 9 of Article V of the Constitution of the State of California; and

WHEREAS, The Senate and the Assembly of the State of California find it necessary and desirable to recess until not later than the thirteenth day of May, 1940, and

WHEREAS, It may be necessary in the interests of the State for such recess of the Senate and the Assembly to terminate prior to said thirteenth day of May, 1940; and

WHEREAS, The Constitution of the State of California provides that neither house shall, without the consent of the other, adjourn for more than three days; now, therefore, be it

Resolved by the Assembly of the State of California, the Senate thereof concurring, That the Assembly hereby consents to the adjournment of the Senate for a period of more than three days, as more particularly herein set forth; and be it further

Resolved, That the Senate hereby consents to the adjournment of the Assembly for a period of more than three days, as more particularly herein set forth; and be it further

Resolved, That the Senate and the Assembly of the State of California shall adjourn at twelve o'clock noon on the twenty-fifth day of February, 1940, and the Legislature and each house thereof shall thereupon recess until the thirteenth day of May, 1940, and shall convene at twelve o'clock noon on said thirteenth day of May, 1940, unless sooner reconvened as hereinafter provided; and be it further

Resolved, That in the event it appears to the Speaker of the Assembly and to the President Pro Tempore of the Senate to be for the best interests of the State that the Legislature and the Senate and Assembly thereof reconvene on a day prior to said thirteenth day of May, 1940, they are expressly authorized and directed to call the Legislature and the Senate and Assembly thereof together to convene on a day and at an hour to be specified by them jointly in a notice of reconvening of the Legislature and the Senate and Assembly thereof. Duplicate copies of such notice shall be prepared and signed by the Speaker of the Assembly and the President Pro Tempore of the Senate. One copy shall be delivered to the Secretary of the Senate and the other copy shall be delivered to the Chief Clerk of the Assembly. Such delivery shall be made at least three days prior to the day set in the notice for such reconvening. Copies of the notice forthwith shall be mailed by the Secretary of the Senate to each member of the Senate at the home address for such member as shown by the records of the Secretary and copies shall be mailed by the Chief Clerk of the Assembly to each member of the Assembly at the home address for such member as shown by the records of the Chief Clerk. Following the giving of such notice of reconvening and the mailing of copies thereof, as herein provided, the Legislature and the Senate and Assembly thereof shall thereupon reconvene on the day and at the hour specified in such notice. The affidavits of the Secretary of the Senate and of the Chief Clerk of the Assembly that copies of any such notice were severally received by them and mailed to the members as herein provided shall be conclusive evidence of the facts therein stated.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Concurrent Resolution No. 18 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Gordon, Holohan, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—30.

NOES—Senator Garrison—1

Assembly Concurrent Resolution No. 18 ordered transmitted to the Assembly.

Third Reading of Assembly Bills (Resumed).

Assembly Bill No. 72—An act to create a joint legislative committee to study, investigate, survey and report to the Legislature regarding motor vehicles, including needed changes in the laws relating thereto, the enforcement of existing laws and the safe operation of vehicles upon the public highways, and making an appropriation to carry out the provisions of this act, to take effect immediately.

Bill read third time.

Urgency Clause.

SEC. 7. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the State Constitution and shall, therefore, go into immediate effect. A statement of the facts constituting such necessity is as follows:

A swelling stream of traffic over the highways of this State has created problems that require an early solution

Traffic accidents have increased to alarming proportions, reckless and careless driving have taken a huge and appalling toll in life and property, traffic law enforcement has become more and more complicated. In desperation citizens everywhere are calling out to the Legislature for succor and relief.

The gravity of the situation necessitates a thorough study and complete investigation of its underlying causes, on the basis of which this Legislature can act wisely and judiciously in framing corrective legislation in 1941. As a consequence, and because the time remaining for such study and investigation is so short, it is imperative that this act go into effect at the earliest possible date.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Gordon, Hays, Holohan, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, and Wagy—30.

NOES—None.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 72 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Gordon, Hays, Holohan, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, and Wagy—30.

NOES—None.

Title read and approved.

Assembly Bill No. 72 ordered transmitted to the Assembly.

Senate Resolution No. 36.

The following resolution was offered:

By Senator Phillips:

Resolved by the Senate, That the Legislative Counsel is hereby directed to prepare a Subject List of all bills, constitutional amendments, and resolutions heretofore introduced in either the Senate or Assembly at the Fifty-third (extraordinary) Session of the Legislature commencing January 29, 1940; and be it further

Resolved, That copies of said Subject List be mailed to the members of the Legislature immediately upon publication thereof; and be it further

Resolved, That the Secretary of the Senate is hereby instructed to cause to be printed not to exceed one thousand copies of said Subject List, the cost thereof to be paid from the legislative printing appropriation

Resolution read, and on motion of Senator Phillips, adopted.

Senate Resolution No. 37.

The following resolution was offered:

By Committee on Contingent Expenses:

Resolved, That there is hereby appropriated out of the Contingent Fund of the Senate fifty dollars ($50), or so much thereof as may be needed, for the purpose of purchasing boxes, packing, mailing and expressing all papers and documents belonging to Senators to their places of residence. The Sergeant-at-Arms of the Senate shall cause this work to be done and shall file with the Controller of the State vouchers covering the different items of expense, whereupon the Controller shall draw his warrant or warrants in favor of the Sergeant-at-Arms of the Senate for the amount necessarily expended, and the Treasurer is directed to pay the same.

KEATING, Chairman.
HOLOHAN.
SEAWELL.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 37 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Myhand, Nielsen, Parkman, Powers, Rich, Seawell, Slater, and Wagy—28.

NOES—None.

Approval of Journals.

The Senate Journals of Monday, February 19, 1940; Tuesday, February 20, 1940; Wednesday, February 21, 1940; Thursday, February 22, 1940; Friday, February 23, 1940; Saturday, February 24, 1940; were, on motion of Senator Seawell, approved as corrected by the Journal Clerk and Minute Clerk.

Second Reading of Assembly Bill No. 62.

Assembly Bill No. 62—An act to submit to the people at the general election in November, 1940, amendments proposed to the Constitution of the State of California by the extraordinary session of the Legislature, to take effect immediately.

Bill read second time, and ordered on file for third reading.

Resolution.

The following resolution was offered:

By Senator Foley:

Resolved, That Assembly Bill No 62 presents a case of urgency, as that term is used in Section 15 of Article IV of the Constitution, and the provision of that section requiring that the bill shall be read on three several days in each House is hereby dispensed with, and it is ordered that said bill be read the third time, and placed upon its passage.

Resolution read.

The question being on the adoption of the resolution

The roll was called, and the Resolution adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Keating, Kenny, Mayo, McBride,

McCormack, Metzger, Mixter, Parkman, Phillips, Powers, Rich, Seawell, Slater, and Wagy—27.
NOES—None.

Bill read third time.

Urgency Clause.

SEC. 3. The provisions of Division IV, Chapter 1, and Division VI, Chapter 2, of the Elections Code, so far as they are applicable, are incorporated herein by reference and made a part of this act for submission of the proposed amendments to the people with the same force and effect as if the proposed amendments were expressly mentioned in these provisions of the Elections Code.

SEC. 4 This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety and shall, therefore, under the provisions of section 1 of Article IV of the Constitution, take effect immediately. The facts constituting such necessity are as follows:

The Legislature in extraordinary session has considered and proposed to the people certain amendments to the Constitution relating to matters vitally affecting the welfare of the State and its citizens. In order that the people may be informed of the contents and of the arguments for and against these proposed constitutional amendments, it is necessary that this act take effect immediately. Thus this information can be prepared for the voters prior to the election at which these constitutional amendments are to be submitted, and the right to vote may be exercised intelligently with full knowledge of the facts, thereby effectively safeguarding public peace, health and safety.

Urgency clause read

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Rich, Seawell, Slater, and Wagy—29.
NOES—None.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No 62 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Powers, Rich, Seawell, Slater, and Wagy—29.
NOES—None

Title read and approved.

Assembly Bill No 62 ordered transmitted to the Assembly.

Third Reading of Assembly Bills (Resumed).
Assembly Concurrent Resolution No. 15.

Relative to the winning of the Santa Anita Derby by Sweepida, a California bred, California owned, and California piloted symbol of the equine superiority of the Golden State.

WHEREAS, The world has long been informed of the undoubted fact that the State of California excels in the production of everything that man may need or want; and

WHEREAS, On Washington's birthday, 1940, Sweepida, a California bred horse won the Santa Anita Derby and thus demonstrated again that California can, when it gets around to it, produce running horses equal, if not superior, to all of the rest; and

WHEREAS, The scintillating triumph of Sweepida was truly an all-California victory as this nimble-footed son of Sweepster, out of Rapida, was piloted by Ralph Neves, San Francisco jockey, and is owned by that sterling Stockton sportsman, H. C. (Dutch) Hill; and

WHEREAS, Sweepida was foaled at Walnut Creek and raised near Stockton and is living proof of the boundless kindness of nature which blesses San Joaquin County,

and adds to the already abundant evidence that San Joaquin County is one of the garden spots of the State, and consequently of the world; and

WHEREAS, The State, the racing industry, the owner, the jockey, the handlers, and all persons connected in any way with Sweepida (including the holders of two-dollar win tickets worth sixty-eight dollars and sixty cents) should feel elated at the stellar performance of this stalwart son of this sunny State; now, therefore, be it

Resolved by the Assembly of the State of California, the Senate thereof concurring, That the Legislature of the State of California hereby expresses its satisfaction and delight in the victory of Sweepida in the Santa Anita Derby, and congratulates his owner, H. C. (Dutch) Hill, and his trainer, Lawrence Staples of Stockton, California; and be it further

Resolved, That the Chief Clerk of the Assembly is hereby directed to forward a copy of this resolution, suitably prepared, to said H. C. (Dutch) Hill

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Concurrent Resolution No. 15 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, DeLap, Fletcher, Foley, Garrison, Gordon, Hays, Kenny, Mayo, McBride, McCormack, Metzger, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, and Wagy—26.

NOES—Senators Cunningham, Deuel, and Keating—3.

Assembly Concurrent Resolution No. 15 ordered transmitted to the Assembly.

Assembly Joint Resolution No. 20.

Relative to memorializing the President and the Congress of the United States to expedite the Santa Fe Retarding Basin Project.

WHEREAS, The Flood Control Act, approved June 22, 1936, and as amended by the act approved May 15, 1937, authorized the construction of reservoirs and principal flood channels in Los Angeles County drainage area in the State of California at an estimated cost not to exceed $70,000,000.00; and

WHEREAS, The War Department has selected Santa Fe Retarding Basin (San Gabriel River) as one of the projects to be constructed under the above mentioned authorization; and

WHEREAS, It appears from the records of the office of the engineers of the Department of War in Los Angeles that their work has been completed sufficiently for construction bids, and that such engineering work and estimates have been forwarded to the office of Major General J. L. Schley, Chief of Engineers of the War Department in Washington, D. C.; and

WHEREAS, It appears that the War Department's District Engineering Office, in charge of Edwin C. Kelton, estimates that the Santa Fe Retarding Basin Project will not only prevent further vast property damages and probable loss of life, but will directly and indirectly employ between ten thousand and twelve thousand persons, with probably twenty-five hundred persons for four to five years on construction operations; and

WHEREAS, To expedite the construction of this important flood control project, and to alleviate the suffering of thousands of unemployed persons in the county of Los Angeles, as well as the burden of the taxpayers in providing relief therefor, rights-of-way and land acquisition costs should be included in the Federal appropriation, as well as the cost of the construction of the aforesaid project; now, therefore, be it

Resolved, by the Assembly and the Senate of the State of California, jointly, That the Legislature of the State of California hereby memorializes the President and the Congress of the United States to expedite as an emergency act, if possible, the appropriation of funds to secure rights-of-way, and land and for construction costs necessary to start the construction of the Santa Fe Retarding Basin Project, so that further danger of loss of property and human life may be averted, and labor so abundantly idle in Los Angeles County, California, in which area said project is situated and so urgently in need of employment, may be put to work; and be it further

Resolved, That the Chief Clerk of the Assembly is hereby directed to transmit a copy of this resolution to the President and Vice President of the United States,

to the Speaker of the House of Representatives, and to each Senator and Representative in the Congress of the United States from California

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Joint Resolution No. 20 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Keating, Kenny, Mayo, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, and Wagy—30

NOES—None.

Assembly Joint Resolution No. 20 ordered transmitted to the Assembly.

Assembly Concurrent Resolution No. 14.

Calling upon the State Relief Administration to cooperate with the agricultural industry in obtaining employment for the unemployed.

WHEREAS, The agricultural industry in California can offer seasonal employment to a great number of persons; and

WHEREAS, Making such opportunities for employment available to persons receiving relief from the State Relief Administration will reduce the State expenditure for relief, provide healthful and invigorating work for relief clients, and promote their self respect and moral responsibility; now, therefore, be it

Resolved by the Assembly of the State of California, the Senate thereof concurring, That the State Relief Administration cooperate with the agricultural industry, and in particular with the Sugar Beet Growers Association and any organized group of farm workers, for the purpose of encouraging and promoting the employment of relief recipients in agricultural pursuits; and be it further

Resolved, That all other State agencies having to do with the placement of agricultural labor cooperate with the State Relief Administration and the agricultural industry in placing relief recipients in all available agricultural employment.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Concurrent Resolution No. 14 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Keating, Kenny, Mayo, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, and Wagy—29.

NOES—None.

Assembly Concurrent Resolution No. 14 ordered transmitted to the Assembly.

Assembly Joint Resolution No. 17.

Relative to memorializing the President and the Congress of the United States in relation to legislation providing aid for disabled persons.

WHEREAS, There is a growing recognition of the duty on the part of government to provide for the welfare of individuals who are handicapped; and

WHEREAS, Under State or Federal laws aid is freely given to persons who are aged, to persons who are blind, to children, and to a more limited extent to persons who are deaf; and

WHEREAS, Vast expenditures of money have been and are being made for aid to healthy adults whose necessity for such aid arises solely because of unemployment; and

WHEREAS, There is in this country a great number of persons in need of financial aid and assistance by reason of physical infirmities and disabilities, and

WHEREAS, There exists no provision for Federal aid to disabled persons generally; and

WHEREAS, Persons who are unable to provide for themselves because of physical disabilities and handicaps are frequently faced with destitution and may be provided for only on the basis of absolute pauperism, and then only in public institutions, and

WHEREAS, Persons suffering from physical disabilities and infirmities rendering them incapable of self support should be treated in the same manner and on the same favorable terms as other persons suffering from handicaps; now, therefore, be it

Resolved by the Assembly and the Senate of the State of California, jointly, That the Legislature of the State of California hereby respectfully urges, requests, and memorializes the President and the Congress of the United States to enact such legislation as will provide for financial and other aid to persons who are in need thereof because of physical disabilities and infirmities; and be it further

Resolved, That the Chief Clerk of the Assembly is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, and to each Senator and Member of the House of Representatives from California in the Congress of the United States.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Joint Resolution No. 17 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Myhand, Nielsen, Parkman, Phillips, Rich, Seawell, Slater, and Wagy—28.

NOES—None.

Assembly Joint Resolution No. 17 ordered transmitted to the Assembly.

Withdrawal from Committee of Assembly Concurrent Resolution No. 19.

Senator Phillips moved that Assembly Concurrent Resolution No. 19 be withdrawn from Committee on Social Problems for purpose of adoption.

Motion carried, and such was the order.

Consideration of Assembly Concurrent Resolution No. 19.

Assembly Concurrent Resolution No. 19.

Relative to Works Projects Administration sewing projects.

WHEREAS, The Works Projects Administration maintains and operates sewing projects employing persons eligible for unemployment relief under the California Unemployment Relief Act of 1935, and

WHEREAS, Such employment is rehabilitating and the expenditures therefor are economical and conserve the appropriations for unemployment relief made by the State of California; now, therefore, be it

Resolved, That the Relief Administration and the Relief Commission are hereby requested to expend from the appropriation for the relief of hardship and destitution due to and caused by unemployment so much of the money as is necessary and legally available for the maintenance and continuation of the Works Projects Administration sewing projects to the fullest extent necessary to employ all persons legally eligible for such projects.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Concurrent Resolution No. 19 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, and Wagy—31.

NOES—None.

Assembly Concurrent Resolution No. 19 ordered transmitted to the Assembly.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, February 25, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day concurred in Senate amendments to:

Assembly Bill No. 94.

Assembly Bill No. 72.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

ASSEMBLY CHAMBER, SACRAMENTO, February 25, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted.

Senate Concurrent Resolution No. 11—Relative to encouraging and aiding the self-help cooperative movement.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Senate Concurrent Resolution No. 11 ordered to enrollment.

Report of Standing Committee.

The following report of standing committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, February 25, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Bill No. 65—An act making an appropriation for the establishment of aviation facilities for the California National Guard, declaring the urgency of this act, to take effect immediately;

Senate Concurrent Resolution No. 10—Relative to a fact-finding committee on employment, and defining its powers and duties;

Senate Concurrent Resolution No. 11—Relative to encouraging and aiding the self-help cooperative movement;

Senate Joint Resolution No. 6—Relative to memorializing the President and the Congress of the United States to enact S. 2212, relating to the development of marketing and marketing services for farm commodities;

And reports that the same have been correctly enrolled and presented to the Governor on the twenty-fifth day of February, 1940, at eleven o'clock and thirty minutes a.m.

SEAWELL, Chairman

Motion.

Senator Seawell moved that the Secretary of the Senate be instructed to have copies of the proposed new standing rules of the Senate, as the same appeared in the Senate Journal of February 17th, and also pro-

posed joint rules as revised, bound separate from the journal and to mail a copy thereof to each member of the Senate.

Motion carried, and such was the order.

Senate Resolution No. 38.

The following resolution was offered:

By Senator Foley:

Resolved, That the President of the Senate appoint a committee of three to notify the Governor that the Senate is ready to adjourn for the recess provided by Assembly Concurrent Resolution No. 18, and to ask His Excellency if he has any communication to submit to the Senate.

Resolution read and, on motion of Senator Foley, adopted.

Appointment of Special Committee.

The President announced, in accordance with the above resolution, the appointment of Senators Foley, Kenny and Rich.

Senate Resolution No. 39.

The following resolution was offered.

By Senator Powers:

Resolved, That the President of the Senate appoint a committee of three to notify the Assembly that the Senate is ready to adjourn for the recess provided by Assembly Concurrent Resolution No. 18 and to ask the Assembly if it has any communication to submit to the Senate.

Resolution read and, on motion of Senator Powers, adopted.

Appointment of Special Committee.

The President announced, in accordance with the above resolution, the appointment of Senators Powers, Breed and McBride.

Reports of Standing Committee.

The following reports of standing committee were received and read:

On Committees—Appointment of Special Investigating Committees.

SENATE CHAMBER, SACRAMENTO, February 25, 1940.

MR. PRESIDENT. Your Committee on Committees appoints the following Senators as members of the Special Senate Investigating Committee created under Senate Resolution No. 29:

Senators Metzger, Powers, Gordon, Collier and Kenny

The first named Senator is hereby designated to be chairman of the said committee.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 25, 1940.

MR. PRESIDENT: Your Committee on Committees appoints the following Senators as Senate members of the Joint Legislative Committee to investigate unemployment problems, created under Senate Concurrent Resolution No. 10:

Senators Phillips, Nielsen, Wagy, Deuel, Mixter, Mayo and Brown.

The first named Senator to be chairman of the Senate committee.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, February 25, 1940.

MR. PRESIDENT: Your Committee on Committees hereby appoints Senators Slater, Breed and Quinn as members of Motor Vehicle Investigating Committee created by Assembly Bill No. 72.

The first named Senator to be chairman of the Senate committee.

MR. PRESIDENT: The appointment of the above named Senators to the committee created under Assembly Bill No 72 is contingent upon the Governor signing this bill and the same becoming law, in full force and effect.

SEAWELL, Chairman.

Communication.

The following communication was received, read, and on motion of Senator Seawell ordered printed in the Journal:

STATE OF CALIFORNIA, DEPARTMENT OF PUBLIC WORKS,
SACRAMENTO, February 24, 1940.

To the Senate of the State of California,
State Capitol, Sacramento, California.

Subject: *Senate Resolution No. 19.*

GENTLEMEN: On February 8, 1940, a copy of Senate Resolution No. 19, relative to Chapter 670, Statutes of 1939, was received by Mr. Frank W. Clark, Director of Public Works. This resolution requested a complete and detailed report upon past and proposed activities of the Division of Water Resources in aid of the construction of the Central Valley Project, pursuant not only to Chapter 670, but to funds currently available for the same purposes from any other source.

In compliance with the request contained in the Senate Resolution, Director Clark on February 14, 1940, transmitted to the Secretary of the Senate, a report thereon, accompanied by several exhibits. The letter transmitting this report was printed in the Senate Journal of February 16. On February 19, the Senate Journal contains a report by Senator Metzger, entitled "Audit of report submitted by Department of Public Works pursuant to Senate Resolution No. 19." This audit critically reviews the report of the Department of Public Works and concludes with the statement. "In brief, the report does not comply with Senate Resolution No. 19."

The report in question was prepared under the direction of the undersigned. With the approval of Director Clark there are submitted herein comments on the audit prepared by Senator Metzger, in order to correct inaccurate and misleading statements contained therein, and to set the true facts before the Senate.

It is herein contended that the report submitted by the Department of Public Works does comply fully and adequately with the requests contained in that resolution.

The resolution requests:

(a) A statement of the efforts in aid of the construction of the Central Valley Project prosecuted by the Division of Water Resources pursuant to Chapter 670, Statutes of 1939, from the effective date thereof to the date of the adoption of this resolution.

(b) A statement of the efforts presently being prosecuted, and

(c) also the efforts proposed to be prosecuted for the remainder of the biennium.

(d) A statement showing the total amount expended by the Division of Water Resources in carrying out the provisions of Chapter 670, Statutes of 1939;

(e) the specific purposes for which such expenditures were made and *whether such expenditures were made from the appropriation contained in said chapter or from any other source* (emphasis supplied);

(f) the unexpended balance of the appropriation made by Chapter 670, Statutes of 1939;

(g) *the amount of any other money currently available to carry out the provisions thereof,* (emphasis supplied);

(h) and so far as may be, the particular amounts for particular purposes proposed to be expended during the remainder of the biennium;

(i) that an itemized statement be rendered concerning budgeted amounts in connection with Chapter 670 of the Statutes of 1939.

The answer to item (a) above is set forth fully and in detail in the report of the Department of Public Works, pages 8 to 14, inclusive. The answer to item (b) is given in page 15 of that report by reference to particular items contained in the answer to item (a). The answer to item (c) is contained in a program of work contained in Exhibit 8 of the report.

The answers to the requests contained in items (d), (e), (f), and (g), above, are set forth fully in Exhibits 6 and 7 of the report, to which reference is made. The information requested in item (h) is set forth in detail in Exhibit 8 of the same report. The foregoing matters are summarized and fully explained in the report itself, pages 2 to 7, inclusive.

In regard to the request contained in item (i) above, the funds appropriated by Chapter 670 were budgeted with funds available from the support item of the budget of the Division of Water Resources and the funds which may be made available from the Central Valley Project Construction Fund. The latter two funds are or would be available for the same purposes as those which were appropriated for Chapter 670; that is, for the objects and purposes of the Central Valley Project Act of 1933, as

amended, and would be utilized in performing work as set forth in the program approved by the Water Project Authority on January 24, 1940. For this reason, it was deemed unnecessary for budget purposes to segregate the funds appropriated by Chapter 670 from other funds available for the same purposes.

Therefore, a careful examination of Senate Resolution No. 19 and of the report of the Department of Public Works shows that the report complies with the requests contained in the resolution.

Consideration will now be given to the audit by Senator Metzger, contained in the Journal of February 19.

The audit states that the resolution was directed to obtain the answers to three questions as follows:

(1) How much of the $100,000 appropriation has been expended to date?

(2) For what purposes was the money expended in carrying out the intentions of the appropriation?

(3) What plans have been made with respect to spending the balance of the appropriation?

It is submitted at the outset that the resolution itself states what is desired in the report and that other information besides the above three items noted was wanted, including data relative to funds other than those available under Chapter 670. Therefore, the report went into detail and answered many more questions than the three enumerated above.

The audit states that question No. 1, as listed, was answered.

As to question No. 2, with respect to what the money was spent for, the audit states that the report does not answer the question concerning the exact purposes for which $24,932 was spent. Answering this point, the report gives in Exhibit 7 a complete and accurate financial statement to February 1, 1940, of all funds expended under Chapter 670. It shows each and every employee by months and all expenses other than payroll are also shown in detail. Also, pursuant to the resolution, all expenditures for the same purposes from funds other than Chapter 670, are shown in Exhibit 6 in similar detail. Likewise in the text of the report itself, pages 8 to 14, inclusive, is given a complete statement of work performed by the Division of Water Resources from July 1, 1939, to February 1, 1940, with the funds provided by Chapter 670, and from other sources available for the purpose of furthering the Central Valley Project. Therefore, it is submitted that the report fully and adequately complies with the request of the resolution in these particulars.

The audit in commenting on question No 3 as to future plans states that the report is vague and that question No. 3 is answered only in part and then only in general terms. This statement is entirely unsupported by the facts. Exhibit 8 of the report sets forth in considerable detail the exact program to be followed for the remainder of the biennium with funds available from Chapter 670 and other funds. It is supported by a complete budget and organization chart showing all positions, both present and proposed. This program, with the exception of one item, was approved by the Water Project Authority at its meeting on January 24, 1940. It is a complete statement and fully complies with the request in the resolution.

Following the comment on these three questions the audit states:

"An examination of the report discloses certain inconsistencies and administrative neglect in carrying out the provisions of Chapter 670."

Four items are cited.

Item 1 states that none of the appropriation was used to finance trips to Washington, D. C. This statement is irrelevant since such trips are not mentioned in Chapter 670 nor in the resolution.

Item 2 states that most of the funds expended from Chapter 670 were used to pay the salaries of regular employees of the Division of Water Resources, and that but two new positions were added since July 1, 1939. This statement is irrelevant The work was carried forward with regular as well as new employees from the standpoint of highest efficiency.

Item 3 states that two reports, Nos. 11 and 14, are dated June and May, 1939, and therefore could not have been financed from Chapter 670. These engineering reports were submitted merely as typical of the large number of reports put out in this period and while it is true that they carry the dates of May and June, 1939, they were in fact completed after July 1, 1939. Report No. 11 was transmitted to the Bureau of Reclamation on August 17, 1939, and No. 14 on July 22, 1939 Another report, No. 13, was completed and transmitted to the Bureau of Reclamation on September 7, 1939. These reports were completed from funds of Chapter 670 as shown by the records of this office. In addition other reports were prepared entirely from Chapter 670 funds.

Item 4 is a repetition of the criticism under Question 3, regarding the future plans and concludes "The Department has not set forth its plans for spending the balance of the appropriation contained in Chapter 670" This is fully answered

under Question 3. The plans are clearly and completely set forth in the report

Particular exception is taken to the conclusions of the audit, which states that the report does not contain a concise statement showing the exact accomplishments resulting from funds expended from Chapter 670, or what is expected to be accomplished in the future therefrom, and finally that the report does not comply with Senate Resolution No. 19. All of these points have been previously answered herein. The report is further criticised in the conclusions of the audit because it presents a voluminous mass of detail relating to Central Valley Project activities in general. In order to make a report thoroughly responsive to the resolution it was necessary to submit much detail. This was done in the report, which accurately and faithfully portrays the entire situation

It is submitted that the audit of February 19, by Senator Metzger, is incorrect or irrelevant on most points; that its main criticisms are entirely unsupported by the facts, and that a careful review of this report of the Department of Public Works will show that the report presents the facts accurately and completely, and does fully comply with Senate Resolution No. 19.

Very sincerely yours,

EDWARD HYATT.
State Engineer.

APPROVED:
FRANK W. CLARK.
Director of Public Works.

Report of Committee.

Senator Powers, as chairman of the committee appointed to inform the Assembly of the readiness of Senate to adjourn for the recess, as provided in Assembly Concurrent Resolution No. 18, reported that the committee had delivered the message to the Assembly and had been requested by the Assembly to inform the Senate that the Assembly had no further communications to transmit, as they were prepared to adjourn for the recess.

Report of Committee.

Senator Foley, as chairman of the committee appointed to wait upon the Governor and inform him of the readiness of the Senate to adjourn for the recess, as provided in Assembly Concurrent Resolution No 18, reported that they had performed their duty.

Message from the Assembly.

At eleven o'clock and fifty-eight minutes p.m., a committee from the Assembly consisting of Mrs Daley and Messrs Desmond and Doyle, appeared at the bar of the Senate and announced that the Assembly had no further communications to transmit to the Senate and was now prepared to adjourn for the recess, as provided in Assembly Concurrent Resolution No. 18.

Approval of Minutes.

The minutes of this legislative day, Sunday, February 25, 1940, were, on motion of Senator Seawell, approved as corrected by the Minute Clerk.

Adjournment.

Whereupon at twelve o'clock noon, on motion of Senator Seawell, in accordance with the provisions of Assembly Concurrent Resolution No 18, the President of the Senate declared the Fifty-third (extraordinary)

Session of the Senate adjourned until twelve o'clock noon Monday, May 13, 1940, unless sooner reconvened in accordance with the provisions of Assembly Concurrent Resolution No. 18.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE

FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Monday, May 13, 1940.

Pursuant to Assembly Concurrent Resolution No. 18, providing for the reconvening of the Legislature after the recess, the Senate met at twelve o'clock noon.

Hon. Ellis E. Patterson, President of the Senate, in the chair.

Secretary Joseph A. Beek at the desk.

Roll Call.

The roll was called, and the following answered to their names:

Senators Biggar, Breed, Brown, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—33.

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev. A. Raymond Grant.

Leave of Absence.

Senator DeLap was, on motion of Senator Metzger, granted leave of absence for this day.

Senate Resolution No. 40.

The following resolution was offered:

By Senator Kenny:

Resolved, That the President of the Senate appoint a special committee of three to notify the Governor that the Senate has reconvened for the Fifty-third (first extraordinary) session, pursuant to Assembly Concurrent Resolution No. 18, and is now ready to receive any communication he may have to make.

Resolution read, and on motion of Senator Kenny, adopted.

Appointment of Special Committee.

The President announced, in accordance with the above resolution, the appointment of Senators Kenny, Shelley and Rich.

Senate Resolution No. 41.

The following resolution was offered:

By Senator Breed:

Resolved, That the President of the Senate appoint a special committee of three to notify the Assembly that the Senate has reconvened for the Fifty-third (extraordinary) session, pursuant to Assembly Concurrent Resolution No. 18, and is ready to proceed with the business of the State.

Resolution read, and on motion of Senator Breed, adopted.

Appointment of Special Committee.

The President announced, in accordance with the above resolution, the appointment of Senators Breed, Nielson and Quinn.

Senate Resolution No. 42.

The following resolution was offered:

By Senator Tickle:

Resolved, That the following named persons previously elected to the statutory offices set forth below be and the same are hereby directed to reassume their official duties. The compensation set opposite their names is to be payable weekly and the Controller is hereby directed to draw his warrants for the same amounts and the Treasurer is hereby directed to pay the same.

Joseph F. Nolan, Sergeant-at-arms	$8 00
J. Boyd Garrison, Minute Clerk	9 00
Rev. A. Raymond Grant, Chaplain	4 00

Compensation to begin on the day following adjournment of the Fifty-third (second extraordinary) session.

Resolution read.

The question being on the adoption of the resolution.

The roll was called and Senate Resolution No. 42 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Jespersen, Keating, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Seawell, Slater, Swing, Tickle, and Wagy—28.

NOES—None.

Senate Resolution No. 43.

The following resolution was offered:

By Senator Tickle:

Resolved, That the following named persons be and they are hereby appointed to the positions hereinafter set forth as provided by law, with the compensation set opposite their names, payable weekly, and the Controller is hereby directed to draw his warrants in favor of the respective persons for the same respective amounts, and the Treasurer is hereby directed to pay the same:

	Six days per week
Maitland S. Pennington, Assistant Secretary	$7 00
John F. Lea, Assistant Secretary	7 00
Robert Alderman, Engrossing and Enrolling Clerk	7 00
Harry Jordan, Bookkeeper to Sergeant-at-Arms	5 00
N. L. Levering, Journal Clerk	7 00
Vera Frank, Chief Stenographer	6 00
Howard S. McIntire, History Clerk	7 00
Belle Tomasini, Stenographer	5 00

Compensation to begin on the day following adjournment of the Fifty-third (second extraordinary) session.

Resolution read.

The question being on the adoption of the resolution.

The roll was called and Senate Resolution No. 43 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Cluttenden, Cunningham, Deuel, Fletcher, Foley, Gordon, Hays, Hollister, Jespersen, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Seawell, Slater, Swing, Tickle, and Wagy—29.

NOES—None.

Message from the Governor.

The following message from the Governor was received and read:

STATE OF CALIFORNIA, GOVERNOR'S OFFICE,
SACRAMENTO, May 13, 1940.

To the Honorable Members of the Senate, State of California,
State Capitol, Sacramento, California

GREETINGS: Pursuant to the provisions of section 312 of the Political Code of California, you are hereby notified that the bills hereinafter listed were returned without my signature and, together with a statement of my objections thereto, were returned to the members of the Senate designated below:

Senate Bill	*Date Returned*	*Returned to*
47	February 26, 1940 4.15 p.m.	Senator John F Shelley
76	March 1, 1940 5.20 p m.	Senator Roy J. Nielsen
67	March 6, 1940 1.00 p.m.	Senator Roy J. Nielsen

Respectfully submitted

CULBERT L. OLSON,
Governor of California

Communication.

The following communication was received, read, and ordered printed in the Journal:

STATE OF CALIFORNIA, DEPARTMENT OF FINANCE,
SACRAMENTO, February 26, 1940

Honorable Members of the Senate, State of California,
State Capitol, Sacramento, California.

GENTLEMEN: On page 344 of the Senate Journal of February 23 appears the following statement in a memorandum submitted to the Senate by Senator D. Jack Metzger:

> "The summary indicates that the State owns and operates 2,286 passenger automobiles. The State Department of Motor Vehicles records show that there are some 5,200 Diamond E license plates issued and that roughly 70 per cent represent passenger vehicles, the remainder being trucks and road equipment. It is evident that the roster compiled by the Department of Finance is incomplete A cursory examination of this roster reveals that the automobiles owned and operated by the University of California and the seven State colleges are omitted"

The statement of Senator Metzger is so grossly inaccurate that I am sending this communication to you that you may have the correct facts

We have an exact copy of the statement furnished by the State Department of Motor Vehicles to Senator Metzger. This statement reveals that 5,370 of the exempt permanent Diamond E plates issued to state-owned motor vehicles from the period of January 1, 1938, to February 22, 1940, still appear on the current records of the Department of Motor Vehicles

The California Vehicle Code, since January 1, 1938, provides that all state owned vehicles shall be issued permanent license plates and that such plates shall not be replaced at renewal periods at the beginning of each calendar year. The list furnished to Senator Metzger by the Department of Motor Vehicles does not give effect to State automobiles which may have been traded in on the purchase of new cars since January, 1938, and which still remain in the hands of the dealers to whom the cars were sold. The list neither takes into account state-owned vehicles which may have been dismantled by automobile wrecking concerns nor automobiles

which may have been stolen or destroyed by fire. Until a state-owned vehicle is sold to someone not entitled to Diamond E plates, the Department of Motor Vehicles makes no change in the list of Diamond E plates issued.

Senator Metzger in his memorandum stated that "The State Department of Motor Vehicles records show that there are some 5,200 Diamond E license plates issued and that roughly 70 per cent represent passenger vehicles." The list furnished to Senator Metzger by the Department of Motor Vehicles shows that there are 5,370 Diamond E plates issued during the period above mentioned which are still in use. By actual count the list reveals that 2,229 plates issued during that period and still in effect, were for passenger vehicles, or 49 per cent. 49 per cent is in sharp contrast to the "roughly 70 per cent" stated by Senator Metzger.

Senator Metzger in his memorandum stated that the "roster compiled by the Department of Finance is incomplete" for the reason that passenger automobiles operated by the seven State colleges and the University of California are omitted.

The seven State colleges own no passenger vehicles and, therefore, the list is not incomplete in this respect

With reference to the University of California, the Department of Finance is without information regarding the financial affairs or operation of the university. Neither the Legislature, nor any other State agency, has any control over the activities of the University of California The University of California "is a public trust to be administered by a corporation known as the Regents of the University of California." This corporation has full power of organization and government and is vested with legal title and management of the property of the university and the property held for its benefit, including the disposal of such property.

Purchases made by the University of California are not made through the Bureau of Purchases of the Department of Finance. The University of California was created by direct vote of the people of this State, and in no sense, is it a "State agency" as that term applies to agencies which are administered by elected officials or agencies which have been created by the Legislature.

Having no records regarding the affairs of the University of California, the Department of Finance furnished none pursuant to Senate Resolution No 177.

Yours very truly,

JOHN R RICHARDS,
Director of Finance

Communication.

The following communication was received, read, and ordered printed in the Journal:

CALIFORNIA HIGHWAY COMMISSION,
SACRAMENTO, CALIFORNIA, March 21, 1940.

Mr. Joseph A. Beek, Secretary of the Senate.
Balboa, California.

DEAR SIR: This will acknowledge receipt of your letter of February 21, 1940, transmitting Senate Resolution No 28 relative to the naming of the Funston Avenue approach to the Golden Gate Bridge as "Doyle Drive."

The purport of the resolution was that the Senate would cooperate with the directors of the Golden Gate Bridge and Highway District in requesting the Department of Public Works and the California Highway Commission to name that portion of Highway Route 56 lying between Funston Avenue and Lake Street in the City and County of San Francisco and the Marina Approach to the Golden Gate Bridge in said City and County of San Francisco "Doyle Drive"

In a letter to Mr. C. H. Purcell, State Highway Engineer, Mr. K. A. Godwin, Regional Director of PWA, at San Francisco, said:

> "Will you please refer to the original Offer dated August 13, 1938, accepted by the State of California on August 19, 1938 This Offer states that it is made 'subject to the Terms and Conditions (PWA Form No. 230, as amended to the date of this Offer).' Form No. 230, Part IV, Construction Terms and Conditions, Section 23, states as follows:
>
> 'NAMING PROJECT.—The Applicant will not name the Project for any living person.'
>
> Inasmuch as I understand that Mr. Frank P. Doyle is a living person, this project can not be named in his honor. Any attempt to do so may jeopardize further grant payments"

There seems to be no direct statutory authority for the naming of State highways by the Department of Public Works or the California Highway Commission. So far as I know, no State highways have ever been named in that manner. The Legislature, itself, by statute has named many of our highways. This would seem to be the proper procedure.

May I respectfully request that this information be laid before the Senate at its next session.

Very sincerely yours,

BYRON N. SCOTT, Secretary.

Communication.

The following communication was received, read, and ordered printed in the Journal:

CALIFORNIA STATE PERSONNEL BOARD,
SACRAMENTO, May 13, 1940.

Mr. Joseph A. Beek, Secretary of the Senate,
State Capitol, Sacramento, California.

DEAR MR. BEEK: In compliance with Senate Resolution No. 30 adopted February 23, 1940, I transmit herewith two copies of a report, in ten volumes, containing

(1) A complete list of officers and employees regularly engaged in each State agency, together with their titles and the amount of monthly salary or wages, such list being as of the date of the resolution, and

(2) A statement showing the number of persons engaged for temporary or emergency employment during the calendar year ending January 1, 1940, and the total amount expended on account of such temporary or emergency employment.

In listing the regular employees as of the date of Senate Resolution No. 30, we have included all persons regularly and permanently employed, whether on a full time or part time basis. We have not included as of that date employees who were then on the State payroll but for temporary or irregular employment.

The report as to temporary employment covers all persons engaged during the calendar year 1939 who were employed under any of the three categories provided in the civil service law; namely, (1) limited term certification from an eligible list, (2) temporary appointment in the absence of an eligible list, or (3) emergency appointments for periods not to exceed fifteen days, and also short time employments in agencies exempt from civil service.

Very truly yours,

LOUIS J. KROEGER,
Executive Officer.

1/20

Request for Permission to Offer a Senate Concurrent Resolution.

The following request for permission to offer a Concurrent Resolution was presented:

By Senator Parkman:

SENATE CHAMBER, SACRAMENTO, May 13, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to offer a Concurrent Resolution, the title of which is set forth below:

Approving five certain amendments to the charter of the City of Redwood City, State of California, ratified by the qualified electors of said city at a general municipal election held therein on the ninth day of April, 1940.

Respectfully submitted.

SENATOR PARKMAN.

Request referred to Committee on Rules

Report.

The following reports of special committee were received, read, and on motion of Senator Phillips ordered printed in the Journal:

Report of the Joint Legislative Fact-Finding Committee on Employment.

May 13, 1940.

To the Members of the California Legislature.

Your Joint Fact-Finding Committee on Employment, appointed under the terms of Senate Concurrent Resolution No. 10, of the Special Session, submits herewith the first two parts of its report.

The Committee has in its hands a great mass of material, some of the most important of which has only recently been received, and some of which will be supported by statements and figures not yet ready.

If we were to wait and submit all parts at one time, it is doubtful if the report could be ready this week.

The Committee has decided instead to issue the report in parts, as these are ready. Part I contains the general recommendations of the Committee, and Part II contains the general statement. Other parts will follow.

The Committee finds that the Legislature faces four alternatives in acting upon employment, unemployment, and relief, in this reconvened special session. These alternatives are as follows:

1. Enactment of a permanent plan for administration and financing of all public assistance. This would include the basic principles of complete integration of all welfare and relief activities into one consolidated program, with county administration under limited State supervision, and with joint State-county financing of costs. Enactment of such legislation requires closer cooperation than now prevails between the legislative and executive branches of the State Government, the first step of which must be a broadening of the official "call" to permit consideration of this type of legislation. This plan was contemplated when the Legislature adjourned in June, 1939, to reconvene in special session.

2. Passage of Assembly Bill No. 105 over the Executive veto

3. Enactment of a new bill also based on the county supervision of relief, with such changes as the interim investigation has found desirable.

4. Enactment of a new bill, based upon and extending the main provisions of Senate Bill No. 81, continuing the present program, together with an appropriation until the Legislature next convenes.

Alternatives 1, 2 and 3 also require a supplemental appropriation bill.

The undersigned members of the Committee approve the findings and the recommendations in Parts I and II.

JOHN PHILLIPS, Chairman	MRS. JEANETTE E DAILEY, Vice Chairman
CHARLES H. DEUEL	C. DON FIELD
JESSE M. MAYO	FREDERICK F. HOUSER
FRANK W. MIXTER	NORRIS POULSON
ROY J. NIELSEN	CLYDE A WATSON
J. I. WAGY	ALBERT C. WOLLENBERG
CHARLES BROWN	GORDON H. GARLAND, Ex Officio
JERROLD L SEAWELL, Ex Officio	

The undersigned members do not agree with the findings or the recommendations in certain details, and will submit minority reports.

EDWARD F. O'DAY ELMER E LORE

Part One.

Recommendations.

In presenting its recommendations for a coordinated program, the Joint Legislative Fact-finding Committee on Employment—to which was assigned the study of the relief situation in California—makes this preliminary observation:

The complexity of the situation and the rapidity with which it has grown to be the major problem in California, have resulted in what can only be called muddled thinking. We have lost sight of basic principles. Constant reiteration of the gravity of the relief situation has obscured the fact that relief is a single phase of the problem of unemployment.

Removing the now recognized relief difficulties would leave the unemployment problem still unsolved. Removing unemployment, on the other hand, would eliminate much of the need for relief, except for indigency due to old age; the loss of one or both parents; disease, and similar conditions preventing self-support.

The committee emphasizes that the major question with which the Legislature has to deal is the problem of unemployment.

The committee offers the following recommendations:

I.

Reorganization Program.

The committee advocates the complete reorganization of all functions of State government dealing with employment, unemployment, and State aid of every type. Under this program, a director of a new Department of Employment would correlate and direct all these affiliated activities. Responsible to him would be division heads in charge of the following divisions:

(a) Division of Aid to the Aged, Blind and Dependent Children;

(b) Division of Employment, including or coordinating the work of the State Employment Service;

(c) Division of Unemployment Insurance, taking over or coordinating the functions of the present California Employment Commission;

(d) Division of Direct Relief, supervising and coordinating the activities of the County Welfare departments if the administration of relief is returned to the counties, or conducting State administration if the State government retains direct relief, and carrying on, in either case, such functions (for example, single men's camps) as may be placed with the department by legislative action.

(e) Division of Cooperatives, supervising all self-help organizations.

Director of Employment.

The Director of Employment must be the most capable man obtainable, and his compensation should be fixed by the Legislature commensurate with the importance of the job he is given to do. The committee emphasizes the necessity of finding an executive of exceptional ability and special qualifications. He should be appointed by the Governor, subject to a two-thirds approval by the Senate.

The appointment of a competent Director of Employment would bring the good business management essential in the solution of the unemployment problem.

Elimination of Certain Existing Commissions.

With the creation of a Department of Employment, the State Relief Commission, the State Social Welfare Commission and the Unemployment Reserves Commission will go out of existence and their functions, jurisdictions and powers will be transferred to the Director of Employment.

Detailed Recommendations Should Be Unnecessary.

The committee could make detailed recommendations relative to changes and improvements in almost every function and division of the State Relief Administration. It is apparent, however, that abolishing the present SRA, which was created as an emergency agency of State Government, and placing its functions under regularly established departments, or the creation of the Department of Employment, already recommended, would cure most of these minor difficulties. The Legislature has the power to effect such a reorganization. It can be done at the next regular session, or with the cooperation of the Administration, it could be done when the Legislature reconvenes on May 13th.

Extension of Public Works.

The committee suggests that it should be possible for the State and the counties to create work at a wage fair to the unemployed but not so attractive as wages in private employment.

Projects undertaken on this basis would (1) permit the State and counties to acquire physical improvements; (2) benefit the unemployed by providing them with work at wages higher than the dole; (3) benefit private enterprise by stimulating private employment through large scale purchases of material and increased purchasing power of those employed on these projects.

State work should be handled, the committee believes, under the Department of Public Works, the Department of Natural Resources, the Department of Education, the Department of Agriculture, or any regularly constituted department capable of supplying work of this kind. County work should be handled by such county agencies as are provided by law. Such work should not be confused with, nor designated as, "relief work."

II.

Mobilization for Employment.

The major factor in solving California's relief problem must be a "Mobilization for Employment."

Mobilization for employment can be made a reality in California. Business will support such a plan on tangible and practical grounds. Research to develop new products, new markets, and consequently new jobs must be expanded, and in this the State, which hitherto has done little or nothing, must become an aggressive leader.

Business must be made to understand the choice is between cooperation and taxation; between mobilization to meet an emergency as serious as war, and moral and financial bankruptcy.

Mobilization for employment can be California's contribution to the solution of an aggravated national problem.

Successful in Another State.

Reports have come to the committee that such a mobilization, started recently in Pennsylvania, is showing successful results. Under the direction of the president of one of the State's most successful businesses, the drive to provide jobs, and to interest business men, is reaching into every part of the State. No emotional plea, no appeal to sympathies, has been made, it is a cold business-like solution to the

problem. The committee recommends that the Legislature keep constantly in touch with the Pennsylvania mobilization.

III.

Return Relief Administration to the Counties.

The local supervision of direct relief must, under any businesslike reorganization, be placed in the hands of the local agencies of government. The committee recommends supervision by the county welfare departments. These departments already handle the categorical aids, under general coordination rules established by the State. Logic suggests that the only phase of individual or family aid now administered by the State, direct relief, also should be turned over to the counties. They are equipped to handle it. The California school system, operating under a similar system, has a national reputation.

In making this recommendation the first consideration must be the welfare of the unemployed, who benefit from local knowledge and interest, but the saving in dollars and cents is important. It is increasingly apparent to the committee also, that only by local supervision will the subversive trends, fostered by the present system, and discussed elsewhere in this report, be halted.

In the bill now awaiting action on the Governor's veto, provision is made for local supervision of the administration of relief by the counties. Whether the transfer is made by passing Assembly Bill No. 105 over the executive veto or by enactment of a redrafted measure, local supervision should replace centralized administration.

Present Regulations Unsatisfactory.

The statement has been frequently made by those who oppose the idea of local supervision of relief, that this would result in "58 different kinds of relief administration." The committee finds that there is no hard and fast regulation at the present time. The SRA administration imposes its regulations upon its county directors, many of whom interpret these to suit themselves. On the other hand, the committee has heard complaints that the present regulations, as imposed upon case workers, are too severe. In the past a case worker was given a reasonable power of decision in individual cases. Thus cases in different areas of the State could be handled according to conditions in those areas, and some distinction could be made between families accustomed to lower or higher standards of living.

Today, rigorous and inelastic regulations appear to apply at this point, while on the other hand, regulations which might justly be expected to be observed, are administered with great elasticity by directors, district supervisors, and case workers. This confirms the feeling of the committee that local supervision will bring advantages.

"Employables and Unemployables."

In the opinions of the members of the committee, there is no more meaningless distinction, nor any better evidence of the impracticality of present methods in relief, than the attempt to set an arbitrary line between those who are "unemployable unemployed" and those who are "employable unemployed." Admitting that the distinction grew from the desire of the counties to protect themselves against the responsibility for cases which the State should accept, and thus against increas-

ing taxation, under a permanent plan of meeting the problem of unemployment, this distinction must go.

An unemployed farmer in the metropolitan area may be as "unemployable" as the inexperienced citizen of the city would be on the farm, and the measures of employability must be, first, the physical condition, age, and similar characteristics of the unemployed applicant for help, and second, the availability of work of any kind which the applicant can do. Under a reconstructed system, all unemployed men and women would pass through a well organized intake point, and be assigned or cared for on the factors mentioned above. A simplification of the handling of applicants at the intake is recommended by the committee. Under such a system, not only would all forms of State aid be considered in setting up the standards and limitations of aid to any one family, but the division of costs between county and State would be made on some formula, established by legislative action, and after preliminary trial.

Subvention by the State.

All bills so far discussed in regular or special sessions have contemplated increased State aid to the counties. The percentage division between State and county has not been settled, nor can it be settled by this committee. Assurance has always been given that the cost of direct relief, under any plan contemplating local supervision, will not be more than the amount paid by the counties for the present indigent and categorical aids. Adjustments may be necessary; the plan expects economy and good business management in the counties, but certainly, if the committee's suggestions are adopted, employment can be increased, and relief given in California to all who are honestly entitled to public assistance, at materially less cost than at present, and with greater thought for those in need. The committee suggests an experimental period, during which the State will make outright subventions to the counties, with the later adoption of a plan based on the experiences of this experimental period.

The committee recommends that in the adoption of any integrated plan, a definite time limit be set, within which supervision must be returned to the local units.

Limitations of the Proclamation.

The recommendations of this report cover integration, or reorganization of the handling of the employment problem, at both State and county levels. A complete plan is impossible under the terms of the Governor's proclamation of January 29th. It is urged that the Administration, realizing the seriousness of the situation, will issue a new proclamation so as to make the more complete reorganization possible. If this is not done, the committee recommends the passage of a bill embodying as many features of the complete plan as can be passed under the present proclamation, with the understanding that the plan will be completed in the next regular session.

An Alternative Plan.

If the Legislature decides that the administration of relief shall remain with the State, even temporarily, the necessary appropriation should be passed and further restrictions placed upon the administration of direct relief by the State, so that the money appropriated for

"the relief of destitution due to unemployment" shall reach those for whom it is intended. Some of these restrictions are suggested in the supplement to the committee's report.

IV.

Civil Service.

Under a reorganization program, civil service would apply in the Department of Employment and its divisions.

This does not imply indorsement by the committee of the so-called merit system which the Federal Government, under doubtful authority, is attempting to impose upon the counties at the present time.

The committee subscribes to the principles of local government, under proper State regulation but recommends extreme caution on the part of the Legislature against being led astray by an argument that State subventions necessarily carry with them State control, or that uniformity can only be secured through strict State "supervision."

A stand must be made against "legislation by regulations," which is contrary to the intent of the State and Federal Constitutions, and against increasing bureaucracy.

The committee recommends legislation authorizing the courts to prevent unwarranted and illegal State interference with local authority.

V.

Committee's Work Must Be Continued.

The work of the committee remains unfinished.

Numerous questions have not been investigated, because of insufficient time. These are referred to in a separate appendix. The committee should be continued or another similar committee appointed to help complete a practical employment program.

Legislation is the function of the Senate and the Assembly, not of the Governor, nor of any of his department heads. The Legislature should, through its own members keep in touch with the developments of this program, and be advised by its own committees regarding legislative changes and additions.

The committee also places before both houses of the Legislature, the statement that should this committee be discharged, and no similar committee be created, we can expect, from experience, nothing less than unjust demotion and dismissal of many State employees who gave aid in any way to the committee in making the investigation.

The Legislature could also expect the same campaign against the members of both Senate and Assembly who have not accepted the Administration's dictatorial program, as was recorded in the Orange County transcript (H-13) and in public addresses by the Administration. Unsigned campaign material was issued by the SRA office in Orange County containing entirely erroneous statements, directed against the representatives from that county. The reply of the witness when shown the errors, that he was still of the same opinion, is evidence of what the Legislature may expect.

Prior to the passage of Senate Bill No. 81, a Public Relations Division in the SRA had for its purpose a propaganda program of bulletins, circulars, radio speeches and newspaper releases at a monthly

cost of thousands of dollars of the taxpayers' money which had been appropriated by the Legislature for the unemployed men and women of California.

Suggestions Considered by Committee.

Citizens and organizations have suggested to the committee various additions to the regulations to be placed in relief bills. These have included publishing or posting the names of recipients of relief, and fingerprinting all recipients of relief as a routine matter and for the protection of the applicant as well as for cooperation between the State and its peace authorities.

The plan of requiring relief recipients to turn in their automobile license plates except under extraordinary circumstances, presumably in connection with employment, has also been recommended.

The committee recognizes that these would be severe methods of controlling relief. The committee does not make them as recommendations. It does, however, ask the Legislature to think of the historical fact that no nation has reached the unemployment situation already reached in California, and has attempted to solve it, without eventually taking stronger steps, and in most instances taking the vote from its unfortunate citizens. The committee prefers to believe that the proper administration of relief would make such recommendations unnecessary.

VI.

Continue Study of Alien Problem.

We recommend that the restrictions written into Senate Bill No. 81 regarding aliens be written into subsequent bills passed by the Legislature and that the problem have further study. The seriousness of the problem is indicated by the fact that in January, 1940, 15,508 aliens were on relief, and that in April, 1940, as a result of the restrictions in Senate Bill No. 81 this number had been reduced to 13,447 which represents approximately 16% of the relief case load. The Legislature, in 1937, called attention to the fact that California taxpayers paid $5,000,000 per year for the relief of aliens. It is the belief of the committee that the alien problem is essentially a Federal problem. It has become a State problem largely because of the failure of the Federal Government to assume its responsibility. We need Federal cooperation.

VII.

Establish Five-Year Residential Requirements.

Under an integral program, we recommend that the present rule requiring three years residence in California before direct relief may be granted, be raised to five years This regulation would then conform to the residence requirements for aged aid which have been approved by the Federal Government. Residential requirements for all categorical aids should receive consideration and study in an integral program because we find many instances of abuse and discrepancies.

VIII.

Clear Relief Applications Through Credit Agency.

We recommend to the SRA or to the counties the clearing of accepted applications through private credit agencies in the same manner as commercial or financial credit applications are cleared.

Part Two.

Explanatory Report.

The members of the Joint Legislative Committee on Employment offer no panacea for unemployment.

Two months work on the part of seventeen legislators in all parts of California emphasizes the complexity of the problem.

There is no easy way out of the difficulty. The problem is shared in varying degrees by every State, but affects California peculiarly because of a proportionately large population of indigent migrants and because California is a proving ground of radical and subversive plans to make political use of unemployed. While the problem is complex, it can and will be solved, not in a day, but more rapidly than had hitherto been believed.

Problem Will Be Solved.

The unemployment problem of California can be solved by a determination to solve it. The solution will not come from those who preach cynical defeatism to further class hatreds, nor from pessimists who view democracy with despair.

There is little if any indication that a proper solution will come from the present State Administration.

The Administration is using the State Relief Administration for the creation of a partisan political machine. The SRA is being administered under conditions of incompetency, with internal disruption and discord, by men and women in executive positions who are unsuited to the duties assigned them. These officials, many of whom have neither the background nor the ability to administer the positions held, are hampered by political dictation, and morale is low. Political considerations are controlling factors in decisions on SRA policy and personnel.

A Start Has Been Made.

The solution will be founded upon fundamental American traditions of economy, honesty, individual effort, and sincere cooperation in working out a problem of the commonwealth. The Legislature made a start through enactment last February of Senate Bill No. 81.

The committee's belief that emphasis should be placed on employment rather than on relief is supported from a source which the majority of the members of the Legislature have on occasion sharply criticized, the Workers Alliance.

Workers Alliance Confirms Analysis.

Testifying before the subcommittee headed by Assemblyman A. C. Wollenberg, in Monterey, on March 20, 1940, J. W. Patterson, chairman of the grievance committee of the local Workers Alliance, in response to a request made the following general statement: (W-2 page 11, official transcript)

"We have studied this problem from every angle and we feel that the biggest mistake they (the State Relief Administration) made is the fact that they are dealing with it as a social problem. We don't feel that it is a social problem—it is an unemployment problem. I think that 90 per cent of all our trouble is the fact that some of the people try to deal strictly on the basis of a social problem, and it is not.

"If it was approached from that angle * * * there would never be any necessity to have a grievance from any organization."

Again, Mr. Patterson said: (Page 12 of transcript)

"It is a problem of unemployment, and they approach it from the social angle, and they are supposed to go into the home and try to rehabilitate a man who has lost a job, and all that kind of stuff * * *

"This is not a social problem, it is an unemployment problem, and we feel that if they would try to spend time to work it out, it wouldn't be necessary to have this namby-pamby social idea—that is never going to settle the problem of relief."

Mr. Patterson's statement quite evidently does not represent the general viewpoint of the Workers Alliance as an organization, but the committee submits that volumes could not state the problem more succinctly.

New Approach Is Needed.

Unemployment is a relatively new problem in the United States. Yet no American is unaffected by it. No American interested in the welfare of his Government and the preservation of American liberties can ignore its involvements. No American can tolerate the suggestion that the problem is too big to be solved in the American way by the absorption of unemployed men and women into a revitalized American economy.

The committee offers no apologies for its refusal to join those who blandly offer guaranteed "cures" for unemployment. Such schemes are worse than the condition they would fail to correct, because they tend to array class against class.

Subversive Influences at Work.

Proponents of these schemes are deliberately working, more or less openly, toward a revolution. Others, less vicious in their purposes but equally dangerous because of ignorance, unwittingly are lending the cause of revolution their names and reputations. Despite repeated statements to the contrary from the Administration, the SRA is being used for the development of the Communist program.

Under pressure from the Legislature, the SRA has been rid of a few Communists and fellow-travelers, but more remain. The Legislature and the public have been misled into believing that this clean-up was drastic and far-reaching.

Communists, fellow-travelers and the so-called "intelligentsia" still hold responsible positions in the SRA, and exert a disrupting influence that permeates the entire structure.

Through the State, County and Municipal Workers Association of America within, and the Workers Alliance without, the SRA has been subjected to intensive radical pressure. Such pressure has no place in a democracy. These two organizations, sympathetic in viewpoint and objective, enable relief recipient members to obtain preferred treatment, and assist SRA employees who are members to obtain promotions, higher pay and immunity from administrative regulation.

In general, conditions resulting from unemployment have been seized upon by subversive forces to further their cause. The weak handling of the SRA has made this a fertile field.

An Administration Smoke Screen.

Lack of sincerity of the State Administration has been shown by its response to the public demand that communistic and subversive influences be eliminated from the SRA. Dismissals have been made with a reluctance that leaves no doubt as to where the sympathies of the Administration actually lie, and even those dropped from one department when the spotlight of publicity makes this necessary, sometimes find themselves comfortably placed in another department.

It is illuminating to read the transcript of the hearings of the Committee on Subversive Activities in the SRA, of which Assemblyman Yorty is the chairman. The testimony of certain radically inclined State employees not only establishes their arrogance and insolence but also their contempt for our form of government and for legislative procedure. No such attitude would have been found on the part of employees who knew that they were responsible to an administration committed to the elimination of radical and subversive activities The committee members do not like termites in their houses, nor in their government.

Relief Is a Palliative.

Like any medicine which does not remove the cause of the illness, relief is dangerous in itself Bromides administered over long periods may produce rashes on the patient's body. In the same way, relief is producing red rashes on the body politic. As quickly as possible, and with complete coordination of effort, the cause of the trouble must be attacked and the palliative tapered off.

Relief must continue until the Mobilization for Employment has proved itself successful. It should be repeated that the dole, which is the form in which relief is extended in California, is not a cure for unemployment. Opinions are sharply divided as to the respective merits of outright grants of cash to those in need and payment only in exchange for work done.

Testimony by informed persons before the committee substantiates the contention that the morale of unemployed men and women is best maintained when they are given a chance to work. Public works projects should be supported as a part of the reemployment program, although the committee has found that immediate costs are often higher than the dole The burden of financing relief has already brought hardship to taxpayers and has impeded the revival of business. California taxpayers are also in need of relief. The financial costs of these projects must be weighed in light of the ultimate beneficial returns to the State as a whole.

Works Projects Considered.

The State should give maximum cooperation to the Works Progress Administration and urge extension of its activities in California. Every effort must be made to obtain sponsorship for projects to the end that the full WPA quota for the State may be utilized. The committee was astounded to learn, from testimony by the WPA Administrator for Southern California (P-2, Pages 46 and 47), that his agency had had an average of over 2,000 jobs monthly which were open to the unemployed, but of which the SRA had never availed itself.

Refusal to Accept Work Condemned.

There can be no difference of opinion as to the gross dishonesty of any SRA official who condones and abets relief recipients in refusing to take work on WPA or similar projects. No relief recipient should be permitted to refuse suitable employment or to delay the acceptance of work. Any relief recipient refusing suitable employment should forthwith be removed permanently from the relief rolls.

Production-For-Use Criticized.

As to the other forms of relief which are loosely grouped under the misleading title of "Production-for-use," the committee offers these observations:

The true cooperatives serve a useful purpose. They merit encouragement, but only as a supplementing part of an employment program.

"Production-for-use" as described in the recommendations of the Governor's Commission on Reemployment, involves setting up "economic islands" within our general economy, to be inhabited by relief recipients and financed by the State.

There should be no such futile experiments in California because they would leave the relief recipient in the same predicament, an outcast from private employment and dependent on the ability of taxpayers to continue his support.

Long Range Outlook Urged.

This committee, as a result of its work, has arrived at certain conclusions in respect to the problem of unemployment in California.

(A) This problem will prevail, in greater or less degree, until "Mobilization for Employment" has won its objective. While the trend of private business and employment is upward at present, the fact that this is due, in part, to the European war should not be overlooked. Recent reports show a 17 per cent improvement in business over a year ago.

(B) Neither the dole nor any of the other methods now employed will overcome unemployment, but the cash dole must remain as the least expensive defense against hardship and destitution until unemployment is overcome. Thus every "public works project" must be subjected to scrutiny, and its values for maintaining morale must be balanced against its cost, its competition with private industry and its ultimate benefit to the State. The administration of relief must be conducted with maximum efficiency, utterly divorced from politics, and with no opportunity afforded communistic and other subversive elements to capitalize on the current economic dislocation.

(C) The State should do all within its power to foster increased employment in private enterprise.

(D) Efficiency, economy and freedom from subversive encroachment will best be served by county administration of direct relief.

Welfare workers, county supervisors and other representative citizens interviewed testified to the advantages of county administration. The committee believes that this reflects the opinion of a majority of citizens throughout the State.

(E) The State Relief Administration is so top-heavy, complicated and unwieldy that the only possibility for restoration of good management is to be found in decentralized administration. A department

that does not know the details of its own actions until two months after the action has taken place is in need of simplification, in either business or government.

Evidence obtained by the committee definitely demonstrates that justice both to the citizen who pays for relief and to the citizen who must ask for relief will be accomplished by liquidation of the State Relief Administration. The SRA has permitted social service theorists and wishful-thinkers to run riot in California for years with resultant wastefulness, chiseling and inequities. Social service, as evidenced in the SRA in recent months, has presumed that unemployment is permanent and that relief recipients are a permanent class. The SRA social service workers have disregarded the possibilities of reemployment, and have done no good to their own profession.

The committee has respect for altruism, but contends that genuine altruism means employment for every citizen who would work. To this end, social service, as practiced in local and private relief organizations, has performed a noteworthy service.

Social service in the SRA has encouraged a tendency to look to the State for everything and to regard relief as a vested right. This is demonstrated by the attitude which terms the relief recipient a "client," and upon this artificial foundation, some recipients are today asking for credit as "State employees."

Common sense, not a formula, controls effective social service work. In the SRA, social service has been characterized by an exaggerated professional attitude, has been administered by remote control, subject to political manipulation and responsible to subversive influence.

(F) Relief budgets should take standards of living into account, as well as the number of members of a family, and should consider total income from all sources, especially all State aids.

On the one hand families of large size have received more in relief than the bread winner might earn in private employment. To a considerable extent these are families in which one or more members, usually the parents, are of low standard backgrounds. Many are aliens. Their living habits are usually below the American scale. On the other hand, individuals with smaller families, of native born stock and accustomed to American living standards, are actually getting less than they require for maintenance, when these standards are considered.

This latter group contains many long-time taxpayers in California. Under professionalized social service these Americans find themselves at a disadvantage when compared with alien low-standard groups.

By placing a cash ceiling of $58 a month on the budget of any family, regardless of size, the Legislature made a start toward correcting this inequity.

Despite the obvious intention of the Legislature to place a definite limit on the amount of relief that might be paid to any one family, the SRA apparently has devised a means of circumventing that act through its social service memorandum No. 131 (see Appendix) issued on April 10, 1940. Ever ready to take advantage of the social service attitude prevailing throughout the SRA, the Workers Alliance is reported to be pressuring emergency relief orders for the families of

four or more and for emergency relief orders to duplicate rent allowances already made in their budgets.

The committee feels that some method must be devised by which the size of the family is not the principal gauge of the relief budget. If the United States is to follow the leadership of the dictators, and subsidize large families, then let us do it openly and honestly, not through the back door of "relief," opened by some catch-all formula from a professionalized social service manual.

(G) The problem of youth is one of the greatest problems of unemployment.

Young people today are getting married on relief and their children are being born on relief. Little is being done to foster a spirit of initiative and independence characteristic of so many generations of self-reliant American families. This is a problem for both the Legislature and groups responsible for methods of education. Further study is being given this subject and the committee expects to submit a report. There is hope of solution because American youth still wants work, still seeks to be self-reliant.

(H) The California State Employment Service must be built to a place of real importance.

The personnel and activities of the California Employment Insurance Commission have been directed toward paying unemployment benefit checks rather than obtaining employment for the unemployed.

The effort of the administration to convince the people that the California State Employment Service is functioning efficiently either is an attempt to mislead or is a demonstration of ignorance of the failure of the service to perform its function.

(I) The unemployment problem has been aggravated because thousands, having gained the comparative security of relief, have been reluctant to accept even temporary employment because of having again to qualify for future assistance. Some effort should be made to encourage relief recipients to accept employment even though it may be temporary. This result will be gained by reducing the amount of red tape necessary for readmittance of the deserving to the relief rolls.

(J) Sincerity must prevail in the administration of relief.

The committee affirms that there have been few episodes more shameless, more contemptuous of the rights of the unemployed, than the 40 per cent cut in the relief budgets ordered by the present State administration following the passage of Senate Bill 81.

The Legislature passed Senate Bill 81 over the Governor's veto. The law was written to reduce SRA inefficiency and extravagance, but if enforced in a spirit of cooperation the provisions of the act were such as to cause no hardship to any deserving relief recipient.

Arbitrarily the SRA ordered a 40 per cent reduction in all relief allowances. An analysis of the SRA's financial condition at that time, made by Price, Waterhouse & Co., appears as an appendix to the report.

The analysis confirms the earlier charges that this reduction was ordered for one of the two following reasons: First, it was a political move by the State administration in the hope of embarrassing the

economy-minded majority of the Legislature by arousing pressure groups against individual members.

Second, the centralized methods of the SRA are so cumbersome, slow and unworkable that it was difficult for executives of the SRA to know that the restrictions of Senate Bill No. 81 would require no reduction, or even to know the condition of its own balance sheet on that date.

In this connection the committee calls attention to the reduction in SRA rolls following the effective date of this legislation. An anticipated maximum of 122,000 relief cases actually proved to be 116,000 at the time the bill went into effect on February 24, 1940, and quickly dropped to less than 100,000 and by the middle of April to 86,000. The case load as of May 6, 1940, was approximately 81,000.

Elimination of ineligibles, the decision of out-of-state recipients to return home rather than to face scrutiny, and the action of chiselers in dropping themselves from the rolls have already demonstrated the correctness of the Legislature's action in passing Senate Bill No. 81.

(K) Politics has no part in efficient administration of relief.

The State Administration has given the SRA into the hands of politicians, making this important department of government an agency for pay-offs and a dumping ground for those who had to be "taken care of."

Many appointees picked for SRA posts for political reasons have proved themselves incompetent or worse. The SRA contains many honest, sincere and capable people who are helpless to correct abuses that have followed the advent of the spoils system in the SRA.

(L) Federal cooperation is essential to the solution of California's migrant problem.

Thousands of migrants who are now a charge on California taxpayers came here at the implied invitation of the present Governor. He publicly expressed sentiments which could be construed in no other way than as an invitation to indigents in other states to throw themselves on the bounty of California.

Not only has the situation in California been misrepresented to the migrants themselves, but the people of the entire nation have been given a distorted picture. Sentimentality has been substituted for facts.

The Federal Administration, by its encouragement of migrants already in California, and its refusal to accept its obligation for the care of these dust-bowl refugees so encouraged, has apparently determined to make California the poor-house of the United States. Unless this obligation is assumed by the Federal Government, California will have no choice but to consider legislation to bar from entry into the State those people who are likely to become public charges.

Federal migratory camps, instead of being temporary havens for unfortunate people, actually have developed into "islands" over which neither State nor local authorities have control. They are not used as temporary housing facilities, as they were intended, but as cheap housing accommodations provided to migrants for whom there is no work and for some who are unwilling to work, on a semi-permanent basis.

The absorption of work-desiring migrants into the economy of California would necessarily be part of any long term planning by the State. The problem requires study, a desire to help find a solution, and the immediate ending of the encouragement given subversive and agitating elements by the Federal authorities in charge of this program. It is no proper function of the Federal Government to set up such "islands" and to countenance strike agitation in a State already paying the highest farm wages, to the extent that the sign "Strike Headquarters" was placed at the entrance to at least one of these Federal camps.

(M) The Federal Government must be made to realize that indigent aliens in California constitute a Federal problem.

Until the enactment of Senate Bill No. 81, relief checks to aliens were in the majority of cases more than these families have averaged as earnings during comparable periods. These payments were in addition to medical and dental aid and surplus commodities.

Under Senate Bill No. 81 the State may not provide relief to aliens illegally in this country, but even with this restriction, aliens continue to constitute an important part of the relief load.

The Legislature is asked to set up immediately the machinery to get the necessary cooperation of the Federal Government.

(N) If a State camp program is to be operated, existing evils with attendant waste and inefficiency must be corrected. SRA camps, properly administered, and with the requirement that all single men, with certain exceptions, go to them to receive aid, can be constructive factors in rehabilitation and reemployment.

It has been observed that the Workers Alliance opposes the operation of camps because it removes the relief recipient from the sphere of subversive influence.

How Committee Functioned.

The Joint Fact-finding Committee which submits this report was appointed in the closing days of the February, 1940, special session. It was charged with several functions. One was to continue the investigation, begun more than a year ago, into widespread abuses within the SRA. Another was to submit recommendations for improving California's handling of the entire employment problem. Still another function was to observe the operation of Senate Bill No 81 with a view to future legislation.

These duties have been performed by the committee to the best of its abilities within the allowed time. Whatever may be the shortcomings of this report, they are due to physical limitations, not to lack of effort. The members of the committee have conducted hearings in every part of California; personally examined documents, inventories, books and records; and have heard scores of witnesses who testified under oath and whose testimony is embodied in official transcripts.

Special Subcommittees Appointed.

To facilitate the work of investigation, the nine Assemblymen and eight Senators on the committee arranged for the appointment of subcommittees. Four such subcommittees were designated. They worked

on a geographical basis; subcommittees headed by Senators Mixter and Nielsen, and by Assemblymen Houser and Wollenberg, conducted hearings, respectively, in the Central Valley, in Northern California, in Southern California, and in the San Francisco Bay-Central Coast area.

Committee members were designated to prepare special reports to be submitted to the joint committee as follows:

Assemblyman Elmer E. Lore, Surplus Commodities;
Senator Frank W. Mixter, The Cooperatives;
Assemblyman Edward O'Day, The Youth Problem;
Assemblyman Norris Poulson, Accounting Procedure in the SRA;
Senator J. I. Wagy, The Migrant Problem;
Assemblyman Clyde A. Watson, The Alien Problem.

The committee also arranged for two independent investigations into vital phases of the employment problem.

The national firm of Price, Waterhouse & Co., certified public accountants, was retained by the committee in an advisory capacity. In addition to advising the committee on general phases of SRA accounting, it was asked to establish, from the SRA records, without making a complete audit, the approximate balances in the funds of that department as of February 15, 1940, and March 31, 1940. The firm was also asked to indicate changes in the financial position of the SRA during this period, with certain expenditures segregated. It has furnished this information, and other information and comments, which the committee submits as a separate part of this report.

The committee received the cooperation of the State Controller, the Director of Agriculture and the State Relief Administrator.

Credit Agencies Investigate Cases.

To ascertain the truth of reports that chiseling is still rife, the Controller, under authority of the Legislature and with the approval of the Director of Finance arranged with private credit agencies to investigate more than 10,000 cases on the SRA rolls. The results of this so-called social audit will be made available to the Legislature in a separate part of this report.

Sampling Method.

The committee, handicapped for time, has made free use of the "sampling" method now in general use by political polls, and by financial, economic and statistical fact-gathering agencies. Obviously the committee could not check every relief case, every transportation order, every reported instance of waste, extravagance, and incompetency. By methods it did use, the committee believes that it secured a true picture of the relief situation.

The previously submitted "Atherton Report" (Senate Journal Jan. 30, 1940) was submitted officially to the committee (testimony of E. D. Hall, Transcript P-3, pages 1-3), and reference has been made to its findings. The same Senate Journal contained the letter of resignation of Dr. H. Dewey Anderson and reference has also been made to that.

Attention is called to the significant report and recommendations of the legislative committee of SRA Los Angeles Chapter No. 65, of the California State Employees Association which was printed in the Senate Journal Feb. 6, 1940, pages 136, 137, 138 and 139.

To keep this part of the report within reasonable length, the committee decided not to encumber it with references to the official record, nor to repeat detailed matter set forth in Part III.

We have endeavored to present general findings in respect to the more important phases of employment, together with conclusions which we believe will be helpful to the Legislature.

Minority Report of Joint Legislative Fact-Finding Committee on Unemployment.

I concur completely in the statement of the majority members of this committee that emphasis should in the future be placed on the broad subject of unemployment rather than on the single confusing, controversial and annoying aspect of relief.

I am in substantial agreement with the recommendation for consolidation and integration of the present State Departments of Social Welfare, Employment and the State Relief Administration. This, however, is a far reaching step and many problems are involved which can not be given adequate consideration at a short special session of the Legislature. The proposed reorganization should be considered as an ultimate goal toward which to work and is worthy of serious consideration by the Governor, members of the Legislature, taxpayers, and all citizens interested in working out a solution of the unemployment problem.

The single suggestion in this connection with which I disagree is the recommendation that the appointment of the proposed Director of Employment must be approved by two-thirds of the Senate, after his appointment by the Governor. Even the violent opposition of committee members to the present Chief Executive does not in my opinion warrant this unprecedented proposal. The State Senate has no monopoly on good judgment. Committee members who so strongly disapprove of what they call dictatorship in the executive branch place themselves in an inconsistent position when they advocate dictatorship by a single house of the Legislature.

I concur in the recommendations of the committee for the extension of a public works program. In this connection, however, I regret that the committee did not see fit to recommend employment for a part of our relief recipients on production projects.

I shall be glad to cooperate in what the committee has seen fit to call "Mobilization for Employment." I will be inclined to back this proposal with fingers crossed, however, as I fear that the "mobilization" will consist chiefly of conversation and oratory.

Research can unquestionably develop new products, new markets and, eventually, new jobs. Until more jobs are, however, actually developed we should not try to fool ourselves into believing we are making progress by reshuffling old jobs. As long as there are twelve or fourteen workers for every ten jobs, we can make no progress by finding work for those presently unemployed if their employment is to have the ultimate effect of throwing others on relief rolls. Many fundamental economic adjustments may yet be necessary before we can provide employment at reasonably adequate wages for all who are seeking jobs.

Mobilization for employment, however, can be effective if the program calls first for serious study of the forces that cause unemployment, and second for dissemination of accurate and unbiased information on the problem.

Although concurring in the committee recommendations for an integrated employment, welfare and relief agency, I am at this time unalterably opposed to the recommendation that unemployment relief be decentralized and administered by the counties. I believe that every authority on the subject will agree that state-wide uniformity in the administration of unemployment relief is vitally necessary. A man who is eligible for relief in Sacramento County should be eligible in Imperial County, Los Angeles County, Tulare County and Siskiyou County. Standards of relief should also be uniform. This does not necessarily mean that exactly the same monetary aid should be paid in each of the several counties. It does mean, however, that the money granted will provide comparable standards of living in every section of the State.

Minimum standards of competency should also be established for all employees engaged in the administration of relief.

Under centralized State control the maintenance of uniform standards is comparatively simple. Such uniformity can not be expected under county administration without the most rigid State supervision.

The committee report can be minutely scrutinized from end to end without finding any proposal for adequate control of the county welfare departments that would provide uniform rules of eligibility, uniform relief standards, or minimum personnel standards. Comment in the report on this problem of uniformity appears to be inconsistent and contradictory. Typical of the committee's tendency to assail the State Relief Administration if it does or if does not are observations on this matter. The report states, "* * * the committee has heard complaints that the present regulations as imposed upon case workers are too severe. In the past a case worker was given a reasonable power of decision in individual cases, thus, cases in different areas of the State could be handled according to conditions in those areas, and some distinction could be made between families accustomed to lower or higher standards of living.

"Today rigorous and inelastic regulations appear to apply at this point while, on the other hand, regulations which might justly be expected to be observed are administered with great elasticity by directors, district supervisors and case workers." This statement according to the committee's report, "confirms the feeling * * * that local supervision will bring advantages." Most students of the relief problem will demand more substantial confirmation of the committee's conclusions than this contradictory statement.

It is true that absolute uniformity of administration does not today exist in SRA. There are minor variations just as there are probably minor variations in the enforcement of the liquor law, which is handled by another State agency.

In a centralized organization, however, operating under a single administrator and State staff, with field representatives constantly in touch with the counties to interpret policies and see that those policies are observed, the tendency is toward uniformity. With relief adminis-

tered by fifty-eight different sets of supervisors, however, and with only the superficial and half-hearted State control proposed by the committee the natural trend will be toward a lack of uniformity.

It would be interesting to know to what extent the committee would give either the case worker or a board of county supervisors the power to make decisions in individual cases. It might also be pertinent to ask what the committee has in mind when it suggests that conditions in different areas of the State be handled according to conditions in those areas. This sounds too much like an open invitation to each Board of Supervisors to establish standards based on the views, idiosyncrasies and prejudices of its individual members.

Lack of uniformity would almost inevitably cause considerable shifting of population from districts with low relief standards to counties where such standards are higher. Since urban districts will usually be more generous than the rural areas, we would probably accelerate the undesirable movement of farm labor into cities now crowded with industrial unemployed.

I completely agree with the majority opinion that the purely artificial distinction between employables and unemployables should be eliminated. Before this step can be taken, however, some definite agreement should be reached as to a formula of financial responsibility between county and State. This is a matter which should receive grave consideration from all interests involved, and it would be unwise to take snap judgment during the short term of a special legislative session.

An interesting insight into the views of the committee is revealed in the section of its report dealing with civil service. I believe that whatever agency administers relief should be either under civil service or under some comparable merit system. The committee, however, appears to be very careful not to indorse the principles of civil service for county employees. Its report states that under the proposed reorganized program, civil service would apply in the State Department of Employment. The report, however, is entirely silent on civil service of county employees who would administer the program. The report, in fact, goes out of its way to specify that the committee does not indorse the merit system which the Federal Government is now trying to impose on county welfare departments.

The report subscribes to the principle of local government under "proper" State regulation. The committee's recommendation of caution on the part of the Legislature, "against being led astray by an argument that State subventions necessarily carry with them State control or that uniformity can only be secured through 'strict supervision'," would appear to imply that "proper" supervision means innocuous supervision.

I have no objection to the committee's recommendation to perpetuate itself. I believe that it has served, and can continue to serve, some useful purposes. I take exception, however, to some of the reasons given in the majority report for its continuance.

I challenge the statement that unless it continues to function, employees of the SRA who testified before it as witnesses face danger

of discharge or demotion. In so far as my own knowledge goes nothing has been heard of reprisals against any employee who appeared before the committee. I would call attention to the fact that the present Relief Administrator immediately reinstated, during the last special session, employees who had been discharged by a county director for appearing before the Yorty committee.

The committee, in my opinion, is to be highly commended for refusing to recommend such harsh proposals as posting or publishing names of recipients of relief, fingerprinting of applicants, and impounding automobile license plates. Although disagreeing with the majority that restrictions relative to aliens in Senate Bill No. 81 be written into subsequent bills, I do concur in the recommendation for further study in this connection. According to the report there were 15,508 aliens on relief in January. This number, it is said, was reduced to 13,447 in April as a result of the provisions of Senate Bill No. 81. Certainly no study of this subject will be complete until it is ascertained what became of the 2,061 individuals who were removed from the relief rolls for the lone reason that they were not born within the territorial limits of the United States. In my opinion it is highly important to determine how these people are existing today. Are they being cared for by private welfare agencies? Have they been driven to panhandling or crime? Are they being cared for by kind neighbors? Are they hungry? Certainly the committee's report can not be considered as complete until it answers these questions.

I must also disagree with the recommendation that five years California residence be required to make an applicant eligible for relief. To attempt to justify this regulation on the ground that it would conform to the residence requirements for aged aid is ridiculous. Those not having the residence requirements for aged aid are cared for by SRA or county on indigent rolls. According to most State laws, a citizen loses residence after an absence of one year from his home State. A five year residence law would have the effect of making many needy people ineligible for assistance from any quarter whatsoever. The Legislature can only proceed on one of two theories. It can establish the policy of giving aid to those in distress, or it can say that it is interested only in saving money.

If we are to distribute aid on the basis of need, we should grant assistance to applicants whether they have been in the State one year or fifty years. If the only objective is the saving of money, aid might be limited to white, protestant, Nordic, Native Sons, or if relief for those within this classification is still considered too costly it could be limited to albino Negroes. This, of course, would completely eliminate relief rolls and should appeal to those whose only thought on the subject is, "economy."

I can not concur in the committee's recommendation that applications for relief be cleared through private credit agencies. I am fundamentally opposed to the delegation of the administrative functions of any department of government to any private agency.

Respectfully submitted.

ELMER E. LORE.

Reports of Special Committees.

The following reports of special committees were received:

Senators Kenny, Shelley and Rich, the special committee appointed to wait upon the Governor and inform him of the organization of the Senate, reported they had performed their duty

Also:

Senators Breed, Nielsen and Quinn, the special committee appointed to notify the Assembly of the organization of the Senate, reported that they had performed their duty.

Message from the Assembly.

At twelve o'clock and thirty minutes a.m., a committee from the Assembly, consisting of Messrs. Desmond, Williamson and Gannon, appeared at the bar of the Senate and announced that the Assembly was duly organized and ready to proceed with the business of the State.

Messages from the Governor.

The following messages from the Governor were received and read:

STATE OF CALIFORNIA, GOVERNOR'S OFFICE,
SACRAMENTO, March 1, 1940.

To the Honorable Members of the Senate, State of California, Sacramento, California.

GREETINGS: I am returning herewith, without my signature, Senate Bill No. 76, entitled: "An act making an appropriation for the contingent expenses of the Senate for the fifty-third (extraordinary) session of the Legislature, including expenses of committees created at that session and for any and all claims approved by the Senate, and declaring that this act shall take effect immediately."

My objections to this bill are as follows:

This bill appropriates $30,000 for the contingent expenses of the Senate for the extraordinary session of the Legislature. The Department of Finance has furnished me with a statement, a copy of which is appended hereto, which shows that the balance on hand from previous appropriations for contingent expenses amounts to $26,915.83. It further shows that before recess the Senate authorized the expenditure of sums totaling some $22,102.77, and further shows that in the event that the entire amounts authorized to be expended are expended, there will be left on hand a balance of $4,813.06, available for expenditures during the balance of the extraordinary session. Inasmuch as the general expenses of the Senate payable from the contingent fund, including the sum of $700 for postage, amounted to only some $1,800, the balance of $4,813.06 would seem to be ample. The amount appropriated by this bill may only be used for the expenses of the extraordinary session, and it would be unwise to appropriate any moneys in excess of the probable needs of the Senate.

Believing the Senate would not wish to appropriate for its contingent expenses more than is necessary, and realizing a future appropriation may be made should an emergency arise, I am taking the action above indicated.

Respectfully submitted.

CULBERT L. OLSON,
Governor of California.

Condition of Contingent Expenses of Senate
Close of Business February 24, 1940.

	Available Balance
Chapter 157, 1937	$44 20
Chapter 18, 1939	6,871 63
Chapter 115, 1939	20,000 00
Total	$26,915 83

Expenditures Authorized by Senate Before Recess:

Purpose	*Resolution Number*	*Journal Page*	*Amount*	
Postage	14	74	$300 00	Paid
Postage	21	180	200 00	Paid
Building and Loan Investigation	22	207	1,000 00	Pt. Paid
Postage	24	244	200 00	Paid
Horse Racing Investigation	29	332	1,500 00	
Building and Loan Investigation	31	368	1,000 00	
General Expense	34	372	1,102 77	
General Expense during Recess	35	373	2,000 00	
Packing and Shipping Books	37	376	50 00	
Fact Finding Committee, SCR	10	---	15,000 00	
Joint Motor Vehicle Committee, AB	72	---	750 00	
			$23,102 77	
Total paid as indicated (approx.)			1,000 00	
Balance Unpaid (approx.)			$22,102 77	
Available balance after deduction of expenditures authorized (approx.)			$4,813 06	

STATE OF CALIFORNIA, GOVERNOR'S OFFICE,
SACRAMENTO, February 26, 1940

To the Honorable Members of the Senate, State of California, Sacramento, California.

GREETINGS: I am returning herewith, without my signature, Senate Bill No. 47, entitled "An act to validate the organization, boundaries, governing officers or boards, acts, proceedings, and bonds of public bodies, to take effect immediately."

My objections to this bill are as follows.

The provisions of the bill are so broad as to be susceptible of an interpretation that it is broad enough to validate acts and proceedings of governing boards of public bodies that were never intended to be validated by the Legislature. Assembly Bill No. 44, which I have signed today, contains sufficient provisions to validate the acts of public bodies so as to insure the validity of bonds issued by such public bodies but with sufficient restrictions as to acts and proceedings validated, and this bill is therefore unnecessary.

Respectfully submitted.

CULBERT L. OLSON,
Governor of California.

STATE OF CALIFORNIA, GOVERNOR'S OFFICE,
SACRAMENTO, March 5, 1940.

To the Honorable Members of the Senate, State of California, Sacramento, California.

GREETINGS: I am returning herewith, without my signature, Senate Bill No. 67 entitled "An act to repeal section 10886 of, to amend section 10885 of, and to add sections 10885.1 to 10886, inclusive, to the Insurance Code, relating to contributions in the form of certificates of advancement."

My objections to this bill are as follows:

The provisions of the bill permitting the issue of "certificates of advancement" in exchange for securities legal for investment of assets of insurers in this State as well as cash, make it possible for the contributor to deposit a frozen asset such as a mortgage on unimproved real property, and be repaid in cash, thus resulting in the depletion of the cash position of the insurer and the possibility of not being able to meet its death claims.

The bill proposes to segregate in a trust fund or funds, for repayment of certificates of advancement, money paid as premium by policyholders, regardless of the then ability of the insurer to meet its obligations to policyholders. The effect of these provisions of the bill is to permit the setting aside of a portion of the premium income even though the insurer is operating at a loss. It is my opinion that the segregation of any portion of the premium income in a trust fund for the purpose of repaying certificates of advancement should only be allowed where the company is shown to the satisfaction of the Commissioner to possess a minimum surplus. To do otherwise would result in the placing beyond the reach of the policyholders and creditors funds which normally should be available to satisfy unpaid claims.

The bill provides that no payment out of the trust fund shall be made which will reduce the surplus of the insurer below the sum of $10,000 except that with

the prior approval of the Commissioner, the payment may reduce the surplus to $5,000. The bill does not contain any provisions as to who shall certify the existence of such surplus. In my opinion, the existence of the required surplus should be certified by the Insurance Commissioner before any repayment can be made.

The bill provides that the certificates of advancement may be issued against premium income of the life, or health and accident departments, or any portion of any department of the insurer and in series. The Insurance Code provides that the assets of each of these departments is free from claims of the others. The bill further provides that when any portion of the outstanding certificates of advancement is called for redemption, the redeemed certificates shall be placed in the general fund of the insurer. In view of the provisions of the Insurance Code segregating assets to separate departments of an insurer, in my opinion provision should be made that assets remaining in the certificate of advancement fund after all certificates of advancement have been redeemed, should revert to the surplus funds of the particular department of the insurer against which premium income the certificates of advancement were issued.

Respectfully submitted.

CULBERT L. OLSON,
Governor of California.

Adjournment.

At twelve o'clock and thirty-five minutes p.m., on motion of Senator Seawell, the President of the Senate declared the Senate adjourned until two o'clock p.m., Tuesday, May 14, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Tuesday, May 14, 1940.

The Senate met at two o'clock p.m.
Hon. Ellis E. Patterson, President of the Senate, in the chair.
Secretary Joseph A. Beek at the desk.

Roll Call.

The roll was called, and the following answered to their names:

Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Keating, Kenny, Mayo, McBride, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—32.

Quorum present.

Prayer.

Prayer was offered by Rev. Raymond Lull Bailey.

Reading of the Journal.

During the reading of the Journal of Monday, May 13, 1940, the further reading was dispensed with, on motion of Senator Slater.

Leave of Absence.

Senator Holohan was, on motion of Senator Tickle, granted leave of absence for this day.

Privilege of Floor of Senate Extended.

On request of Senator McBride, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Miss Henriette Henry of Los Angeles.

On request of Senator Wagy, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Miss Jean Goforth, Miss June Goforth and Miss Margaret Losee of Berkeley.

On request of Senator Jespersen, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Henry Jaster of Atascadero.

On request of Senator Parkman, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Misses Mary Mathews and Billie Schild, both of Sacramento.

On request of Senator Gordon, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Miss Allyce Pierce, Mrs. P. C. Pierce and Mrs. Harry Holtgen.

On request of Senator Fletcher, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Adolph Muelhouser of San Diego.

On request of Senator Breed, the privilege of the floor of the Senate Chamber for this day was unanimously extended to the following students of University High School of Berkeley: Barbara Abbott, Elinor Anderson, Harvey Arnold, Lily Aubert, Janet Baccus, Bruce Baker, Paul Bastow, Bill Baxter, Mabel Bennett, Stanley Blumm, Gene Boaz, Jack Bonnassiolle, Roy Borgstrom, Irving Bowker, Jeane Brown, Jack Campbell, Elenore Christian, Robert Codeglia, Emmet Commins, Gilbert Cross, Josie D'Angelo, Dian Dinwiddie, Lester Dotters, Jean Pat Downes, David Doyle, Lowell Dygert, Frank Egan, Wallace Elliott, Claire Denahy, Louis Fischl, Joan Fogg, Phyllis Fox, Barbara Foulds, Fred Gaine, Eleanor Galvin, Thelma Gates, Jean Goforth, June Goforth, John Grosh, Meyers Howard, Roy Hall, Jens Hansen, Dan Hill, Bill Hogarty, Peggy Horn, Archer Howard, Bob Hummell, Larry Jaffa, Vernon Jesperson, Harold Keenan, Maureen Kelby, Beverly Kingman, Russell Kletzing, Anna May Laird, Paul Lindblom, Margaret Losee, Phoebe-Jean MacCaughey, Marilyn Mack, Jacqueline Maguire, John Matthews, Norman McGaha, Jack Marinkovich, Marian McMillan, Rulo Minard, Clark Moore, Harold Moresi, John Mortarotti, Katheryne Neely, Leland Nelson, Barbara Newman, John Olney, Robin Louise Orr, Mary Lou Pohl, Norma Price, Bob Rector, Pat Reinke, Bill Robinson, Jean Robinson, Bob Rosenthal, Carl Rossi, Helen Savage, Lyan Schloss, Martin Schearer, Ruth Skoglund, Lillian Schuder, Irma Selby, Martha Shaw, Coleman Sholl, Irving Short, Isla Lee Smith, Ernest Southwick, Bill Stahlke, Ned Stroud, Lola Szanto, Louis Swenson, teacher; Richard Terhune, Bob Tremelling, Pat Verdi, Mary Ward, Wendell White, Leigh Willoughby, John Winfrey, Eugene Wiseman, Lulu Wickersham and Bill Wright.

Senate Resolution No. 44.

The following resolution was offered:

By Senator Tickle:

Resolved, That the following named persons be and they are hereby appointed to the positions hereinafter set forth as provided by law, with the compensation set opposite their names, payable weekly, beginning May 13, 1940, and the Controller is hereby directed to draw his warrants in favor of the respective persons for the same respective amounts, and the Treasurer is hereby directed to pay the same:

	Six days per week
Frank H Moore, Assistant Sergeant-at-Arms	$5 00
J. Desmond Sullivan, Assistant Sergeant-at-Arms	5 00
Laura Prentice, Assistant Engrossing and Enrolling Clerk	5 00
Nancy Lyon, Assistant Journal Clerk	5 00
Jeanne Vallee, Stenographer	5 00
Flora Gilliam, Stenographer	5 00
Betty H. Rourke, Stenographer	5 00
Dorothy Dittmer, Stenographer	5 00
Margaret Linfesty, Stenographer (compensation to begin as of May 12)	5 00
Marguerite Bridges, Stenographer	5 00
Victoria Fites, Stenographer	5 00
Irma Horne, Stenographer	5 00
	Three days per week
Genevieve Dalton, Stenographer	$5 00

Resolution read.

The question being on the adoption of the resolution.

The roll was called and Senate Resolution No. 44 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Hays, Hollister, Jespersen, Keating, Kenny, Mayo, McBride, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—33.

NOES—None.

Report.

The following report of Special Committee on Horse Racing was received, read, and on motion of Senator Metzger ordered printed in the Journal:

Preliminary Report to the Senate of the State of California.

Your committee for the investigation of horse-racing believes that it has uncovered the basic weakness in the present troubled relationship between horse-racing and the State Government.

This weakness is an adherence to the belief that because horse-racing is a "privilege business" it therefore has no rights, and can be governed at the whim and caprice of the executive.

The committee is not of the opinion that this error is a new one, or that its occurrence is unique to the present administration. However, it is a persistent fallacy, and has produced more picturesque, and serious manifestations in the present administration than it has at any time in the past. If not checked, it will force a break-down in horse-racing, and a serious loss of revenue to the State.

The ultimate recommendations of this committee therefore will be directed to correcting this fundamental error, and restoring confidence, honor, and good will in the relationship of race-tracks and horsemen, and those who would govern them.

Out of the belief that horse-racing is a privilege, and as such can be dealt with arbitrarily have come the following evil administrative practices

1. Campaign contributions. Since it was felt that race-tracks had no rights except those conferred upon them by grace, the belief has become widespread that a race-track proprietor who failed to contribute handsomely to the successful candidate for Governor would forsooth suffer at the hands of the Governor's Racing Commission.

2. Official corruption With this dangerous doctrine abroad, actual or attempted corruption was bound to be the next development The final report of this committee will reveal offers of special privileges to favored race-tracks made by self-styled campaign contributors, and members of the present Governor's official family. These offers were made upon the condition that large sums of money be paid.

3. Arbitrary rule. Even honest men are swayed by the heady effects of exercising absolute power over a defenseless "privilege business." Sweeping rulings, if made without regard for, or knowledge of the fundamental rights of the industry affected, eventually will so undermine that business that it will be destroyed. Horse-racing is still on trial in California, and its passing would bring a severe loss of revenue to the State.

4. Invasion of constitutional authority. It is the province of the Legislature, not the Executive, to raise the revenues of the State, and order their expenditure by budget appropriation. However, during the past year the Racing Commission, at the request of the present Governor, has arbitrarily insisted that the various tracks donate the proceeds of certain racing days to the general funds of the State. The purpose back of this move may be entirely laudable but purity of motive can never justify a deed that is evil in effect

This move has set the stage for imposition of similar "extra-legislative" taxes upon other "privilege" businesses—liquor, fishing, et cetera. Confidence of those who would invest in such businesses is destroyed since they are deprived of the safeguard of the constitutional provision that the Legislature alone may impose taxes.

All of these propositions are amply supported by the transcript of the testimony so far taken by this committee and will be more fully and specifically developed in its final report.

This preliminary report is presented at this time for the purpose of urging the Senate to pass certain legislation at the special session which should be effective by the time that the 1941 racing season begins

A proposal to increase the State's share of the 12 per cent deducted from parimutuel bets was passed by the Assembly at the 1939 session and was narrowly defeated in the Senate. It is the belief of the committee that such legislation should be considered at this special session. The committee is now engaged in preparing specific recommendations on this score which it will be able to present to the Senate Committee on Finance, Revenue and Taxation at such time as that committee will consider Senate Bill No. 41 now pending before it.

It is the belief of the committee that horse-racing will be able to bear this additional tax burden if it is relieved of the necessity of paying "indirect taxes" in the form of campaign contributions, deficit contributions, and lobbying fees. It will not be discouraged by additional taxes if it is assured that it will no longer be capriciously and arbitrarily governed.

To this end, your committee believes that Governor Olson should be called upon to cooperate. The Governor has had several weeks' opportunity to read the transcript of the committee hearings, and he has assured the committee personally that he would not tolerate in his official family persons who represented that they could influence the official actions of the Racing Commission. By this time also the Governor has had ample opportunity to confer with his own appointee, Claude I. Parker, Esq., who testified before your committee that he resigned as Racing Commissioner because "things were going on behind his back" and that he had been "subjected to outside pressure." The Governor should no longer be inactive in the face of the sworn accusations made against his Building and Loan Commissioner, Ralph Evans, and the latter's appointee, Norman Church. He will restore confidence that he intends to play fair with racing if he discharges these two men at once and eliminates from the Racing Commission any person or persons he suspects of being dominated by them. If the Governor will act immediately to clean up the administration of racing, increased racing "take" legislation can and should be passed at this session in the opinion of

THE SENATE COMMITTEE ON HORSE RACING.
SENATORS METZGER, Chairman
GORDON.
COLLIER.
KENNY.
POWERS.

Senate Resolution No. 45.

The following resolution was offered:

By Senator Metzger:

Resolved by the Senate of the State of California, That the sum of $1,500, or so much thereof as may be necessary, in addition to any other sums heretofore made available, is hereby made available from the Contingent Fund of the Senate for expenses of the Senate Special Committee on Horse Racing and its members, and for any charges, expenses or claims that they may incur under Senate Resolution No. 29, to be disbursed after certification by the chairman of the committee upon warrants drawn by the State Controller upon the State Treasurer.

Senate Resolution No. 45 referred to Committee on Contingent Expenses.

Message from the Assembly.

The following message from the Assembly was received and read:

ASSEMBLY CHAMBER, SACRAMENTO, May 13, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly has reconvened for the fifty-third (extraordinary) session with the following officers heretofore elected present:

Speaker—Hon Gordon H. Garland;
Speaker Pro Tempore—Hon. Gardiner Johnson;
Chief Clerk—Jack Carl Greenburg;
Minute Clerk—David V. Oliver;
Chaplain—Rev. Raymond L. Bailey;
Sergeant-at-Arms—Wilkie Ogg.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Requests for Permission to Introduce Bills.

The following requests for permission to introduce bills were presented:

By Senator Garrison:

SENATE CHAMBER, SACRAMENTO, May 14, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act to submit to the people, at the general election on November 5, 1940, a

proposed amendment to the Constitution of this State, relating to liens, mortgages, encumbrances and agreements taken as security for aid to the aged and to the powers of the Legislature in relation thereto, and to provide that this act shall take effect immediately.

Respectfully submitted.

SENATOR GARRISON.

Request referred to Committee on Rules.

By Senator Shelley:

SENATE CHAMBER, SACRAMENTO, May 14, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act to amend section 6.4 of, and to add section 54.1 to, the Alcoholic Beverage Control Act, relating to alcoholic beverages, to take effect immediately.

Respectfully submitted.

SENATOR SHELLEY.

Request referred to Committee on Rules

By Senator Fletcher:

SENATE CHAMBER, SACRAMENTO, May 14, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to offer a concurrent resolution, the title of which is set forth below:

Relative to the exemption of agricultural workers under the California Unemployment Insurance Act.

Respectfully submitted.

SENATOR FLETCHER.

Request referred to Committee on Rules.

By Senator Swing:

SENATE CHAMBER, SACRAMENTO, May 14, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act to validate the organization, boundaries, governing officers or boards, acts, proceedings, and bonds of school districts, to take effect immediately.

Respectfully submitted.

SENATOR SWING.

Request referred to Committee on Rules.

Reports of Standing Committees.

The following reports of standing committees were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, May 14, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following Senate Bills Nos. 47, 67 and 76 which were vetoed by the Governor;

Has had the same under consideration, and respectfully reports the same back, and recommends that the bills be placed on file.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, May 14, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following request by Senator Garrison for permission to introduce a bill:

An act to submit to the people, at the general election on November 5, 1940, a proposed amendment to the Constitution of this State, relating to liens, mortgages, encumbrances and agreements taken as security for aid to the aged and to the powers of the Legislature in relation thereto, and to provide that this act shall take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the bill introduced and referred to committee on Social Problems.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, May 14, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following request by Senator Shelley for permission to introduce a bill:

An act to amend section 6.4 of, and to add section 54.1 to, the Alcoholic Beverage Control Act, relating to alcoholic beverages, to take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the bill introduced and referred to committee on Governmental Efficiency.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, May 14, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following request by Senator Fletcher for permission to offer a Concurrent Resolution:

Relative to the exemption of agricultural workers under the California Unemployment Insurance Act;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the Concurrent Resolution offered, and referred to committee on Governmental Efficiency.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, May 14, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following request by Senator Swing for permission to introduce a bill:

An act to validate the organization, boundaries, governing officers or boards, acts, proceedings, and bonds of school districts, to take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the bill introduced and referred to Committee on Finance, Revenue and Taxation.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, May 13, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following request by Senator Parkman for permission to introduce a concurrent resolution:

Relative to approving five certain amendments to the charter of the city of Redwood City, State of California, ratified by the qualified electors of said city at a general municipal election held therein on the ninth day of April, 1940;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the bill introduced and placed on file.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

On Contingent Expenses.

SENATE CHAMBER, SACRAMENTO, May 14, 1940.

MR. PRESIDENT: Your Committee on Contingent Expenses, to which was referred:

Senate Resolution No 45;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be adopted.

Committee membership—3; committee vote: Ayes—2, absent—1.

KEATING, Chairman.
SEAWELL.

Consideration of Senate Resolution No. 45.

Resolved by the Senate of the State of California, That the sum of $1,500.00, or so much thereof as may be necessary, in addition to any other sums heretofore made available, is hereby made available from the Contingent Fund of the Senate for expenses of the Senate Special Committee on Horse Racing and its members, and for any charges, expenses or claims that they may incur under Senate Resolution No. 29, to be disbursed after certification by the chairman of the committee upon warrants drawn by the State Controller upon the State Treasurer.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 45 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Gordon, Hays, Hollister, Jespersen, Keating, Kenny, Mayo,

McCormack, Metzger, Mixter, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, and Wagy—30.
NOES—Senator Tickle—1.

Unfinished Business.

Senate Bill No. 76—An act making an appropriation for the contingent expenses of the Senate for the fifty-third (extraordinary) session of the Legislature including expenses of committees created at that session, and declaring that this act shall take effect immediately.

Sustaining Governor's Veto.

Message from the Governor announcing his objections to Senate Bill No. 76, read previously.

The question being: Shall Senate Bill No. 76 become a law, notwithstanding the objections of the Governor?

The roll was called, and the Senate refused to sustain the objections of the Governor by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Gordon, Hays, Jespersen, Keating, Kenny, Mayo, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—32.
NOES—Senators Garrison, and Hollister—2.

Senate Bill No. 67—An act to repeal section 10886 of, and to amend section 10885 of, and to add sections 10885.1 to 10886, inclusive, to the Insurance Code, relating to contributions in the form of certificates of advancement.

Sustaining Governor's Veto.

Message from the Governor announcing his objections to Senate Bill No. 67, read previously.

The question being: Shall Senate Bill No. 67 become a law, notwithstanding the objections of the Governor?

The roll was called, and the objections of the Governor sustained by the following vote:

AYES—None.
NOES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Jespersen, Keating, Kenny, Mayo, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Powers, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—32.

Introduction, First Reading and Reference of Bills.

The following bills were introduced:

Senate Concurrent Resolution No. 12: By Senator Parkman—Approving five certain amendments to the charter of the city of Redwood City, State of California, ratified by the qualified electors of said city at a general municipal election held therein on the ninth day of April, 1940.

Senate Concurrent Resolution No. 13: By Senator Fletcher—Relative to the exemption of agricultural workers under the California Unemployment Insurance Act.

Senate Concurrent Resolution No. 13 read, and referred to Committee on Governmental Efficiency.

Senate Bill No. 83: By Senator Shelley—An act to amend section 6.4 of, and to add section 54.1 to, the Alcoholic Beverage Control Act, relating to alcoholic beverages, to take effect immediately.

Senate Bill No. 83 read first time, and referred to Committee on Governmental Efficiency.

Senate Bill No. 84: By Senator Swing—An act to validate the organization, boundaries, governing officers or boards, acts, proceedings, and bonds of school districts, to take effect immediately.

Senate Bill No. 84 read first time, and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 85: By Senator Garrison—An act to submit to the people, at the general election on November 5, 1940, a proposed amendment to the Constitution of this State, relating to liens, mortgages, encumbrances and agreements taken as security for aid to the aged and to the powers of the Legislature in relation thereto, and to provide that this act shall take effect immediately.

Senate Bill No. 85 read first time, and referred to Committee on Social Problems.

Consideration of Senate Concurrent Resolution No. 12.

Senate Concurrent Resolution No. 12—Approving five certain amendments to the charter of the city of Redwood City, State of California, ratified by the qualified electors of said city at a general municipal election held therein on the ninth day of April, 1940.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Concurrent Resolution No. 12 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Jespersen, Keating, Kenny, Mayo, McBride, Metzger, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—33

NOES—None.

Senate Concurrent Resolution No. 12 ordered transmitted to the Assembly.

Adjournment.

At two o'clock and forty minutes p.m., on motion of Senator Seawell, the President of the Senate declared the Senate adjourned, until two o'clock p.m., Wednesday, May 15, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Wednesday, May 15, 1940.

The Senate met at two o'clock p.m.
Hon. Ellis E. Patterson, President of the Senate, in the chair.
Secretary Joseph A. Beek at the desk.

Roll Call.

The roll was called, and the following answered to their names:
Senators Breed, Brown, Crittenden, Cunningham, DeLap, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Jespersen, Keating, Mayo, McBride, McCormack, Myhand, Parkman, Phillips, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—27.

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev. A. Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Tuesday, May 14, 1940, the further reading was dispensed with, on motion of Senator Slater.

Leaves of Absence.

Senator Holohan was, on motion of Senator Tickle, granted leave of absence for this day.

Senator Biggar was, on motion of Senator Gordon, granted leave of absence for this day.

Privilege of Floor of Senate Extended.

On request of Senators McBride, Garrison, Jespersen, Hollister, Seawell, Shelley and Slater, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mrs. A. E. Boicelli of San Francisco and R. W. Lefever of Somis.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, May 14, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 120—An act to add sections 2.1 and 19.5 to the Orange County Flood Control Act, relating to the Orange County Flood Control District, including the use of funds received by the district for the purchase and retirement of outstanding district bonds, to repeal Chapter 17 of the Statutes of the first extra session of the Fifty-third Legislature, and to provide that this act shall take effect immediately.

JACK CARL GREENBURG, Chief Clerk of Assembly
By C. W. BOOTH, Assistant Clerk.

Assembly Bill No. 120 ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, May 14, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Assembly Concurrent Resolution No. 20—Relative to the intention of the Legislature in using the term "Mackinaw cutthroat trout" in section 619.5 of the Fish and Game Code, as added by Chapter 778, Statutes of 1939;

Assembly Concurrent Resolution No. 22—Relating to the dismissal of certain State employees.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Concurrent Resolutions Nos. 20 and 22 ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, May 15, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Senate Concurrent Resolution No. 12—Relative to approving five certain amendments to the charter of the city of Redwood City, State of California, ratified by the qualified electors of said city at a general municipal election held therein on the ninth day of April, 1940.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Senate Concurrent Resolution No. 12 ordered to enrollment.

Unfinished Business.

Senate Bill No. 47—An act to validate the organization, boundaries, governing officers or boards, acts, proceedings, and bonds of public bodies, to take effect immediately.

Sustaining Governor's Veto.

Message from the Governor announcing his objections to Senate Bill No. 47, read previously.

The question being: Shall Senate Bill No. 47 become a law, notwithstanding the objections of the Governor?

The roll was called, and the objections of the Governor sustained by the following vote:

AYES—None.

NOES—Senators Breed, Brown, Collier, Cluttenden, DeLap, Deuel, Foley, Hays, Jespersen, Keating, Mayo, McBride, McCormack, Metzger, Myhand, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—25.

Reports of Standing Committee.

The following reports of standing committee were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, May 15, 1940.

MR PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 120—An act to add sections 2.1 and 19.5 to the Orange County Flood Control Act, relating to the Orange County Flood Control District, including the use of funds received by the district for the purchase and retirement of outstanding district bonds, to repeal Chapter 17 of the Statutes of the first extra session of the Fifty-third Legislature, and to provide that this act shall take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be referred to the Committee on Finance, Revenue and Taxation.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Bill No. 120 read first time, and referred to Committee on Finance, Revenue and Taxation.

SENATE CHAMBER, SACRAMENTO, May 15, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Concurrent Resolution No. 20—Relative to the intention of the Legislature in using the term "Mackinaw cutthroat trout" in section 619.5 of the Fish and Game Code, as added by Chapter 778, Statutes of 1939;

Assembly Concurrent Resolution No. 22—Relating to the dismissal of certain State employees;

Has had the same under consideration, and respectfully reports the same back, and recommends that they be referred to the Committee on Governmental Efficiency.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Concurrent Resolutions Nos. 20 and 22 read, and referred to Committee on Governmental Efficiency.

Report.

On motion of Senator Phillips the following statement was printed in the Senate Journal preceding the introduction of Part IV of the report of the Joint Legislative Fact-Finding Committee on Employment:

Part III of the Joint Committee's report is not quite ready for delivery to the Senate. The committee therefore submits Part IV, which contains the reports of the four Subcommittees on Policies and Personnel in the SRA. The State was divided into four geographic areas, Northern California, Southern California, the Central Valley, and the San Francisco Central Coast regions. Hearings were held in a great many counties. In some instances the supervisors, county welfare directors, and SRA directors of several counties were invited to meet together at the committee's meeting place. These reports follow:

PART III.

Summary Report of the Subcommittee of the Joint Legislative Fact-Finding Committee on Employment for the San Joaquin Valley.

Subcommittee.

Senator Frank W. Mixter, Chairman; Senator James I. Wagy, Assemblyman Clyde A. Watson.

Counties.

San Joaquin, Stanislaus, Tuolumne, Merced, Mariposa, Madera, Fresno, Kings, Tulare and Kern.

Hearings.

Public hearings were held by the subcommittee as follows:
Stockton—Monday and Tuesday, March 18 and 19, 1940.
Modesto—Wednesday and Thursday, March 20 and 21, 1940. Tuolumne County included in Modesto hearings.
Merced—Friday and Saturday, March 22 and 23, 1940. Mariposa County included in Merced hearing.
Madera—Tuesday, April 2, 1940.
Fresno—Wednesday and Thursday, April 3 and 4, 1940.
Hanford—Friday, April 5, 1940.
Visalia—Monday and Tuesday. April 8 and 9, 1940.
Bakersfield—Wednesday and Thursday, April 10 and 11, 1940.

Persons and representatives of groups appearing before and examined by the subcommittee:
County SRA directors and members of personnel staff;
County welfare directors;
Managers of county offices State Division of Employment;
Employers of agricultural labor;
Peace officers;
Justices of the peace;
Representatives of district attorney's offices;
Members of boards of supervisors;
Members of Workers Alliance;
Citizens.

Scope of Examinations of Witnesses Appearing Before the Subcommittee.

County SRA directors were examined as to length of service, previous experience in this type of work, by whom appointed, etc.; and members of personnel staff as to length of service, where performed, qualifications, membership in the SCMWA or other organizations, etc.

County welfare directors testified as to length of service, duties, indigency, categorical aids, percentage cost of administration, etc.

Managers of county offices of State Division of Employment were interrogated as to length of service, duties, contacts with the SRA, contacts with potential employers of labor, the laws and regulations under which operations are performed, etc.

Peace officers gave testimony relative to actions of relief recipients and "chiseling."

Justices of the peace supplied information relative to relief recipients haled into court on charges of drunkenness, gambling and other misuses of relief funds.

Representatives of district attorney's offices furnished evidence with respect to court actions following arrests of recipients accused of "chiseling."

Members of the Workers Alliance were heard principally for the purpose on their part of entering denials of attempts to use "pressure" or other undue influence.

Citizens testified regarding various matters related to the unemployment problem.

Findings.

The county SRA directors without exception are, in the opinion of the subcommittee, appointed and retained in office as a reward or in recognition of political activity in behalf of the present State Administration, and with few exceptions unqualified for the positions, so far as training and experience are concerned. Among the exceptions may be noted the county administrators for Kings and Kern counties. In the latter county the present director, while relatively a new man, appears because of business experience to have a good grasp of the situation. The Kings County director (a woman) has been in the position for some length of time and seems to understand her duties. The directors for San Joaquin, Stanislaus, Tuolumne-Calaveras, Merced-Mariposa and Madera counties are all comparatively recent appointees, with little or no previous knowledge of the duties of the positions. The Fresno County director was recently transferred from Kern County where he had served for some time. The Tulare County director has been in his present position for considerable time, has been under fire, and his removal was sought last January by the Tulare County Democratic Central Committee and other citizens. Until a short time before subcommittee hearings in Madera County, both SRA and county welfare activities were handled by the same person, the county welfare director, without cost to the State for quarters or director's salary, only the staff receiving compensation from the SRA. When the SRA Director was appointed, SRA quarters were moved to another location at additional cost to the State of $150 monthly for rent, plus the salary of the director.

SRA Employees.

Staff members of the various county SRA offices were interrogated with respect to their qualifications, membership and activities in the SCMWA. These persons had apparently been advised as to the way questions should be answered. The testimony indicated that employees in the social service divisions of the several county offices have qualifications for their positions based upon college or university degree and experience in social service work. Employees in the clerical divisions seem to be selected because of ability. Separation from service was, the subcommittee learned from testimony, determined upon the basis of seniority, eligibility and need. The subcommittee was, however, unable to learn just how rigidly these points are observed in effecting separations.

The SCMWA is largely represented in the SRA offices in San Joaquin, Fresno, Tulare and Kern counties, while in Stanislaus, Tuolumne, Merced, Madera and Kings counties the evidence indicates little or no such membership. In each office where this union is active, an arrangement exists whereby representatives of the group meet with the director to discuss matters in which they are interested. These appear to be principally questions regarding overtime and working conditions.

The county welfare directors seem to be well qualified by experience and training for the positions they occupy. Much useful and valuable

information with respect to indigency and the categorical aids has been secured.

State Employment Service.

State employment office managers appeared at the several hearings and the testimony of one was virtually that of all; the unemployed person intending to apply for SRA relief first files an application for employment and then proceeds to the SRA office to make application for relief. Records of actual employment furnished by these offices are incomplete because while each person sent to a prospective job is given a card to be handed the new employer to be signed and returned, few of the cards ever reach the office. This is thought to be due partly to neglect of the employee to hand over the card and partly to neglect on the part of the employer.

The subcommittee urges that one regulation under which the State employment offices operate be corrected. That is in regard to the filing of complaints to the effect that a labor dispute exists on a given farm, ranch or other premises where labor is employed. Much evidence was secured to show that many such complaints were lodged against places where no labor was being employed at the time, but which resulted in the designated place being declared a "hot spot" and to which the employment office was forbidden to send labor at a later time.

Other testimony revealed that persons other than labor representatives had filed these complaints with the same result. Most of these complaints filed during the harvest season of 1939 were not cleared until March, 1940, long after the harvest had been completed. In only one case did the subcommittee find evidence of any effort to check the situation. The general statements by the office managers were that they had no authority to verify the truth or falsity of these complaints. We feel that the result of this regulation is to prevent the employment of many SRA recipients who otherwise could be put into gainful employment.

Workers Alliance.

In almost every county there is evidence of the activity of the Workers Alliance. In Fresno and Tulare counties representatives of this organization appeared before the subcommittee and asked to be heard. Their principal testimony was a general denial of attempts to influence or exert pressure in connection with complaints presented to the county SRA director. It developed that a certain day is designated for considering complaints of the Workers Alliance. The directors all disclaimed knowledge of attempts to influence them unduly in their decisions upon questions involved. However, there can be no question as to the extent and activity of this organization. For example, the foreman of the Tulare County Grand Jury testified that in one of the branch offices in Tulare County where surplus commodities are distributed, he and other members of the Grand Jury observed members of the Workers Alliance furnish tickets to certain ones of those who were there to secure portions of the surplus commodities whereby these favored persons obtained positions at and near the head of the line, thereby being in a position to receive preferred attention both as

to quantity and variety of the articles issued. Many others, being forced into positions toward the rear of the line, received little or no benefit from the distribution.

Testimony by two justices of the peace, one in Merced County, the other in Fresno County, had to do with the misuse of SRA relief funds for drinking and gambling. In the opinion of these witnesses, relief should not be issued to persons guilty of these offenses.

To gain information in regard to action of courts following the filing of complaints on charges of petit theft (chiseling), the district attorneys of Kings, Tulare and Kern counties were requested to furnish the subcommittee with copies of records of action upon such cases. This was done and the information obtained will be filed with this report.

Return of Relief to Counties.

Boards of supervisors were invited to attend the hearings of the subcommittee and with two exceptions, those for Fresno and Kern counties, members of these boards were present and exhibited considerable interest in the proceedings. In response to questions relative to transfer of the administration of relief to the counties, these gentlemen were quite frank in their statement of willingness to assume the new responsibility in case the Legislature should make adequate provision for financing by the State for the protection of the counties.

Farm Workers.

Agriculturists were interviewed during the hearings regarding workers employed in the production of various crops and in packing houses where fruits, grapes, and other agricultural commodities are processed, packed and shipped to markets. In spite of labor difficulties fomented by radical groups, farmers of the San Joaquin Valley have been able, because of the abnormal supply of farm labor, to plant, care for and harvest their crops during the past few years, with but little interruption of work.

Many of those appearing before the subcommittee testified that the housing facilities on their premises were sufficient, not only for the workers employed by them on a year-round basis, but in most cases for seasonal labor as well, and that no charge was made against their employees for these quarters which in all cases included light and water, and in some cases fuel. Moreover, it was found that numerous workers and families performing seasonal labor continued to live in these places after the work was finished, and without cost to themselves. Many farmers producing cotton stated that a considerable percentage of seasonal workers returned to them year after year.

Many farmers testified that they could not depend upon the State Employment Service to furnish workers when needed, notwithstanding heavy SRA relief rolls in the counties. Others testified that complaints of labor disputes on their farms were filed by unauthorized persons, which estopped the local employment office from furnishing workers (and without investigation). Many farmers related experiences with picketing groups; in some cases the workers were intimidated and left their work through fear, part of them returning later. During the

orange picking and shipping season during the Fall of 1939, labor agitators appeared in the Tulare County citrus district and as a result of their activities several packing houses and orange groves were picketed and considerable annoyance and delays resulted.

Farm and Packing House Strikes.

It was indicated that some of the employees of packing houses who struck were members of unions in other places and follow various crops during the vegetable and fruit packing season. They were satisfied with wage and working conditions but feared reprisals if they continued work in a house where a strike had been ordered. The Tulare County situation, like many in other places, was brought about by agitators apparently interested only in proselyting workers. The subcommittee found the farmers were paying workers all they could when prices received for the commodities produced were considered, and testimony showing that farm workers in California are the highest paid of any State in the Union was furnished during the hearings.

A number of circulars, photographs and similar material illustrative of actions of picketing methods and advertising "strike" meetings were gathered by the subcommittee during the hearings. These are attached to and made a part of this summary report. Complete transcripts of the several hearings are available. These have been filed with the Chairman of the Joint Legislative Committee.

(Signed) FRANK W. MIXTER, Chairman
CLYDE WATSON.
J. I. WAGY.

Subcommittee for the San Joaquin Valley of the Joint Legislative Fact-Finding Committee on Employment.

Summary Report of the Subcommittee of the Joint Legislative Fact-Finding Committee on Employment for the Northern California Counties.

Subcommittee.

Senator Roy J. Nielsen, chairman

Senator Charles H. Deuel — Senator Jesse M. Mayo

Counties.

Alpine	Lassen	Sierra
Amador	Marin	Siskiyou
Butte	Mendocino	Solano
Calaveras	Modoc	Sonoma
Colusa	Napa	Sutter
Del Norte	Nevada	Tehama
El Dorado	Placer	Trinity
Glenn	Plumas	Yolo
Humboldt	Sacramento	Yuba
Lake	Shasta	

Meetings.

Meetings were held as follows:

Date	*Place of meeting*	*Counties present*
March 13, 1940	Jackson, Amador County	Amador Calaveras El Dorado
March 18, 1940	Auburn, Placer County	Placer Nevada Sierra
March 19, 1940	Marysville, Yuba County	Sutter Butte Yuba
March 20, 1940	Willows, Glenn County	Glenn Colusa Tehama
March 21, 1940	Redding	Shasta Trinity Siskiyou
April 17, 1940	Fairfield, Solano County	Yolo Solano Napa
April 18, 1940	Santa Rosa, Sonoma County	Sonoma Marin Lake
April 19, 1940	Ukiah, Mendocino County	Mendocino Humboldt Del Norte
May 2, 1940	Sacramento	Sacramento

The county SRA director of Plumas, Lassen and Modoc counties was interviewed at the meeting of the committee in Redding, March 21, 1940.

Alpine County has no SRA office nor recipients of State direct relief. This county was not investigated. Amador County has no SRA office nor recipients of direct relief from the State.

Conferences with Supervisors.

The committee invited members of county boards of supervisors and county welfare directors to meet for a free and open discussion of all county welfare and relief problems. The supervisors were especially pleased that representatives of the Legislature had been given the opportunity to confer with them, seeking information, offering assistance and giving first hand information in relation to the activities of the Legislature regarding the relief problem of California.

At practically every meeting, supervisors thanked the committee for its visit, stating that this was the first time to their knowledge that a legislative group met at convenient locations, asking boards of supervisors to sit down with them and discuss problems of vital interest to the counties and the State.

The committee interviewed the county welfare directors of most of the counties. It found an exceptionally high-class personnel, sympathetic, intelligent and efficient, doing a good job, adequately taking

care of the indigent and those receiving the other categorical aids, administering aid in the interest of the county as well as the recipient, and with no "new philosophy" complex.

Administration Propaganda.

The committee found that members of the board of supervisors in most all counties had been misled by propaganda issued by the Administration to the effect that if relief was returned to the counties, it would increase the local county tax rate. The propaganda issued in telegrams signed by Culbert L. Olson, Governor, was sent to each chairman of the board of supervisors, each telegram stated a definite figure of tax increase. Similar propaganda was sent to the newspapers using the name of the local county SRA director as author of the statements and also using a definite rate of tax increase. In a number of instances, these press releases were made without the knowledge of the County SRA directors. They had not authorized the use of their names and frankly admitted to the committee that they did not issue the statements credited to them in the press articles.

Supervisors Favor Return of Relief.

After a full discussion of the problem of relief, and an explanation of Assembly Bill No. 105, and the attitude of the Legislature in relation to cooperation with the counties, the members of the county boards of supervisors who were present at the meetings were almost unanimously favorable to the return of relief to the counties and so expressed themselves. The committee endeavored to explain every phase of the relief situation. The general expression used by supervisors at all of the meetings was this: "Well, we didn't understand it that way. If that is the situation, as you gentlemen have explained it, then I am for taking relief back and we can administer it through our county welfare departments."

Untrained SRA Directors.

In interviewing the various SRA county directors the committee learned that the majority in the twenty-nine counties were appointed to the positions in the months of September, October or November in 1939. With few exceptions these county SRA directors had no previous experience in relief, welfare or social service work. Some exhibited a low degree of executive ability and appeared unqualified in other ways for the positions which they hold; while, on the other hand, the majority of them seemed to be conscientiously attempting to do a good job under the handicap of ever changing voluminous rules and regulations of the State Relief Administrator.

SRA Costs High.

County SRA administration cost in the counties investigated will average a minimum of 25 per cent for the calendar year of 1939, although in some counties for certain summer or fall months the administration cost ran up to 40 per cent or in certain counties to 85 per cent; in two exceptional cases the cost of administration during one summer month exceeded the total cost paid to relief recipients.

Figures were obtained from each county welfare director showing the total case load in the county, the number of employees, the total amount paid out for the categorical aids, and the county's cost of

administration. It is safe to say, that the cost of county administration in the twenty-nine counties will average approximately 3 per cent.

SRA Overstaffed.

The committee is of the opinion that county SRA offices are overstaffed and that there is no uniformity of administration throughout the year. In some months there is a greater number of employees in an SRA office with a small case load than at other times when a considerably greater case load is handled by fewer employees.

The committee found practically no activity of pressure groups, such as the Workers' Alliance and the State, County and Municipal Workers of America While in a few counties there had previously existed such pressure groups there apparently is no activity now with the possible exception of some minor agitation in Shasta County.

County Administration Better.

The investigation convinces the committee that the county welfare departments in these rural counties can administer direct relief efficiently, humanely, and at a considerably smaller administrative cost than the SRA. In many counties it will be necessary to add only one or two more employees to the county welfare staffs.

The committee realizes that there is more detail in handling the SRA case load than is required in the administration of the categorical aids but county welfare directors, as a whole, expressed opinions that they could do the job for very little additional administrative cost if they were not hindered by red-tape and a maze of arbitrary and unreasonable rules and regulations.

Submitted by:

Subcommittee (Northern California Counties)
Fact Finding Committee on Employment,

(Signed) ROY J. NIELSEN, Chairman.
CHARLES H. DEUEL.
JESSE M. MAYO.

May 10, 1940.

Summary Report of the Subcommittee of the Joint Legislative Fact-Finding Committee on Employment for the Southern California Counties.

Subcommittee.

Assemblyman Frederick F. Houser, chairman; Senator Charles Brown; Assemblyman Edward F. O'Day.

Subcommittee Hearings.

Your subcommittee for Southern California on the policy and personnel of the State Relief Administration, which during the past several weeks has been conducting an intensive study and investigation of relief and unemployment, completed its hearings on April 2, 1940. We held public hearings in five different counties located in Southern California. Witnesses testified for more than a week in Los Angeles, the hearings running from Friday, March 15th, to and inclusive of Friday, March 22nd We then moved to San Bernardino where

public hearings were held on March 25th and to Riverside where hearings took place on March 26th. Witnesses from Orange County were also heard at Riverside. On March 27th the four subcommittee chairmen on policy and personnel of the State Relief Administration met with Senator Phillips for a day in San Francisco in order to compare notes as to progress and make suggestions relative to information which had been brought to the attention of their respective committees.

The next day, March 28th, our subcommittee conducted hearings in San Diego, where witnesses from Imperial also appeared. These hearings ran for two days. On April 1st and 2nd we were in Santa Barbara and also heard Ventura's representatives. April 19th the subcommittee held a public hearing in Santa Ana, Orange County.

Senator Charles Brown of Shoshone, who represents Inyo and Mono counties, is presenting a supplementary report.

Politics in Relief Increases.

The most important facts disclosed by our subcommittee hearings and investigations can be summarized as follows:

1. Politics in relief has increased by leaps and bounds since Governor Olson took office. For example, in Riverside County about the only qualification for office of the county director was that during the Olson campaign he was in charge of the distribution of political literature. In San Diego the director was the Olson campaign manager during the 1938 election and since his appointment as director no Republicans, no matter how capable, have been appointed to the SRA staff. These examples are merely typical of what we found everywhere and politics exists all the way down from the director to the case aide.

Relief Cases at New High.

2. Case loads have mounted beyond all reason during the year immediately preceding passage of Senate Bill No. 81, and this in spite of a major pick-up in business conditions and private employment. The average increase had been close to 100 per cent in one year until the Legislature at its special session enacted Senate Bill No. 81. From October of 1938 to October of 1939 the case load in one of the counties jumped from 1600 to 3600, an increase of 125 per cent, and this is likewise typical of the other counties. Testimony from numerous witnesses developed the fact beyond all reasonable dispute that the cause of this tremendous increase in case load can be traced almost entirely to a "liberalization of intake." In other words the case aides, case workers and supervisors in charge of intake, acting in accordance with the wishes of the State Administration, have made it a great deal easier to get on the relief rolls and to stay there, since the coming of the Olson regime. The slogan of some of the large department stores, that "the customer is always right" has been really taken to heart by the SRA.

Some of the increase, but only a small percentage, can be traced to a minority of social workers who are selfishly trying to build up the case load in order to insure the continuance of their own jobs, because if there are no "clients" there is no need for social workers.

However, most social workers are sincere but nevertheless the great majority, having lived with the problem all their lives, have a social service "complex" and the case load is bound to increase unless those

in administrative positions put their feet down and do a little thinking about the small taxpayer who is trying to pay for his home and his car and support a family on a good deal less in many instances than the cash dole paid to his next door neighbor who is on relief. The SRA executives during the past year have been over-indulgent and have let the social workers run wild.

"Clients" a Favored Class.

3. Under Governor Olson, relief payments have been used to build up the standard of living of those on relief to what is theoretically called a "standard of decency" even though this standard may be considerably higher than the standard of living of the taxpayer who helps to pay the cash dole for his neighbor.

Typical is the cash dole of $138 per month paid an unskilled laborer who had never in private employment earned over $70 per month.

Just how long will this man's "will to work" survive under such conditions or the "will to work" of his neighbor who works 42 hours a week and receives only $80 per month?

The wages of many working people are far too low, but the way to correct this situation is to raise their wages—not by making relief "clients" a privileged class.

Tax Dollars Wasted.

(4) Extravagance and waste of the taxpayer's money has been caused largely by inefficiency and over-indulgence rather than by actual graft.

Whenever men are appointed to office because of their politics instead of their capabilities and qualifications then waste runs rampant and this is exactly what has happened in the SRA.

In addition to hearing from witnesses in connection with the policy and personnel of the State Relief Administration, we also heard from a number of county supervisors on the problem of unemployment, which generally, of course, was indirectly connected with the personnel and policy of the State Relief Administration. The testimony of the various supervisors in the counties which we visited discloses two important points:

Return of Relief to Counties Would Save Money.

First: Practically all of the supervisors thought that a considerable saving to the taxpayers would be effected if the administration of relief should be returned to the counties. Most of them, but not all of them, were in favor of placing definite limitations on the total relief costs to be borne by the counties. Their reason for such a limitation was that they did not wish to increase the present burden on real estate by being compelled to support the unemployed. They were practically all in favor of returning the administration of relief to the counties provided the State would subsidize the entire relief load, including the so-called categorical aids, to the extent that the total cost borne by the counties, after the transfer of the administration of relief to the counties, would be no higher than the total cost borne by the counties today in connection with the support of the so-called categorical aids plus the indigents.

Second: The cost of administering the categorical aids plus indigent aid in the various counties which we visited varies all the way from five per cent to seven and one-half per cent. Practically all of the county welfare directors who testified concerning administrative costs were of the opinion, however, that administrative costs in connection with relief would be considerably higher than the administrative cost for the categorical aids plus indigent aid.

(Signed) FREDERICK F. HOUSER, Chairman.

Supplementary Report of the Subcommittee of the Joint Legislative Fact-Finding Committee on Employment for the Southern California Counties.

Senator Charles Brown, in the following, gives observations, resulting from his own inquiries and those of the subcommittee for Southern California, as a supplement to the report of the subcommittee chairman, Assemblyman Frederick F. Houser: The SRA office in Bishop (the only office in these two counties) is administered through the SRA office in Bakersfield. At the time of Senator Brown's investigation it cared for 69 cases, with a personnel of three people.

The ramifications of the State Relief Administration are so complicated that it is hard to get a thorough understanding of any one major activity of it.

Enemies of the Deserving.

The general policy of the administration has been to liberalize the interpretation of the intent of how relief should be extended with the result that thousands who should never have been on the relief rolls, have become recipients and relief-minded. These thousands are enemies of the needy and deserving who have had to come to the State for aid through no fault of their own. They use any method that may be required such as hiding incomes and denying many facts to investigators in order to stay on relief. If they are caught a demand is made for restitution to the State.

The Legislature, in part, is responsible for this condition by its failure to pass legislation to prevent these practices, which have been so costly to the State, not only through the large increase of relief recipients but also through an increase in personnel that is almost beyond apprehension.

County directors and others holding executive positions in the State Relief Administration defend the great increase in the relief recipients and personnel, in some instances as much as 125 per cent in one year. None will admit the real cause.

Causes of Increased Relief Costs.

The two major factors which have brought about the increase are: first, the organization of the Workers Alliance into pressure groups which teach individuals who have never thought of relief how to get on the rolls and stay on; second, the liberalization of the intake for relief recipients.

A part of the SRA personnel is organized into what is called the State, County and Municipal Workers of America, a CIO organization which seems to be interested only in holding jobs and making more jobs at the expense of the taxpayers. The union also acts as a pressure

group and in some cases has actually dictated the policy of the Relief Administration in counties where the organization is especially active.

Another reason for the inefficiency of the State Relief Administration is the constant shifting of employees from one job to another. Seldom do SRA workers hold positions longer than four months, although they may have been employed for several years. County directorships seem to be the biggest political plums and little consideration has been given as to their eligibility in selecting them.

Other causes that complicate the relief situation include migratory labor, lack of cooperation in the different State departments, political favoritisms in the lower ranks of SRA workers and inadequately trained personnel.

Many leaders of the Workers Alliance and the SCMWA are of political faith that is not American. Neither organization is entitled to consideration which enables it to share money given by taxpayers to relieve hunger and destitution. The Legislature should go as far as possible to correct this situation.

One thing is certain—the relief burden can be made just as large and just as expensive as those who direct the SRA desire unless the Legislature controls the situation with a proper bill which will do justice to the deserving and weed out the chiselers.

(Signed) CHARLES BROWN.

Summary Report of the Subcommittee of the Joint Legislative Fact-Finding Committee on Employment for the San Francisco Bay-Central Coast Area.

The subcommittee charged with the investigation of personnel and policy in the San Francisco Bay-Central Coast area, consisting of Assemblymen C. Don Field, Glendale; Elmer E. Lore, North Hollywood; and Albert C. Wollenberg, San Francisco, reports as follows:

The committee's assignment called for its investigation to be made in nine counties and with the exception of San Benito, the committee held full hearings in all counties.

In the counties of San Luis Obispo, Monterey, Santa Cruz, Santa Clara and San Mateo, we found no particular problem to exist other than the general problem of personnel practices. All of these counties, with the exception of Monterey, had directors appointed since September and October of 1939, all having been chosen because of services rendered during the last political campaign. It is also to be noted that subversive groups do not have a great influence in this area, but confine their activities to the urban counties.

With the exception of San Mateo County, we found an apparent cooperation between the county welfare departments and SRA to the end that they were able to coordinate their work particularly as to the cases involving definition of employables. San Mateo has a peculiar situation which we do not believe exists elsewhere in the State of California.

San Mateo County Problem.

San Mateo County, by ordinance, created an unemployment committee which has functioned continuously since its creation many years ago. This committee, acting under an appropriation from the county

board of supervisors, has handled continuously the emergency relief orders in the county and has paid for them with county funds. It has also maintained an office, supervising all sponsored projects in the county and has advanced its funds for these projects. Up to the time of the appointment of the present director, this system has been quite successful and no problems have arisen. At the time this report is written, however, the present county SRA director is engaging in a campaign apparently designed to force the county unemployment committee out of the work they have so successfully carried on. Access to files of cases which they need to continue their work has been denied the committee, although we have the assurance of the State Relief Administration that this matter will be quickly settled. The personnel administering State relief in most of these counties are people trained in social work, who have spent considerable time in this type of work, with the exception of county directors and certain other particular individuals.

SRA Political Pressure.

The committee held hearings in San Francisco County and found that during September and October, 1939, the county director felt the pressure of political influence. It was apparently his belief that he was to be removed and that the State Administration was putting employees around him for the sole purpose of securing his discharge. By his own testimony, San Francisco was overstaffed by approximately one hundred sixty employees, and the county director testified before the committee that he attempted continuously to secure the discharge of all unnecessary personnel, but was not permitted to do so by the State Administration. One witness stated that through the influence of two San Francisco Assemblymen, fifty superfluous employees were placed on the payroll within a period of ten days to two weeks. The committee is in possession of letters and statements made by the director to sustain this report.

SRA Works Projects.

During 1939, San Francisco County Administration of the SRA operated works projects. The bookkeeping and accounting on these projects failed to indicate completely the true condition existing as to costs of their operation, in fact, the committee has evidence showing that the records were deliberately tampered with in an effort to make a good showing on these projects. The best example of this is the case of repair of certain baby high chairs and a small amount of other furniture, at a total cost of approximately $200. The records showed first that two hundred forty hours of work were spent on this small amount of furniture. Another record showed one hundred ninety-four hours, and finally the records showed eighteen to twenty hours work. The county director finally admitted that he could not account for these discrepancies. However, the projects on which these records reflected have been closed for quite a period of time. The county SRA director in San Francisco testified that his personnel is made up of approximately 60 per cent of old employees who have been with him for years. This is contrary to the statement of Mr. Chambers that there has been a general turnover of 80 per cent in the State personnel of the SRA.

"New Philosophy" in Alameda County.

The committee's findings in Alameda County can be summed up in the statement that Alameda County offers one of the best examples of the so-called "New Philosophy." A liberal idea has progressed to the point where members of the Workers Alliance were shown preference in the handling of their cases to the prejudice of nonmembers and where the Administration has taken a definite attitude that relief is a right and it is the duty of the Administration to do all it can to obtain relief for the applicant rather than to put the burden upon the applicant to justify his entering upon the rolls. Since the visit of this committee to Alameda County there has been a drastic change in personnel. Whether or not this liberal idea will be carried on in the future in that county should be the subject of attention by any future legislative inquiry on this subject.

In Contra Costa County the director is a man appointed solely for political reasons, his sole work experience having been that of an electrician for one of the larger oil companies operating in that county. He apparently has no conception of the problem and is subject to influence of a strongly organized union among his employees. Those who oppose the philosophy of this union were summarily discharged even though they were competent and qualified in their work, while employees with a liberal tendency were kept on the payroll. The same condition exists today in Contra Costa as in Alameda County.

Justice in Relief.

Finally, it is our opinion that the primary problem in the administration of relief lies in personnel. State employees entrusted with the expenditure of millions of dollars of the State's money must realize that they are charged with a sacred obligation in handling funds of other people and thus not only do justice to the unfortunate on relief, but at the same time justice to the people who must pay the bill.

Respectfully submitted.

A. C. WOLLENBERG, Chairman.

Minority Report.

On motion of Senator Phillips, the following minority report submitted by Assemblyman Elmer E. Lore, in connection with Part II of the Joint Committee's report, was ordered printed in the Senate Journal:

PART II

Minority Report of the Joint Legislative Fact-Finding Committee on Employment.

Part II of the majority committee report is almost pure and unadulterated propaganda. It appears to have been designed to prejudice the public against the present State Administration rather than to provide a factual guide for those seriously interested in the problem of unemployment and relief.

There are few sections of this part of the report in which I can concur. For several years, I have been a severe critic of the relief administration. I have condemned practices and policies existing under both the Merriam and the Olson regimes. I would be the last to maintain that the organization is today being operated with uniform efficiency. I would be glad to join with the majority of my colleagues on the committee in signing a report of constructive criticism. Their document, however, does not fall within that category.

Since the majority of the committee is determined to go to almost any length to transfer administration of relief to the counties, they start with the premise that "There is little, if any, indication that a proper solution will come from the present State Administration." The report, following the pattern of a typical propaganda document, then recites what it calls conditions of incompetence, internal disruption and discord, and would lead readers to believe that the few competent administrators in SRA are completely thwarted by political dictation.

Since the majority report appears to be based on nothing more substantial than the opinions of those who wish to hamper and harrass the present Administration, I have no hesitancy in expressing my own opinions on the subject. I believe I am safe in stating that I am personally acquainted with more officials and employees in the State Relief Administration than any other member of the Legislature. It is my conviction based on broad knowledge of their operation that practically all of the personnel of the State Relief Administration are making an honest and conscientious effort to operate an efficient program. I believe that incompetence is the exception and not the rule.

I know from two months' experience in touring the State as a member of this committee that efforts of its members have been devoted primarily to unearthing scandal, isolated instances of incompetence and what the committee report terms evidence of "subversive influences."

No effort has been made to interview and commend any of the thousands of employees in high and low positions who are working long hours to efficiently serve the State of California. Since it was apparently the function of this committee to find sufficient fault with the present State Relief Administration to enable it to turn relief over to the counties, it is not surprising that Section II of the report deals with glaring exceptions to the general rule of competent administration.

Much is made of the "subversive influences" alleged to be at work within SRA and the report directly charges that "Despite repeated statements to the contrary from the Administration, the SRA is being used for the development of the Communist program."

This charge made by an ordinary citizen, without the cloak of legislative immunity, against another citizen would represent criminal libel. No such fantastic charge can be substantiated by the most biased testimony contained in committee transcripts.

The report has much to say about the State, County, and Municipal Workers of America and the Workers Alliance. It is charged that these two organizations, one working from without and one from within have subjected SRA to radical pressure and the statement is made that "Such pressure has no place in a democracy." It should first

be cited that these two organizations are nothing new in SRA. Both of them had been exerting their pressures on this organization for several years prior to the advent of the present administration.

Many other groups active in bringing pressure on SRA have also been in existence and still operate. No investigation of "pressure" on SRA would be complete that did not also consider those organizations. The SRA has been, is, and will be under continuous pressure from taxpayers organizations, from farm groups, from county supervisors, from private welfare agencies, from employers, and even at times from the Legislature. Would the committee deny that pressure from these latter groups has no place in a democracy? To me, it would seem inconsistent to deny organized recipients of relief the right to bring pressure on the relief administration but to permit the same pressure from taxpayers organizations. Democracy would appear to me to be in serious danger if the Legislature were to decide that one category of citizens can bring pressure on any agency of government and that this right is denied to another category.

In so far as my knowledge of the committee transcript goes, there is no evidence that Workers Alliance pressure has been effective in loading relief rolls with any substantial number of ineligibles. The cases in which Workers Alliance has been able to have persons of doubtful eligibility accepted for relief are extremely rare. Here again the committee tries to prove a general rule by citing isolated exceptions.

I would not deny the right of the State, County, and Municipal Workers of America to organize employees of the State Relief Administration. There is ample precedent for a union of public employees. For many years, the Railway Mail Clerks have had an organized union in the United States Postal Service. It is without doubt true that in certain instances, SCMWA has overstepped the limits of propriety in their zeal to obtain advantages for their members. If the committee would confine its condemnation to these specific instances, I would be glad to join with them in criticism of SCMWA. I am convinced that a preponderant percentage of the members of this organization, however, are efficient and sincere workers, interested primarily in operating a good program.

The State Administration is charged with lack of sincerity in its response to the public demand that "Communistic influences" be eliminated from SRA. Since the committee has not seen fit to define the term "Communistic" as it is used in this report, it would be an idle gesture to attempt an answer to this charge. What is a Communist? How can one distinguish with certainty between a Democrat, a Prohibitionist, a Communist, and a Republican? I do not know. I do not believe that the committee knows. I believe the test for every employee should be his loyalty to the organization which employs him and competent performance of his duties. No employee who is giving the time and attention necessary to do a good job has any time for the advocacy of revolution.

The transcript of the committee can be searched from end to end without finding any evidence of revolutionary, Communistic control within the State Relief Administration that would be accepted as legal evidence in any court in the land.

The majority report criticizes SRA for not providing a full quota of WPA workers and states that an average of 2,000 jobs per month were available for the unemployed in southern California "but of which SRA has never availed itself." No effort in so far as I know was made by the committee to determine whether these jobs were not filled because of failure of local governmental units to provide sufficient funds for sponsorship; whether SRA was unable to provide from its rolls men of the proper classifications and skills or whether it was simply lax in referring eligible clients. Without definite knowledge of the facts in this particular case, I consider the last contingency unlikely.

I agree with the committee that no relief recipient should be permitted to refuse "suitable" employment. I might not, however, agree with them on their definition of the word "suitable." Certainly I can not concur in their recommendation that any relief recipient refusing suitable employment be permanently barred from relief rolls. A relief recipient might have many good reasons for refusing employment deemed suitable by an inexperienced or incompetent social worker.

The committee's objection to employment of relief recipients on production projects is based, in my opinion, on the false premise that the unemployed are supporting trade and industry. As soon as the Legislature realizes that trade and industry supports the unemployed and not the reverse, I believe opposition to placing relief recipients in a position to support themselves will disappear.

Under the heading "Long Range Outlook Urged" the committee indulges in a hodgepodge of inanities. I offer this section of the majority report with items labeled A to N, inclusive, as evidence of the committee's muddled thinking on the subject of unemployment and relief.

The Social Service Department of SRA is severely criticized for terming a relief recipient a "client." To correct this situation, the committee would turn the administration of relief over to county welfare departments who invented the term some years before the organization of the State Relief Administration and who still so designate the people on their rolls.

Social service is also condemned for taking into consideration the size of families in establishing budgets. It is claimed that to a considerable extent the large families are of low standard backgrounds. It is inferentially stated that native-born Americans are getting less than required for maintenance and the committee boasts that the Legislature has partially solved this problem by putting a $58 ceiling on family budgets regardless of size; and they should have added, regardless of the nativity or economic background of the families involved.

In another section of the report, SRA is flayed for the 40 per cent budget cuts inaugurated immediately after the passage of Senate Bill No. 81. On the basis of present knowledge, this reduction may appear to have been unjustified. This, however, is a case in which hindsight is much better than foresight.

During the first 47 days of 1940—January 1 to February 16, inclusive—relief funds were expended at the rate of $210,000 a day. Under the provisions of Senate Bill No. 81 expenditures for the following

44 days from February 17 to March 31 were limited to $125,000 per day. This was a 40 per cent reduction in appropriations. The Relief Administration could not possibly foresee the rapid reduction of case-load which took place.

Case-load does not normally start to decline until the second or third week in March. The drop is then usually rather gradual. This year, the case-load started to decline during the latter part of February and the decline was much sharper than usual. To reinforce its contention that the cut was unnecessary, reference is made to a report by Price, Waterhouse & Co., showing funds available in excess of the claims of SRA on February 16. Not being an accountant, I do not want to become involved in any controversy between the auditors of Price, Waterhouse and SRA. It should be stated, however, that half a million dollars in assets claimed by Price, Waterhouse were in inventories of materials and supplies which included $10,000 worth of labels. Certainly the position of the committee and its financial experts is not strengthened by the inference that these labels might have been issued to relief clients as a part of their subsistence.

Contentions that the centralized accounting methods of SRA are cumbersome, slow, and unworkable may to some extent be justified. SRA, however, uses the same accounting methods required by the Finance Department of all divisions of State government. These regulations were inaugurated by and placed in force and effect years before the present administration arrived on the scene. I could join with the committee in advocating constructive improvements, but not in unqualified condemnation.

The report charges that "thousands of migrants who are now a charge on California taxpayers came here at the implied invitation of the present Governor." Since nothing purporting to carry the text of this "invitation" is included in the report, I challenge the committee to include it in the appendix. Here, as in other points in the report, the committee is inconsistent. Members in public and in committee hearings have alleged that wages for farm labor are higher in California than in any State in the Union. They have spoken with approbation on newspaper comment to this effect. To me, it appears doubtful that the committee can submit any statement of the Governor which might serve as a more effective invitation to California than the claims of high agricultural wages by committee members and by California agricultural organizations

I could continue at great length with a list of objections and exceptions to the majority report. I could point out what I consider many other inconsistencies. I could enlarge upon the arguments contained herein. In the interests of brevity, however, I am content to state that I am in almost complete disagreement with the entire report.

It is, in my opinion, unworthy to be offered as the recommendation of a legislative fact-finding committee. The few pertinent facts contained are submerged in a sea of propaganda. It is assumed without supporting documentation that since county welfare departments are all good and SRA is all bad, that the entire problem of unemployment relief will be permanently solved by turning administration over to the counties. Neither the general public nor open-minded legislators

will, I believe, be seriously influenced by the specious reasoning of this report.

Respectfully submitted.

ELMER E. LORE.

Adjournment.

At two o'clock and forty minutes p.m , on motion of Senator Seawell, the President of the Senate declared the Senate adjourned, until two o'clock p.m., Thursday, May 16, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Thursday, May 16, 1940.

The Senate met at two o'clock p.m.
Hon. Ellis E. Patterson, President of the Senate, in the chair.
Secretary Joseph A. Beek at the desk.

Roll Call.

The roll was called, and the following answered to their names:

Senators Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Hays, Hollister, Jespersen, Keating, McCormack, Mixter, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Swing, and Wagy—24.

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev. A Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Wednesday, May 15, 1940, the further reading was dispensed with, on motion of Senator Slater.

Leaves of Absence.

Senator Holohan was, on motion of Senator Brown, granted leave of absence for this day.

Senator Biggar was, on motion of Senator Gordon, granted leave of absence for this day.

Senator Shelley was, on motion of Senator Foley, granted leave of absence for this day.

Privilege of Floor of Senate Extended.

On request of Senator Fletcher, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mrs. Mary L. Clark and Grace Clarke, both of Ukiah; Adam Castillo of San Jacinto; George Peck and V. J. La Chuesa, both of Mesa Grande; Purl Willis of San Diego, Clifford Singley of Miramonte, Frank Singley of Watsonville, Manuel C. Cordova of Healdsburg, Ethan Anderson of Lakeport, Francisco M. John of Finley, A. E. Bateman of Upper Lake, and Mrs. Mary Gardella, Mrs. Clara Robertson and Frank Cridello, Sam Corrao, all of San Diego.

Message from the Assembly.

The following message from the Assembly was received and read:

ASSEMBLY CHAMBER, SACRAMENTO, May 16, 1940

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 122—An act to add section 3014.5 to the Civil Code, relating to trust receipt transactions, including those pertaining to motor vehicles, to take effect immediately;

Assembly Bill No. 123—An act to amend section 6.4 of, and to add section 54.1 to, the Alcoholic Beverage Control Act, relating to alcoholic beverages, to take effect immediately.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Bills Nos. 122 and 123 ordered referred to Committee on Rules.

Requests for Permission to Introduce Bills.

The following requests for permission to introduce bills were presented:

By Senators Phillips, Brown, Deuel, Mayo, Mixter, Nielsen, Seawell and Wagy at the request of the Joint Fact Finding Committee on Employment:

SENATE CHAMBER, SACRAMENTO, May 16, 1940.

MR PRESIDENT: In accordance with the provisions of the standing rules of the Senate, we request permission to introduce a bill, the title of which is set forth below:

An act establishing an integrated program for State and county public assistance and employment activities, creating a California Department of Employment for the coordination thereof, defining the scope of the powers and duties of the State and the counties in regard thereto, providing for the administration thereof, apportioning funds for the costs thereof, determining eligibility for relief, authorizing a works program, prohibiting political activities, penalizing persons violating its provisions, defining the purposes for which money appropriated for relief activities may be expended, transferring the powers and duties of the Relief Commission, Relief Administrator, the Department of Social Welfare, the Social Welfare Board, the Director of the Department of Social Welfare, the State Department of Employment and the California Employment Commission to the California Department of Employment and the counties and repealing acts and parts of acts specified herein

Respectfully submitted.

SENATOR PHILLIPS AND OTHERS

Request referred to Committee on Rules.

By Senators Nielsen, Slater, Deuel and Gordon:

SENATE CHAMBER, SACRAMENTO, May 16, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, we request permission to offer a Concurrent Resolution, the title of which is set forth below:

In honor of Clarence H. Smith, Deputy Controller.

Respectfully submitted.

SENATOR NIELSEN AND OTHERS

Request referred to Committee on Rules.

Reports of Standing Committees.

The following reports of standing committees were received and read:

On Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, May 16, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Senate Bill No. 83—An act to amend section 6.4 of, and to add section 54.1 to, the Alcoholic Beverage Control Act, relating to alcoholic beverages, to take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that it do pass.

Committee membership—11; committee vote: Ayes—9; absent—2

HAYS, Chairman.

On Rules.

SENATE CHAMBER, SACRAMENTO, May 16, 1940

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Concurrent Resolution No. 12—Approving five certain amendments to the charter of the city of Redwood City, State of California, ratified by the qualified electors of said city at a general municipal election held therein on the ninth day of April, 1940;

And reports that the same has been correctly enrolled and presented to the Governor on the sixteenth day of May, 1940, at two o'clock p.m.

SEAWELL, Chairman

SENATE CHAMBER, SACRAMENTO, May 16, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following request of Senators Nielsen, Deuel, Gordon, Slater and Seawell for permission to offer a Concurrent Resolution:

In honor of Clarence H. Smith, Deputy Controller.

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the Concurrent Resolution offered, and placed on file without reference to committee

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, May 16, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following request of Senators Phillips, Brown, Deuel, Mayo, Mixter, Nielsen, Seawell and Wagy for permission to introduce a bill:

An act establishing an integrated program for State and county public assistance and employment activities, creating a California Department of Employment for the coordination thereof, defining the scope of the powers and duties of the State and the counties in regard thereto, providing for the administration thereof, apportioning funds for the costs thereof, determining eligibility for relief, authorizing a works program, prohibiting political activities, penalizing persons violating its provisions, defining the purposes for which money appropriated for relief activities may be expended, transferring the powers and duties of the Relief Commission, Relief Administrator, the Department of Social Welfare, the Social Welfare Board, the Director of the Department of Social Welfare, the State Department of Employment and the California Employment Commission to the California Department of Employment and the counties and repealing acts and parts of acts specified herein;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the bill introduced, and referred to Committee on Social Problems.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

On Finance, Revenue and Taxation.

SENATE CHAMBER, SACRAMENTO, May 16, 1940.

MR PRESIDENT: Your Committee on Finance, Revenue and Taxation, to which was referred:

Assembly Bill No. 120—An act to add sections 2.1 and 19.5 to the Orange County Flood Control Act, relating to the Orange County Flood Control District, including the use of funds received by the district for the purchase and retirement of outstanding district bonds, to repeal Chapter 17 of the Statutes of the first extra session of the Fifty-third Legislature, and to provide that this act shall take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that it do pass.

Committee membership—11; committee vote: Ayes—10; absent—1.

TICKLE, Chairman.

Introduction, First Reading and Reference of Bills.

The following bills were introduced:

Senate Bill No. 86: By Senators Phillips, Brown, Deuel, Mayo, Mixter, Nielsen, Seawell and Wagy, at the request of the Joint Fact-Finding Committee on Employment—An act establishing an integrated program for State and County Public Assistance and Employment Activities, creating a California Department of Employment for the coordination thereof, defining the scope of the powers and duties of the State and the counties in regard thereto, providing for the administration thereof, apportioning funds for the costs thereof, determining eligibility for relief, authorizing a works program, prohibiting political activities, penalizing persons violating its provisions, defining the purposes for which money appropriated for relief activities may be expended, transferring the powers and duties of the Relief Commission, Relief Administrator, the Department of Social Welfare, the Social Welfare Board, the Director of the Department of Social Welfare, the State Department of Employment and the California Employment Commission to the California Department of Employment and the counties and repealing acts and parts of acts specified herein.

Senate Bill No. 86 read first time, and referred to Committee on Social Problems.

Senate Concurrent Resolution No. 14: By Senators Nielsen, Deuel, Gordon, Slater and Seawell—In honor of Clarence H. Smith, Deputy Controller.

Consideration of Senate Concurrent Resolution No. 14.

Senator Slater asked for, and was granted, unanimous consent for the consideration of Senate Concurrent Resolution No. 14, without reference to committee for purposes of adoption.

Senate Concurrent Resolution No. 14.

In honor of Clarence H. Smith, Deputy Controller.

WHEREAS, Today, May 16, is the birthday of the Honorable Clarence H. Smith, Deputy Controller of the State of California, and

WHEREAS, Clarence Smith has spent over one-half of his life in the service of the State of California, and

WHEREAS, He has become known as the "watchdog of the treasury," acquiring the reputation of being able to think of more reasons for not paying out money than there are grains of sand in the seashore; and

WHEREAS, During these long years of service, he has endeared himself to members of the Legislature, State officers, his coworkers and the public in general by his strict attention to duty, his high degree of patriotism and his kindly and friendly attitude toward his fellow man; now, therefore, be it

Resolved by the Senate of the State of California, the Assembly thereof concurring, That the Legislature congratulates the Honorable Clarence H Smith upon his record of distinguished service and his high attainments as a public official and extends its best wishes to him for many more happy and productive years; and be it further

Resolved, That the Secretary of the Senate be and he is hereby directed to present a suitably prepared copy of this resolution to the Honorable Clarence H. Smith.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Concurrent Resolution No. 14 adopted by the following vote

AYES—Senators Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Jespersen, Keating, Mayo, McCormack, Mixter, Nielsen, Parkman, Phillips, Powers, Rich, Seawell, Slater, Swing, Tickle, and Wagy—26.

NOES—None.

Senate Concurrent Resolution No 14 ordered transmitted to the Assembly

Second Reading of Assembly Bills (Out of Order).

Assembly Bill No. 120—An act to add sections 2.1 and 19.5 to the Orange County Flood Control Act, relating to the Orange County Flood Control District, including the use of funds received by the district for the purchase and retirement of outstanding district bonds, to repeal Chapter 17 of the Statutes of the first extra session of the Fifty-third Legislature, and to provide that this act shall take effect immediately.

Bill read second time, and ordered on file for third reading.

Resolution.

The following resolution was offered:

By Senator Breed:

Resolved, That Assembly Bill No. 120 presents a case of urgency, as that term is used in Section 15 of Article IV of the Constitution, and the provision of that section requiring that the bill shall be read on three several days in each House is hereby dispensed with, and it is ordered that said bill be read the third time, and placed upon its passage.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and the resolution adopted by the following vote:

AYES—Senators Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Jespersen, Keating, Mayo, McCormack, Metzger, Mixter, Parkman, Phillips, Powers, Rich, Seawell, Slater, Swing, Tickle, and Wagy—27.

NOES—None.

Whereupon the President declared the provisions of section 15, Article IV of the Constitution suspended for the purpose of considering, at this time, Assembly Bill No. 120.

Third Reading of Assembly Bill No. 120.

Assembly Bill No. 120—An act to add sections 2.1 and 19.5 to the Orange County Flood Control Act, relating to the Orange County Flood Control District, including the use of funds received by the district for the purchase and retirement of outstanding district bonds, to repeal Chapter 17 of the Statutes of the first extra session of the Fifty-third Legislature, and to provide that this act shall take effect immediately.

Bill read third time.

Urgency Clause.

SEC. 6. This act is hereby declared to be an urgency measure, necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution and as such shall take effect immediately. The facts constituting such necessity are as follows:

Unless this act goes into effect immediately bonds now available for purchase by the district because of certain funds received by the district from the Federal Government for that purpose will increase in price to such an extent that the district will be unable to purchase the same.

In order to avoid irreparable financial loss to the district and for the preservation of the public peace and safety, it is essential that this act shall take effect immediately.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Jespersen, Keating, Mayo, McCormack, Metzger, Mixter, Parkman, Phillips, Powers, Rich, Seawell, Slater, Swing, Tickle, and Wagy—27.

NOES—None.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 120 passed by the following vote:

AYES—Senators Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Jespersen, Keating, Mayo, McCormack, Metzger, Mixter, Parkman, Phillips, Powers, Rich, Seawell, Slater, Swing, Tickle, and Wagy—27.

NOES—None.

Title read and approved.

Assembly Bill No. 120 ordered transmitted to the Assembly.

Report.

The following report, representing Part V of the report of the Joint Legislative Fact-Finding Committee on Employment, was received and on motion of Senator Phillips ordered printed in the Journal:

PART V.

A complete audit of the books of the SRA would have cost over $200,000. This estimate was made by a representative of the Department of Finance before the Joint Committee. It would have taken several times the number of days available in the recess. As stated in Part II (Senate Journal May 13th, 1940, page 404) the committee engaged the accounting firm of Price, Waterhouse and Co. to make a limited audit, referring particularly to the condition which existed as of February 15th, and again as of March 31st.

The accountants were also asked to investigate certain special items, including the so-called "revolving fund" of the SRA, and to make comments on procedure.

The date of February 15th was selected for two reasons: This date was used by the Department of Finance to set up a statement of condition, in reply to Assembly House Resolution No. 42, and the State Relief Administration had made its now famous "40 per cent cut" in the checks given to the unemployed men and women of the State. For reasons which will appear later in the Price, Waterhouse report, the committee was justified in questioning the accuracy of the statement made by the Department of Finance, and members of the committee, familiar with balance sheets, were convinced that no cut was justified, from any available figures, at the time.

Assemblyman Norris Poulson, a member of the Joint Committee and an accountant by profession, had been appointed a subcommittee of one to supervise all matters having to do with accounting procedures and conditions in the SRA.

He, together with the chairman, immediately issued a statement, in the name of the committee, indicating that the 40 per cent cut was unjustifiable. The figures on which this statement was based were the same figures used by the SRA in explaining the cut. The cry of "politics" was raised by the Administration It became a question of opposing statements by interested parties. A disinterested audit was required.

The report of the Department of Finance had indicated that on February 15th, the SRA had only $330,244 on hand, and that this was encumbered to the extent that the SRA actually had a deficit of about $126,138.

The report of Price, Waterhouse and Co. shows that the SRA had on hand as of February 15th an actual figure of $2,896,763. And even if we allow the encumbrances which took the Department of Finance's balance from the black into the red, and omitted all of the inventories of food, clothing, and material (over $300,000 of which could well have been used in lieu of cash to care for needy recipients) there was still

more than $2,000,000 available. This supports the committee's contention that no cut of any size could be justified.

It is another argument for simplification, for the dissolution of a topheavy and unwieldy department, and for improvements in methods and procedures. In spite of the ability of its chief accounting officer, and his principal assistant, the department works under difficulties and with procedures and internal disruption which make it impossible for the administrator or anyone else to know what has happened in the SRA until two months later.

In presenting the report of Price, Waterhouse and Co., which becomes a part of the full report, Assemblyman Poulson made certain comments on the findings:

PRICE, WATERHOUSE AND COMPANY REPORT.

The Department of Finance is considered the highest authority for all financial information pertaining to State accounting and, due to the fact that the correctness of certain statements coming from this division was questioned by the members of the Legislature, it became necessary to seek the services of one of the largest firms of certified public accountants to determine the correctness of the facts under question. Price, Waterhouse and Company, an international firm of certified public accountants, was selected for this audit.

The report from Price, Waterhouse and Company is being submitted to the committee and the following statements will only contain the highlights of this audit report.

Instead of $330,244 16 available for relief as of February 16, 1940, there was available $2,896,763.00 (the differences are explained in the Price, Waterhouse and Company report).

Summarizing briefly the causes for this condition, they are:

Cumbersome accounting procedure set up by the Department of Finance;

Magnitude of SRA state-wide activities;

Accounting error of $264,817 made by the Department of Finance;

Disencumbrance of items which should not have been encumbered.

Approximate amount available at March 31, 1940, for continuance of relief program, or in other words, unexpended portion of appropriation for the period up to March 31, 1940—$2,856,000.

The approximate amount of relief withheld due to the 40 per cent cut amounts to $1,300,000.

The balance on hand, March 31, 1940, definitely proves that, not only should there not have been a cut, but also the fact that, if the full amount had been paid, they would still have had available, an amount in excess of $1,000,000.

Material on Hand.

(Note: In showing the money available for the unemployed on February 15th neither the Department of Finance nor the SRA took into account supplies of food, clothing and other useful items on hand, and which otherwise they would have to buy.)

Inventory of 1002 Santa Fe Avenue, Los Angeles.

Food Products:		
Jams, jellies, etc.	$95,000.00	
Canned vegetables, soups, etc.	75,000.00	
Canned fruits	55,000.00	
Other	49,000.00	
		$274,000.00
Wearing apparel and cloth goods		20,000.00
Soaps, cleaners, etc.		6,000.00
Household furniture		3,000.00
Other, chiefly labels, etc.		10,000.00
		$313,000.00

Other Inventories.

Housekeeping supplies (for camps)	$41,000.00	
Food	25,000.00	
Clothing	23,000.00	
Medical Supplies	11,000.00	
Tobacco	5,000.00	
Stationery and office supplies	49,000.00	
Construction stores (chiefly plumbing and hardware)	57,000.00	
Automotive supplies	8,000.00	
Other	15,000.00	
		$234,000.00

Daily Averages.

No better evidence of the money saving to the taxpayers, without hardship to the unemployment, could be given than the following figures from Mr. Poulson's statement. These are the average daily expenditures for relief for equal periods at the end of 1939; the first 46 days of 1940, and, finally, for 46 days after the Legislature passed Senate Bill No. 81. A saving of $66,000 per day is not to be ignored!

The daily expenditures have continued to drop since this figure was computed. The seasonal drop in case load had not yet begun. For comparison, the average salary figures for the same three periods are also shown There was no corresponding drop. The figures follow:

Comparative Daily Relief Costs—46-day periods.

Daily average, Nov. 15 to Dec. 31, 1939 ..... $137,000
Daily average, Jan 1 to Feb. 15, 1940 186,800
Daily average, Feb. 16 to Mar. 31, 1940 120,200

Comparative Daily Salary Costs—46-day periods.

Daily average, Nov. 13 to Dec. 31, 1939 ..... $19,200
Daily average, Jan. 1 to Feb. 15, 1940 21,800
Daily average, Feb. 16 to Mar. 31, 1940 20,500

The total salaries and wages from February 16th to March 31, 1940, was $1,076,000.

The relief picture condensed for the 46-day period ending March 31, 1940, would be as follows:

Out of each and every relief dollar expended during this period, only 70 cents was paid in cash relief.

The full relief dollar was divided as follows:

Direct relief	$0.70
Camp and work programs	.095
Administrative salaries and wages	.17
Traveling expenses	.015
Telephone	.005
Rent	.005
Other expenses	.01
Total	$1.00

Single Men's Camps.

Seven hundred one thousand five hundred four dollars is invested in single men's camps; the approximate cost per man for care in these camps is $24 15 per month. This does not include any portion of depreciation on the investment in camps. During the last 46-day period, the SRA spent $11,000 for tobacco for the men.

SUPPLEMENTARY REPORT.

In addition to the Price, Waterhouse & Co report, the Joint Committee requested the Controller's office for certain information regarding SRA purchases between January 1, 1938, and March 31, 1940.

Mr Poulson's comments on the results of this are:

SRA Purchases.

The following information was obtained through the Controller's office of the State of California and was taken from paid vouchers and invoices between January 1, 1938, and March 31, 1940.

It was only possible, due to the short time and limited funds, to make spot checks. It could be logically assumed that what applied to the specific items tested would likewise apply to other expenditures. The information obtained applies to both unidentifiable items as well as identifiable items with serial numbers.

Inventories were requested from the State Relief Administration on certain items and they were taken and certified to by the parties in charge of each particular office.

Testimony given by the personnel officers and executives of SRA show that the personnel has increased approximately two thousand during 1939. Supplementing this increase in personnel, attention is called to the fact that many labor-saving devices were purchased during this period; for example:

During past nine months, 57 comptometers	$17,876.79
Since January 1, 1939, 119 Ediphones	22,026.86

(Since each Ediphone is supposed to eliminate 5 persons, that would account for about 600 employees.)

Stapling machines	$3,326.75
(392 were purchased in 1938 and 1,098 purchased since January 1, 1939, at an average cost of $2.50. There are only 2,096 on hand which would show that for all prior years they only had 606, which is not consistent.)	
1 Multiliith machine	1,305.50
2 Electric letter opening machines	257 50
761 Typewriters	61,094.78
(Having the serial numbers of the machines purchased, we were able definitely to ascertain the numbers of 22 typewriters purchased in the last two years which are not included in the inventory given by the SRA. Fifteen of these were purchased during 1939. The SRA has on hand, 3009 typewriters, including those still rented. This number would approximately allow one typewriter for every two employees, including truck drivers, clerks, help, etc)	
Pencil sharpeners	1,285.90
(There were 22 pencil sharpeners purchased in 1938 against 367 purchased in 1939. Attention is called to the fact that the average cost of these pencil sharpeners was $3.30. This price is a wholesale price, the average cost of these sharpeners is above the cost of those found in private offices.)	

During the past two years, the SRA has purchased 736 tents for the camps amounting to $38,961. (The inventory, as of March 31, 1940, shows 1,088 on hand, with tents being distributed throughout the State. It must be borne in mind that the tents were used primarily when the camps were first being constructed; at the present time, there are only a few camps using tents. No attempt was made apparently to bring in the tents from camps where they were not being used at present, for redistribution to other camps needing them; instead, the SRA has purchased 175 new ones during the last three months, costing $5,957.20.)

The SRA purchased 55,739 blankets during this two-year period amounting to $110,089 12 (with an inventory of 88,293 blankets, or a ratio of approximately eight blankets to every man based upon their peak load record, they still purchased 7,700 blankets during the last three months which are included in the inventory given).

Reports from the subcommittees showed that unused cots in the different camps were exposed to the elements. The SRA still purchased 504 new ones during the last three months.

The automotive equipment on hand, according to the inventory, was 500 pieces. The SRA purchased 201 pieces of equipment during the past two years amounting to $172,041.65. (Among these purchased was a seven-passenger, model 1939, Buick sedan, which has been turned over to the Governor's Office. The Governor's Office has not paid for this car.)

The information shows that the percentage of wrecks for the SRA equipment is higher than any other State department.

The cost of tires and tubes for the past two years has amounted to $37,438.23.

Attention is called to the State Board of Control Rule 150, which should have been enforced by either the Administration or the Department of Finance:

> "Use of Telephones and Telegraph. The telegraph and long-distance telephone may be used only in cases of emergency or when there is a specific instruction to use these means of communication and they shall not be used where a letter would be equally effective Otherwise, the cost of the service may be charged to the official or employee responsible."

The telephone and telegraph bills paid to just three major telephone and two telegraph companies during the past nine months amounted to $163,084 01. (Of this amount, $25,587 24 was paid in February, 1940 and $29,377.18 was paid in March, 1940) A breakdown of the individual charges shows extravagance Many employees made several calls daily to the same persons in adjoining communities and each charge would be in excess of $1; this was a daily practice. There were calls from all sections of the State, especially from San Francisco to Los Angeles and reverse; these calls range from $5 to $15 per call.

On the basis of these excessive telephone and telegraph charges, it would be assumed that that would have eliminated excessive traveling expenses. To the contrary, we find that. during

March, this expense amounted to----------$54,454.97
In February, it amounted to----------$41,425.28
In January, it amounted to----------$62,686.37

(An analysis of these expenses discloses that they were made chiefly by employees in the higher brackets and not by the low-salaried caseworker. Some of the inconsistencies disclosed in these traveling expenses are that the same trips were made several times daily. An extreme case shows a traveling steward traveling 1,958 miles in his privately owned automobile in ten consecutive days, or an average of 195.8 miles per day. The question can be raised as to how much work this man can do after traveling this number of miles per day. This same employee was recently involved in an automobile wreck.)

Another inconsistency is allowing, for example, a field representative with headquarters in Los Angeles and assigned to San Joaquin Valley for several months without break to draw expenses because his duties were away from his home station; this type of expense, of course, is paid in addition to the salary.

Many of these mileage claims cover expense for the use of privately-owned cars which parallel adequate common carrier service which is much cheaper in the cost of transportation Authorization in permitting employees to make these trips must be signed by the State Relief Administrator, which procedure precludes the State Controller from adjusting these accounts to the less expensive mode of transportation. This is one privilege which has been abused.

Contrary to the order issued by Governor Olson that no State employee shall be permitted to lobby, expense accounts submitted by various SRA employees denote that many expenses were incurred in Sacramento, during the recent special session of the Legislature. It

was noted that most of these accounts were in favor of Community Relations Department employees of the SRA. This is the Publicity Department which the Legislature dissolved.

Recommendations.

A careful analysis of the mechanical set-up of the State Relief Administration would definitely lead to the conclusion that there must be a disintegration of the SRA:

The practical impossibility of completing records within two months;

The lack of proper control over administrative and also sectional officers;

The excessive telephone bills in attempting to operate this "octopus";

The lack of business coordination in the handling of supplies;

The excessive mileage and expenses of those traveling around the State;

And, not to be overlooked, the erection of a gigantic political machine, evidenced by frequent calls to the different hiring officers throughout the State and the resulting appointments;

all lead to that one inevitable solution, disintegration!

Change in the State Financial Accounting:

Results have definitely proven the urgent need of more adequate accounting records in the State of California.

At present, the highest accounting authority from the standpoint of obtaining financial information concerning the other departments is the Department of Finance. The Legislators have heretofore looked to the Chief of the Division of Budgets and Accounts and his assistants for any and all such information, especially is this true when budgets are presented.

For that reason, special emphasis should be laid on accurate information furnished by them. They must expect that misstatements will create lack of faith and confidence.

Since the 1939 budget was passed, many new positions have been created which were not supposed to have been included therein, according to the representatives of the Department of Budgets and Accounts.

The answer to Senator Metzger's request for the number of automobiles owned by the State of California was not complete. Data relative to certain departments were omitted.

The committee asked for a report on SRA automotive equipment. When confronted as to certain differences in it, the Department of Finance stated that the report had not been checked but had been transmitted from SRA through it.

There was a discrepancy in the amount submitted by the Department of Finance as the telephone bills for SRA and the amount submitted by the Controller's office; this also was explained as a "clerical error." The figure given by the Department of Finance was about $43,000. The correct figure was over $186,000

Great importance was placed on the February 16, 1940, report of SRA finances and, realizing, as the department should have,

that the Legislature wanted to know what funds were available for relief as of that date, there can be no legitimate reason for approving an incorrect statement.

Therefore, it is recommended that the Legislature create the office of Legislative Auditor. It will be the duty of the Legislative Auditor and his assistants to analyze all budgets and departmental statements, make departmental audits to verify the necessity for the increase in budgets and render any financial information of the State which has been requested by the Legislature.

The Legislative Auditor will serve the Legislature in the capacity of an auditor, the same as the Legislative Counsel now serves the Legislature in the capacity of a legal advisor.

Another suggestion as an alternative of the above recommendation would be that the powers of the Controller be enlarged and it become his duty to make post audits of all departments and submit his reports to both the Governor and Legislature.

NORRIS POULSON.

PRICE, WATERHOUSE & Co., 530 WEST SIXTH STREET,
LOS ANGELES, May 7, 1940.

Joint Senate-Assembly Legislative Fact-Finding
Committee on Employment of the California Legislature,
Sacramento, California.

DEAR SIRS: Pursuant to your instructions we have made a limited review of accounting records of California State Relief Administration (hereinafter referred to as the Administration) primarily for the purpose of establishing from such records, without making an audit, the approximate amounts of (1) funds available as of February 15, 1940, and March 31, 1940, from appropriations for the current (91st) fiscal year, and (2) changes in position during the intervening period with expenditures segregated by principal purposes. In so far as we could in the time at our disposal we have obtained certain additional information that we believe may be helpful to the committee in its study of the Administration's financial affairs.

The records are so maintained that in order to determine the Administration's position as of any fairly recent date, and its expenditures during any recent period, it is necessary to make certain assumptions. This is due in part to its accounting methods (which we understand follow generally those prescribed by the Department of Finance for all State agencies), but chiefly, we think, to the lapse of time between the incurring of liabilities and the actual recording of such liabilities for payment. To some extent this delay is attributable to the Administration's State-wide activities but much of it could doubtless be obviated by revisions in procedure; for example, with minor exceptions, movements of warehouse materials in one month are not recorded in the accounts until the succeeding month, and utility bills containing disputed items are not recorded until the dispute has been settled which usually involves considerable delay. We believe that the necessary assumptions we have made in arriving at the figures set forth in this report and the attached exhibits are based on valid premises and that the margin of error that may result from these

assumptions is not of sufficient relative importance to lead to erroneous conclusions.

In this report and the attached exhibits amounts have been expressed to the nearest thousand dollars except where lesser amounts are involved or where, for identification, more precise amounts seem desirable; cents have been omitted in all instances.

Position as at February 15, 1940.

At the commencement of our review the committee supplied us with a copy of a letter, dated February 21, 1940, addressed to the Assembly by Mr. Fred W. Links, Chief of the Budget and Accounts Division of the Department of Finance, reporting upon a test-check audit of the Administration's funds made under his supervision as of the opening of business February 16, 1940. In the following summary of that letter, the items have been rearranged somewhat:

Assets:		
Cash in treasury, per State Controller's records at opening of business February 16, 1940		$2,716,788
Relief warrants unsold		1,600,000
		$4,316,788
Less—Claims in transit reflected on Administration's books for which warrants had not on that date been drawn by the Controller		412,005
Actual unapplied cash balance available to meet Administration's expenditures		$3,904,783
Liabilities:		
Unliquidated encumbrances—		
Salaries and wages for February, 1940	$752,762	
Salaries and wages for previous months	325,087	
		$1,077,849
Emergency relief orders issued or in process of issuance		462,537
Purchase orders—food for camps		433,878
Service and expense items—contracts to end of month incurred		640,525
Miscellaneous encumbrances, WPA and Cooperatives		655,627
Miscellaneous property and equipment		134,123
		$3,404,539
Estimated "back-log" of emergency relief orders in transit from Los Angeles County		170,000
Aggregate liabilities unpaid		$3,574,539
Uncommitted cash balance available for future commitments in continuance of relief program on and after February 16, 1940		$330,244

Mr. Links' letter added that on February 16 and 17, 1940, cash relief payrolls were written in the amount of $456,382, which established commitments of $126,138 in excess of the available cash of $330,244 shown above.

The Administration's transactions through February 15, 1940, were not posted separately in the general ledger inasmuch as such postings are customarily made in monthly totals. However, we were able to identify the figures in Mr. Links' letter (precisely in some instances and within narrow limits of difference in others) by referring to the Administration's underlying detail records as at February 15, 1940, except as follows:

Emergency relief orders issued and in process of issuance—$462,537:

Records of all but $10,193 of these were in the Administration's San Francisco office, which we did not visit. We inspected a teletype message from that office, dated February 21, 1940, reporting that the records showed encumbrances of $452,344 at February 15, 1940, but it subsequently developed that $13,790 thereof related to the 90th fiscal year and therefore should not have been reported.

Estimated "back-log" of emergency relief orders in transit—$170,000:

This represents an estimate of the amount to be encumbered upon the issuance of emergency relief orders. We were informed that the estimate was calculated as follows:

"Referral forms" (explained below) outstanding at February 15, 1940:

Los Angeles County	$102,950
San Francisco County	3,000
Other counties	13,000
	$118,950
Relief orders written but not encumbered—"Back-log" approximately five days, and daily average slightly under $10,000	48,000
	$166,950
Amount used for estimate	$170,000

"Referral forms" are given to relief beneficiaries who are considered to require medical or dental attention, the cost of which is not known until the doctor, dentist or druggist has been consulted. Estimates of the number of such forms outstanding at February 15, 1940, with respect to Los Angeles County, the average cost that each form would involve, and the resulting totals were:

Forms for	*No.*	*Average*	*Total*
Physicians' and dentists' reports on first visits	15,000	$4 00	$60,000
Medical and dental appliances	500	5 00	2,500
Dental examination and record	1,500	20 00	30,000
Medical prescriptions	11,000	95	10,450
As above			$102,950

It seems to us that outstanding referral forms do not constitute an encumbrance of funds and they are not so treated in the Administration's accounting. We have therefore disregarded them in our calculation of the position at February 15 and at March 31, 1940. At the latter date, such outstanding forms did not involve in excess of $10,000 according to estimates made by employees of the accounting department.

Our review of the records disclosed the following with respect to the figures in Mr. Links' letter of February 21, 1940:

1. The amount of $412,005 shown as claims in transit for which warrants had not been drawn by the State Controller represents the net amount of the following:

Claims filed with State Controller but not recorded as disbursements in the Administration's records—	
Cash relief	$395,970
Emergency relief orders	50,371
Salaries and wages	268,486
Materials and supplies	189,248
Services and expenses	57,801
Property and equipment	6,203
	$968,079
Less—Warrants in payment of certain of the above claims drawn on or before February 15, 1940 (this item includes $264,817 for salaries and wages mentioned below)	299,398
	$668,681
Less—Abatements collected and warrants redeposited by the Administration, not remitted to State Treasurer until after February 15, 1940	$227,092
Abatements receivable at February 15, 1940	29,584
	$256,676
Amount shown as claims in transit	$412,005

2. The amount of $325,087 shown as unliquidated encumbrance for salaries and wages for months prior to February, 1940, erroneously included $264,817 which had been paid by warrants drawn on February 14 and 15, 1940, before the establishment of the Administration's cash balance in treasury, viz., $2,716,788 (see the preceding tabulation).

3. Other unliquidated encumbrances as of February 15, 1940, totaling some $2,327,000, represented in substantial part the difference between amounts that had been encumbered for various purposes by budget estimates and amounts actually expended or owing for such purposes, rather than actual liabilities of the Administration.

4. There was not listed among the Administration's assets any amount for materials and supplies that were on hand or in transit at February 15, 1940, for use in subsequent periods.

In the latter part of February and in March, 1940, the Administration reverted (i.e., disencumbered) about $754,000 that had been included as unliquidated encumbrances in its detailed records at February 15, 1940. At the commencement of our review on April 3, 1940, we ascertained that these detail records still included at March 31, 1940, substantial amounts representing the excess of budget estimates for periods prior to February 15, 1940, over actual expenses. At our request, Mr. E. A. Serafino, Chief Accounting and Financial Officer of the Administration, instructed employees to review the encumbrance records and as a result additional reversions totaling some $250,000 were made in April, 1940, and further reversions (of salaries and wages) are to be made in amounts not yet determined but estimated by employees at $175,000. These reversions, including the estimate of $175,000 aggregate $1,179,000 and are summarized on Exhibit 1 which shows also a reconciliation of unliquidated encumbrances as at February 15, 1940.

As a result of our review, we believe that the Administration's position at February 15, 1940, with respect to appropriations for the current (91st) fiscal year was approximately as follows:

Assets:	
Cash balance in State treasury as reported by State Controller	$2,716,788
Remittances in transit to State treasury for abatements collected and warrants redeposited	227,091
	$2,943,879
Relief warrants unsold as reported by State Controller (these were sold on February 26, 1940)	1,600,000
Abatements receivable	29,584
Materials and supplies on hand	506,000
	$5,079,463
Liabilities:	
Claims filed but unpaid	$668,680
Unliquidated encumbrances applicable to period prior to February 15, 1940, per Exhibit 1	1,514,020
	$2,182,700
Approximate amount available at February 15, 1940, for continuance of relief program	$2,896,763

The above summary does not reflect certain asset and liability accounts that are carried in the Administration's records; such accounts and the reasons for their exclusion are explained in a separate section of this report.

The amount shown above as available at February 15, 1940, for continuance of the relief program exceeds by $2,566,519 the amount shown in Mr. Links' letter of February 21, 1940; this difference comprises:

Unliquidated encumbrances at February 15, 1940, subsequently reverted by the Administration (including an estimated $175,000 salaries and wages to be reverted) per Exhibit 1	$1,179,423
(Note.—The reversions of salaries and wages included in the above amount had the effect of correcting the error of $264,817 referred to previously.)	
Exclusion of encumbrances that related to periods after February 15, 1940 ($706,312) and to the prior fiscal year ($13,790)	720,102
Exclusion of the "back-log" of emergency relief orders in transit, for reasons previously explained	170,000
Approximate amount of materials and supplies on hand at February 15, 1940, not taken into consideration in the letter of February 21, 1940	506,000
Minor differences in figures	(9,006)
	$2,566,519

Changes During Period February 16 to March 31, 1940.

As previously mentioned, the Administration's records were not closed as at February 15, 1940. Although the underlying detail records of encumbrances, and of certain other accounts, are so maintained that balances as of dates other than month-ends can be ascertained, this condition does not obtain with respect to most of the accounts, particularly those relating to operating expenditures, movements of materials and supplies (which are not recorded until the succeeding month), abatements, etc. Consequently, many complications arose in determining the amounts attaching to the various elements that entered into the changes in position from February 15 to March 31, 1940, and certain estimates and assumptions had to be made in the light of the best available information. There follows a summary of such changes which, we believe, is sufficiently accurate for all practical purposes:

Approximate amount available at February 15, 1940, as shown by the summary on page 6	$2,897,000
Proceeds from sale of relief warrants in March, 1940, as reported by State Controller	5,500,000
(Note—The State Controller reported also the sale on February 26, 1940, of $1,600,000 relief warrants that were included among the available assets as at February 15, 1940.)	
Proceeds of loan from Architecture Fund on March 6, 1940	1,500,000
Repayment of above loan on March 8, 1940	(1,500,000)
	$8,397,000

Operating expenditures applicable to period February 16 to March 31, 1940, per Exhibit 3	$5,532,000
Payments to State Employees Retirement Fund	18,000
Other changes, net	(9,000)
	$5,541,000
Approximate amount available at March 31, 1940, for continuance of relief program	$2,856,000

The composition of the net amount of $9,000 shown above as other changes can not be ascertained without unreasonable effort but it is known that the principal elements of the amount are:

The excess of actual collections (chiefly for board of WPA workers housed in camps for single men) and relief warrants redeposited after February 15, 1940, over the portion thereof that was applied in reduction of operating expenditures for the period February 16 to March 31, 1940.

Less—The amount, if any, by which operating expenditures after February 15, 1940, applicable to prior periods exceeded the liabilities established therefor at February 15, 1940, whether by encumbrance or otherwise.

Less—Expenditures in connection with SRA Rehabilitation Training Project not reflected in operating expenditures and net advances to Self-Help Cooperatives, referred to hereinafter.

The above amount of $2,856,000 comprised the following assets and liabilities as at March 31, 1940:

Assets:	
Cash balance in State treasury ($3,865,936 reported by State Controller)	$3,866,000
Remittances in transit to State treasury for abatements collected and warrants redeposited	219,000
Abatements receivable	27,000
Materials and supplies on hand	527,000
	$4,639,000
Liabilities:	
Claims filed but unpaid	$373,000
Accrued salaries and wages (being the amount paid from April 1 to 15, 1940)	633,000
Unliquidated encumbrances applicable to period prior to March 31, 1940, per Exhibit 2	777,000
	$1,783,000
Net assets, as above	$2,856,000

The above summary does not reflect certain asset and liability accounts that are carried in the Administration's records; such accounts and the reasons for their exclusion are explained in a separate section of this report.

Operating Expenditures.

As previously mentioned, the Administration's records of operating expenditures are posted in monthly totals; these totals are posted to underlying detail records as expenditures of the month to which they applied rather than the month in which they were made. Cash relief expenditures are regarded as applicable to the month in which made; with minor exceptions all other expenditures in a particular month, and the recorded movements of warehouse materials, relate to preceding months. Consequently it was necessary to make numerous adjustments to the figures shown by the records in order to ascertain the approximate amount of operating expenditures applicable to the period February 16 to March 31, 1940 (Exhibit 3); the more important of these adjustments are explained briefly below:

The amount of cash relief payrolls for February 16 to 29, inclusive, was determined by listing the claims filed therefor with the State Controller. Relief warrants redeposited and other abatements of cash relief rolls shown in the records as applicable to the month of February were allocated to the periods prior and subsequent to the 15th in the relative proportions of the amounts of claims filed for cash relief rolls.

Expenditures under emergency relief orders for the month of February were reduced by the amount ($449,000) that was treated as encumbered for such purpose at February 15 and such expenditures for March were increased by the amount ($165,000) encumbered at March 31.

The amounts of materials and supplies issued from warehouses in February were applied one-half to the periods prior to February 15; the amounts issued in March (which were not recorded until April) were ascertained from summaries of stores movements and treated as expenditures in March, 1940.

In general, one-half of the amounts of other expenditures recorded as applicable to the month of February were treated as relating to the period after February 15. Records of unliquidated encumbrances for these expenditures were reviewed in such detail as was practicable (and discussed with employees of the Administration's accounting department where that seemed desirable) and the amounts thus determined to be applicable to the period February 16 to March 31 were so treated. In this connection, salaries and wages paid from April 1 to 15, 1940 (about $633,000), were eliminated from unliquidated encumbrances at March 31 and applied to the periods to which they related as shown by the payrolls.

A statement of operating expenditures for the six months ended December 31, 1939, is also submitted as Exhibit 4. The figures therein are as shown by the Administration's detail records of expenditures by periods to which they relate, except that there has been added the amount of unliquidated encumbrances for emergency relief orders at December 31, 1939 (determined from reports to be about $359,000). This was done because expenditures under such orders are treated in the underlying records as applicable to the month in which made except at the end of a fiscal year; consequently, such expenditures in the early part of the six-month period that applied to (and were encumbered in)

the preceding fiscal year were not reflected in the detail records for the 91st fiscal year. By the adjustment referred to, the expenditures for the six-month period are more fairly stated and are made comparable in this respect with expenditures for the period February 16 to March 31, 1940.

We have not prepared a statement of expenditures for the period January 1 to February 15, 1940, in the form of the statements for the subsequent period to March 31, 1940, and for the six months ended December 31, 1939. However, we ascertained totals of the more significant classifications of expenditures applicable to the period January 1 to February 15, 1940, which we believe are comparable fairly with those for the other periods. There follows a tabulation showing significant totals of operating expenditures (expressed in thousands of dollars) and relative percentages; the figures in Column I represent averages for a 46-day period in the last half of 1939 (being one-fourth of the appropriate amounts shown on Exhibit 4 for the six months ended December 31, 1939), those in Column II relate to the 46-day period January 1 to February 15, 1940, and those in Column III are for the 45-day period February 16 to March 31, 1940, as shown in Exhibit 3:

	Column I		*Column II*		*Column III*	
	M$	*%*	*M$*	*%*	*M$*	*%*
Cash relief payrolls, emergency relief orders, etc.	4,899	77.3	6,687	77.8	3,881	70.1
Other relief expenditures	358	5.6	651	7.6	521	9.5
	5,257	82.9	7,338	85.4	4,402	79.6
Administrative expenditures:						
Salaries and wages	882	13.9	1,002	11.7	942	17.0
Equipment and materials	50	.8	44	.5	27	.5
Travel	74	1.2	114	1.3	80	1.4
Rent	26	.4	36	.4	28	.5
Telephone	20	.3	23	.3	21	.4
Other	31	.5	38	.4	32	.6
	1,083	17.1	1,257	14.6	1,130	20.4
Total expenditures	6,340	100 0	8,595	100.0	5,532	100.0

In considering the expenditures for relief and for administration, and the relative percentages, applicable to the period February 16 to March 31, 1940, the following facts should be borne in mind:

The number of persons on cash relief payrolls reached its peak in the week ended February 15, 1940, and was followed by a sharp decline that continued at least through the week ended April 18, 1940, as shown by the statistical information set forth in Exhibit 6.

For a portion of the period February 16 to March 31, 1940, the amounts paid to persons remaining on cash relief payrolls were reduced substantially. In this connection we were informed that on February 24, 1940, all cash relief payrolls were reduced to 60 per cent of the then established budgets, were increased to 70 per cent on March 9 and restored to the original budgets on March 21

at which level they continued through March 31, 1940. In confirmation of this we made tests of payrolls selected by us for San Joaquin and San Bernardino Counties and for three districts in Los Angeles County, three in San Francisco County, and three in Alameda County. Because of the large number of relief cases on these payrolls it was not practicable to extend our tests to each relief case, but by the use of averages developed by us from the respective payrolls and by supplementary tests of a number of individual cases, we satisfied ourselves that the schedule of adjustments referred to had been given effect.

It is obvious that administrative expenditures could not have been reduced in the period February 16 to March 31, 1940, proportionately to the reduction in relief expenditures because (1) there is necessarily a lag between reductions (or increases) in the relief case load and in administrative costs nor will the changes necessarily be in the same proportions, and (2) reductions (or increases) in amounts paid to persons remaining on cash relief payrolls would have no appreciable effect on administrative expenditures.

We have calculated that the reductions referred to above in payments to persons remaining on the cash relief rolls in the period February 16 to March 31, 1940, amounted to approximately $1,300,000. If such reductions had not been made, relief expenditures for the period would have amounted to about $5,720,000 and total expenditures to $6,850,000, and the percentages would have been: 75.9 per cent cash relief payrolls, emergency relief orders, etc., 7.6 per cent for other relief expenditures, and 16.5 per cent for administrative expenditures, instead of the percentages shown in the preceding tabulation as 70.1 per cent, 9.5 per cent, and 20.4 per cent, respectively.

It will be observed that the percentage of expenditures applicable to relief was higher, and the percentage applicable to administration was lower, for the period January 1 to February 15, 1940 (Column II in the above tabulation), than for the average 46-day period in 1939, or for the period February 16 to March 31, 1940. This is explained by the fact that the peak of the relief load was in the period January 1 to February 15, 1940 (as evidenced by the summary of persons under care shown on Exhibit 6), and therefore the cost of administration for that period, although greater in amount, was a smaller percentage of total expenditures.

All amounts shown in this report and in the exhibits as direct relief and as administrative expenditures are net of the following credits:

Direct Relief.

Relief warrants drawn but not delivered to beneficiaries which were redeposited in the State treasury.

Abatements, relatively unimportant in amount, which represent chiefly collections from school districts in respect of additional payments (15 per cent of the previously established budget) to relief beneficiaries who act as guards at school crossings; the gross payments to such persons are included in cash relief payrolls.

Administrative.

Actual collections from school districts referred to above are at the rate of 20 per cent of the previously established budget for school crossing guards. The additional 5 per cent is applied in reduction of county administrative salaries and wages; we understand that the school districts were willing to contribute this additional 5 per cent because of added administrative costs resulting from the assignment of crossing guards.

The total amount of abatements credited to administrative expenditures is relatively unimportant.

The expenditures for resident projects (camps for single men) applicable to the period February 16 to March 31, 1940, amounted to $297,000 before deducting abatements of $83,000 which, with minor exceptions, represented collections from W. P. A. employees living at certain of the camps; we were informed that these employees are supposed to pay board at the rate of $20 per month each. The number of man-days for all camps during that 45-day period, segregated between relief beneficiaries and W. P. A. employees, were ascertained from the Administration's statistical records and these data indicated that the expenditures of $297,000 and the abatements of $83,000 were equivalent, respectively, to about $18.50 and $16.50 per man-month. The man-month costs shown by the Administration's statistical reports for eight months to February 29, 1940, and for the month of March, 1940, are summarized below:

	To February 29, 1940	March, 1940
Food	$11.24	$10.10
Clothing	1.42	.86
Tobacco	.70	.64
Medical attention	.92	.91
Cash relief	.96	.73
Operating salaries	4.23	3.99
Fuel, supplies, etc.	4.68	3.04
	$24.15	$20.27

According to these statistical records, the average man-days per month for the eight months to February 29, 1940, were about 239,300 and the man-days in the month of March, 1940, were about 319,400, which explains the reduction in man-month costs reflected in the preceding tabulation. The costs at the thirty-one camps that were operated during March, 1940, ranged from $14.47 at Gigling camp (1,121 man-days) to $35.22 at White House camp (165 man-days).

The Administration's division of planning and research prepares weekly statistical reports showing among other things the number of relief cases and the number of persons under care in each of the counties and in camps for single men. There is submitted as Exhibit 6 a tabulation prepared from such reports for the weeks ending January 4, February 1, February 15, February 29, March 28, and April 18, 1940, showing separately the figures for the ten principal counties.

We understand that the Administration is preparing, and will submit to the committee, statistical information regarding the number of employees for various periods to a recent date; at the time we completed our review current statistics of this nature were not available.

Materials and Supplies.

The amount of $527,000 shown for materials and supplies in the summary of position as at March 31, 1940, represented the general ledger balance for warehouse stocks at that date as adjusted for warehouse transactions in March that are to be recorded in April and for charges relating to the SRA Rehabilitation Training Project referred to hereinafter. The amount of $506,000 shown in the summary of position as at February 15, 1940, was determined in a similar manner and on the assumption that one-half of the warehouse transactions for February (recorded in March) applied to the period after February 15.

The adjusted ledger balance at March 31, 1940, comprised about $313,000 for produced stores and $214,000 for purchased stores. Produced stores are kept in the Administration's warehouse at 1002 Santa Fe Avenue, Los Angeles, and with minor exceptions comprise items produced by self-help cooperative units. We inspected lists of the items comprising produced stores at March 31, 1940, which were said to have been determined by a physical inventory taken at that date from which we prepared the following summary:

Food products—		
Jams, jellies, etc.	$95,000	
Canned vegetables, soups, etc.	75,000	
Canned fruits	55,000	
Other	49,000	
		$274,000
Wearing apparel and cloth goods		20,000
Soaps, cleaners, etc.		6,000
Household furniture		3,000
Other, chiefly labels, etc.		10,000
		$313,000

Based upon discussions with Mr. Serafino, it appears that the stocks of certain items, particularly jams, jellies, etc., are considerably in excess of present requirements.

We were informed that physical inventories of purchased stores were also taken at March 31, 1940. We did not inspect the inventory sheets as they were at the Administration's San Francisco office where records of all purchased stores are summarized; however, available

summaries of these inventories indicated that purchased stores at March 31, 1940, comprised:

Housekeeping supplies (for camps)	$41,000
Food	25,000
Clothing	23,000
Medical supplies	11,000
Tobacco	5,000
Stationery and office supplies	49,000
Construction stores (chiefly plumbing and hardware)	57,000
Automotive supplies	8,000
Other	15,000
	$234,000

of which about $155,000 was in the San Francisco area (principally in the Emeryville warehouse) and $79,000 was in the Los Angeles area (principally in the warehouse at 1002 Santa Fe Avenue).

It will be observed that the amount of purchased stores reflected by the inventory summaries exceeded the adjusted ledger balance by about $20,000. This difference is caused by entries in prior months relating to stores transactions of the Administration's Works and Rehabilitation project; accounting department employees are at present analyzing these entries and it is expected that appropriate adjustments will be reflected in the April accounts.

Under present accounting procedures the amounts of warehouse stock losses and gains are apportioned on various bases to stores issues and the amounts of such gains and losses during any period are not readily ascertainable.

Other Asset and Liability Accounts.

Certain assets and liability accounts carried on the Administration's books have been omitted from the summaries of position at February 15 and March 31, 1940. There follows an explanation of these accounts and the reasons for their omission:

Revolving funds.

These funds amounted to $340,000 both at February 15 and March 31, 1940, and were offset by liabilities of $300,000 for borrowings from the State Department of Finance and $40,000 for borrowings from the Administration's unexpended appropriations for prior fiscal years.

Self-Help Cooperatives current account.

The balance in this account was about $446,000 at March 31, 1940, and represented unliquidated advances to the numerous cooperative units; it appears that the amount that may be recovered in respect of these advances is uncertain. The balance as of February 15, 1940, has not been established but it appears unlikely that it differed substantially from the March 31, 1940, balance.

SRA Rehabilitation Training Project.

Charges held in suspense in respect of this project aggregated some $121,000 at March 31, 1940; the balance at February 15, 1940, has not been established but was probably in the neighborhood of $100,000. The project was abandoned by the Administration as of April 1, 1940, and the accounting department is analyzing such charges with a view to making appropriate disposition thereof. We understand that the greater portion of these charges represent operating expenditures.

Abatements receivable.

The abatements that are shown in the foregoing summaries of position at February 15 and March 31, 1940, are carried in the Administration's records as part of its cash balance; we were informed that such treatment followed instructions of the Department of Finance regarding abatements of a particular type.

In general, other abatements are not reflected in the accounts until actually collected but an unimportant amount was carried as receivable at March 31, 1940, with an offsetting reserve of about the same amount.

Property and equipment accounts.

These were carried at $2,676,000 at March 31, 1940, with offsetting accounts of $2,508,000 representing the State's investment therein and $168,000 representing equipment purchased with Federal funds.

Property and equipment purchased with Administration funds is reflected also in operating expenditures.

Stores invoices pending.

This account represents the liability (for materials received and charged to stores account) which has not been reported to the State Controller for payment because the vendors' invoices, if received, were in process of being checked. The amounts represented thereby are not eliminated from unliquidated encumbrances (carried in the budgetary accounts—see below) until the invoices are filed for payment with the State Controller; inasmuch as unliquidated encumbrances were considered in calculating the positions at February 15 and March 31, 1940, it was necessary to disregard the balance in stores invoices pending account to avoid duplication of liabilities.

Accounts relating to prior fiscal years.

Unexpended cash balances, operating expenditures, and various other accounts relating to prior fiscal years have been omitted from the tabulations in this report. Among such accounts are certain ones which purport to express the Administration's accountability to the State general funds for unexpended appropriations for prior fiscal years. The net of these accounts at March 31, 1940, exceeded by approximately $660,000 the asset balances (chiefly cash and unsold warrants) relating to prior fiscal years. This difference represents non-cash assets, principally inventories of materials at June 30, 1939 (less subsequent withdrawals charged

to operating expenditures of prior fiscal years) and unliquidated advances to Self-Help Cooperatives, plus abatements collected after June 30, 1939, that applied to prior years. We were informed that State agencies are accountable to general funds only for unexpended cash and unsold warrants from prior years' appropriations.

Budgetary accounts.

These are carried in a separate ledger and have been omitted except in so far as unliquidated encumbrances, which are carried only in the budgetary accounts, have been considered in establishing the Administration's approximate position at February 15 and March 31, 1940.

Trust accounts.

These are also carried in a separate ledger and comprise the Administration's accounting with the Federal Government for surplus commodities, borrowed equipment, and the related small cash transactions.

We have the following further comments to offer regarding certain of the accounts referred to above:

Los Angeles office revolving fund—$65,000.

We understand that the purpose of establishing the office revolving fund was to provide a means for making disbursements that would not permit of the delay involved in the procedure of filing claims with the State Controller for payments by warrants. The disbursements from the fund have comprised chiefly advances to employees for expenses, salary payments pending approval by the appropriate State departments of the creation of positions and of pay schedules, salary payments upon termination of employment, and purchases of postage. The fund is operated on the imprest system and is reimbursed (1) by recovery from employees (usually by endorsement under power of attorney of warrants payable to employees) of advances for traveling expenses and of salary payments, and (2) by warrants after claims filed in support of disbursements from the fund have been approved. Mr. Serafino is the custodian of the fund, the transactions of which are audited monthly—in recent months by Mr. W. J. McKeand, Finance Auditor of the Administration.

We inspected reports prepared by Mr. McKeand which showed the composition of the fund at the close of the months listed to have been as follows:

	December 1939	*January 1940*	*February 1940*	*March 1940*
Cash in banks	$17,421	$34,060	$27,217	$43,991
Travel advances	18,120	18,094	17,787	10,663
Salary payments	16,696	2,050	5,327	1,753
Other expenditures awaiting reimbursement, for which—				
Claims had been filed	9,254	7,758	8,538	8,058
Claims had not been filed	3,509	3,038	6,131	535
	$65,000	$65,000	$65,000	$65,000

Mr. McKeand's reports also show the amounts of pending claims for traveling expenses, the warrants for which could presumably be endorsed under power of attorney and applied in reduction of the employees travel advances; such claims at the close of December, 1939, January, February and March, 1940, totaled, respectively, $4,620, $9,877, $10,797 and $6,514.

The Administration maintains detail records of travel advances to individual employees. We made a cursory review of such records and submit the following list of balances amounting to $300 or more at the close of the months shown:

		Balances at close of			
		December	*January*	*February*	*March*
Name	*Department*	*1939*	*1940*	*1940*	*1940*
Bambrick, E. J.	Administration	$335	$335	$190	$240
*Blatz, F. A.	Public Relations	300	50	150	----
Chambers, Walter	Administration	1,120	1,072	824	493
Heinick, F. R.	Works and Re-employment	400	(19)	----	49
Jones, D. C.	C.C.C. Enrollment	280	324	280	100
Mather, R.	Social Service	314	138	103	99
Parker, F. C.	County Admin.	344	378	378	(9)
Piercy, S. W.	Finance	50	150	300	83
*Thompson, A. E.	Works and Re-employment	470	134	95	----
*Voshell, R. E.	Finance	300	334	299	299
Wilford, B. C.	Administration	287	327	111	202
Totals listed		$4,200	$3,223	$2,730	$1,556
Total advances		$18,120	$18,094	$17,787	$10,663

* Employment terminated prior to March 31, 1940.

The changes during the three months ended March 31, 1940, in advances to the individuals listed above comprised:

Advances at December 31, 1939		$4,200
Advances, three months ended March 31, 1940		3,471
		$7,671
Collections by application of warrants for—		
Expenses	$3,483	
Salaries	2,632	
		6,115
Advances at March 31, 1940		$1,556

and particulars of such changes are shown in the following tabulation:

	Collections by applying warrants for		
	Expenses	*Salaries*	*Additional advances*
Bambrick, E. J.	$75	$320	$300
Blatz, F. A.	200	420	320
Chambers, Walter	502	1,250	1,125
Heinick, F. R.	570	----	219
Jones, D. C.	343	----	163
Mather, R.	285	----	70
Parker, F. C.	293	260	200
Piercy, S. W.	267	----	300
Thompson, A. E.	375	95	----
Voshell, R. E.	35	287	321
Wilford, B. C.	538	----	453
	$3,483	$2,632	$3,471

It is evident from the foregoing tabulation that advances were not always restricted to amounts required for traveling and we observed the following instances of this condition where the amounts involved were less than $300:

Grant Friel, Works and Reemployment department:
Advances in January, February and March, 1940, totaling $150 were collected—$50 in February, $50 in March and $50 in April, 1940, by application of salary warrants.

James Layton, County Administration:
Advances in October, 1939, and January, 1940, totaling $100 were collected in March, 1940, by application of salary warrants.

Ralph Michener, County Administration:
Advance of $75 in November, 1939, collected in April, 1940, by application of salary warrant.

Phyllis Barteau, County Administration:
Advance of $25 in February, 1940, partly collected by remittance of $12.50 in March, 1940.

O. L. Able, Commodity Distribution department:
Advance of $50 in February, 1940, partly collected by remittance of $45 in March, 1940.

Eloise Rathbone, Community Relations department:
Advance of $50 in December, 1939, partly collected in February, 1940, by remittances of $37.50; a further advance of $50 was made in April, 1940.

According to Mr. McKeand's audit reports, unreimbursed salary payments from the revolving fund involved about 150 persons at December 31, 1939, and nine persons at March 31, 1940. Some of these payments represented salaries upon termination of employment but for the most part they represented salaries paid to employees prior to approval of the creation of their positions and of their salary rates; as such approval was obtained, claims were filed with the State Controller and the revolving fund was subsequently reimbursed. The salary payments for which reimbursement had not been received at March 31, 1940, comprised:

Works and Reemployment department:	*Period covered*	*Amount*
Edwards, Chas. S.	Dec. 1, 1939 to Feb. 29, 1940	$600
Schwartz, Herman L.	Jan. 1, 1940 to Feb. 29, 1940	275
Sutton, Frank E.	Dec. 1, 1939 to Feb. 29, 1940	735
Other departments:		
Six persons	Various	143
		$1,753

Apart from travel advances and salary payments, the lists of expenditures from the revolving fund that were awaiting reimbursement at the close of December, 1939, January, February, and March, 1940, consisted chiefly of payments for postage and for street car tokens or tickets; a few payments were for purchases of materials and we inspected the underlying documents relating to the major items in that category and found that in each instance the purchases were subject to cash discounts that perhaps could not have been taken if the invoices had been placed in the usual channels for payment.

Revolving fund for Federal Surplus Commodity Corporation food stamps—$275,000.

This fund is maintained $200,000 in Los Angeles and $75,000 in San Francisco; according to reports from the custodians, the composition of the fund at March 31, 1940, was:

	Los Angeles	*San Francisco*
Cash in banks	$22,972	$49,444
Deposits in branch banks on March 30, 1940, not credited on bank statement until April 1, 1940	20,274	------
Cash on hand at stores where food stamp books are sold	3,131	48
Value of unsold stamp books purchased from F.S.C.C. and on hand	153,628	25,504
Defective books returned to F.S.C.C for refund	------	4
Overage	(5)	------
	$200,000	$75,000

We inspected letters from Federal Surplus Commodities Corporation stating that stamp books of the value of $153,628 in the Los Angeles fund were counted by their representatives at the close of business on March 31, 1940, and that stamp books of the San Francisco fund were counted at the close of business on March 27, 1940, and were in agreement with accountability records of Federal Surplus Commodities Corporation as of that date.

We were informed that responsibility for custody of the stamp funds was transferred in April, 1940, from the accounting department to the Administrator's office so that the accounting department may hereafter function in an auditing capacity with respect to the funds.

Self-Help Cooperatives.

It is our understanding that Self-Help Cooperative units have been formed by groups of persons (sometimes few in number) who meet certain requirements laid down by the Administration, which requirements do not necessarily include eligibility to receive cash unemployment relief benefits. The Administration finances these units in the production or processing of certain commodities with the understanding that the proceeds, in cash or kind, resulting from such activities will be turned over to the Administration in liquidation, at least in part, of the advances made.

At March 31, 1940, the unliquidated advances to units then operating amounted to $446,000. The following figures were summarized from statements, prepared by the Administration's Bureau of Self-Help, which we understand represent transactions since the establishment of the several units:

Total advances to March 31, 1940		$1,782,000
Recovered in the form of commodities		1,146,000
		$636,000
Unliquidated advances to defunct units, written off		190,000
Unliquidated advances		$446,000

The statement referred to shows also that $122,000 of advances were not due at March 31, 1940, and that finished goods at units amounted to $53,000, leaving an indicated net deficit at March 31, 1940, of $271,000, comprising 37 units with indicated deficits totaling $281,200 and 6 units with surpluses totaling $10,200 (of which 2 units accounted for $8,600). Information relating to the ten largest units is summarized on Exhibit 5.

We were informed that the commodities recovered from units are priced from lists established, or approved, by the Bureau of Purchases of the Department of Finance. Substantially all of the commodities so recovered are delivered to the Administration's warehouse at 1002 Santa Fe Avenue, Los Angeles; these commodities formed all but a minor portion of the inventory of produced stores which amounted at March 31, 1940, to $313,000 or nearly one-third of the total amount assigned to commodities recovered from units, some of which have been operating since the latter part of 1935 as shown in Exhibit 5.

We have not had an opportunity to inquire into the procedures followed by the Administration with respect to commodities recovered from the units including comparability of the quality of products with that contemplated by the prices established by the Bureau of Purchases.

Property and equipment accounts.

The Administration maintains detail records of property and equipment accounts; these records reflect the equipment number, description of the item, cost, location, date acquired, etc.

We were informed that present State procedure requires that all items of a "non-expendable" category costing $5 or more shall be

reflected in the accounts as property and equipment and that until fairly recently all such items costing $2.00 or more were so recorded. An adjustment was made in February, 1940, reducing the property accounts and the State's investment therein by $101,082 in respect of items costing less than $5 that had previously been capitalized.

A summary of the property and equipment balances at March 31, 1940, by principal segregation is shown below:

State and regional offices:		
Building improvements and equipment	$31,162	
Office furniture and fixtures	207,882	
Office machinery and equipment	163,337	
Other	32,369	
		$434,750
County offices:		
Office furniture and fixtures	$199,984	
Office machinery and equipment	128,406	
Other	28,020	
		356,410
Commodity distribution		54,654
Resident projects (camps for single men)		701,504
Self-Help Cooperatives		237,987
Automotive		323,744
Equipment loaned to other agencies, chiefly WPA		423,088
Other		144,105
		$2,676,242

Changes in the property and equipment accounts for the three-month period ending March 31, 1940, are shown below:

Balance at December 31, 1939	$2,630,922
Additions	84,159
Retirements, etc.	(26,343)
Adjustment explained above with respect to items costing less than $5 which had been capitalized in prior periods	(101,082)
Adjustment in March resulting from appraisals made of resident project camp buildings, etc., in an attempt to reflect the asset at its true cost (at the time certain camps were constructed proper segregations of costs were not maintained and only a portion of the cost was reflected as property and equipment)	88,586
Balance at March 31, 1940	$2,676,242

We were informed by Mr. Serafino that until recent months supervisory employees were requested to submit lists of equipment to the accounting department from time to time but that this procedure proved unsatisfactory and the Administration recently engaged employees known as equipment inspectors to inventory the major items of property and equipment; also, that the equipment inspectors will

probably complete their initial inventory within the next month or so and thereafter will be continuously engaged in accounting for items of property and equipment.

We understand that adjustments for known retirements, or for items known to be missing, are not recorded until approval of the Department of Finance has been obtained as required by State procedure. Mr. Serafino has expressed the opinion that the amounts involved in such adjustments are relatively insignificant.

* * *

We received the cooperation and assistance of Mr. Serafino, Chief Accounting Officer, and members of his staff in the conduct of our review and we were assured that consideration would be given to oral suggestions we made for revising procedures in certain respects so as to shorten the interval between the occurrence of transactions and the recording of them.

Our review of the Administration's accounting records has necessarily been limited but we trust that the information in this report and the accompanying exhibits will be helpful to the committee in its study of the Administration's financial affairs. We shall be pleased to confer with the committee at its convenience if that is desired.

Yours very truly,

PRICE, WATERHOUSE & CO.

INDEX TO EXHIBITS.

	Exhibit
Reconciliation of unliquidated encumbrances at February 15, 1940	1
Summary of unliquidated encumbrances at March 31, 1940	2
Expenditures applicable to the period February 16 to March 31, 1940	3
Expenditures for the six months ended December 31, 1939	4
Unliquidated advances to Self-Help Cooperative units	5
Number of persons under care at January 4, February 1, February 15, February 29, March 28 and April 18, 1940	6

Exhibit 1

CALIFORNIA STATE RELIEF ADMINISTRATION

Reconciliation of Unliquidated Encumbrances at February 15, 1940

	Total	Salaries and wages	Emergency relief orders	Materials and supplies		Services and expenses	Property and equipment
				For camps	Other		
Amounts shown by letter of F. A. Links, dated February 21, 1940, as encumbrances to February 29, 1940	$3,404,539	$1,077,849	$462,537	$433,878	$655,627	$640,525	$134,123
Add (deduct):							
Amounts included as encumbrances in the Administration's records that were considered applicable to March, 1940, and subsequent months and were therefore disregarded in preparing the figures shown above	1,408,271	1,186,310	------	------	------	221,961	------
Encumbrances relating to the previous (90th) fiscal year	(13,790)	------	(13,790)	------	------	------	------
Minor differences	9,006	------	------	3,147	5,710	1,450	(1,301)
Unliquidated encumbrances per Administration's detail records at February 15, 1940	$4,808,026	$2,264,159	$448,747	$437,025	$661,337	$863,936	$132,822
Deduct—Amounts subsequently reverted by Administration (see footnote):							
February 16 to March 31, 1940	$753,625	$294,172	$79	$74,651	$81,368	$299,094	$4,261
April 1 to 25, 1940 (including an estimated $175,000 salaries and wages)	425,798	175,000	------	59,076	41,228	53,793	96,701
	$1,179,423	$469,172	$79	$133,727	$122,596	$352,887	$100,962
Leaving a balance, as adjusted	$3,628,603	$1,794,987	$448,668	$303,298	$538,741	$511,049	$31,860
Of which there has been estimated to relate to subsequent periods	2,114,583	1,398,995	------	85,000	380,000	230,588	20,000
Unliquidated encumbrances applicable to operations through February 15, 1940	$1,514,020	$395,992	$448,668	$218,298	$158,741	$280,461	$11,860

NOTE

The amounts of salaries and wages reverted in the period February 16 to March 31, 1940, had the effect of correcting the error of $264,817 (commented upon in the attached report) in arriving at the amount of $1,077,849 shown in the letter of February 21, 1940

It is not possible without unreasonable effort to prepare an analysis of the amounts reverted after February 15, 1940, with respect to materials and supplies, services and expenses, and property and equipment. The following general statements regarding such reversions are based upon a review of some of the principal budget estimates and the relative actual expenditures:

Materials and supplies for camps—chiefly staple groceries, fresh meats, and clothing

Other materials and supplies—textiles for WPA manufacturing projects about $70,000, supplies for State administrative department $25,000, and other supplies $27,000.

Service and expenses—traveling about $275,000, rent $50,000, telephone $15,000, and miscellaneous $13,000

Property and equipment—14 Chevrolet sedans (less 13 trade-ins) $8,060, 34 Chevrolet sedans (no trade-ins) $24,000, 72 trucks and 5 station wagons (less 77 trade-ins) $56,785, and other property and equipment $12,117 The Chevrolet sedans were intended for administrative departments and the trucks for the commodity distribution department; the encumbrances of funds for their purchases were made in December, 1939.

Exhibit 2

CALIFORNIA STATE RELIEF ADMINISTRATION.

STATEMENT OF UNLIQUIDATED ENCUMBRANCES AT MARCH 31, 1940.

Services and expenses incurred, chiefly in March, 1940, the bills for which had not been rendered or were pending settlement:

	Administrative		*Relief projects*	*Estimated amounts*
	State	*County*		
Travel	$20,000	$56,000	$5,000	$81,000
Rent	4,000	22,000	15,000*	41,000
Telephone	2,000	17,000	3,000	22,000
Utilities	----	5,000	14,000	19,000
Service contracts	10,000	9,000	32,000*	51,000
Other	1,000	7,000	23,000	31,000
	$37,000	$116,000	$92,000	$245,000

* These items relate chiefly to commodity distribution.

Materials and supplies received prior to March 31, 1940, the bills for which had not been rendered or were pending settlement:		
Camps, chiefly foodstuffs	$172,000	
WPA projects, chiefly textiles	100,000	
Other	70,000	
		342,000
Emergency relief orders issued but unpaid at March 31, 1940		165,000
Salaries and wages, chiefly for March, 1940, which had not been paid at April 15, 1940, because authorizations for the establishment of positions had not then been obtained from the Department of Finance		25,000
		$777,000

Note:

Estimates resulting in the above amounts were made in the light of the best available information after discussion with employees of the Administration's accounting department.

The amounts of unliquidated encumbrances shown by the records at March 31, 1940 (after adjustment for reversions made and to be made in April, 1940), exceeded the amounts shown above; such excess represented encumbrances for (1) materials and supplies that had not been received at March 31, 1940, but for which purchase orders may have been issued in some instances, and (2) services to be rendered after March 31, 1940.

Exhibit 3

31—92264

CALIFORNIA STATE RELIEF ADMINISTRATION

Statement of Expenditures Applicable to the Period February 16, 1940, to March 31, 1940

(to the nearest thousand dollars)

	Percentages to total	Total expenditures	Relief pay rolls, etc.	Salaries and wages	Materials and supplies	Property and equipment	Services and expenses	Principal classifications of services and expenses: Travel	Rent	Telephone	Utilities	Postage	Other
RELIEF EXPENDITURES.													
Cash relief pay rolls	67.1	$3,714,000	$3,714,000	----------	------	-----	------	------	------	------	------	------	------
Emergency relief orders for medical and other services	2 8	155,000	155,000	----------	------	-----	------	------	------	------	------	------	------
Miscellaneous direct relief expenditures	.2	12,000	1,000	----------	$11,000	-----	------	------	------	------	------	------	------
Medical bureaus	5	30,000	----------	$26,000	3,000	-----	$1,000	------	------	------	------	------	$1,000
Resident projects (camps for single men), less $83,000 abatements (Note 1)	3 9	214,000	----------	61,000	142,000	$1,000	10,000	------	------	$1,000	$5,000	$1,000	3,000
Commodity distribution	1 7	92,000	----------	46,000	18,000	-----	28,000	$4,000	$14,000	3,000	2,000	1,000	4,000
Advances to Self-Help Cooperatives	.4	22,000	----------	----------	3,000	2,000	17,000	------	------	------	3,000	------	14,000
Contributions to production projects of Works Progress Administration (Note 2)	3 0	163,000	----------	1,000	151,000	-----	11,000	------	8,000	------	1,000	------	2,000
Total relief expenditures (Note 3)	79 6	$4,402,000	$3,870,000	$134,000	$328,000	$3,000	$67,000	$4,000	$22,000	$4,000	$11,000	$2,000	$24,000
ADMINISTRATIVE EXPENDITURES:													
State	4 0	$221,000	----------	$170,000	$11,000	$1,000	$39,000	$22,000	$5,000	$3,000	------	$3,000	$6,000
County and local	16 4	909,000	----------	772,000	15,000	-----	122,000	58,000	23,000	18,000	$6,000	11,000	6,000
Total administrative expenditures (Note 3)	20 4	$1,130,000	----------	$942,000	$26,000	$1,000	$161,000	$80,000	$28,000	$21,000	$6,000	$14,000	$12,000
	100 0	$5,532,000	$3,870,000	$1,076,000	$354,000	$4,000	$228,000	$84,000	$50,000	$25,000	$17,000	$16,000	$36,000

NOTES

(1) With minor exceptions, the abatements of $83,000 credited to resident projects and applied in reduction of materials and supplies represent collections from WPA employees who live at certain of the camps The gross expenditures for materials and supplies, $225,000, comprised food, $157,000, clothing, $16,000, tobacco, $11,000, household supplies, $13,000, fuel, $11,000; all other, $17,000

(2) Materials and supplies contributed to WPA projects comprised mainly textiles for use by relief beneficiaries in the manufacture of clothing

(3) Expenditures relating to resident projects and commodity distribution include salaries and wages of certain employees in the field (such as supervisors and assistant supervisors, clerks etc) whose duties might be regarded as administrative Based on a limited review of pay rolls it is believed that the total amount of such salaries for the period shown would not exceed $30,000 If this amount, and expenditures of $8,000 for travel and telephone, had been treated as administrative expense instead of direct relief, the relative percentages of expenditures would have been 78 9% for direct relief and 21 1% for administration

Exhibit 4

CALIFORNIA STATE RELIEF ADMINISTRATION

Statement of Expenditures for the Six Months Ended December 31, 1939

(to the nearest thousand dollars)

	Percentages to total	Total expenditures	Relief pay rolls, etc.	Salaries and wages	Materials and supplies	Property and equipment	Services and expenses	Principal classifications of services and expenses: Travel	Rent	Telephone	Utilities	Postage	Other
RELIEF EXPENDITURES													
Cash relief pay rolls	73.0	$18,519,000	$18,519,000	----------	-------	------	-------	-------	-------	-------	-------	-------	-------
Emergency relief orders for medical and other services	4.0	1,007,000	1,007,000	----------	-------	------	-------	-------	-------	-------	-------	-------	-------
Miscellaneous direct relief expenditures	.3	67,000	18,000	----------	$49,000	------	-------	-------	-------	-------	-------	-------	-------
Medical bureaus	.5	124,000	----------	$91,000	19,000	$6,000	$8,000	$2,000	$2,000	$2,000	$1,000	-------	$1,000
Resident projects (camps for single men), less $320,000 abatements (Note 1)	2.9	732,000	----------	213,000	458,000	12,000	49,000	1,000	2,000	6,000	23,000	$5,000	12,000
Commodity distribution	1 4	346,000	----------	173,000	76,000	6,000	91,000	12,000	44,000	12,000	7,000	2,000	14,000
Advances to Self-Help Cooperatives	.3	91,000	----------	----------	31,000	47,000	13,000	-------	-------	-------	3,000	-------	10,000
Contributions to production projects of Works Progress Administration (Note 2)	.5	141,000	----------	6,000	111,000	------	24,000	-------	16,000	1,000	4,000	-------	3,000
Total relief expenditures (Note 3)	82 9	$21,027,000	$19,544,000	$483,000	$744,000	$71,000	$185,000	$15,000	$64,000	$21,000	$38,000	$7,000	$40,000
ADMINISTRATIVE EXPENDITURES:													
State	3.2	$816,000	----------	$586,000	$30,000	$49,000	$151,000	$82,000	$18,000	$13,000	$2,000	$10,000	$26,000
County and local	13.9	3,516,000	----------	2,940,000	88,000	36,000	452,000	212,000	85,000	67,000	22,000	35,000	31,000
Total administrative expenditures (Note 3)	17.1	$4,332,000	----------	$3,526,000	$118,000	$85,000	$603,000	$294,000	$103,000	$80,000	$24,000	$45,000	$57,000
	100 0	$25,359,000	$19,544,000	$4,009,000	$862,000	$156,000	$788,000	$309,000	$167,000	$101,000	$62,000	$52,000	$97,000

NOTES

(1) With minor exceptions the abatements of $320,000 credited to resident projects and applied in reduction of materials and supplies represent collections from WPA employees who live at certain of the camps The gross expenditures for materials and supplies, $778,000, comprised: food, $476,000, clothing, $64,000, tobacco, $29,000, household supplies, $68,000; fuel, $30,000; building repairs and alterations, $64,000; all other, $47,000

(2) Materials and supplies contributed to projects of the Works Progress Administration comprised mainly textiles for use by relief beneficiaries in manufacturing clothing

(3) As explained in Note (3) to Exhibit 3, certain expenditures that might be regarded as relating to administration have been treated as direct relief expenditures The amounts of these expenditures in the period covered by the above summary have not been ascertained because they are relatively unimportant.

Exhibit 5

CALIFORNIA STATE RELIEF ADMINISTRATION

Summary of Unliquidated Advances to Self-Help Cooperative Units—March 31, 1940

Location of unit and commodities produced or processed	Commencement of operations	Amounts advanced to March 31, 1940	Credit for commodities recovered	Unliquidated advances at March 31, 1940	Less—Credits considered by Bureau of Self-Help			Indicated deficit (surplus) after such credits	No. of participants at March 31, 1940 (Note 1)	
					Advances not due	Finished goods at units	Together		Relief beneficiaries	Total incl relief beneficiaries
Cannery units:										
Los Angeles (fruits and vegetables)	Sept., 1935	$301,800	$210,500	$91,300	$11,700	$32,000	$43,700	$47,600	33	54
Bell (jams, jellies, fruits, etc.)	Sept., 1935	171,400	172,900	(1,500)	400	3,700	4,100	(5,600)	32	44
North Hollywood (soups, spaghetti, pickles, etc.)	Aug., 1935	55,700	30,600	25,100	12,200	(Note 2)	12,200	12,900	11	28
Industrial units:										
Pasadena (soap)	Sept., 1935	95,000	96,900	(1,900)	1,100	100	1,200	(3,100)	3	9
Maywood (syrups, spices, etc.)	Nov., 1935	45,500	34,300	11,200	3,900	500	4,400	6,800	15	20
Venice (paste products)	Aug., 1935	35,500	15,200	20,300	------	200	200	20,100	11	15
Farm units:										
Burbank (dairy products and alfalfa)	Mar., 1936	69,400	53,900	15,500	7,800	100	7,900	7,600	12	21
Whittier (hogs, goat's milk and alfalfa)	Apr., 1936	40,000	20,800	19,200	500	3,700	4,200	15,000	19	28
Yucaipa (hogs, barley and alfalfa)	May, 1936	32,400	(3,800)	36,200	22,100	100	22,200	14,000	15	15
Los Angeles textile unit: (shirts)	Nov., 1935	35,100	20,700	14,400	6,600	100	6,700	7,700	16	40
Other units (33 in number)		478,300	262,100	216,200	55,700	12,500	68,200	148,000	198	319
TOTALS (Note 3)		$1,360,100	$914,100	$446,000	$122,000	$53,000	$175,000	$271,000	365	593

NOTES:

1. The number of participants was obtained from statistical records of the Bureau of Self-Help; the number varies seasonably in some units
2. No statement of finished goods on hand at March 31, 1940, was submitted by the operating unit; the amount has been estimated to be $5,600
3. The totals do not include advances of $421,900 to defunct units, the credit of $232,000 for commodities recovered therefrom, or the unliquidated advances of $189,900 from these units which amount was written off as uncollectible in prior fiscal years

CALIFORNIA STATE RELIEF ADMINISTRATION

Exhibit 6

Number of Persons Under Care

	As shown by reports of planning and research division at						Decrease from Feb. 15, 1940, to				% of total at	
	Jan. 4, 1940	Feb 1, 1940	Feb 15, 1940	Feb. 29, 1940	Mar 28, 1940	Apr 18, 1940	Mar. 28, 1940 Number	%	Apr 18, 1940 Number	%	Feb 15, 1940	Apr. 18, 1940
In counties:												
Los Angeles	123,880	134,641	137,703	136,101	123,743	111,280	13,960	10.1	26,423	19.2	38.0	41.3
Alameda	22,251	22,236	21,931	21,082	18,942	16,634	2,989	13.6	5,297	24 2	6 1	6.2
San Francisco	22,475	21,091	21,712	20,086	17,435	16,322	4,277	19.7	5,390	24.8	6.0	6.1
Tulare	17,223	20,277	20,619	20,416	19,581	17,845	1,038	5.0	2,774	13.5	5.7	6.6
Kern	15,375	17,013	16,746	16,264	14,198	12,473	2,548	15 2	4,273	25.5	4.6	4.6
Fresno	13,254	16,001	15,930	15,823	14,283	12,104	1,647	10.3	3,826	24.0	4.4	4.5
San Bernardino	12,911	14,499	14,061	13,442	10,902	9,934	3,159	22.5	4,127	29.4	3.9	3.7
San Diego	10,972	11,256	11,082	10,640	9,252	8,406	1,830	16.5	2,676	24.1	3.0	3.1
Orange	9,384	10,469	10,718	10,115	7,923	6,311	2,795	26.1	4,407	41.1	3.0	2.3
San Joaquin	8,963	9,684	10,284	9,405	8,745	7,052	1,539	15.0	3,232	31.4	2.8	2.6
All other counties	68,038	80,331	81,409	77,133	65,470	51,080	15,939	19.6	30,329	37.3	22.5	19.0
Totals	324,726	357,498	362,195	350,507	310,474	269,441	51,721	14.3	92,754	25.6	100.	100.
Comprising:												
State residents	318,072	350,264	355,238	344,137	305,609	266,539	49,629	14.0	88,699	25.0	98.1	98.9
Transients—												
Los Angeles County	3,419	3,631	3,750	3,600	2,889	1,745	861	23.0	2,005	53 5	1.0	.7
Other counties	3,235	3,603	3,207	2,770	1,976	1,157	1,231	38.4	2,050	63.9	9	.4
	324,726	357,498	362,195	350,507	310,474	269,441	51,721	14.3	92,754	25.6	100.	100.
In resident project camps: *												
State residents	7,267	7,676	7,562	7,683	6,578	4,576	984	13.0	2,986	39.5	70.5	58.0
WPA security-wage workers	2,933	3,019	3,168	3,262	3,272	3,321	(104)	(3.3)	(153)	(4.8)	29 5	42.0
* Totals	10,200	10,695	10,730	10,945	9,850	7,897	880	8.4	2,833	26.6	100.	100.

* Exclusive of Federal transients who varied in number as follows: 57 at January 4, 39 at February 15, 11 at March 28 and 3 at April 18, 1940.

Report of Standing Committee.

The following report of standing committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, May 16, 1940.

MR PRESIDENT: Your Committee on Rules, to which was referred:
Assembly Bill No. 123—An act to amend section 6.4 of, and to add section 54 1 to, the Alcoholic Beverage Control Act, relating to alcoholic beverages, to take effect immediately;
Has had the same under consideration, and respectfully reports the same back, and recommends that the bill be placed on file for immediate consideration.

SEAWELL, Chairman.

Assembly Bill No 123 read first time.

Resolution.

The following resolution was offered:

By Senator Seawell:

Resolved, That Assembly Bill No. 123 presents a case of urgency, as that term is used in section 15 of Article IV of the Constitution, and the provision of that section requiring that the bill shall be read on three several days in each House is hereby dispensed with, and it is ordered that said bill be read the second and third times, and placed upon its passage.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and the resolution adopted by the following vote:

AYES—Senators Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Jespersen, Keating, Kenny, Mayo, McBride, Mixter, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—27.

NOES—None.

Whereupon the President declared the provisions of section 15, Article IV of the Constitution suspended for the purpose of considering, at this time, Assembly Bill No. 123.

Consideration of Assembly Bill No. 123.

Assembly Bill No. 123—An act to amend section 6.4 of, and to add section 54 1 to, the Alcoholic Beverage Control Act, relating to alcoholic beverages, to take effect immediately.

Bill read second time.

Bill read third time.

Urgency Clause.

SEC. 3. This act is hereby declared an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution, and shall therefore go into immediate effect.

The facts constituting the necessity are as follows:

The Golden Gate International Exposition under the sponsorship of the San Francisco Bay Exposition, a California nonprofit corporation, was opened on Treasure Island on February 18, 1939, and continued open to and including October 29, 1939, and will be reopened on Treasure Island on May 25, 1940, and will continue open up to and including September 29, 1940.

The President of the United States under authority of a joint resolution of the Congress approved June 15, 1936, did by proclamation issued November 16, 1936, and also by proclamation issued in the month of January, 1940, invite the participation of the nations in this exposition. Many foreign nations did in 1939 and will again in 1940 maintain exhibits on Treasure Island in response to these proclamations. Some of them will maintain national pavilion restaurants and these foreign nations desire to exhibit and to offer for sale within their national pavilion restaurants the distilled spirits, wines and malt beverages produced in such foreign countries. It is essential in order to maintain good will between the United States and these foreign countries that all reasonable efforts be made to add to the comfort and convenience of the commissioners of foreign governments in connection with their participation in this exposition. Those foreign governments desiring to import

their native distilled spirits, wine and malt beverages were confronted by many difficulties by reason of the provisions of the Federal Alcohol Administration Act and the provisions of the California Alcoholic Beverage Control Act. In order to grant relief in the premises and recognizing the necessity therefor in connection with maintaining the good will of the countries concerned, the Congress by an act entitled "An act relating to the importation of distilled spirits for consumption at the New York World's Fair 1939 and the Golden Gate International Exposition of 1939 and to duties on certain articles to be imported at the New York World's Fair 1939," approved April 29, 1939, did relieve the commissioners of these foreign governments from some of the difficulties provided by the Federal Alcohol Administration Act. The provisions of this act will apply to both world's fairs in 1940. Under the terms of the California Alcoholic Beverage Control Act no one can import distilled spirits, wine or malt beverages unless holding an importer's license and no person can be granted an importer's license except such person be the holder of a manufacturer's, rectifier's or wholesaler's license. Neither the San Francisco Bay Exposition nor the commissioner of any foreign government is the holder or can qualify to become the holder of a manufacturer's, rectifier's or wholesaler's license except under authority of section 64 of the Alcoholic Beverage Control Act

This act is necessary in order to facilitate the importation of distilled spirits, wine and malt beverages for on-premises consumption in the national pavilion restaurants of foreign governments at the Golden Gate International Exposition as provided above, and in view of the limited period for which this act will be operative, and in order to give the commissioners of foreign governments immediate relief in the premises, it is necessary that this act shall take effect immediately.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—28.

NOES—None.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 123 passed by the following vote:

AYES—Senators Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—27.

NOES—None.

Title read and approved.

Assembly Bill No. 123 ordered transmitted to the Assembly.

Request for Permission to Introduce a Bill.

The following request for permission to introduce a bill was presented:

By Senator Kenny:

SENATE CHAMBER, SACRAMENTO, May 16, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act amending sections 3 and 5 of an act entitled "An act creating the Colorado River Board of California and the office of Colorado River Commissioner of California, prescribing the powers and duties of said board and commissioner," approved July 1, 1937, relating to powers and duties of the board and commissioner, to repeal chapter 14 of the statutes of the first extraordinary session of 1940, convened on January 29, 1940, declaring the urgency thereof and providing this act shall take effect immediately.

Respectfully submitted.

SENATOR KENNY.

Request referred to Committee on Rules.

Communication.

The following communication was received, and on motion of Senator Metzger, ordered printed in the Journal:

Report of Western Fairs Association on the Allocation of Revenue from Horse Racing.

CALIFORNIA FAIRS AND THEIR ECONOMIC AND MORAL VALUE.

To read about, listen to, and to discuss our fairs is simply superfluous knowledge as to the exact importance of these fairs, but to actually visit all of the fairs in California and to investigate their importance in their own territory is knowledge based upon an entirely different conviction. It is an education and a revelation. It is difficult to believe the tremendous benefits derived from these fairs unless no effort or energy is spared in traveling over the entire State, visiting every fair, interviewing managers and other fair officials, and particularly so in interviewing a cross section of the people, such as farmers, stock raisers, town people, business men of all types, newspapermen, bankers and the average man on the street.

Fairs All Over State.

Observations and findings, as related here, have been obtained on the spot, wherever there is a fair held, and there are over fifty such fairs scattered from Modoc County to Imperial County, and from San Diego County to Del Norte County.

Better Security—Better Credit.

Several county fairs are managed by various bank managers and secretaries of chambers of commerce who are alert, progressive and liberal, in spite of their conservative training, when it comes to their fairs. Unhesitatingly they state that through fairs and the premium offers which are made possible through the 4 per cent direct parimutuel taxation, the farm products, and particularly the stock, have been so much improved that it gives better bank credit to the farmers and stock raisers, and better security to the banks. It is rather quality and not quantity that governs bank credits of this kind.

The Advertising Value of the Fairs.

One of, if not the most important, functions of the agricultural and citrus fairs is the creation and stimulation of a desire for California products. As every successful merchant depends upon his display and advertisement to attract his customers, so California depends upon the agricultural and citrus fairs as the show-window and publicity medium and by which California products are brought to the attention of the consuming public.

The competition created by the desire for the "Sweepstake" prizes has resulted in the exhibition at these fairs of the finest of fruits and other farm products which can be produced; and every visitor who views those beautiful and attractive displays or who reads the description contained in the newsstories broadcast during each fair carries away the impression and thought that California products have no superior. Thousands of people visit these fairs annually, and hundreds of thousands read the newsstories concerning California's choicest. It is by this means that the sale of California's products is stimulated and increased at home and abroad. Probably the most outstanding national publicity beneficial to California resulting from our fairs is the publicity given them by the public press throughout the nation. By no other means can the great citrus and farming industry of California obtain the national publicity which results from these fairs.

Economic Value on Its Own Merits.

The human ego, pride, self-satisfaction, centered in individuals through a community recognition, reflects on the status of the exhibitors. It is not so much the question of premium money won, but the satisfaction, contentment and achievement of the crop grower and stock raiser that his labor is recognized and rewarded as worthy of his efforts. In these days of our national strife to regain our economic value, this is one of the best examples of collective and individual encouragement where the rugged individualism exerts its value on its own merits.

Premium Winners.

When we add up thousands of these premium winners from year to year, who constantly strive to improve their products, every community in the State benefits, and these communities make up the State, and, after all, determine its economic status. If the State of California, as a whole, produces better crops and finer stock, our economic value and prosperity increases accordingly.

Only Beginning of Great Benefits.

There is an unprecedented impetus in friendly competition that, in spite of our economic lethargy, the rural California is undaunted by the spirit of the Old West to disregard all the present economic and social obstacles and keep on ahead of the times. We are only beginning to revive our fairs, with consequences already so plainly evident and felt.

It is difficult to draw a line and state that the coastal counties are more adaptable than the San Joaquin or Sacramento Valley counties or the Mother Lode counties or the northeastern or southern counties for the development of these fairs. Not only each section of the State, but even each county possesses certain distinctive individualism and advantage, and yet, as a whole, the material benefits of all of these counties are interdependent in spite of their individual characteristics.

Moral and Material Effects.

Moral and material effects are as great. The people come into closer contact. They learn of their common problems and thus federate their efforts into a unity of action. It brings, above all, the rural and town elements into closer coordinated relationships. The fairgrounds are gradually becoming centers of community activity all the year round.

There is no doubt that the quality of stock, particularly during the past four years, has been tremendously improved as a direct consequence of these fairs. Many, who are familiar with the benefits of their individual fairs, question themselves as to how they could ever have existed without fairs, whose real purpose is not to exhibit, parade, ride the merry-go-round, and feed peanuts to the elephants, but to encourage and build California into a better State of richer economic value.

Actual Fair Statistics on Employment, Exhibitors, Payroll, Investments, Expenditures, Purchases, and Attendance in 1939.

Out of 61 Fairs in California reports have been received as indicated below: (Western Fairs Association is conducting survey of fairs at this time, and as soon as this survey is completed additional findings will be published.)

		No. of Fairs Reported
Livestock exhibitors (1939)	11,210	35
Total number of exhibitors in all divisions (1939)	41,471	36
Acres of land in use for fairs	2,464	39
Maximum number of employees seasonal and annual	4,024	35
Maximum number of employees of concessionaires	4,708	26
Employees of exhibitors	7,826	26
Total attendance in 1939	1,991,449	38
Amount invested in fairgrounds	$12,458,966 39	28
Value of land (Owned and leased)	1,741,040.61	35
Investment in buildings	10,900,017 15	32
Value of Equipment	308,331 38	31
Total annual payroll	545,824 79	33
Approximate total payroll in all operations	1,003,721 51	23
Estimated expenditures in local purchases and services	873,776 61	33
Advertising in newspapers	58,153.11	38
Local purchases by concessionaires, exhibitors, horsemen and others	921,238.42	25
New buildings, mostly since 1937	3,594,340 83	29

WHAT HORSE RACING MEANS TO COUNTY AND DISTRICT FAIRS IN CALIFORNIA.

In order to present a true picture of what horse racing means to county and agricultural district fairs in California, it is best to let these fairs speak for themselves. Therefore, here are some of the statements by these various fairs:

Improvement of Live Stock.

QUESTION—Do you believe that the payments of premiums to exhibitors has improved the quality, standards and breed of live stock in your district or county?

Sonora County Fair.

"Absolutely yes. Interest in better stock has been stimulated by demonstrations and comparisons."

Santa Barbara Fair and Horse Show.

"Definitely yes By increased premiums, raising standard of the live stock, making the industry more competitive"

Lake County Fair.

"Encouraging acquisition of better stock."

Butte District Fair.

"Yes, very much increased interest in horses, dairy cattle, swine, and built up live stock industry for younger people."

Merced County Fair.

"Yes, by stimulating interest in exhibiting animals for prizes."

Lassen County Live Stock Show.

"Yes By bringing to the county the best types of live stock where they can be seen by the stockman."

San Benito County Fair.

"Yes. By encouraging better breeding and production."

Del Norte County Fair.

"Yes. By purchase of registered stock by winning exhibitors."

Siskiyou County Fair.

"I do. Through encouragement and educational comparison"

Glenn County Fair.

"Yes Better local stock being shown each year, account of purchases made from exhibitors."

Alameda County Fair.

"Yes Added interest in next year's show, shows that premiums are needed"

Sacramento County Fair and Horse Show.

"Yes. Encourage breeding of better stock"

Monterey County Fair.

"Decidedly yes. By giving producers in our county extra money for purchasing more pure bred stock, which they have done, and by spurring them to produce a finer quality stock."

Stanislaus County Fair and Horse Show.

"Positively. By the acquisition of pure bred stock, and the breeding of same, some of them financed by premium monies, or the hope of obtaining same."

Riverside County Fair.

"Yes Keen competition naturally has had its effect on live stock and poultry. Quality depends upon weather conditions. Payment of premiums affords exhibitors to at least win enough to offset expense"

Imperial County Fair.

From a letter of G. E. Gordon, dairy specialist with University of California:

"* * * During the several years that I have been coming to your fair, I have been able to note a very definite improvement in the live stock exhibits. This improvement in live stock, as evidenced during the several years, cannot help but have a very widespread effect throughout the valley. It will not only increase the pride of live stock growers but will also be of material benefit to them in an economic way."

Humboldt County Fair.

"Very much. Outside stockmen now come to Humboldt to buy live stock for breeding. Live stock judges have commented on the improvement of the stock each year, and these are our own observations over the past nine years, as well as others."

Modoc County Fair.

"Yes. New purebred sires have been introduced"

Tuolumne County Fair.

"Yes. Each year there has been a marked improvement in quality of exhibits"

California State Fair.

"Yes. By reason of education through competition"

San Joaquin County Fair.

"Yes. Herds have been improved, which makes better prices and better markets."

Santa Cruz County Fair.

"Decidedly. We insist on strict judging"

Contra Costa County Fair.

"Yes. Account of the competitive spirit of exhibitors to win highest ribbon awards."

Fresno District Fair.

"Yes. Competition proved to local owners better stock meant better market conditions and prices. Desire to beat neighbor—desire to own best."

Napa County Fair and Horse Show.

"Yes By the number of registered stock purchased during the last year."

Solano County Fair

"Yes. Education and competition."

Nevada County Fair.

"Definitely yes Greater interest manifested."

(Napa County Fair, Calistoga)—Silverado Fair and Horse Show.

"It has encouraged exhibitors, and the competition has made them better their quality of animals."

Mendocino County Fair (Twelfth District Agricultural Association at Ukiah).

"Yes. The improvement in Future Farmers of America and 4-H Clubs is certainly educational for all, as it shows what can be done."

Fourth District Fair (Petaluma).

"Yes. By making it possible for three days to buy better stock."

Kern County Livestock Show.

"Yes. By compelling exhibitors to be selective in breeding stock of all kinds, together with immeasurable care."

Eureka Fair (Ninth Agricultural District).

"Very decidedly. It has brought outside exhibitors to our county, thus giving our local breeders a new standard of perfection. We had stagnated in our breeding programs, but that is on the mend due to new purchases of foundation stock. This has resulted in a decided advance in quality."

Los Angeles County Fair.

"Yes. The premium money enables the exhibitor to purchase better stock"

The National Orange Show.

The only citrus fair in the world offers the concrete example of what "Fairs mean to California." With more than 350,000 acres of California orchard land planted to citrus, the acreage has developed employment for more than 30,000 persons and brings to California from out-of-state sources, an excess of $78,500,000 annually.

Citrus growers, as a result of participation in competitive exhibits, have from year to year over a thirty-year period, developed increased production, consumption, and return of a larger state income. California citrus fruit is the greatest single asset to national advertising.

As a result, and in connection with the operation of the 1938 National Orange Show (1939 and 1940 will show larger coverage) 18,674 inches of Orange Show publicity including 775 pictures of exhibits were published. 66,292,597 impressions (copies) of bona fide circulation including 24 national magazines were the result of this one exhibition. Broken down there were 2,188 individual stories with many illustrations given to the people of the United States covering California citrus.

Its value as a publicity medium abroad, a stimulus to improvement, development interest and consumption at home can not be measured in dollars and cents.

Increase in Ownership and Quality.

QUESTION—Do You Have More Owners of Live Stock in Your County or District Than You Did in 1934, 1935, 1936, 1937 and 1938? Can You Attribute Any Increase in Ownership to Stimulation Through Premium Subsidy by Your Fair?

Sonoma County Fair.

"In poultry, in business, in registered cattle there has been very definite increase of ownership."

Santa Barbara County Fair.

"Because of the activities of this county fair there are many more owners in this and San Luis Obispo County."

Alameda County Fair.

"Live stock business has improved in Alameda County of late years. More exhibits should be available in 1940."

Imperial County Fair.

"Slight increase in ownership, but large increase in better breeding stock."

Humboldt County Fair.

"A few more owners probably, but the most noticeable factor here that each year more and more of the local owners have become interested, improved their stock and start exhibiting them."

Tuolumne County Fair.

"Yes. There has been increase in ownership through premium subsidy."

California State Fair.

"Yes. A great part of our stimulation is due to the premium subsidy to the district and county fairs."

Santa Cruz County Fair.

"Most decidedly—greatest increase comes in swine."

Contra Costa County Fair.

"The 4-H and F. F. A. boy exhibitors have increased materially."

Fresno District Fair.

"Yes. F. F. A. owners have increased herds Attention through fair to better live stock, comparison and contrast as to financial return through ownership of better breeding stock."

Napa County Fair and Horse Show

"Yes 4-H and Future Farmers of America are now purchasing more registered stock."

Nevada County Fair.

"Greater interest but due to lack of space we were unable to exhibit live stock."

Napa County Fair, Calistoga—(Silverado Fair and Horse Show).

"It can all be attributed to fairs Our exhibits of all livestock have increased each year."

Mendocino County Fair (Twelfth District Agricultural Association).

"Yes. With continued failure of fruit crops, farmers are seeing the error of working a full year to get a kick in the pants. Showing stock gives these farmers a chance to appreciate possible results"

Eureka Fair (Ninth Agricultural District).

"Owners have materially increased We can trace this definitely to the owners' interest aroused at fairs. This is true in all breeds that have exhibited—dairy, sheep and horses Premium money has been traced to new purchases. One example: over $1,500 in breeding stock purchased by exhibitors from winnings"

Discovered Values.

QUESTION—What Values Have Been Discovered by Agriculturists at Your Fair?

Colusa County Harvest Festival.

"Production of better quality and yields."

National Orange Show.

"Improvement in quality and better marketing."

Fourth District Fair—Petaluma.

"Better Stock."

Siskiyou County Fair.

"Improved varieties."

Glenn County Fair.

"They learn how to judge quality."

Riverside County Fair.

"A better understanding that in order to get anything from the soil you must first put something into it."

Imperial County Fair.

"A wide variety of winter stock feeds and vegetables, which is increasing each year."

Tuolumne County Fair

"Improved quality of commercial produce."

Santa Cruz County Fair.

"Public interest in local products."

Fresno District Fair.

"Comparison for size—shipment standards. Correcting of ripeness and bloom."

Nevada County Fair.

"Apple exhibit, variety of products grown."

Kern County Live Stock Show.

"That Kern County agricultural products are foremost in value with live stock."

Los Angeles County Fair.

"Improvement in quality, methods, marketing, etc."

Education in Agriculture.

QUESTION—Do You Feel Your Fair To Be of Educational Value to Agriculture?

Tehama County Fair.

"A desire among live stock growers to improve herds"

Colusa County Harvest Festival.

"Visual education by comparison of products; friendly arguments and explanation of judges of scoring points."

Sonoma County Fair.

"Principally through judges explaining results for placing the live stock classes, and other general educational values."

Santa Barbara Fair and Horse Show

"Definitely yes It teaches the young farmers to raise better products by comparing the products raised on their farm to that exhibited at the fair"

Merced County Fair.

"Yes. The standard of judging has been kept very strict, thereby making it necessary for the exhibitors to seek to improve the quality of their products."

National Orange Show.

"Yes. Through the Citrus Institute held each year in connection with the show, as well as promotional advertising through the show."

San Benito County Fair.

"Yes. Because they (exhibitors) learn the difference between poor quality and grade as compared to thoroughbred and perfect specimen."

Siskiyou County Fair.

"General improvement."

Glenn County Fair.

"Yes. By learning what a good quality should be and trying to produce the quality."

Monterey County Fair.

"Yes—through display and example."

Riverside County Fair.

"Yes. Times continuously change, new methods and improved means are constantly coming to the surface. A fair to most agriculturists is like summer school to a teacher."

Imperial County Fair.

"Yes. By exploiting to the general public the wide diversity of farming of winter products in both agricultural and horticultural commodities"

Humboldt County Fair.

"Yes. We use score cards that the judges fill out and place on each exhibit. The public and exhibitors read these in comparing the exhibits and the reasons for placing by the judges."

Modoc County Fair.

"Yes The competent judges have done much to enlighten the exhibitors on new methods to improve their products.

Tuolumne County Fair.

"Yes. Improved quality for commercial purposes."

San Joaquin County Fair.

"Yes, definitely—through benefit of comparison and competition"

Santa Cruz County Fair.

"Very much. Visitors coming from greater distance and in larger number."

Fresno District Fair.

"Yes. Agents now come to fair to compare varieties. Shoppers come to compare one territory against another for sugar content, bloom, etc."

Butte County Fair.

"Yes. Shows what others are doing and what can be done, especially in One Family Farm Exhibits."

Nevada County Fair.

"Definitely so. Increased interest, educational value. By the discussion of personal problems at the fair."

San Mateo County Fiesta.

"Yes, definitely. Exhibitors state that from discussions with judges they have raised the quality of products,and attractiveness."

Mendocino County Fair (Twelfth Agricultural District).

"When we get these farms running smooth so that it will be possible to carry on without the present high pressure, they will root farmers."

Fourth District Fair (Petaluma).

"Yes. Our fair is strictly for 4-H Clubs and Future Farmers of America exhibitors."

Eureka Fair (Ninth Agricultural District).

"Yes. Sets up new standards, acquaints public with the best we have."

Los Angeles County Fair.

"Yes Comparison of methods, exchange of ideas and results of actual demonstration of what has been done, with the resulting stimulation to produce more and better crops."

Use of Fair and Exposition Funds in Improving Agriculture with the Youth of Rural California.

Premium money won at fairs has provided considerable financial assistance to thousands of vocational agriculture projects carried by the high school agriculture students. In a majority of cases, where the premium money has in any measure exceeded the actual expenses of showing (transportation, deed, veterinary services, etc.) this money has been invested immediately, or within a few months, in better breeding stock, or poultry, or the original payment on a tract of land.

There are in California at the present time about 10,000 Future Farmers. At the time fair and exposition funds became available for fair premiums, there were about 6,000 boys. Allowing for the reasonable turnover of about 50 per cent per year, it is estimated that about 22,000 different boys have been in the Future Farmer program since 1935, or that about 7,000 different boys have participated in fairs supported by fair and exposition funds.

Figures further show that the average won by Future Farmers in all fairs for a season, is about $20 per boy, which in general is little more than the amount necessary to pay for trucking and other expenses incidental to a showing. However, quite a number of boys have, by virtue of owning good stock and giving it good care, won amounts somewhat in excess of the actual expense of showing.

Innumerable examples can be obtained showing how this money, won over the period of four years of high school enrollment, has made it possible for the boy to buy, and therefore bring into the district or onto the home farm, better live stock than could otherwise have been obtained.

From hundreds over the State, here are five typical examples:

1. Jerry Didier, Puente, showed in district and county fairs during the years 1936 to 1939, inclusive. During this period he won $333 in premium money This money helped him rent 33 acres of land, and expand his projects, until he now owns 32 registered Chester-White hogs, 33 high grade Hampshire sheep and two dairy cows. He is now the chief source of breeding animals, particularly Chester-White sires, in an area where they were not previously available

2. Billy Lowry, Hanford, is the son of a ranch foreman Largely as a result of the fine showing made by Billy and his brother, LaVerna, in exhibiting pure-bred Jersey cattle, the father purchased a 160-acre farm, which the two boys (still in high school) are helping to pay for as they develop their high-quality herd. During Billy's four years of showing, 1937 to 1940, inclusive, he won $283 in premium money. This money enabled him to buy a much higher-class sire to use on his herd of 17 registered Jerseys, than he could otherwise afford. Since the breeding of this sire is somewhat different than can be found any other place in this State, this means that young Lowry's herd will soon be the source of breeding material of unusual value to many other herds

3. Edward Thole, Santa Rosa, during the years of 1937 to 1939, won the rather unusual amount of $666 50. He has now reinvested this in additional Poland China hogs and Rambouillet sheep, rents a small piece of land, and is now supplying breeding stock in an area where there is considerable demand for these breeds.

4. Glen Eidman, Red Bluff, showed at the State Fair and at district fairs in 1938 and 1939. He won $189 in premiums. This has been reinvested in Shropshire sheep and in two registered Duroc sows; and he is now ready to sell registered breeding stock in an area where both adults and Future Farmers have had difficulty in getting good animals of these breeds.

5. Bud Gibson, Susanville, won $155 in prize money in one or two of the smaller district fairs. He bought four registered Hampshire gilts. He is now the chief source of supply, not only in his own county, but in two adjoining counties, for registered Hampshire boars; and he furnished some Hampshire breeding stock to two other Future Farmer chapters in that area. Some of the ranchers who are now buying purebred boars of this youth, had not been using purebred sires for some years previously,, because they were not available in that area.

These are only five scattered examples from actual hundreds. These boys are not necessarily the largest money winners by any means, but are examples of some who made the best use of the money. None of them are so-called "show-tramps" but actual, serious live stock farmers. Examples similar to these can be found in any area where a county or district fair is held.

It should be emphasized that the educational value, and the actual incentive for improved quality, is by no means limited to those boys who made considerable money from fair showing. Boys whose winnings barely covered, or did not even cover, actual fair expenses, may have received a tremendous intangible value in appreciation of fine stock, in learning to fit, feed, groom and train animals for the show ring, or in merely attending a fair to see other high quality stock, which could not have been brought into a perhaps isolated district except through the medium of the fair.

Of the estimated 7,000 young men who have participated in Future Farmer divisions at fairs since 1935, only a small portion will continue to show as adults, yet those who go into a purely commercial operation, such as feeding out steers, operating a dairy, or an egg-production plant, will do a better commercial job of feeding and caring for their stock as a result of having learned the most difficult animal husbandry practices through show competition.

The educational value not only extends to the boy, but to his parents and neighbors as well In hundreds of instances each year, the purebreds purchased for projects by Future Farmers are the first purebred stock ever to be brought onto the home farm. An illuminating example is found concerning a swine project in Merced county. The father laughed at the son's purchase of a purebred boar, and in jest gave the boy a plain, grade sow which had been accidentally bred to the boy's pure-bred boar. But when the offspring went to market at a show at seven months of age weighing more than 200 pounds, and the father's pigs at the same age weighed less than 100 pounds, the parent was converted. Since then, nothing but purebred boars have been used by the father, and what was once a very plain commercial herd is now one of the best in the county.

California Polytechnic School.

Since 1935, when fair and exposition funds were first distributed, the California Polytechnic School has received an increasingly greater proportion of its support from this source; until for this fiscal period, the fair and exposition funds provide the sole financial support for this fine State vocational and technical school.

The school has had an extremely rapid growth, and there are now 642 boys at the San Luis Obispo main campus and 140 at the horticulture branch known as the Voorhis unit, at San Dimas in eastern Los Angeles county. These boys come from 48 of the 58 counties in California, so that the school truly serves the entire State's technical educational needs.

During the last four years, funds made available from fair and exposition sources have adequately cared for this rapid expansion. Needed instructors have been added and necessary buildings have been constructed. These buildings are:

1. A complete building for teaching air conditioning industries, including new quick-freezing processes for handling agricultural products.
2. A beef cattle feeding unit, where students feed out about 150 steers each year as part of their technical training. The steers are entirely owned by the boys.
3. A sheep unit, to accommodate the school's permanent breeding herd, as well as project corrals to provide for feeding out about 150 late lambs, in addition to more than 50 milk-fat lambs marketed early in the year.
4. A swine unit, holding the school's breeding herd of 75 sows, a number of breeding sows owned by students, and feeding space to care for about 625 barrows owned entirely by students and marketed by them each year.
5. Additions to the dairy unit, consisting of a feeding barn, a bull barn and a calf barn. This is for the school's herd of about 100 purebreds, operated entirely as a project cared for by the students; and about 50 animals owned outright by the students. All work in the dairy unit is done entirely by students.
6. A series of temporary classrooms, made necessary by the rapid growth of the institution.
7. Additions to the physical education facilities of the school, such as locker rooms, showers and swimming pool.
8. A group of six cottage-type dormitories located near the barns and poultry plant, so that students who have feeding, milking or other functions starting as early as 3 a.m. and lasting as late as 10 p.m., are close to their responsibilities.

Present plans call for use of funds to construct a new central administration and classroom unit, to replace three of the original buildings constructed in 1901 and now virtually condemned. A new poultry building and campus sewer system are also called for in current expenditures

The building needs for this rapidly-growing State vocational school are by no means completed. Other buildings immediately necessary are the farm mechanics unit, a milk house, a slaughter house, a live stock judging and demonstration pavilion, infirmary, library for agricultural reference material, beef breeding unit, feed storage barn, and more dormitory and dining hall facilities.

The entire support of this school from fair and exposition funds has relieved the State's general fund by an equal amount. Any change in the allocation of these funds would return the California Polytechnic school as a requirement of the general fund.

Most of the students at California Polytechnic come from homes of moderate income. Not a few boys come from families who are on relief, but through the unique project system at California Polytechnic, coupled by a work policy which provides a maximum amount of campus labor for students and virtually none for the usual adult crew of maintenance men, janitors, grounds keepers, farm hands, etc, between 75 and 85 per cent of the students earn some portion of the very low total expense of about $350 per year. The average is about $100 per boy—some earning all of their way.

Were it not for this school, made possible by fair and exposition funds, many of these boys, too, would be on relief As a result of their attending Polytechnic, they learn to become self-supporting, and actual instances occur where they have gone home, been placed in a good job through the school's employment counselors, and actually have taken the parents off the relief rolls

The California Polytechnic School is the centralizing agency for all the State farm work in the State. The president of the institution is also chief of the Bureau of Agricultural Education and is in charge of all vocational agriculture in the public schools of California.

Some of the fine services rendered by the institution are:

1. Training of all vocational agriculture teachers.
2. Conducting summer sessions for agriculture teachers.
3. Disseminate technical information in agriculture to all the agriculture teachers and Future Farmers in the State.
4. Holding annual Future Farmer Conventions and judging contests.
5. Sending agriculture experts to aid local vocational agricultural education departments with their various problems.
6. Furnish high grade live stock, poultry and seed to Future Farmers throughout the State.

CONCLUSION.

It is true that many thousands of dollars have been expended in premiums going to Future Farmers, and in educational facilities at California Polytechnic School. These funds can be actually determined and measured.

The benefits, however, can not ever be measured in dollars and cents. It is possible that a few dollars won by a Future Farmer at a fair may change the course of his life by developing in him respect for good live stock which will return him an ultimate income a hundred times greater than the scrubs he had been used to seeing.

It is equally possible that the sum expended upon the education of a boy at California Polytechnic School may raise his earning capacity two or three times, and make him, not a "marginal citizen," capable only of common labor wages, but a skilled agricultural or industrial technician.

So a single dollar expended wisely through the race and exposition funds, may return the State literally a hundred dollars in better farming practices, better live stock and better citizens.

Senate Resolution No. 46.

The following resolution was offered:

By Senator Tickle:

WHEREAS, The Senate at the fifty-third (extraordinary) session on May 13 and 14, 1940, adopted Senate Resolutions Nos. 42, 43 and 44 appointing officers and employees of the Senate and setting forth their compensation, and

WHEREAS, There are at this time two extraordinary sessions being conducted simultaneously; and

WHEREAS, This condition presents a new and unprecedented situation in the annals of the State with which fiscal officers have not heretofore been confronted and upon which they desire the position of the Senate to be plainly set forth; now, therefore, be it

Resolved, That the clause reading, "Compensation to begin on the day following adjournment of the fifty-third (second extraordinary) session," be and the same is hereby amended from Senate Resolutions Nos. 42 and 43, and that the compensation of all officers and attaches appointed thereunder, unless otherwise specified, shall commence as of May 13, 1940; and be it further

Resolved, That in appointing such officers and employees it was not the intention of the Senate that any individual so appointed should receive two days' pay for one day's service but that each individual should be compensated for the days of service actually rendered and that such services should be paid for from the constitutional allowance of one hundred dollars per day for each house of the Legislature at any special session thereof and such savings as have accrued in the fund for such purpose.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 46 adopted by the following vote:

AYES—Senators Breed, Brown, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Hays, Hollister, Jespersen, Keating, Kenny, Mayo, McCormack, Metzger, Mixter, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Tickle, and Wagy—26.

NOES—None.

Requests for Permission to Introduce Bills.

The following requests for permission to introduce bills were presented:

By Senator Quinn:

SENATE CHAMBER, SACRAMENTO, May 16, 1940

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act relating to parks and making an appropriation from the State park maintenance and acquisition fund for the operation, maintenance and extension of the State park system, to repeal an act entitled "An act relating to parks and making an appropriation from the State park maintenance and acquisition fund for the operation, maintenance and extension of the State park system," approved February 28, 1940, and providing that this act shall take effect immediately.

Respectfully submitted

SENATOR QUINN.

Request referred to Committee on Rules.

SENATE CHAMBER, SACRAMENTO, May 16, 1940.

MR. PRESIDENT. In accordance with the provisions of the standing rules of the Senate, I request permission to offer a concurrent resolution, the title of which is set forth below:

Relative to the operation, maintenance, and extension of the State Park System.

Respectfully submitted

SENATOR QUINN

Request referred to Committee on Rules.

Reports of Standing Committee.

The following reports of standing committee were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, May 16, 1940.

MR. PRESIDENT Your Committee on Rules, to which was referred:

Assembly Bill No. 122—An act to add section 3014.5 to the Civil Code, relating to trust receipt transactions, including those pertaining to motor vehicles, to take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that the bill be referred to the Committee on Governmental Efficiency.

Committee membership—5, committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Bill No. 122 read first time, and referred to Committee on Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, May 16, 1940.

MR PRESIDENT: Your Committee on Rules, to which was referred the following request of Senator Kenny for permission to introduce a bill:

An act amending sections 3 and 5 of an act entitled "An act creating the Colorado River Board of California and the office of Colorado River Commissioner of California, prescribing the powers and duties of said board and commissioner," approved July 1, 1937, relating to powers and duties of the board and commissioner, to repeal Chapter 14 of the statutes of the first extraordinary session of 1940, convened on January 29, 1940, declaring the urgency thereof and providing this act shall take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the bill introduced and referred to committee on Governmental Efficiency.

Committee membership—5; committee vote: Ayes—5

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, May 16, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following request of Senator Quinn for permission to offer a Concurrent Resolution.

Relative to the operation, maintenance, and extension of the State park system;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the Concurrent Resolution offered and referred to committee on Finance, Revenue and Taxation.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, May 16, 1940.

MR PRESIDENT Your Committee on Rules to which was referred the following request of Senator Quinn for permission to introduce a bill.

An act relating to parks and making an appropriation from the State Park Maintenance and Acquisition Fund for the operation, maintenance and extension of the State park system, to repeal an act entitled "An act relating to parks and making an appropriation from the State Park Maintenance and Acquisition Fund for the operation, maintenance and extension of the State park system," approved February 28, 1940, and providing that this act shall take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the bill introduced and referred to Committee on Finance, Revenue and Taxation.

Committee membership—5; committee vote. Ayes—5.

SEAWELL, Chairman.

Introduction, First Reading and Reference of Bills.

The following bills were introduced:

Senate Bill No. 87: By Senator Kenny—An act amending sections 3 and 5 of an act entitled "An act creating the Colorado River Board of California and the office of Colorado River Commissioner of California, prescribing the powers and duties of said board and commissioner," approved July 1, 1937, relating to powers and duties of the board and commissioner, to repeal Chapter 14 of the statutes of the first extraordinary session of 1940, convened on January 29, 1940, declaring the urgency thereof and providing this act shall take effect immediately.

Senate Bill No. 87 read first time, and referred to Committee on Governmental Efficiency.

Senate Concurrent Resolution No. 15: By Senator Quinn—Relative to the operation, maintenance, and extension of the State Park System.

Senate Concurrent Resolution No. 15 read, and referred to Committee on Finance, Revenue and Taxation.

Senate Bill No. 88: By Senator Quinn—An act relating to parks and making an appropriation from the State Park Maintenance and Acquisition Fund for the operation, maintenance and extension of the State park system, to repeal an act entitled "An act relating to parks and making an appropriation from the State Park Maintenance and Acquisition Fund for the operation, maintenance and extension of the State park system," approved February 28, 1940, and providing that this act shall take effect immediately.

Senate Bill No. 88 read first time, and referred to Committee on Finance, Revenue and Taxation.

Re-reference of Senate Bill No. 83.

Senator Seawell moved that Senate Bill No. 83 be re-referred to Committee on Governmental Efficiency.

Motion carried, and such was the order.

Adjournment.

At two o'clock and fifty minutes p.m., on motion of Senator Seawell, the President of the Senate declared the Senate adjourned, until eleven o'clock a.m., Friday, May 17, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Friday, May 17, 1940.

The Senate met at eleven o'clock a.m.
Hon. Ellis E. Patterson, President of the Senate, in the chair.
Secretary Joseph A. Beek at the desk.

Roll Call.

The roll was called, and the following answered to their names:

Senators Breed, Brown, Collier, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Jespersen, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Phillips, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—28.

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev. A. Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Thursday, May 16, 1940, the further reading was dispensed with, on motion of Senator Slater.

Leaves of Absence.

Senator Hollister was, on motion of Senator Slater, granted leave of absence for this day.

Senator DeLap was, on motion of Senator Metzger, granted leave of absence for this day.

Senator Shelley was, on motion of Senator Foley, granted leave of absence for this day.

Messages from the Governor.

The following messages from the Governor were received, read and ordered referred to Committee on Rules:

STATE OF CALIFORNIA, GOVERNOR'S OFFICE,
SACRAMENTO, May 15, 1940

To the Honorable Members of the Senate,
State Capitol, Sacramento, California.

GREETINGS: I am pleased to inform you that on February 27, 1940, pursuant to the provisions of section 2 1370 of the School Code, I appointed Henry S. Gross-

man a member of the State Board of Education, vice A. Heber Winder, term expired, for the term ending January 15, 1944, and Eleanor Lloyd Smith, vice Margaret K. Workman, resigned, for the term ending January 15, 1943, both subject to the advice and consent of the Senate.

I respectfully request that your honorable body approve and confirm said appointments of Henry S. Grossman and Eleanor Lloyd Smith.

Respectfully yours,

CULBERT L. OLSON,
Governor of California.

CLO:PW.

STATE OF CALIFORNIA, GOVERNOR'S OFFICE,
SACRAMENTO, May 15, 1940.

To the Honorable Members of the Senate,
State Capitol, Sacramento, California.

GREETINGS: I am pleased to inform you that on January 15, 1940, pursuant to the provisions of section 6504 of the Welfare and Institutions Code, I appointed the following to membership on the Board of Trustees of the Mendocino State Hospital.

Joseph Figone, vice Walter Sandelin, term expired;
Percy Ornbaum, vice E. H Benson, term expired;
Clarence A. Babcock, vice William J. Bolce, term expired;
Thaddeus D. Johnson, vice Lewis F. Hoffman, deceased;
Arthur Butzbach, vice Charles R. Perkins, deceased;

for the term ending January 15, 1944, subject to the advice and consent of the Senate.

I respectfully request that your honorable body approve and confirm the said appointments.

Respectfully yours,

CULBERT L OLSON,
Governor of California.

CLO PW.

STATE OF CALIFORNIA, GOVERNOR'S OFFICE,
SACRAMENTO, May 15, 1940

To the Honorable Members of the Senate
State Capitol, Sacramento, California.

GREETINGS: I am pleased to inform you that on February 26, 1940, pursuant to the provisions of section 6504 of the Welfare and Institutions Code, I appointed the following to membership on the Board of Trustees of the Sonoma State Home:

Mrs Robert Potter Hill, vice self, term expired;
E. C Kraft, vice self, term expired;
William Gray, vice Floyd Darby, term expired;
Bryce Swartfager, vice Walter L. Murphy, term expired;

and on May 2, 1940, pursuant to the same authority, I appointed to membership on the same board:

R R. Emparan, vice Herbert W Slater, ineligible;

all for the term ending February 26, 1944, subject to the advice and consent of the Senate.

I respectfully request that your honorable body approve and confirm the said appointments.

Respectfully yours,

CULBERT L OLSON,
Governor of California

CLO:a

STATE OF CALIFORNIA, GOVERNOR'S OFFICE,
SACRAMENTO, May 15, 1940

To the Honorable Members of the Senate,
State Capitol, Sacramento, California.

GREETINGS: I am pleased to inform you that on April 15, 1940, pursuant to the provisions of section 1573 of the Penal Code, I appointed Isaac Pacht a member of the Board of Prison Directors, vice Donald Kolts, term expired, for the term ending January 12, 1950, subject to the advice and consent of the Senate.

I respectfully request that your honorable body approve and confirm the said appointment of Isaac Pacht.

Respectfully yours,

CULBERT L OLSON,
Governor of California

CLO:PW

Message from the Assembly.

The following message from the Assembly was received and read:

ASSEMBLY CHAMBER, SACRAMENTO, May 16, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Senate Concurrent Resolution No. 14—In honor of Clarence H. Smith, Deputy Controller.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Senate Concurrent Resolution No. 14 ordered to enrollment.

Adjournment.

At eleven o'clock and thirty-one minutes a.m., on motion of Senator Seawell, the President of the Senate declared the Senate adjourned, until eleven o'clock and thirty minutes a.m., Monday, May 20, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Monday, May 20, 1940.

The Senate met at eleven o'clock and thirty minutes a m.
Hon. Ellis E. Patterson, President of the Senate, in the chair.
Secretary Joseph A. Beek at the desk.

Roll Call.

The roll was called, and the following answered to their names:

Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Foley, Garrison, Gordon, Hays, Hollister, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—32.

Quorum present.

Prayer.

The following prayer was offered by Senator Biggar, and on motion of Senator Quinn ordered printed in the Journal:

ALMIGHTY GOD, unto Whom all hearts are open, all desires known, and from Whom no secrets are hid, cleanse the thoughts of our hearts by the inspiration of Thy holy spirit, that we may perfectly love Thee and worthily magnify Thy holy name.

May the words of our lips and the meditations of our hearts be acceptable in Thy sight, O Lord, our strength and our Redeemer.

Amen.

Reading of the Journal.

During the reading of the Journal of Friday, May 17, 1940, the further reading was dispensed with, on motion of Senator Slater.

Leave of Absence.

Senator Shelley was, on motion of Senator Foley, granted leave of absence for this day.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, May 17, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 130—An act to add section 2.5 to the Retail Sales Tax Act of 1933 and section 2.5 to the Use Tax Act of 1935, relating to the definition of "sale" and "purchase" respectively, declaring the legislative intent as to the construction of said acts with respect to transactions involving the sales of newspapers and providing when this act shall become effective.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Bill No. 130 ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, May 16, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Assembly Joint Resolution No. 22—Relative to defense of the California coast;

Assembly Joint Resolution No. 23—Relative to protesting the proposed attack upon the title of the State of California to its tide, submerged and overflowed lands.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Joint Resolutions Nos. 22 and 23 ordered referred to Committee on Rules.

Senate Resolution No. 47.

The following resolution was offered:

By Senator Tickle:

Resolved, That the following named person be and she is hereby appointed to the position hereinafter set forth as provided by law, with the compensation set opposite her name, payable weekly, beginning May 20, 1940, and the Controller is hereby directed to draw his warrant in favor of the respective person for the same respective amount, and the Treasurer is hereby directed to pay the same:

	Six days per week
Claire Young, Assistant-at-Desk	$5 00

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 47 adopted by the following vote:

AYES—Senators Biggar, Collier, Crittenden, Deuel, Foley, Garrison, Gordon, Hays, Hollister, Jespersen, Keating, Kenny, McBride, McCormack, Mixter, Myhand, Parkman, Powers, Quinn, Rich, Seawell, Slater, Swing, and Tickle—24.

NOES—None.

Request for Permission to Introduce a Bill.

The following request for permission to introduce a bill was presented:

By Senator Mixter:

SENATE CHAMBER, SACRAMENTO, May 20, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act to amend sections 120, 157, 2630, 4106, 4110, 4153 and 4946 of, to repeal Chapter 4 of and to add a new Chapter 4 to Part 7, Division I of, and to add section 2630.5 to the Revenue and Taxation Code, and to repeal section 3819a of and to add a new section 3819a to the Political Code, relating to the redemption

of property and the transfer of tax redemption duties from the auditor and treasurer to the tax collector.

Respectfully submitted.

SENATOR MIXTER.

Request referred to Committee on Rules.

Reports of Standing Committees.

The following reports of standing committees were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, May 20, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following request by Senator Mixter for permission to introduce a bill:

An act to amend sections 120, 157, 2630, 4106, 4110, 4153 and 4946 of, to repeal Chapter 4 of and to add a new Chapter 4 to Part 7, Division I of, and to add section 2630.5 to the Revenue and Taxation Code, and to repeal section 3819a of and to add a new section 3819a to the Political Code, relating to the redemption of property and the transfer of tax redemption duties from the auditor and treasurer to the tax collector;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the bill introduced and referred to Committee on Finance, Revenue and Taxation.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, May 20, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Joint Resolution No. 22—Relative to defense of the California Coast;

Assembly Joint Resolution No. 23—Protesting the proposed attack upon the title of the State of California to its tide, submerged and overflowed lands;

Has had the same under consideration, and respectfully reports the same back, and recommends that they be referred to the Committee on Governmental Efficiency.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Joint Resolutions Nos 22 and 23 read, and referred to Committee on Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, May 20, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 130—An act to add section 2.5 to the Retail Sales Tax Act of 1933 and section 2.5 to the Use Tax Act of 1935, relating to the definition of "sale" and "purchase" respectively, declaring the legislative intent as to the construction of said acts with respect to transactions involving the sales of newspapers and providing when this act shall become effective;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be referred to the Committee on Finance, Revenue and Taxation.

Committee membership—5; committee vote: Ayes—5

SEAWELL, Chairman.

Assembly Bill No 130 read first time, and referred to Committee on Finance, Revenue and Taxation.

On Finance, Revenue and Taxation.

SENATE CHAMBER, SACRAMENTO, May 16, 1940.

MR. PRESIDENT: Your Committee on Finance, Revenue and Taxation, to which was referred:

Senate Bill No 41—An act to amend sections 9, 11, 12 and 14 of, and to add sections 12a, 13a and 20 to, an act entitled "An act to provide for the regulation and licensing of horse racing, horse race meetings, and the wagering on the results thereof; to create the California Horse Racing Board for the regulation, licensing and supervision of said horse racing and wagering thereon; to provide penalties for the violation of the provisions of this act, and to provide that this act shall take effect upon the adoption of a constitutional amendment ratifying its provisions." approved June 5, 1933, relating to the regulation and licensing of horse racing, the amount and payment of license fees, the commissions of licensees and deposits made

by them under the act, providing for the retroactive operation of this act, and providing that this act shall take effect immediately.
Has had the same under consideration, and respectfully reports the same back with amendments, and recommends that the amendments be adopted, and the bill be re-referred to this committee.
Committee membership—11; committee vote: Ayes—10; absent—1.

TICKLE, Chairman.

Introduction, First Reading and Reference of Bills.

The following bill was introduced:

Senate Bill No. 89: By Senator Mixter—An act to amend sections 120, 157, 2630, 4106, 4110, 4153 and 4946 of, to repeal Chapter 4 of, and to add a new Chapter 4 to Part 7, Division I of, and to add section 2630.5 to, the Revenue and Taxation Code, and to repeal section 3819a of, and to add a new section 3819a to the Political Code, relating to the redemption of property and the transfer of tax redemption duties from the auditor and treasurer to the tax collector.

Senate Bill No. 89 read first time, and referred to Committee on Finance, Revenue and Taxation.

Second Reading of Senate Bills (Out of Order).

Senate Bill No. 41—An act to amend sections 9, 11, 12 and 14 of, and to add sections 12a, 13a and 20 to, an act entitled "An act to provide for the regulation and licensing of horse racing, horse race meetings, and the wagering on the results thereof; to create the California Horse Racing Board for the regulation, licensing and supervision of said horse racing and wagering thereon, to provide penalties for the violation of the provisions of this act, and to provide that this act shall take effect upon the adoption of a constitutional amendment ratifying its provisions." approved June 5, 1933, relating to the regulation and licensing of horse racing, the amount and payment of license fees, the commissions of licensees and deposits made by them under the act, providing for the retroactive operation of this act, and providing that this act shall take effect immediately.

Consideration of Committee Amendments.

Pursuant to the report of the Committee on Finance, Revenue and Taxation, the following amendments to Senate Bill No. 41 were read and adopted:

Amendment No. 1.

On page 2, line 49, of the printed bill, strike out "Sec. 12. The", and insert in lieu thereof the following: "Sec. 12. For the purposes of this section "new track" means any track used for horse race meetings under the provisions of this act on which the original construction has been completed less than five years; "old track" means any track which is not a new track.
The".

Amendment No. 2.

On page 2 of the printed bill, strike out line 51; and on page 3 strike out lines 1 to 5, inclusive; and in line 6, strike out "all amounts over $10,000,000", and insert in lieu thereof the following: "(a) 4 per cent of the total amount of all money handled in the pari mutuel or mutual pools conducted and operated at new tracks; (b) 4 per cent of the first $10,000,000 and 8 per cent on all amounts over $10,000,000 handled in the pari mutuel or mutual pools conducted and operated at old tracks; during the period of the license, regardless of whether or not the racing days are consecutive".

Amendment No. 3.

On page 4 of the printed bill, strike out lines 30 to 45, inclusive; and on page 5 of the printed bill, strike out lines 3 to 8, inclusive, and insert in lieu thereof the following:

"Sec. 14. Any licensee conducting a horse race meeting shall provide a place or places in the race meeting grounds or enclosure at which such licensee may conduct, operate and supervise the pari mutuel or mutual method of wagering upon the results of said races so conducted and within its enclosure; and said system of wagering shall be operated only by the installation and use of the totalizator or such mechanical equipment as may be approved by the board, but such board shall not require any particular make of mechanical equipment; provided, that such wagering shall not be held or construed to be unlawful, any other statute of the State of California to the contrary notwithstanding. No other method of betting, pool making or wagering shall be permitted or used by such licensee, and said mutual method of wagering shall be carried on and conducted in the manner aforesaid and not outside of the track or enclosure of a licensee.

There shall be deducted from the gross amount of money handled through the mutuel pools and apportioned as herein set forth, the following percentages:

(a) The percentage thereof provided for in section 12 hereof, which shall be the license fee to the State and which shall be disposed of as in this act provided.

(b) An additional amount which shall be retained by the licensee conducting the meeting as its commission, and which shall equal the difference between the amount deducted pursuant to subdivision (a) of this section and 8 per cent of all of said gross amount of money handled.

(c) An additional 4 per cent which shall be distributed as purse money for the contests in accordance with the terms of this subdivision. It shall be a part of the terms and conditions of each license granted that the licensee shall conduct eight races each racing day, two of which shall be for California-breds, and not less than one of which shall be for California-bred two-year-olds. Not less than two races each week of racing shall be for distances of one and one-quarter miles or more and said two races shall be free from claiming conditions. Not less than one-third of the daily purse money as herein defined shall be paid each day as the purses for the California-bred races. The remainder of the said purse money as herein defined shall be apportioned among the remaining eight events with not less than one-twelfth of the total daily purse money allotted to any one event. The licensee may add additional amounts from its own resources for any event at its election. The term "purse money" as in this paragraph used shall mean the purse money apportioned to the different races from the 4 per cent of the take as in this paragraph provided, or from the amount of the purses as fixed by the Racing Board and for the purposes of this paragraph shall not include any amounts added to such purse money by the licensee. For the first ten days of each meeting the licensee thereof shall pay as the total purse money not less than an amount equal to 4 per cent of the average daily gross amount of money handled through the mutuel pools for the last ten days of the next preceding meeting conducted by such licensee or its predecessor, and, in the event no such meeting has been conducted, then such minimum purse money for said first ten days shall be not less than the amount fixed by the California Horse Racing Board. For each day subsequent to the first ten days of each meeting, the minimum purse money shall be 4 per cent of the average daily gross amount of money handled through the mutuel pools for the first ten days immediately prior thereto.

(d) The odd cents of all redistribution to be made on all mutuel contribution exceeding a sum equal to the next lowest multiple of ten (sometimes called the "break") shall be deducted by the licensee, divided, and paid as follows: Two-thirds thereof shall be paid to and retained by the licensee as part of its commission, and used in such amounts as it shall decide as additional purse or stake money or for such other purpose as such licensee shall see fit; the remaining one-third thereof shall be deposited daily in a banking institution in the State of California approved for savings by the State Banking Department of the State of California, in a trust fund, and at the end of each meeting shall be apportioned and paid to the breeders of animals bred in California, as the term California-bred animal is herein defined, which have finished first, second or third, in any of the races conducted at such meeting in the following manner: There shall be paid from said trust fund to the breeder of each California-bred animal that has won a first, second, or third money in any race at such race meeting, that proportion of the total amount of said trust fund that the money won by such California-bred animal, either as first, second or third money, bears to the total amount won, either as first, second or third moneys, by all California-bred animals during such meeting.

(e) The term California-bred or California-bred animal or bred in California, where used in this act, shall mean only an animal conceived in California and foaled from a mare which has been continuously in California for the six months immediately preceding such foaling. The breeder of an animal is the owner of the mare at the time of foaling.

(f) The licensee of each meeting shall deduct the percentages from the mutuel pools herein provided for and pay and distribute the same in accordance with the terms hereof.

No entry of an animal and no fee or sum shall be fixed or accepted from breeders or owners for the nomination of animals for any race or contest more than 120 days prior to the actual holding of such race or contest. There shall be but two fees for any race; one the nominating fee and the other the starting fee. The pro-

vision hereof shall not apply to any race or contest for which nominations have already been made or for which contest fees have already been accepted.

On all programs of races giving the names of the entries there shall be placed under the name of each entry the name of the sire and the name of the dam, and the name of the sire of the dam, and for each such animal being a California-bred animal there shall also be included the name of the breeder.

Where, in the mutuel wagering, a minus pool results for any position, the licensee shall nevertheless pay to the holders of winning tickets for such position the amount of money wagered on such position, but shall not pay any amount in addition thereto."

Bill read second time, ordered to reprint, and re-referred to Committee on Finance, Revenue and Taxation.

Recess.

At eleven o'clock and forty-five minutes a.m., on motion of Senator Seawell, the President of the Senate declared recess until one o'clock and thirty minutes p.m.

Reconvened.

At one o'clock and thirty minutes p.m., the Senate reconvened.

Lieutenant Governor Ellis E. Patterson, President of the Senate, in the chair.

Secretary Joseph A. Beek at the desk.

Message from the Governor.

The following message from the Governor was received and read:

STATE OF CALIFORNIA, GOVERNOR'S OFFICE,
SACRAMENTO, May 20, 1940.

To the Honorable Members of the Senate and of the Assembly.

GREETINGS: I have given due, careful and respectful consideration to Senate Concurrent Resolution No. 1, adopted by a majority of both houses on May 16, 1940, requesting that I call a special session under a proclamation which will enable the Legislature to consider and act upon legislation for the relief of hardship and destitution, whether resulting from unemployment or from any other causes.

I also have duly considered a request from a majority of your Joint Legislative Fact-Finding Committee on Employment, to issue a call for a special session that will enable the Legislature to consider and act upon a proposed bill which, for the purpose of printing and circulation, was introduced in the Senate on May 16, 1940, as Senate Bill No. 86.

I have also carefully considered the provisions of this measure, together with the report and recommendations made to the Legislature by said committee on May 13, 1940, in pursuance of which this proposed bill was drafted.

Under the proclamation calling your special session which began January 29th, the Legislature is authorized to consider and act upon legislation providing for an appropriation of funds for the relief of hardship and destitution due to and caused by unemployment, to be expended by the Relief Administrator and the Relief Commission in accordance with the provisions of the California Unemployment Relief Act of 1935 for the relief of persons qualifying thereunder. No further proclamation is, therefore, needed to enable the Legislature to provide for the relief of hardship and destitution resulting from unemployment.

Assuming that your resolution was intended to request a proclamation convening another special session to enable the Legislature to act upon the proposed measure above mentioned, I make this reply to that request and to the informal request made to me personally by the majority of the members of the joint committee.

When this committee's request was presented, I advised its members that I would not be inclined to convene another special session for the consideration of new legislation upon the subject of unemployment relief, unless the new legislation proposed under such a call was such that I would not feel it my duty to veto if enacted.

As stated, I have analyzed the measure proposed to be enacted, which has been put in printed form as Senate Bill No. 86. I find that it is a measure which I would consider it my duty to veto if it were passed by any session authorized to

enact it. I, therefore, can not accede to the request to call a session for the purpose of enacting this proposed bill, without placing myself in the inconsistent position of impliedly recommending it and then vetoing it if adopted.

Furthermore, I find its concept and specific provisions so at variance with my convictions and policies regarding legislation on the subjects of the bill that I see no possibilty of a compromise measure being agreed upon. And if a compromise measure were possible, considering the time required for the special session, the uncertainties of such a compromise, and the fact that in all probability it could not become effective until two or three months before a new Legislature shall meet in regular session, it seems to me that it would be impractical, if not wholly futile, to comply with your request

I wish that I could be given the time within which to fully point out in this communication all of the objections and reasons that I have for disapproving this proposed measure But I must consider the importance to you of an immediate answer to your request, and also the fact that you may be more concerned in whether I shall comply with that request, than in the reasons for my action.

However, without attempting to go fully into a discussion of the provisions of the bill, or its objectives and specific provisions, I do wish to briefly record in this communication a few general and fundamental objections thereto.

The whole concept of the bill and its specific provisions are, it seems to me, contrary to the following preliminary observations made in the recommendations of the members of the Joint Legislative Fact-Finding Committee on Employment, at whose request it was introduced:

> "The complexity of the situation (unemployment), and the rapidity with which it has grown to be the major problem in California, have resulted in what can only be called muddled thinking. We have lost sight of basic principles. Constant reiteration of the gravity of the relief situation has obscured the fact that relief is a single phase of the problem of unemployment.
>
> Removing the long recognized relief difficulties would leave the unemployment problem still unsolved. Removing unemployment, on the other hand, would eliminate much of the need for relief, except for indigency due to old age; the loss of one or both parents; disease, and similar conditions preventing self-support
>
> The committee emphasizes that the major question with which the Legislature has to deal is the problem of unemployment."

With that preliminary observation I fully agree; but for the same reasons I disagree with the bill proposed by the majority members of this same committee, because it seems to be only a product of muddled thinking; that it has lost sight of basic principles; that it ignores the fact that relief is a single phase of the problem of unemployment; and that it provides no means for the solution of that problem.

The proposed measure would create a Department of Employment to which would be transferred all of the powers and duties of the Relief Commission, Relief Administrator, the Department of Social Welfare, the Social Welfare Board, the Director of the Department of Social Welfare, the State Department of Employment and the California Employment Commission.

Yet it is not an employment measure. It is a measure intended only to transfer the administration of the dole system of relief from the State to the counties, to be integrated with county administration of social welfare aids to the aged, the blind, and dependent children, with State subventions of two-thirds of the cost.

Consolidation, disorganization or reorganization of State departments or agencies or the transfer of State administrative functions to county administration will not make work or provide employment. Employment can only be provided by creating work that does not now exist

The kind of work that must be provided for the unemployed, if the relief and tax burden is to be reduced, must be self-respecting, decently paid, useful, wealth-producing and, most important, self-sustaining work. Under this proposed measure no such works program can be planned and carried forward

Among the many glaring inconsistencies contained in this proposed measure are its provisions regarding a works program. Section 70 reads as follows:

> "Money available for a works program from any general relief appropriation may be used for all or any of the following purposes:
>
> (a) For materials, equipment, tools, personnel, supervision, time keeping, transportation and administration for the projects.
>
> (b) For rural relief and rehabilitation, including the establishment and operation of camps.
>
> (c) For aid to self-help cooperative organizations and associations.
>
> (d) For the construction, reconstruction, replacement or repair of public roads, public buildings, public works and other permanently useful public improvements.
>
> (e) For the production or processing of consumable goods and commodities exclusively for the use of persons receiving relief.

(f) For forest fire protection and prevention.

(g) For the elimination, abatement and prevention of and protection against natural deleterious physical conditions including but not limited to weed abatement, mosquito control, swamp drainage

(h) For the conservation of natural resources"

Yet section 80 of the proposed bill says that not more than 3 per cent of the money made available for unemployment relief shall be expended for these purposes of a works program and for the administrative costs of the department and of the counties applicable thereto.

Under section 72 of the proposed bill, no money (not even any of the 3 per cent) could be expended on a works program without the consent of the counties in the matching of funds.

The proposed bill from a purely administrative standpoint would cause greater confusion than has ever prevailed in the administration of unemployment relief and social welfare aid. Some of its sections are not susceptible of enforcement and administration. Some of the provisions are of doubtful constitutionality and it would take months to iron out its contradictions and discrepancies and mold it into a workable measure.

A program for useful, productive and self-sustaining work, to be comprehensive, permanent and successful and give promise of getting away from the expensive and demoralizing dole system, could not regard county lines. Work could not be instituted and administered by fifty-eight separate county unemployment relief administrations. And the distribution of unemployment relief doles can not possibly be more effective nor less expensive than a state-wide plan. State supervision is required at least for the supervision of apportionment of funds, the disbursement of money, the audit of expenses, the setting of eligibility standards, the application of uniform practices, the equalization of subsistence budgets, the operation of single men's camps, and the maintenance of the Federal stamp plan. This type of essential State supervision which must necessarily remain is costly if properly exercised, and the cost of this administration must be provided for in addition to the funds made available for relief and county administrative expenses under any such plan as is proposed in this bill.

Whatever may be said for the integration of administration of dole and cash benefits to purely social welfare cases, that is, to unemployable indigents, I can see no sense in placing among the social welfare aids employable persons able and willing to work and for whom work can and should be provided. It seems to me that if relief applicants who are unemployable are to be segregated from those who are capable of performing useful work and services, that segregation should be made through a State Department of Employment engaged in carrying forward a comprehensive works program as the primary purpose of unemployment relief. The distinction between employables and unemployables must be made no matter what criteria are applied. That fact is recognized in the experience of the administration of the Employment Department.

The provisions of the proposed bill generally do not recognize the basic differences in the concept, character and handling of relief as contrasted with employment service and insurance. The bill fails to recognize the standards of the employment service such as placement of workers on the basis of skill, ability, experience, intelligence, personality and character of the workers seeking a job. Nowhere are accepted standards of the service, hours or working conditions recognized. In fact, the bill actually provides that public works wages shall be less than the prevailing scale. No minimum wage standards are fixed under this regressive proposal, excepting only that they should be higher than the dole. Established employment wage standards would be made to suffer.

The consolidation of the unemployment insurance and reemployment service with social aid administrations, such as is proposed in this measure, would combine services created on entirely different principles. Employment opportunities and unemployment insurance are based upon statutory rights and contractual obligations. Integrating the employment security system with social welfare aids as provided in this bill would have the tendency to undermine the employment security system set up under the Unemployment Reserves Commission. This attempt at such integration presents a question whether the State of California could continue to cooperate with the Federal Government under the Social Security Act and could continue to cooperate under the Wagner-Peyser Act. If that were made impossible, the State of California would not only lose the several million dollars now granted each year to the State for the administration of its laws, but the California Insurance Act could not be certified for tax offset under Title IX of the Social Security Act. This would mean that California employers would be obliged to pay the full three per cent of the Federal unemployment insurance tax to the general fund in the United States treasury. In 1939, because of its failure to provide funds under the Wagner-Peyser Act, the State of South Dakota attempted to combine the public employment offices and the public assistance of county welfare

offices, but the Social Security Board refused to approve the arrangement as not being acceptable under the terms of the Social Security Act. The general plan proposed in this bill was tried out in the State of Washington, a State with a program in all the departments proposed to be consolidated by this bill very much smaller than those of similar departments in California But the State of Washington abandoned this plan of administration after two or three years of trial because it was too unwieldly to operate The work of such a huge department immediately presents many intricate administrative problems because of the different services and different types of administration involved. The physical structure of such a department would be both cumbersome and confusing. Grants of funds would necessarily require different systems of accounting and management, added expenses of over all controls would be necessary, resulting in increase of administrative costs.

That I have not mentioned other features of this objectionable bill which I feel also justify criticism does not mean my approval of other provisions of the bill, although some may be found which taken by themselves in a proper bill would not be objectionable.

Respectfully yours,

CULBERT L. OLSON,
Governor of California

CLO:M

Report.

The following report of Special Committee was received, read, and ordered printed in the Journal:

Social Audit.

The Joint Legislative Fact-Finding Committee on Employment submits this report with the hope that the findings will benefit future legislation. The committee's primary desire is to see that the needy receive their full share of relief, but to accomplish this, it is necessary to prevent the undeserving from taking from the deserving.

In fairness to regular case workers, the committee acknowledges that access has been had to certain records not available to them. In this connection, the committee in Part I of its report (Senate Journal, May 13, 1940, page 398, Recommendation VIII), advocated "the clearing of accepted (SRA) applications through private credit agencies in the same manner as commercial or financial credit applications are cleared."

10,000 Cases Studied.

Every effort has been made to be conservative in classifying the 10,000 SRA cases included in this audit and as a result many apparent ineligible cases have been listed as borderline cases. The social audit conducted by Social Welfare Commission disclosed that in the Hollywood area of Los Angeles the ineligible cases were approximately 12 per cent against 13 per cent borderline cases. This audit shows only 1.05 per cent ineligible cases and 21.17 per cent borderline cases. Analysis of the borderline cases indicates a relative high proportion of ineligibility.

The audit was undertaken in representative cities and counties and the results are set forth in tabulations that follow. The cases were checked without any knowledge, on the part of the investigators, of information shown on the case records. The cases were selected at random from relief payrolls in the Controller's office. The counties in which the inquiry was made are San Francisco, Alameda, Sacramento, Stanislaus, Los Angeles, Riverside, San Bernardino, and San Diego, and the cities, San Jose and Glendale.

Ineligibles Evade Inquiry.

This audit demonstrates definitely that the great exodus of recipients from the rolls after February 15th was caused by the Legislature establishing necessary restrictions and determining to eliminate the undeserving.

There is little doubt but that clever chiselers are classed as borderline or wrong-address cases in the tabulations. These cases require intensive investigation, not permitted by the time and funds available to the committee. However, several Los Angeles cases were examined exhaustively and definite evidence of fraud was obtained in two. Only a few of the many wrong-address cases found by the investigators could be scrutinized in the available time but these indicated a relative high ineligibility ratio.

The figures obtained by the analysis confirm the findings of the sub-committees that there is a direct relationship between the inefficiency of SRA offices and the percentage of ineligibility. The Southern California subcommittee, of which Mr. Houser is the chairman, reported, for example, that San Bernardino County has one of the more efficient SRA offices and Riverside, one of the less efficient. This social audit disclosed that borderline and ineligible cases in San Bernardino County totaled 22 per cent, whereas in Riverside County they totaled 48 per cent.

A comparison of the Hollywood and Belvedere sections of Los Angeles indicates the difference in the class of relief recipients and varying factors that are involved. In Belvedere, where economic and cultural levels are lower, there were few chiselers; whereas in Hollywood the borderline percentage was 21.17 per cent, a reflection of the many methods of chiseling which were disclosed.

Money and Morale Lost.

This audit emphasized the seriousness of chiseling, not only because of the vast sums lost but also in the moral effect upon our people. The committee calls attention to the prevalence of borderline cases, as revealed by this audit, which range from 5.5 per cent to as high as 32 per cent. The economic loss from ineligibility is far greater than generally understood. To arrive at the loss, it is conservative to assume that one-fourth of all borderline cases are undeserving and, with the definite ineligibles, are receiving $4,000,000 a year in California. This does not take into consideration past losses from payment to persons who left the rolls after the Legislature commenced its investigation of the steadily increasing relief load.

This loss, great as it is, is secondary to the intangible loss from the depletion of the moral fabric of our citizens. This audit has revealed that not only seasonal workers, but also all other types, many of whom are employed as high as ten months a year, depend regularly upon relief to carry them through periods of unemployment. Heretofore, under the same conditions these workers managed to save sufficient money to provide for themselves during idle periods. Now they go on relief as soon as unemployed, continuing installment payments on automobiles and other purchases. Even marginal farmers who once maintained themselves, seek relief. The attitude that the State will take care of those who do not endeavor to provide for themselves is rapidly becoming more general.

Recipients of relief have been permitted, even encouraged, by business concerns to buy expensive jewelry, refrigerators, radios and automobiles on time-payments far above their means. Rentals in many cases are exorbitant to recipients A representative of a branch bank in a Southern California city attempted to discourage a part of this investigation on the basis that certain farmers who are borrowers of the bank might lose relief payments they are receiving. One case was found of a relief recipient who had a four-figure savings account in 1938 and who withdrew the money and immediately applied for and received relief.

The audit disclosed that several questionable cases voluntarily dropped from the rolls in February, have been reinstated since the Workers Alliance has been actively encouraging citizens to go on relief.

Chiseling an Important Problem.

To reduce chiseling is an important social problem, which deserves the cooperation of all citizens to the end that the apparent break-down of moral responsibility may be halted.

The publishing of names of relief recipients would help probably in small cities, but probably would not have as much effect in larger cities, where the chiseler can readily use fictitious names. Finger-printing of relief recipients is opposed by some persons as unsocial, but if the deserving are to be protected from those who are undeserving it seems to be one of the inevitable steps that must be taken.

The Controller's office should be provided with more money so that more investigators may be employed to investigate relief payments. The cost would be small, compared to the possible savings. Chiselers should not be dealt with leniently.

Works projects as proposed by the committee would provide an effective means of eliminating chiseling because a chiseler will not work. The dollar and cents savings would pay any additional administrative costs.

The committee regrets that it is necessary to state that undue delay on the part of the Department of Finance in approving the Controller's recommendation for additional appointments of investigators prevented the start of this audit until April 1, 1940. Three months should have been allowed for the comprehensive examination undertaken. To produce a maximum of information any social audit requires adequate time for thorough inquiry. While the findings of this investigation have been illuminating, the committee does realize that more time would have brought out still more interesting phases of the problem of dole relief.

SOCIAL AUDIT—SRA RELIEF ROLLS.

LOS ANGELES COUNTY.

Vernon District.

Eligible cases	259 cases	83.82%
Cases working since February	14 cases	4.53%
Borderline cases	24 cases	7.77%
Ineligible cases	12 cases	3.88%
	309 cases	100.00%

Borderline Cases.

Peddlers	1
Stock or Chicken Raisers	1
Have Roomers or Boarders	1
Suspicious Circumstances	2
Have Relatives with Incomes	6
No Information Available	1
Part-time Private Employment	12
Total	24

Adams District.

Eligible cases	185 cases	65.37%
Cases working since February	12 cases	4.24%
Borderline cases	78 cases	27.57%
Ineligible cases	8 cases	2.82%
	283 cases	100.00%

Borderline Cases.

Stock or Chicken Raisers	1
Credit Users	7
Suspicious Circumstances	6
Have Relatives with Incomes	5
No Information Available	14
Excessive Use of Intoxicants	8
Part-time Private Employment	23
Other Reasons	14
Total	78

Harbor District.

Eligible cases	139 cases	72.02%
Cases working since February	5 cases	2.59%
Borderline cases	43 cases	22.28%
Ineligible cases	6 cases	3.11%
	193 cases	100.00%

Borderline Cases.

Stock or Chicken Raisers	2
Credit Users	5
Suspicious Circumstances	3
No Information Available	3
Part-time Private Employment	28
Other reasons	2
Total	43

Arcadia District.

Eligible cases	230	cases	79.58%
Cases working since February	3	cases	1.04%
Borderline cases	40	cases	13.84%
Ineligible cases	16	cases	5.54%
	289	cases	100.00%

Borderline Cases.

Stock or Chicken Raisers	2
Credit Users	2
Have Relatives with Income	4
Excessive Use of Intoxicants	2
Part-time Private Employment	29
Other Reasons	1
Total	40

Boyle District.

Eligible cases	349	cases	89.03%
Cases working since February	7	cases	1.79%
Borderline cases	32	cases	8.16%
Ineligible cases	4	cases	1.02%
	392	cases	100.00%

Borderline Cases.

Stock or Chicken Raisers	2
Unwilling to Work	2
Suspicious Circumstances	2
Have Relatives with Incomes	5
No Information Available	3
Excessive Use of Intoxicants	1
Part-time Private Employment	17
Total	32

Vermont District.

Eligible cases	505	cases	84.45%
Cases working since February	17	cases	2.84%
Borderline cases	65	cases	10 87%
Ineligible cases	11	cases	1.84%
	598	cases	100.00%

Borderline Cases.

Have Roomers or Boarders	1
Unwilling to Work	3
Credit Users	11
Suspicious Circumstances	1
Have Relatives with Incomes	6
Excessive Use of Intoxicants	6
Own Homes or Other Real Estate Clear	5
Part-time Private Employment	26
Other Reasons	6
Total	65

Belvedere District.

Eligible cases	230	cases	90.55%
Cases working since February	5	cases	1.97%
Borderline cases	14	cases	5.51%
Ineligible cases	5	cases	1.97%
	254	cases	100.00%

Borderline Cases.

Stock or Chicken Raisers	1
Unwilling to Work	1
Have Relatives with Incomes	1
Part-time Private Employment	9
Other Reasons	2
Total	14

Hollywood District.

Eligible cases	350 cases	73.38%
Cases working since February	21 cases	4.40%
Borderline cases	101 cases	21.17%
Ineligible cases	5 cases	1.05%
	477 cases	100.00%

Borderline Cases.

Have Roomers or Boarders	1
Unwilling to Work	3
Credit Users	11
Suspicious Circumstances	6
Have Relatives with Incomes	3
No Information Available	7
Excessive Use of Intoxicants	6
Own Homes or Other Real Estate Clear	4
Obvious Incomes from Unknown Sources	1
Part-time Private Employment	48
Other Reasons	11
Total	101

Social Audit—SRA Relief Rolls.

LOS ANGELES COUNTY.

Listed below are some sample cases of persons on relief:

Alfonso De la C—— lives on Esparanza Street, working as a sign painter and just completed one job which we verified, receiving $100 check. Is receiving relief under name of Al C—— at a nearby address (such cases as these are difficult to find and require intensive investigation; this is a sample of aliases).

Another alias case is that of a real estate salesman, Alfred H. D—— using the D—— name but a different given name. Definitely determined to be the same man; lives in a nice apartment and, at one time, was exceedingly wealthy, even today he has property holdings. The record of suits against him show that he is rather elusive. It has been confirmed that he is making from $200 to $300 each month from the real estate company which he is now representing.

Richard Eps—— has been a fruit peddler for 13 years; has a nice home in Alhambra and is receiving relief

David E. Ro—— is a musician playing in a night club, also on relief.

Julius Oc—— is a lubricant man with an automobile company; has been working for seven years at $30 per week, using a different given name but positively identified as the same man.

Mrs. Blanche J—— claiming to be a widow is receiving relief but has a husband working at one of the motion picture studios.

Mrs. Laura Ho—— on South Berendo claims to be a widow but has a husband receiving veteran's pension and she is a registered nurse working regularly while on relief

Leona H—— supposed to be a widow but has been working as a waitress and has a husband who is a detective and is working.

William F. St—— has been arrested regularly each year for drinking since 1933; has either paid a fine or sentenced to jail; at this time, he is serving 40 days on the road gang.

Flora and Lou Sah—— have been married for six months and have been on relief ever since; prior to that time they were both employed as domestics in the home of a Beverly Hills family. They have both been offered work at the same place but have remained on relief. This latter has been verified twice from their former employer.

CITY OF SAN FRANCISCO.

Eligible for relief		595 cases	60.78%
Back to work since February	Schedule A	45 cases	4.59%
Borderline cases	Schedule B	156 cases	15.94%
Special cases	Schedule C	59 cases	6.03%
Merchandise cases:			
Off rolls since February	Schedule D	16 cases	1.63%
Still on relief	Schedule D	18 cases	1.84%
Excessive liquor cases:			
Off rolls since February	Schedule E	13 cases	1.33%
Still on relief	Schedule E	18 cases	1.84%
Not eligible for relief in February	Schedule F	22 cases	2.24%
Ineligible	Schedule G	37 cases	3.78%
		979 cases	100.00%

(219 cases had wrong addresses so could not be checked.)

Schedule A.

This represents relief cases where the subjects have received work since February and have been removed from the rolls.

Schedule B.

This represents cases which require further investigation to determine their eligibility.

Schedule C.

These cases involve foreigners principally and there are many peculiar circumstances suggesting doubtful eligibility but, before any definite statement could be made, it would require intensive investigation. Some of these are:

Frank Re—— of A Street who was working as a barber on Taylor Street up to the time he left the city and went off relief at the time the Legislature was in session.

Emil Rib—— of Florida Street, steel worker, now employed at average of $50 per week; was off work for 1½ months during the rainy season and on relief (he only has wife and one child and

income for past year should have been enough to tide him over the lay-off period of 1½ months).

James Ri—— working in Venezuela, wife in San Francisco receiving relief up until February 16th.

Peter Roc—— dishwasher, receiving $1 per day plus meals through the winter while on relief; off rolls during legislative inquiry.

Feliciano Lo—— of Missouri Street, working part time for railroad but not reporting revenue.

Martin Con—— of Mission Street was laid off WPA due to excessive drinking but went on SRA and off at time of Legislature investigation; however, was working fairly steady according to union records.

John Atk—— of Grove Street was receiving both unemployment insurance and relief checks during January and February until he accepted job as plate hanger with steel company.

Schedule D.

This reports cases where the subjects have been buying considerable merchandise on time in excess of what would be considered consistent for a recipient of relief to purchase.

Schedule E.

This reports excessive liquor cases where all information substantiates the fact that the parties are victims of alcoholism.

Schedule F.

These relief clients were ineligible in February but since the Legislature met have disappeared from the rolls.

Schedule G.

These are cases which are definitely ineligible at this time and a few examples are listed below:

Fred Re—— of San Francisco, is an actor and union member in good standing. Agency reports that he has a good act and is busy most of the time; the act receives from $200 to $250 per week and consists of himself and three children, recently appeared at the "Dog House" in Reno.

Frank Lap—— of Washington Street, is a chauffeur at $125 per month and has been working for past two years.

Henry Fern—— of Forty-fourth Avenue is a janitor in one of the downtown buildings, employed for a number of years Recently purchased $250 worth of furniture

Anders Eri—— of O'Farrell Street is also a janitor in a bank building for years.

Alex Bys—— of Bosworth Street is a scrap-iron worker and, according to certain companies, has an income not entitling him to relief.

Bernhardt Bri—— of Fillmore Street is a steam-fitter making in excess of $200 per month.

Pasqual Sa—— of La Salle Street is a gardener making $125 per month.

John Ra—— of Silliman Street is a salesman steadily employed, reported to be averaging $30 per week.

Charles Me—— of Sunnydale Avenue, purchased a "see-the-moon-for-10-cents" telescope for $400, paying $100 down and $50 per month on balance. Wife works as maid at 35 cents per hour.

Richard H. O'M—— of Vienna Street is a union member in good standing, making $1 per hour, averaging five days a week; does not have citizenship papers. Receives $36 monthly compensation from U. S. Government.

Kathleen O'D—— of O'Farrell Street is a nurse not working but taking a rest; can work if wants to and always in demand according to Nurses Registry.

Peter Nid——, a Filipino, of Francisco Street; working for past three years at same place, making $65 per month. Wife working, making $40 per month and board for past three years.

Fred New—— of Twenty-sixth Street working as a painter making $43.75 per week.

Herman H L—— of Duboce Avenue works as a fireman on locomotive making $300 per month.

(Notice that many people working at nights are on relief evidently due to the fact that case-worker calls in daytime.)

ALAMEDA COUNTY.

Eligible for relief		402 cases	47.24%
Borderline cases	Schedule A	274 cases	32.19%
No such addresses	Schedule B	19 cases	2.24%
Never known at address shown	Schedule C	44 cases	5.17%
Refused information	Schedule D	35 cases	4.11%
Ineligible for relief	Schedule E	77 cases	9.05%
		851 cases	100.00%

(265 cases had wrong addresses and could not be reported.)

Schedule A.

Unable to check latest relief rolls to make a closer study of these borderline cases

Schedule B.

There was no similar address to those shown, generally being a vacant lot or else in manufacturing district.

Schedule C.

These cases are questionable as no one in neighborhood or at address given knew of said relief clients.

Schedule D.

These subjects had the same attitude as that of the majority of the witnesses called before the Yorty Committee in Oakland. Very indignant.

Schedule E.

A few examples are listed below. Although it has not been possible to check the latest rolls, caution was taken in cases in which the persons have just within the past few weeks accepted work and they were classed as borderline cases.

Lee Po—— of Ninth Avenue was working as a clerk and receiving relief at the same time.

Cecil Du—— of Lincoln Avenue is a roofing contractor and reported to be doing well.

Matilda Ha—— of McGee Street is not only working part time but her husband (whose name is not shown as she is listed as a widow) is a cook on a dining car.

James Br—— of West Street is a bartender on Sacramento Street and has been for over a year.

One colored man in Oakland who has used aliases in obtaining credit is on rolls and has made substantial purchases; several members of family are working.

Albina K——, a lady barber, is working in Seventh Street barber shop.

From all information available, a great many, who were questionable as to eligibility in February, have been dropped from the rolls.

RIVERSIDE COUNTY.

Eligible for relief		189 cases	42.00%
Borderline cases—off since February		90 cases	20.00%
Employed since February, now off rolls		44 cases	9.78%
Borderline cases—active	Schedule A	90 cases	20.00%
Ineligible in February, now off rolls	Schedule B	11 cases	2.44%
Ineligible—on rolls	Schedule C	26 cases	5.78%
		450	100.00%

Schedule A.

Included in this group are cases which require more investigation Two cases are shown below which are outstanding examples:

Thomas J N—— on Magnolia Avenue living in a neatly furnished apartment in good district of Riverside. Chinese prints and colorful drapes are part of furnishings. Purports to be a politician, according to his remarks.

Carroll C. S—— of Beaumont worked for Metropolitan Water District for four years; the last two years at $7.70 per day until November 11, 1939. Excellent wages for location and steady work; knew work would end about that time but unprepared and went on relief.

Schedule B.

These cases were ineligible in February at time of Special Session of Legislature and, after the Legislature's stand, got off relief; a few typical cases are listed below:

Luis Ar—— of Evans Street in Riverside making monthly payments of $39.03; open account with merchants, wealthy relatives. Only wife and one dependent.

Former candidate for supervisor; considerable assets before candidacy; lives in nice home; special work.

Rancher with net income of $1,800 per year, borrowing money from bank.

Schedule C.

Walter J—— ranch hand with shack in town but working regularly on farm.

Carl M—— of Franklin Street in Hemet, raises vegetables, hauls them in his truck and sells them in Los Angeles. Had two trucks running last summer and one this winter.

Lena Par—— has 12 horses, ready to open riding academy at well known club. Has bad credit record but always able to promote property.

Frank M—— is farmer, has small checking account, unsecured loan with bank of $100, good credit record. Has truck and hauls for others.

SAN BERNARDINO COUNTY.

Eligible for relief		224 cases	59.58%
Obtaining private employment since February, 1940	Schedule A	68 cases	18.09%
Borderline cases removed from rolls	Schedule B	50 cases	13.29%
Borderline cases still on relief	Schedule C	24 cases	6.39%
Never resided in district	Schedule D	3 cases	.79%
Ineligibles before February—removed from rolls	Schedule E	2 cases	.53%
On rolls, April 20, 1940, and still ineligible	Schedule F	5 cases	1.33%
		376 cases	100.00%

(113 cases had wrong addresses so could not check.)

Schedule A.

This reports cases of relief recipients who have obtained work since February, and have since taken themselves off the rolls.

Schedule B.

These were borderline cases in February but they have removed themselves from the rolls since the Legislature showed its intention to eliminate chiselers.

Schedule C.

These are borderline cases who still are on relief.

John Bo—— of San Bernardino is a painter with a contractor's license and has been making substantial purchases of paint.

Enrique Bra—— of San Bernardino owns a truck and hauls fertilizer, however, he has a bad credit record.

Polly Ca—— of Ninth Street, San Bernardino, is employed at night on South D Street.

Lelan De—— of San Bernardino, a tractor driver, reported to be a heavy drinker, was having a drinking party at the time the investigator called; wife is a waitress.

There are others in this group who are orange pickers but, because the packing houses do not keep names and records investigators were unable to prove definitely they are working.

(The fact that farmers and citrus growers do not keep names and identifications makes it possible for relief clients to obtain work and not be exposed.)

Schedule D.

The three cases are listed below:

Cecil Gwo—— was a visitor on Rialto Street in San Bernardino and received relief while there.

Pablo L. Men—— on Fifth Street, receives his mail at this address but does not live there.

Roosevelt Rh—— does not live at the address given but calls occasionally.

Schedule E.

These two cases represent clients who were ineligible in February and for some time past. They evidently took themselves off the relief rolls when the Legislature commenced investigation.

One of these parties has been working since September and earning, according to his employer, an average of $24 per week; he has no children.

Schedule F.

These cases are ineligible as of this date as well as of last February; they are all working and have not been removed from the rolls.

COUNTY OF SAN DIEGO.

Eligible cases		493 cases	82.16%
Borderline cases, off since February		34 cases	5.67%
Received work since February, off rolls		22 cases	3.67%
Borderline cases, still on rolls		10 cases	1.66%
Ineligible in February, off rolls since then	Schedule A	31 cases	5.17%
Ineligible cases	Schedule B	10 cases	1.67%
		600 cases	100.00%

Schedule A.

These cases were ineligible in February and on rolls but, after inquiry of the Legislature, relinquished relief.

Barney J. Mc——, a single colored boy, when effort was made to take him off relief because he lived at home, he moved down to another address on Twenty-ninth Street, to remain eligible for relief; boarded at home, purchased an automobile in November, 1939; now owes $282.50.

John H—— on Iowa Street receives old age pension but his wife is on direct relief; also sells patent medicine.

Arthur Pe—— instructed landlord to tell any investigators he was unemployed, sells refrigerators; neighbors tell of excessive drinking.

Minerva W—— lives with parents who receive pensions; belongs to Indian tribe and receives her pension, minor son making $70 per month.

Raymond N—— on Idaho Street has a grocery store in another part of city, purchased a cash register in November, 1939.

Schedule B.

These are cases which are ineligible for relief. Examples:

Joe B—— operates fishing boats; has done so for years; makes good yearly average and is making purchases right along.

Gus Varon—— operates a restaurant, made a recent substantial payment on same; has well-furnished home.

Cons—— working on G Street as bookkeeper since June, 1939.

Dora M—— works as hotel waitress, at home when case-worker calls; excessive purchases for relief client.

Ernest R—— of Dove Street employed as a butler but wife on relief rolls; no children; salary $65 plus tips.

SACRAMENTO COUNTY.

Of 1000 Cases From SRA Rolls.

Eligible for relief	651
Borderline cases	251
Ineligible in February (now off rolls)	83
Ineligible	15
	1000 cases

Due to the limited time afforded the committee, it has been impossible to make a complete analysis of these cases, listed under borderline.

STANISLAUS COUNTY.

Group A.

Under this classification are listed those who were completely eligible for relief ---------- 65 cases

Group B.

In this classification are the borderline cases, including those having seasonal work, large families making small additional income and part-time workers-------- 230 cases

Group C.

This classification includes those who have had work the year round and also those who have gone to work since February (those who have gone off the rolls should have been eliminated but there was insufficient time to permit a check of the rolls)---------- 206 cases

Also included are those about whom informants stated, and personal contact confirmed, did not work when work was obtainable, and those who were found to use excessive quantities of alcohol and to have made purchases in excess of the amount consistent for a person entitled to relief.

NOTE: No attempt has been made to show the percentages because the committee has not had an opportunity to analyze the reports and likewise check the recent rolls to ascertain whether they have been dropped since April.

CITY OF GLENDALE.

Eligible for relief----------		112 cases	49.34%
Borderline cases closed since February—unknown reasons -------		6 cases	2.64%
Employed since February and taken off the rolls----------		45 cases	19.82%
Borderline cases—on rolls---------		43 cases	18.94%
Ineligibles in February, recently removed from rolls but subject to restitution ----------Schedule A		9 cases	3.96%
Ineligibles on rolls----------Schedule B		12 cases	5.30%
		227 cases	100.00%

(75 cases had wrong address so could not check)

Schedule A.

Paul Wh—— does psychological work in Pasadena; purchased a car on April 10th, paying $125 down. When investigator called on April 17th, he seemed quite disturbed and, in a few days, removed himself from the rolls but received a check after making the down payment on the car. Credit references for car show income averaging $200 per month.

Edward A Mar—— on Louise Street operates a parking lot at night.

Hugh Je—— on Acacia has a job working at nights and has always been on hand in the daytime when case-worker has called.

Jack Be—— came to California in December, 1939, from Nevada, goes on relief although living with friends and goes off relief, April 30, 1940; opens a riding academy in the Glendale area

Schedule B.

Henry Sir—— of Jackson Street, dishwasher, quits job to go on unemployment insurance and also collecting relief at the same time.

Peter Per—— drinks excessively, wife earns $15 per week, there are no children.

Curtis McC—— purchased a 1940 Ford Mercury and paid cash, while on relief.

Michael B—— of Glen Oaks Boulevard: on March 28, 1940, purchased automobile for $911; down payment was $100; monthly payments of $33.83. Wife works as practical nurse, supposed to be disabled war veteran receiving pension and is still on relief.

CITY OF SAN JOSE.

Eligible for relief		180 cases	60.00%
Borderline cases	Schedule A	42 cases	14.00%
Questionable cases	Schedule B	43 cases	14.33%
Wrong addresses	Schedule C	19 cases	6.33%
Ineligible for relief	Schedule D	16 cases	5.34%
		300 cases	100.00%

Schedule A.

These are cases, which require further investigation, as information discloses earnings and purchases which seem out of line for any person receiving relief.

Schedule B.

These are cases, which are ineligible as of this date, but should be checked with last relief rolls to ascertain whether they have been dropped or not.

Schedule C.

The percentage of wrong addresses in San Jose is lower than in most places, especially in larger cities. Many interesting cases are found in this classification; typical ones are listed below:

Ralph A—— on Martin Avenue, moved from this address over a year ago; buying a car at $21 65 per month and paid up contract before due date.

Chester H—— on Jackson Street moved over a year ago.

Mexican family on Julian Street; furniture in house but have been away for some time.

Joseph M—— listed at father's address on 4th Street, lives in Stockton but comes home frequently; relief given under son's name and not father's.

Most of the 19 cases have been away for months and should have been changed on rolls, if they are eligible.

Schedule D.

Information from reliable sources show these cases as either working or making substantial purchases. Typical examples:

Mrs. A—— B—— operates third class hotel on Market Street, purchased an automobile in October, 1939, and paid $400 cash and trade-in of $361, six months contract on balance at $159.46 per month and only owes one payment.

S. Ch—— working part time. In November, obtained an improvement loan on property from bank in the amount of $323 and has paid off $123 within three months.

J. Sc—— of South Autumn Street, employed steadily as baker since July, 1939, and owns property assessed in excess of $3,000 clear.

Maurice Van—— of 8th Street, employed as bank janitor for seven months at $100 per month.

George Em—— is a painting contractor, credit accounts showing that he is doing a fair business, has a contractor's license.

"CAREER CASES."

It is interesting to note the number of the cases in different localities involving "career reliefers," or persons who have received relief continuously for 18 months.

The following tabulation gives from statistics furnished by the State Controller's office, the number of cases which have been on relief continuously for 18 months prior to February, 1940:

Humboldt County	53 cases
Sonoma County	124 cases
San Joaquin County	606 cases
(474 of these are in Stockton.)	
Alameda County	1433 cases

(In addition to these 1433 continuous cases, Alameda County has 682 "career cases" that have been intermittently on the rolls since 1934 and 1935.)

LOS ANGELES COUNTY.

The following statistics show approximate amounts paid in various districts in Los Angeles County to relief recipients who are continuously on the rolls:

Boyle District.

Number on 18 months or more	986 cases
Amount paid for one month	$50,000.00
Approx. amount paid 18 months	$900,000.00

Of 3419 cases in the Boyle District 1568 were of Mexican or Spanish origin.

Belvedere District.

Number on 18 months or more	787 cases
Amount paid for one month	$42,000.00
Approx. amount paid 18 months	$750,000.00

Of 3012 cases in the above district 1694 were of Mexican or Spanish origin.

Urban District.

Number on 18 months or more	567 cases
Amount paid for one month	$26,000.00
Approx. amount paid 18 months	$450,000.00

Request for Permission to Introduce a Bill.

The following request for permission to introduce a bill was presented:

By Senators Phillips, Brown, Deuel, Mayo, Mixter, Nielsen, Seawell and Wagy:

SENATE CHAMBER, SACRAMENTO, May 20, 1940

MR. PRESIDENT. In accordance with the provisions of the standing rules of the Senate, I request permission to introduce a bill, the title of which is set forth below:

An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, providing the conditions and terms upon which any expenditure for such relief may be made, and declaring that this act shall take effect immediately;

Respectfully submitted

SENATOR PHILLIPS AND OTHERS

Request referred to Committee on Rules.

Reports of Standing Committee.

The following reports of standing committee were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, May 20, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Concurrent Resolution No. 14—In honor of Clarence H. Smith, Deputy Controller;

And reports that the same has been correctly enrolled and presented to the Governor on the twentieth day of May, 1940, at one o'clock p m.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, May 20, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following request of Senator Phillips and others for permission to introduce a bill:

An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, providing the conditions and terms upon which any expenditure for such relief may be made, and declaring that this act shall take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the bill introduced and placed on file.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman

Introduction, First Reading and Reference of Bills.

The following bill was introduced:

Senate Bill No. 90: By Senators Phillips, Brown, Deuel, Mayo, Mixter, Nielsen, Seawell and Wagy—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, providing the conditions and terms upon which any expenditure for such relief may be made, and declaring that this act shall take effect immediately.

Senate Bill No. 90 read first time.

Consideration of Senate Bill No. 90.

Senator Phillips asked for, and was granted, unamimous consent for the consideration of Senate Bill No. 90, without reference to committee for purpose of passage.

Committee of the Whole.

Senator Phillips moved that the Senate resolve itself into a Committee of the Whole for the purpose of considering Senate Bill No. 90.

Motion carried.

SENATE MEETS AS COMMITTEE OF THE WHOLE.

At two o'clock and fifteen minutes p.m., the Senate met as a Committee of the Whole.

Committee of the Whole Arises.

At four o'clock and ten minutes p.m., on motion of Senator Phillips, the Committee of the Whole arose.

IN SENATE.

Hon. Jerrold L. Seawell, President Pro Tempore of the Senate, in the chair.

Secretary Joseph A. Beek at the desk.

Resolution.

The following resolution was offered:

By Senator Phillips:

Resolved, That Senate Bill No. 90 presents a case of urgency, as that term is used in section 15 of Article IV of the Constitution, and the provision of that section requiring that the bill shall be read on three several days in each house is hereby dispensed with, and it is ordered that said bill be read the second and third times, and placed upon its passage.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and the resolution adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—31.

NOES—Senators Foley and Kenny—2.

Whereupon the President declared the provisions of section 15, Article IV of the Constitution suspended for the purpose of considering, at this time, Senate Bill No. 90.

Consideration of Senate Bill No. 90.

Senate Bill No. 90—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, providing the conditions and terms upon which any expenditure for such relief may be made and declaring that this act shall take effect immediately.

Bill read second time.

Bill read third time.

Urgency Clause.

SEC. 2. This act is hereby declared to be an urgency measure, necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution and as such shall take effect immediately. The facts constituting such necessity are as follows:

The appropriation for unemployment relief is about to be totally expended and it is necessary that additional funds be made available immediately. Unless this act providing immediate funds and the means for the expenditure thereof and safeguards upon their use takes effect immediately relief operations will have to be suspended at a time when the need is great, which will result in untold hardship and suffering to a great number of persons receiving relief in this State at this time, and will cause serious unrest throughout the State.

SEC. 26. This act shall be known and may be cited as the Unemployment Relief Appropriation Act of 1940.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—32.

NOES—None.

The question being on the passage of the bill.

The roll was called, and Senate Bill No. 90 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Gordon, Hays, Holohan, Jespersen, Keating, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—29.

NOES—Senators Foley, Garrison, Hollister, and Kenny—4.

Title read and approved.

Senate Bill No. 90 ordered transmitted to the Assembly.

Approval of Journals.

The Senate Journals of the fifty-third (extraordinary) session of Monday, May 13, 1940; Tuesday, May 14, 1940; Wednesday, May 15, 1940; Thursday, May 16, 1940; Friday, May 17, 1940; were on motion of Senator Seawell approved as corrected by the Journal Clerk and Minute Clerk.

Adjournment.

At four o'clock and fifteen minutes p.m., on motion of Senator Rich, the President Pro Tempore of the Senate declared the Senate adjourned, until two o'clock p m, Tuesday, May 21, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Tuesday, May 21, 1940.

The Senate met at two o'clock p.m.

Hon. Jerrold L. Seawell, President Pro Tempore of the Senate, in the chair.

Secretary Joseph A. Beek at the desk.

Roll Call.

The roll was called, and the following answered to their names:

Senators Biggar, Breed, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Mayo, McBride, McCormack, Metzger, Myhand, Parkman, Phillips, Quinn, Rich, Seawell, Swing, and Tickle—27.

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev. A. Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Monday, May 20, 1940, the further reading was dispensed with, on motion of Senator Swing.

Leave of Absence.

Senator DeLap was, on motion of Senator Rich, granted leave of absence for this day.

Privilege of Floor of Senate Extended.

On request of Senator Cunningham, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Jenell L. Dickenson of Hanford.

On request of Senator Swing, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mr. and Mrs. E. O. Sullivan of San Bernardino.

On request of Senator Fletcher, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Hugh M. Shaver of Escondido and Mr. and Mrs. Fred M. Cox of Los Angeles.

Reports of Standing Committees.

The following reports of standing committees were received and read:

On Finance, Revenue and Taxation.

SENATE CHAMBER, SACRAMENTO, May 21, 1940.

MR. PRESIDENT: Your Committee on Finance, Revenue and Taxation, to which was referred:

Senate Bill No. 84—An act to validate the organization, boundaries, governing officers or boards, acts, proceedings, and bonds of school districts, to take effect immediately;

Senate Bill No. 88—An act relating to parks and making an appropriation from the State Park Maintenance and Acquisition Fund for the operation, maintenance and extension of the State park system, to repeal an act entitled "An act relating to parks and making an appropriation from the State Park Maintenance and Acquisition Fund for the operation, maintenance and extension of the State park system," approved February 28, 1940, and providing that this act shall take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that they do pass

Committee membership—11; committee vote, Ayes—11.

TICKLE, Chairman.

SENATE CHAMBER, SACRAMENTO, May 21, 1940.

MR. PRESIDENT: Your Committee on Finance, Revenue and Taxation, to which was referred:

Senate Concurrent Resolution No. 15—Relative to the operation, maintenance, and extension of the State park system;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be adopted.

Committee membership—11; committee vote: Ayes—11.

TICKLE, Chairman.

SENATE CHAMBER, SACRAMENTO, May 21, 1940.

MR. PRESIDENT: Your Committee on Finance, Revenue and Taxation, to which was referred,

Assembly Bill No. 130—An act to add section 2.5 to the Retail Sales Tax Act of 1933 and section 2.5 to the Use Tax Act of 1935, relating to the definition of "sale" and "purchase" respectively, declaring the legislative intent as to the construction of said acts with respect to transactions involving the sales of newspapers and providing when this act shall become effective;

Has had the same under consideration, and respectfully reports the same back, and recommends that it do pass

Committee membership—11; committee vote: Ayes—11.

TICKLE, Chairman.

On Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, May 21, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Assembly Joint Resolution No. 22—Relative to defense of the California Coast;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be adopted.

Committee membership—11; committee vote: Ayes—7; absent—4.

HAYS, Chairman.

SENATE CHAMBER, SACRAMENTO, May 21, 1940.

MR PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Assembly Joint Resolution No. 23—Protesting the proposed attack upon the title of the State of California to its tide, submerged and overflowed lands;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be adopted.

Committee membership—11; committee vote: Ayes—7; absent—4.

HAYS, Chairman.

SENATE CHAMBER, SACRAMENTO, May 21, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Assembly Concurrent Resolution No. 22—Relating to the dismissal of certain State employees;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be adopted.

Committee membership—11; committee vote: Ayes—7; absent—4.

HAYS, Chairman.

SENATE CHAMBER, SACRAMENTO, May 21, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Assembly Bill No. 122—An act to add section 3014.5 to the Civil Code, relating to trust receipt transactions, including those pertaining to motor vehicles, to take effect immediately;

Has had the same under consideration, and respectfully reports the same back with amendments, and recommends that the amendments be adopted, and that it do pass as amended.

Committee membership—11; committee vote: Ayes—7; absent—4.

HAYS, Chairman.

Second Reading of Senate Bills (Out of Order).

Senate Bill No. 84—An act to validate the organization, boundaries, governing officers or boards, acts, proceedings, and bonds of school districts, to take effect immediately.

Bill read second time, ordered to engrossment, and on file for third reading.

Senate Bill No. 88—An act relating to parks and making an appropriation from the State park maintenance and acquisition fund for the operation, maintenance and extension of the State park system, to repeal an act entitled "An act relating to parks and making an appropriation from the State park maintenance and acquisition fund for the operation, maintenance and extension of the State park system," approved February 28, 1940, and providing that this act shall take effect immediately.

Bill read second time, ordered to engrossment, and on file for third reading.

Second Reading of Assembly Bills (Out of Order).

Assembly Bill No. 122—An act to add section 3014.5 to the Civil Code, relating to trust receipt transactions, including those pertaining to motor vehicles, to take effect immediately.

Bill read second time, and ordered on file for third reading.

Assembly Bill No. 130—An act to add section 2.5 to the Retail Sales Tax Act of 1933 and section 2.5 to the Use Tax Act of 1935, relating to the definition of "sale" and "purchase" respectively, declaring the legislative intent as to the construction of said acts with respect to transactions involving the sales of newspapers and providing when this act shall become effective

Bill read second time, and ordered on file for third reading.

President of the Senate in the Chair.

At two o'clock and forty-five minutes p.m., Hon. Ellis E. Patterson, President of the Senate, in the chair.

Resolution.

The following resolution was offered:

Resolved, That Senate Bill No. 84 presents a case of urgency, as that term is used in section 15 of Article IV of the Constitution, and the provision of that section requiring that the bill shall be read on three several days in each House is hereby dispensed with, and it is ordered that said bill be read the third time, and placed upon its passage.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and the resolution adopted by the following vote:

AYES—Senators Biggar, Breed, Collier, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Parkman, Phillips, Quinn, Rich, Seawell, Slater, Swing, and Tickle—28.
NOES—None.

Whereupon the President declared the provisions of section 15, Article IV of the Constitution suspended for the purpose of considering, at this time, Senate Bill No. 84.

Third Reading of Senate Bill No. 84.

Senate Bill No. 84—An act to validate the organization, boundaries, governing officers or boards, acts, proceedings, and bonds of school districts, to take effect immediately.

Bill read third time.

Urgency Clause.

SEC. 7. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution of the State of California, and shall take effect immediately. The following is a statement of the facts constituting such necessity:

Many school districts within the State have been established, enlarged, changed or altered within the last several months for the purpose of increasing and widening facilities for the dissemination of education. Many of these districts have voted bonds for raising money for the purchase of school lots, for building or purchasing school buildings, for repairing school buildings, for supplying school buildings with furniture or necessary apparatus, for improving school grounds, and for liquidating outstanding indebtedness. In many instances, however, these actions will be of no avail because of minor nonjurisdictional defects and irregularities in the proceedings taken. To correct this situation, and in order to meet our present educational requirements, the immediate validation of such proceedings in the manner herein set forth is of the utmost necessity.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Parkman, Phillips, Quinn, Rich, Seawell, Slater, Swing, and Tickle—30
NOES—None.

The question being on the passage of the bill.

The roll was called, and Senate Bill No. 84 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Kenny,

Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Swing, and Tickle—31.
NOES—None.

Title read and approved.

Senate Bill No. 84 ordered transmitted to the Assembly.

Resolution.

The following resolution was offered:

By Senator Quinn:

Resolved, That Senate Bill No. 88 presents a case of urgency, as that term is used in section 15 of Article IV of the Constitution, and the provision of that section requiring that the bill shall be read on three several days in each house is hereby dispensed with, and it is ordered that said bill be read the third time, and placed upon its passage

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and the resolution adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, Deuel, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Parkman, Phillips, Powers, Quinn, Rich, Slater, Swing, and Tickle—29
NOES—None.

Whereupon the President declared the provisions of section 15, Article IV of the Constitution suspended for the purpose of considering, at this time, Senate Bill No. 88.

Third Reading of Senate Bill No. 88.

Senate Bill No. 88—An act relating to parks and making an appropriation from the State Park Maintenance and Acquisition Fund for the operation, maintenance and extension of the State park system, to repeal an act entitled "An act relating to parks and making an appropriation from the State Park Maintenance and Acquisition Fund for the operation, maintenance and extension of the State park system," approved February 28, 1940, and providing that this act shall take effect immediately.

Bill read third time.

Urgency Clause.

SEC. 4. This act is hereby declared to be an urgency measure necessary for the immediate preservation of public peace, health and safety within the meaning of section 1 of Article IV of the Constitution and shall, therefore, go into immediate effect. A statement of the facts constituting such necessity is as follows:

In order to provide safe, adequate, and healthful recreational facilities for the people of the State of California during the period of 1940 when these facilities are most used, it is imperative that the appropriation made by this bill be available for immediate expenditure.

Storms and floods during the past winter have created dangerous conditions in certain State parks, such as damage to piling on pleasure piers and the washing out or undermining of roads and pathways. One way roads exist in certain parks which must be widened to accommodate anticipated increased usage during the coming summer. Sanitation facilities are inadequate or lacking in certain parks so that these parks will have to be closed unless repairs and additions are made immediately. The immediate effect of this bill will enable the people of the State to enjoy its healthful recreational facilities to the fullest extent and will avoid possible injuries and illnesses which may otherwise result unless this appropriation is immediately available.

Urgency clause read.

The question being on the adoption of the urgency clause

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Swing, and Tickle—31

NOES—None.

The question being on the passage of the bill.

The roll was called, and Senate Bill No. 88 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Swing, and Tickle—31

NOES—None

Title read and approved.

Senate Bill No. 88 ordered transmitted to the Assembly

Consideration of Senate Concurrent Resolution No. 15.

Senate Concurrent Resolution No. 15.

Relative to the operation, maintenance, and extension of the State park system.

WHEREAS, A legislative measure entitled "An act relating to parks and making an appropriation from the State park maintenance and acquisition fund for the operation, maintenance and extension of the State park system, to repeal an act entitled 'An act relating to parks and making an appropriation from the State park maintenance and acquisition fund for the operation, maintenance and extension of the State park system,' approved February 28, 1940, and providing that this act shall take effect immediately" is now being considered by the Legislature; and

WHEREAS, The Legislature is advised that the money is urgently needed by the various State parks for repair of storm damage and decay and the addition of sanitary and other facilities to the park premises; and

WHEREAS, The facts submitted to the Legislature indicate that the proposed program for State parks will require expenditures for such repairs and additions in the sums listed below opposite the names of the State parks:

Seacliff Beach State Park	$6,500.00
Alamitos Beach State Park	1,500 00
Doheny Beach State Park	2,500.00
San Clemente State Park	1,500.00
San Jacinto Mountain State Park	1,500.00
Mill Creek Redwoods State Park	2,300.00
Borego Desert State Park	1,000 00
Cuyamaca Rancho State Park	2,500 00
Mission Bay State Park	3,500.00
California Redwood Park	2,500.00
Calaveras Big Trees Park	2,500.00
Castle Crags State Park	1,000.00
McArthur-Burney Falls Park	500.00
Mount Diablo State Park	1,000 00
Fort Ross Historic Monument	1,000.00
Armstrong Grove State Park	1,500 00
Van Damme State Park	2,000.00
Carpinteria Beach State Park	1,200.00
Point Lobos State Park	1,000.00
Pfeiffer Redwood State Park	2,500.00
Williams Grove State Park	1,500.00
Bliss-Rubicon-Tahoe Park	1,000.00
Custom House-Monterey	1,000 00

now, therefore, be it

Resolved by the Senate of the State of California, the Assembly thereof concurring, That the Legislature recommend to the State Park Commission and the

Division of Parks that the amount appropriated in such measure, if enacted into law, be so allocated and expended as set forth in this resolution.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Concurrent Resolution No. 15 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Parkman, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing and Tickle—31.
NOES—None.

Senate Concurrent Resolution No. 15 ordered transmitted to the Assembly.

Resolution.

The following resolution was offered:

By Senator Hollister:

Resolved, That Assembly Bill No. 130 presents a case of urgency, as that term is used in section 15 of Article IV of the Constitution, and the provision of that section requiring that the bill shall be read on three several days in each House is hereby dispensed with, and it is ordered that said bill be read the third time, and placed upon its passage.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and the resolution adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, and Tickle—33.
NOES—None.

Whereupon the President declared the provisions of section 15, Article IV of the Constitution suspended for the purpose of considering, at this time, Assembly Bill No. 130.

Third Reading of Assembly Bill No. 130.

Assembly Bill No. 130—An act to add section 2.5 to the Retail Sales Tax Act of 1933 and section 2.5 to the Use Tax Act of 1935, relating to the definition of "sale" and "purchase" respectively, declaring the legislative intent as to the construction of said acts with respect to transactions involving the sales of newspapers and providing when this act shall become effective.

Bill read third time.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 130 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, and Tickle—32.
NOES—None.

Title read and approved.

Assembly Bill No. 130 ordered transmitted to the Assembly.

Recess.

At three o'clock and fifteen minutes p.m., on motion of Senator Myhand, the President of the Senate declared recess to hear an address by Dr. Francis E. Townsend.

The following speech was delivered by Dr. Townsend and on motion of Senator Myhand ordered printed in the Journal:

GENTLEMEN: I appreciate deeply the honor you are showing me. In the lower house a resolution has been presented to the Legislature of California urging that this body memorialize the Congress of the United States to consider seriously the proposal which is now embodied in a bill before Congress; Lower House No. H.R. 8264 and S3255 in the Upper Chamber.

This resolution will be presented to the Senate of the Legislature of California probably tomorrow. It is backed by the signatures of between four and five hundred thousand voting citizens of California. For your consideration, gentlemen, the purport of this resolution and the bills which I have cited is not merely one to give a better standard of living to the elderly people of this country. It proposes that feature merely as a means to an end.

We are going to require a tremendous cushioning effect on our domestic economy because it appears that this war now going on in Europe will terminate quite suddenly. When it does, our people are going to be faced with a crisis perhaps more severe than we have thus far seen, for the sudden termination of the demand for goods which is engendered by warfare will leave us in a worse predicament than we were in following the last world war. For this reason, we have a greater problem than ever.

We have ten million men out of work. They and their families constitute a large proportion of the United States They and their families, plus the ten millions of indigent old folks in this country are having a crushing effect upon our market. If we added anything to the burden of unemployment by failing to create a national policy which will cushion the effect of the post war collapse, we, too, will fall victims to that frightful state of affairs which now besets other countries of a democratic character.

We ought, by all means, to do everything in our power to bring about a new regime, a new order in America which will enable us to maintain a democratic form of government. If we neglect to do this in these critical days, I tremble for the result. I can not see how we Americans can maintain a condition in which such a vast number of our people wonder if they have anything to fight for in preserving our form of government. That is our situation today.

Is it any wonder that we are faced with this problem of unemployment? Take fifty or sixty millions of people; reduce them to a state of living in which all they can have is a bare existence; and you are going to ruin our market permanently. Moreover you breed the kind of discontent which has been the downfall of the democratic peoples abroad and which has made possible the "fifth column," now so often spoken of in the press. The citizens in those small countries were hesitant about doing anything to preserve and maintain governments under which they felt they had suffered unnecessarily and too long.

This situation, gentlemen, faces us in America. A great number of our people are wondering whether from their point of view we have anything which is worth preserving. And, as you know, the "fifth column" has already been planted very extensively throughout the citizenship of America. We shall let it exist only at our national peril.

Now, I believe there is one safeguard we can adopt. If America will adapt her economic policies to the age upon which we have entered, an age which makes possible the creation of such abundant wealth; if we would just consider how to build that which will result in industry's seeking laborers rather than laborers seeking jobs, then, gentlemen, we will have solved not only the problem of want and distress, but we will have built a country for which every citizen of the United States will gladly sacrifice and die.

Let us have this. Let us have justice. Let us have a government adapted to the new order of things. To do this, we must establish a national policy which will divert a certain portion of the profits of enterprise into the hands of the common people. The Brookings Institution and other fact finding agencies, have demon-

strated beyond all doubt that America is equipped to produce at least one hundred and ten billion dollars in wealth annually. Instead of doing so we are struggling in poverty, and the reason is clear. We can't use such wealth until we make it possible for more people to buy it. The only conceivable way to do that, and to do justice to all types of citizens, is for us to adopt a system of economics which will permit a steady stream of wealth to flow back to the people. And, I think you will agree with me, that we ought not to have any useless or idle classes of people in America. Yet, our national policy has taken no cognizance of the fact that we are continually taking people out of industry through modern machine methods of production and setting them adrift. The coal mines and their modern machinery are but one of many strong examples of how labor has been displaced by science.

Now we should adopt a system which will permit a steady flow of money and purchasing power back to the grass roots, back to the common people. There is an easy way to do this. There is a certain class of people that industry doesn't want, and can't use. I speak, of course, of the old folks We could create of this indigent and idle class, a producing class. We could permit the old folks to buy liberally, and the money they spent would turn over four or five times in every community during a single month, and thereby stimulate the business of each community. I believe that in such a way, we could easily and quickly produce one hundred per cent more wealth than we are producing today.

That is the problem ahead of America. I think you will concede that America is in dire danger today. If Germany succeeds in her tremendous effort to conquer Europe, then Germany is going to demand the possessions of Europe. She will demand that the West Indies, Canada, Australia, and all parts of the British and the French Empires come under her domination. If she does, our Monroe Doctrine will apply automatically and we shall be in a serious predicament. But we are in a poor position now, gentlemen, to maintain even a defensive war against such national wealth and equipment as Germany will have if she conquers.

Let us not take this risk. Let us immediately, if possible, provide every citizen in this land with absolute proof that we have a government here that he would rather die for than see abandoned. I am sorry to say that our country today is not in that happy state. Millions of people today would hesitate to risk their lives to save that which compels them to live a life of poverty and neglect.

Within a short time, we are going to raise our public debt limit of forty-five billion dollars. There is evidence that we will even double that limit How in the world are we going to settle such a debt with virtually half of our people living in want and need? It can not be done. The only way is to create wealth fast enough to offset this debt, by seeing that every family in America steps out of conditions of want and distress and into comfort and security. We have offered a means of doing this through the cooperation of the elderly people of the land. Retire from gainful employment those past sixty on liberal pensions from the national government. Let the pensions be related to the national income, to increase as our national income increases, or to decrease accordingly Let this extra purchasing power be used every month as a steady and dependable basis for market improvement, and, gentlemen, our business and commerce will develop at a pace never before seen.

In order to accomplish this end, we suggest that a tax be imposed upon the gross incomes of all institutions and all individuals receiving more than $250 per month, or $3,000 per year. This is a fair tax and a just tax to be imposed upon those well able to bear it. It is a tax that will not only assist the people in the lower income groups, but will enhance the ability of those in the upper brackets to increase their wealth. A study of our proposal will convince anyone of its fairness and justice.

If you gentlemen acquiesce in this, we ask you to offer a resolution to the National Government that this system be adopted. It may have to be changed somewhat; we can only tell by giving it a trial. But at least here is a tangible thing and the only thing offered since the depression hit us in 1929. I ask you in all earnestness to give this petition and this resolution that will be introduced into your august body, serious consideration. I thank you most sincerely.

Reconvened.

At three o'clock and thirty minutes p.m., the Senate reconvened.

Lieutenant Governor Ellis E. Patterson, President of the Senate, in the chair.

Secretary Joseph A. Beek at the desk.

Consideration of Assembly Joint Resolution No. 22.

Assembly Joint Resolution No. 22.

Relative to defense of the California Coast.

WHEREAS, The present deplorable condition of world affairs requires the Government of the United States to take proper measures designed to provide adequate means to defend the nation; and

WHEREAS, The defense of the California Coast is of the utmost importance, especially in view of the fact that nearly 75 per cent of the nation's aircraft production, the most essential weapon in modern warfare, is located on the Pacific Coast and may be subject to attack; and

WHEREAS, The Legislature in April, 1939, memorialized Congress to provide adequate defense for the Pacific Coast; and

WHEREAS, No action has been taken although world events since that time have increased the need for adequate defense ten-fold; and

WHEREAS, The immediate construction of military roads, aircraft and antiaircraft stations, and coast defense supply bases of the California Coast is immediately necessary to provide adequate means for the defense of this area; now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the President and Congress of the United States be memorialized to allocate two hundred fifty million dollars of the moneys available for national defense, for the purpose of immediately constructing military roads, aircraft and antiaircraft stations, and coast defense supply bases on the California Coast; and be it further

Resolved, That the chief clerk of the Assembly is hereby requested to transmit a copy of this resolution to the President and Vice President of the United States and to the Speaker of the House of Representatives of the Congress of the United States, and to each Senator and Representative from California in the Congress of the United States, and that the Senators and Representatives from California are hereby respectfully requested to urge such action.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Joint Resolution No. 22 adopted by the following vote:

AYES—Senators Biggar, Brown, Crittenden, Cunningham, Deuel, Fletcher, Foley Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, and Tickle—30

NOES—None

Assembly Joint Resolution No. 22 ordered transmitted to the Assembly.

Consideration of Assembly Joint Resolution No. 23.

Assembly Joint Resolution No. 23.

Protesting the proposed attack upon the title of the State of California to its tide, submerged and overflowed lands.

WHEREAS, More than ninety years ago the State of California as one of the United States, by virtue of its sovereignty and the act of its admission to the Union, became the owner, in perpetual trust for its people, of all lands within its boundaries submerged by the waters along its shore, of all lands covered by the ebb and flow of its tides, and of all the lands beneath its navigable streams and lakes; and

WHEREAS, For over ninety years the sovereign State of California has maintained uninterrupted jurisdiction over said lands; and, during said years has expended vast sums of moneys of its citizens in building structures thereon, and in dredging and improving its ports and harbors and in building bulkheads and breakwaters therein and thereon, and in doing all and every of the things that a free people find essential to be done to make its sovereign lands available for the beneficial uses of its citizens in commerce, education and recreation; and in aid of the United States in the exercise of its functions in fishing and navigation, as specified in the Constitution; and

WHEREAS, Minerals have been found beneath certain of said lands, and the State of California, in the interest of conservation thereof and for the benefit of its people,

has caused said minerals to be produced, thereby obtaining for the State and its people an income exceeding $900,000 per annum, thus lightening the enormous tax burden now resting upon the citizens of California; and

WHEREAS, The title of the sovereign State of California to these lands and privileges over which it has for so long maintained unquestioned jurisdiction and expended so much of the treasure of its citizens, has been sustained by numerous decisions of the Supreme Court of the State of California and by the Supreme Court of the United States, in cases in which the principles involved were clearly at issue; and

WHEREAS, Certain officials of the Government of the United States have for two years or more endeavored, and are now endeavoring to obtain the sanction of the President of the United States and of the Congress of the United States for the filing of court proceedings on behalf of the United States against the State of California and those holding under and subservient to the State of California, with the object of wresting from the State of California, and those holdings under said State, said sovereign rights so long maintained and exercised; now, therefore, be it

Resolved jointly by the Assembly and the Senate of the State of California, That the Legislature of the State of California protests the said proposal to attack the title of the sovereign State of California in and to said lands, and asserts as a free State within the Union, subject to and under the protection of the Constitution, that it condemns said attempt, and will oppose the same by all lawful means; be it further

Resolved, That the Secretary of State of the State of California shall certify to the passage of this joint resolution, and shall forward a certified copy thereof to the President of the United States, to the Vice President of the United States, to the President of the Senate and Speaker of the House of Representatives, to the Secretary of State, to the Secretary of the Navy, and to each of the members of the United States Senate and House of Representatives representing the State of California or any district thereof in the said Congress

Resolution read.

The question being on the adoption of the resolution

The roll was called, and Assembly Joint Resolution No. 23 adopted by the following vote:

AYES—Senators Biggar, Brown, Collier, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, and Tickle—31.

NOES—None

Assembly Joint Resolution No. 23 ordered transmitted to the Assembly.

Consideration of Assembly Concurrent Resolution No. 22.

Assembly Concurrent Resolution No. 22.

Relating to the dismissal of certain State employees

WHEREAS, It is the duty and obligation of every employee of the State of California to aid and assist the Legislature and its committees as well as the executive officers of the State government in discovering and disclosing all matters and things relating to the public interest; and

WHEREAS, The Assembly of the State of California by appropriate resolution created the Assembly Relief Investigating Committee and defined its powers and duties; and

WHEREAS, In carrying out the duties imposed upon it, the said committee held public hearings in various cities of the State and subpenaed persons to attend and testify and produce certain books, records, and documents, pertinent to its investigation before it; and

WHEREAS, Such persons were duly advised that they would be immune from criminal prosecution and from forfeiture of office by reason of any fact or act concerning which they were compelled to testify; and

WHEREAS, Certain of the employees of the State Relief Administration pursuant to such subpenas did attend before the committee and thereafter wilfully failed and refused to testify and to produce the books, records, and documents requested, without any lawful excuse whatever; now, therefore, be it

Resolved by the Assembly of the State of California, the Senate thereof concurring, That such illegal and arrogant defiance of the legislative power of the people is intolerable and indefensible in employees of the State government and

reveals a lack of loyalty and devotion to the processes of democratic government and demonstrates on the part of such employees a lack of proper sense of duty and obligation to their work and an incompetence to serve the people of the State of California; and be it further

Resolved, That the Relief Administrator is hereby urged immediately to dismiss those employees who have acted in contempt of this legislative committee and of the people of the State of California; and be it further

Resolved, That the Chief Clerk of the Assembly is hereby directed to send copies of this resolution to the Governor of the State of California, the Relief Administrator, and the members of the Relief Commission.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Concurrent Resolution No. 22 adopted by the following vote:

AYES—Senators Biggar, Brown, Collier, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, and Tickle—32.

NOES—Senator Kenny—1.

Assembly Concurrent Resolution No. 22 ordered transmitted to the Assembly.

Resolution.

The following resolution was offered:

By Senator Hays:

Resolved, That Assembly Bill No. 122 presents a case of urgency, as that term is used in section 15 of Article IV of the Constitution, and the provision of that section requiring that the bill shall be read on three several days in each House is hereby dispensed with, and it is ordered that said bill be read the third time, and placed upon its passage.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and the resolution adopted by the following vote:

AYES—Senators Biggar, Brown, Collier, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, and Tickle—33.

NOES—None.

Whereupon the President declared the provisions of section 15, Article IV of the Constitution suspended for the purpose of considering, at this time, Assembly Bill No. 122.

Third Reading of Assembly Bill No. 122.

Assembly Bill No. 122—An act to add section 3014.5 to the Civil Code, relating to trust receipt transactions, including those pertaining to motor vehicles, to take effect immediately.

Bill read third time.

Urgency Clause.

SEC. 2 This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution of the State of California, and shall take effect immediately. The following is a statement of the facts constituting such necessity:

Legislation was inadvertently enacted at the 1939 session of the Legislature depriving motor vehicle dealers of the privilege of obtaining funds upon the security

of their used car stock through the medium of trust receipt financing. As a result, dealers now find themselves loaded with more than twenty-five million dollars worth of frozen assets and in a position in which they are becoming less and less able to accommodate persons in moderate circumstances who desire to purchase new vehicles and pay for the same by "turning in" vehicles already owned by them.

One of the major industries in this State, the motor vehicle industry, is the sole means of livelihood for a large percentage of our population, and, through payment of taxes, fees and assessments, plays an important role in keeping the wheels of government in action. It is an industry woven integrally into our economic and social life and one whose services and progress are vitally necessary for the entire community.

This bill will enable the motor vehicle industry to continue to function in a manner most favorable to the general welfare by removing the garroting effect of the 1939 legislation previously mentioned. It is therefore highly imperative that it become effective at the earliest possible date as provided in this act.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Brown, Collier, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McCormack, Metzger, Mixter, Myhand, Nielsen, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, and Tickle—30.

NOES—None.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 122 passed by the following vote:

AYES—Senators Biggar, Brown, Collier, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McCormack, Metzger, Mixter, Myhand, Nielsen, Phillips, Quinn, Rich, Seawell, Shelley, Slater, Swing, and Tickle—29.

NOES—None.

Motion to Reconsider.

Senator Seawell moved to reconsider the vote whereby Assembly Bill No. 122 was passed.

The question being on the adoption of the motion to reconsider.

The roll was called, and Assembly Bill No. 122 reconsidered by the following vote:

AYES—Senators Biggar, Brown, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McCormack, Mixter, Myhand, Nielsen, Powers, Quinn, Rich, Seawell, Shelley, Slater, and Swing—27.

NOES—None.

Reconsideration of Assembly Bill No. 122.

Assembly Bill No. 122—An act to add section 3014.5 to the Civil Code, relating to trust receipt transactions, including those pertaining to motor vehicles, to take effect immediately.

Consideration of Committee Amendments.

Pursuant to the report of the Committee on Governmental Efficiency, the following amendments to Assembly Bill No. 122 were read and adopted:

Amendment No. 1.

In line 3 of the title of the printed bill, after "vehicles," insert the following: "and to repeal an act entitled "An act to add section 3014.5 to the Civil Code, relating to trust receipt transactions, including those pertaining to motor vehicles," approved February 28, 1940,".

Amendment No. 2.

On page 1 of the printed bill, between lines 14 and 15, insert the following:

"SEC. 2. The act entitled "An act to add section 3014.5 to the Civil Code relating to trust receipt transactions, including those pertaining to motor vehicles," approved February 28, 1940, is hereby repealed."

Amendment No. 3.

On page 1, line 15, of the printed bill, strike out "SEC. 2.", and insert in lieu thereof the following: "SEC. 3."

Bill read, ordered to print, and on file for third reading.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, May 21, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly adopted:

Assembly Concurrent Resolution No. 23—Relating to adjourning out of respect to the memory of Hon. Fred Reaves.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Concurrent Resolution No. 23 ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, May 21, 1940

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 128—An act to add section 5.18 to the Retail Sales Tax Act of 1933, and section 4.11 to the Use Tax Act of 1935, relating to exemptions, including the exemption of live stock and poultry of a kind the products of which ordinarily constitute food for human consumption, to repeal Chapter 6 of the statutes of the first extraordinary session of the Fifty-third Legislature and to declare that this act shall take effect immediately.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Bill No. 128 ordered referred to Committee on Rules.

Request for Permission to Introduce Bills.

The following request for permission to introduce three bills was presented:

By Senator Breed:

SENATE CHAMBER, SACRAMENTO, May 21, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to introduce three bills, the titles of which are set forth below:

An act to amend section 164 of the Vehicle Code and to repeal an act entitled "An act to amend section 164 of the Vehicle Code, relating to renewal of registration of vehicles," approved March 28, 1940, relating to renewal of registration of vehicles, to take effect immediately;

An act to amend sections 210 and 252 of the Vehicle Code, to repeal sections 211, 212, 213 and 214 thereof, and to repeal an act entitled "An act to amend sections 210 and 252 of the Vehicle Code, and to repeal sections 211, 212, 213 and 214 thereof, relating to permits to nonresident owners of motor vehicles," approved February 24, 1940, relating to permits to nonresident owners of motor vehicles to take effect immediately;

An act to amend sections 232 and 377.5 of the Vehicle Code and to repeal an act entitled "An act to amend sections 232 and 377.5 of the Vehicle Code, relating to the installation of motor vehicle engines or motors," approved February 16, 1940, relating to the installation of motor vehicle engines or motors, to take effect immediately.

Respectfully submitted.

SENATOR BREED

Request referred to Committee on Rules.

Reports of Standing Committee.

The following reports of standing committee were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, May 21, 1940.

MR. PRESIDENT: Your Committee on Rules to which was referred the following request by Senator Breed for permission to introduce three bills:

An act to amend section 164 of the Vehicle Code and to repeal an act entitled "An act to amend section 164 of the Vehicle Code, relating to renewal of registration of vehicles," approved March 28, 1940, relating to renewal of registration of vehicles, to take effect immediately;

An act to amend sections 210 and 252 of the Vehicle Code, to repeal sections 211, 212, 213 and 214 thereof, and to repeal an act entitled "An act to amend sections 210 and 252 of the Vehicle Code, and to repeal sections 211, 212, 213 and 214 thereof, relating to permits to nonresident owners of motor vehicles," approved February 24, 1940, relating to permits to nonresident owners of motor vehicles to take effect immediately;

An act to amend sections 232 and 377.5 of the Vehicle Code and to repeal an act entitled "An act to amend sections 232 and 377.5 of the Vehicle Code, relating to the installation of motor vehicle engines or motors," approved February 16, 1940, relating to the installation of motor vehicle engines or motors, to take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the bills introduced and referred to Committee on Governmental Efficiency.

Committee membership—5; committee vote: Ayes—5

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, May 21, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Concurrent Resolution No. 23—Relating to adjourning out of respect to the memory of Hon. Fred Reaves;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be placed on file.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, May 21, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 128—An act to add section 5.18 to the Retail Sales Tax Act of 1933, and section 4 11 to the Use Tax Act of 1935, relating to exemptions, including the exemption of live stock and poultry of a kind the products of which ordinarily constitute food for human consumption, to repeal Chapter 6 of the statutes of the first extraordinary session of the Fifty-third Legislature and to declare that this act shall take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be referred to the Committee on Finance, Revenue and Taxation.

Committee membership—5, committee vote Ayes—5

SEAWELL, Chairman.

Assembly Bill No. 128 read first time, and referred to Committee on Finance, Revenue and Taxation.

Introduction, First Reading and Reference of Bills.

The following bills were introduced.

Senate Bill No. 91: By Senator Breed—An act to amend sections 232 and 377.5 of the Vehicle Code and to repeal an act entitled "An act to amend sections 232 and 377.5 of the Vehicle Code, relating to the installation of motor vehicle engines or motors," approved February 16, 1940, relating to the installation of motor vehicle engines or motors, to take effect immediately.

Senate Bill No. 91 read first time, and referred to Committee on Governmental Efficiency.

Senate Bill No. 92: By Senator Breed—An act to amend sections 210 and 252 of the Vehicle Code, to repeal sections 211, 212, 213 and 214 thereof, and to repeal an act entitled "An act to amend sections 210 and 252 of the Vehicle Code, and to repeal sections 211, 212, 213 and 214 thereof, relating to permits to nonresident owners of motor vehicles," approved February 24, 1940, relating to permits to nonresident owners of motor vehicles, to take effect immediately.

Senate Bill No. 92 read first time, and referred to Committee on Governmental Efficiency.

Senate Bill No. 93: By Senator Breed—An act to amend section 164 of the Vehicle Code and to repeal an act entitled "An act to amend section 164 of the Vehicle Code, relating to renewal of registration of vehicles," approved March 28, 1940, relating to renewal of registration of vehicles, to take effect immediately.

Senate Bill No 93 read first time, and referred to Committee on Governmental Efficiency.

Consideration of Assembly Concurrent Resolution No. 23.

Assembly Concurrent Resolution No. 23.

Relating to adjourning out of respect to the memory of Hon. Fred Reaves.

WHEREAS, Fred Reaves, respected and beloved member of the Assembly from the Sixty-eighth Assembly District, of the fifty-first, fifty-second, and present Legislature, has passed into the realm where all men receive the equality for which he unceasingly fought during his mortal years; and

WHEREAS, The life of Fred Reaves was a credit to himself, to his family, and to the State which he so faithfully served; and

WHEREAS, The members of both houses of this Legislature feel deeply the loss sustained by them in the passing of Fred Reaves; now, therefore, be it

Resolved by the Assembly of the State of California, the Senate thereof concurring, That this resolution be spread upon the minutes of both the Assembly and the Senate, to record for all posterity the deep feelings of the members of both houses at this time and their sympathy for the bereaved family of their late colleague; and be it further

Resolved, That each house when it adjourns this day do so out of respect to the memory of the late Fred Reaves; and be it further

Resolved, That the Chief Clerk of the Assembly is directed to transmit suitably prepared copies of this resolution to the family of the late Fred Reaves.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Concurrent Resolution No. 23 unanimously adopted by a rising vote of the Senate.

Assembly Concurrent Resolution No. 23 ordered transmitted to the Assembly.

Adjournment.

On motion of Senator Seawell, at four o'clock and eight minutes p.m., the President of the Senate declared the Senate adjourned out of respect to the memory of the late Fred Reaves, member of the Assembly from the Sixty-eighth Assembly District of San Pedro, until two o'clock p.m., Wednesday, May 22, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Wednesday, May 22, 1940.

The Senate met at two o'clock p.m.
Hon. Ellis E. Patterson, President of the Senate, in the chair.
Secretary Joseph A. Beek at the desk.

Roll Call.

The roll was called, and the following answered to their names:

Senators Biggar, Breed, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Kenny, Mayo, McCormack, Mixter, Myhand, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Tickle, and Wagy—28.

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev. A. Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Tuesday, May 21, 1940, the further reading was dispensed with, on motion of Senator Myhand.

Leave of Absence.

Senator Metzger was, on motion of Senator Gordon, granted leave of absence for this day.

Privilege of Floor of Senate Extended.

On request of Senator Crittenden, the privilege of the floor of the Senate Chamber for this day was unanimously extended to C. M. Menzie and Harry B. Hoffman, both of Stockton.

Message from the Governor.

The following message from the Governor was received and read:

STATE OF CALIFORNIA. GOVERNOR'S OFFICE,
SACRAMENTO, May 22, 1940.

To the Honorable Members of the Senate and of the Assembly.

GREETINGS: I am transmitting to you herewith a petition addressed to me and to the Legislature, signed by several thousands of our citizens, asking that the Legislature memorialize the Congress of the United States that it refer to the various State Legislatures of the United States, for ratification or rejection, a constitutional amendment embodying the basic principles of the Townsend Pension Plan as set forth in the petition.

This petition is transmitted to you in accordance with the request of Dr. Townsend and other members of the committee who presented the same to me on this date, for your consideration in connection with a proposed resolution of the Legislature in response thereto

Respectfully yours,

CULBERT L. OLSON,
Governor of California.

CLO:M.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, May 22, 1940

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Assembly Joint Resolution No. 25—Relative to allocation of funds by the Congress of the United States for distribution to the various States for highway purposes.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Joint Resolution No 25 ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, May 21, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day refused to sustain the veto of the Governor to:

Senate Bill No. 76—An act making an appropriation for the contingent expenses of the Senate for the fifty-third (extraordinary) session of the Legislature including expenses of committees created at that session, and declaring that this act shall take effect immediately.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

ASSEMBLY CHAMBER, SACRAMENTO, May 21, 1940.

MR PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 126—An act relating to parks and making an appropriation from the State Park Maintenance and Acquisition Fund for the operation, maintenance, and extension of the State park system, to repeal an act entitled "An act relating to parks and making an appropriation from the State Park Maintenance and Acquisition Fund for the operation, maintenance and extension of the State park system," approved February 28, 1940, and providing that this act shall take effect immediately.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk

Assembly Bill No. 126 ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, May 21, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 133—An act to amend sections 867 and 868 of the Fish and Game Code, and to repeal Chapter 24 of the first extraordinary session of the Fifty-third Legislature, relating to yellow-tail, barracuda, and white sea bass.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Bill No. 133 ordered referred to Committee on Rules.

Reports of Standing Committees.

The following reports of standing committees were received and read:

On Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, May 22, 1940

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Senate Bill No. 87—An act amending sections 3 and 5 of an act entitled "An act creating the Colorado River Board of California and the office of Colorado River Commissioner of California, prescribing the powers and duties of said board and commissioner," approved July 1, 1937, relating to powers and duties of the board and commissioner, to repeal Chapter 14 of the statutes of the first extraordinary session of 1940, convened on January 29, 1940, declaring the urgency thereof, and providing this act shall take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that it do pass.

Committee membership—11; committee vote: Ayes—10; absent—1.

HAYS, Chairman.

SENATE CHAMBER, SACRAMENTO, May 22, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Senate Bill No. 91—An act to amend sections 232 and 377.5 of the Vehicle Code and to repeal an act entitled "An act to amend sections 232 and 377.5 of the Vehicle Code, relating to the installation of motor vehicle engines or motors," approved February 16, 1940, relating to the installation of motor vehicle engines or motors, to take effect immediately;

Senate Bill No. 92—An act to amend sections 210 and 252 of the Vehicle Code, to repeal sections 211, 212, 213 and 214 thereof, and to repeal an act entitled "An act to amend sections 210 and 252 of the Vehicle Code, and to repeal sections 211, 212, 213 and 214 thereof, relating to permits to nonresident owners of motor vehicles," approved February 24, 1940, relating to permits to nonresident owners of motor vehicles, to take effect immediately;

Senate Bill No. 93—An act to amend section 164 of the Vehicle Code and to repeal an act entitled "An act to amend section 164 of the Vehicle Code, relating to renewal of registration of vehicles," approved March 28, 1940, relating to renewal of registration of vehicles, to take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that they do pass.

Committee membership—11; committee vote: Ayes—9; absent—2.

HAYS, Chairman.

On Rules.

SENATE CHAMBER, SACRAMENTO, May 22, 1940.

MR PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Joint Resolution No 25—Relative to allocation of funds by the Congress of the United States for distribution to the various States for highway purposes;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be referred to Committee on Governmental Efficiency.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Joint Resolution No. 25 read, and referred to Committee on Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, May 22, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 126—An act relating to parks and making an appropriation from the State park maintenance and acquisition fund for the operation, maintenance and extension of the State park system, to repeal an act entitled "An act relating to parks and making an appropriation from the State park maintenance and acquisition fund for the operation, maintenance and extension of the State park system," approved February 28, 1940, and providing that this act shall take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be referred to the Committee on Finance, Revenue and Taxation.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Bill No. 126 read first time, and referred to Committee on Finance, Revenue and Taxation.

SENATE CHAMBER, SACRAMENTO, May 22, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 133—An act to amend sections 867 and 868 of the Fish and Game Code, and to repeal Chapter 24 of the first extraordinary session of the fifty-third Legislature, relating to yellow-tail, barracuda, and white sea bass;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be referred to the Committee on Governmental Efficiency.

Committee membership—5; committee vote: Ayes—5

SEAWELL, Chairman.

Assembly Bill No. 133 read first time, and referred to Committee on Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, May 22, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred a communication from the Governor, dated May 15, 1940, relating to appointments made by him to membership on the Board of Trustees of the Sonoma State Home, has had the same under consideration and recommends that the following appointments:

Mrs. Robert Potter Hill, vice self, term expired,
E. C. Kraft, vice self, term expired;
William Gray, vice Floyd Darby, term expired;
Bryce Swartfager, vice Walter L. Murphy, term expired;
R. R. Emparan, vice Herbert W. Slater, ineligible;

all for the term ending February 26, 1944, be confirmed by the Senate.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Consideration of Appointments by the Governor.

Motion Confirming Appointments by the Governor.

Senator Seawell moved that the Senate confirm and consent to the appointment of Mrs. Robert Potter Hill, E. C. Kraft, William Gray, Bryce Swartfager, and R. R. Emparan as members of the Board of Trustees of the Sonoma State Home.

The President put the question, "Will the Senate confirm and consent to the appointment of Mrs. Robert Potter Hill, E. C. Kraft, William Gray, Bryce Swartfager, and R. R. Emparan?"

The roll was called, with the following result:

AYES—Senators Biggar, Collier, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Kenny, Mayo, Mixter, Myhand, Parkman, Phillips, Powers, Quinn, Seawell, Slater, Swing, Tickle, and Wagy—25.

NOES—None.

Appointments Confirmed.

Whereupon the President announced that the Senate had confirmed and consented to the appointment of Mrs. Robert Potter Hill, E. C. Kraft, William Gray, Bryce Swartfager, and R. R. Emparan as members of the Board of Trustees of the Sonoma State Home.

Request for Permission to Offer a Concurrent Resolution.

The following request for permission to offer a concurrent resolution was presented:

By Senator Seawell:

SENATE CHAMBER, SACRAMENTO, May 22, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to offer a concurrent resolution, the title of which is set forth below:

Relative to a recess of the Senate and Assembly of the State of California.

Respectfully submitted.

SENATOR SEAWELL.

Request referred to Committee on Rules.

Consideration of Daily File.

Third Reading of Assembly Bills.

Assembly Bill No. 122—An act to add section 3014.5 to the Civil Code, relating to trust receipt transactions, including those pertaining to motor vehicles, and to repeal an act entitled "An act to add section 3014.5 to the Civil Code, relating to trust receipt transactions, including those pertaining to motor vehicles," approved February 28, 1940, to take effect immediately.

Bill read third time.

The question being on the passage of the bill.

The roll was called.

Call of the Senate.

Pending the announcement of the vote, Senator Seawell moved a call of the Senate.

Motion carried.

The Secretary was directed to call the roll.

The roll was called, and the following answered to their names:

Senators Biggar, Collier, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Kenny, Mayo, Mixter, Myhand, Parkman, Phillips, Powers, Quinn, Seawell, Slater, Swing, Tickle, and Wagy—25.

The Secretary announced the absentees.

Time, two o'clock and twenty minutes p.m

The President of the Senate directed the Sergeant-at-Arms to close the doors.

The Sergeant-at-Arms having been furnished with the names of the absentees, was directed to bring them to the bar of the Senate.

Further Proceedings Under Call of the Senate Dispensed With.

At two o'clock and forty minutes p m., further proceedings under the call of the Senate were dispensed with, on motion of Senator Seawell.

The names of the absentees were called, and Assembly Bill No. 122 passed by the following vote:

AYES—Senators Biggar, Brown, Collier, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Kenny, Mayo, McCormack, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Seawell, Slater, Swing, Tickle, and Wagy—29.
NOES—None.

Title read and approved.

Assembly Bill No. 122 ordered transmitted to the Assembly.

Report.

The following report of Special Committee was received, and on motion of Senator Phillips ordered printed in the Journal:

PART III.

Preface—KEY TO TRANSCRIPTS 552

Section 1—POLICIES 555

Section 2—"THE CLIENT" 565

Section 3—EMPLOYMENT 583

Section 4—PERSONNEL 589

Section 5—WASTE AND INEFFICIENCY 601

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Key to Transcripts.

P-1 Joint Legislative Fact-Finding Committee on Employment, Los Angeles, March 5, 6 and 7, 1940.

P-2 Joint Legislative Fact-Finding Committee on Employment, Los Angeles, March 6 and 7, 1940.

P-3 Joint Legislative Fact-Finding Committee on Employment, Los Angeles, April 15, 1940.
P-4 Joint Legislative Fact-Finding Committee on Employment, Los Angeles, April 16, 1940.
P-5 Joint Legislative Fact-Finding Committee on Employment, San Francisco, April 24, 25 and 26, 1940.
P-6 Joint Legislative Fact-Finding Committee on Employment, San Francisco April 22, 1940.
P-7 Joint Legislative Fact-Finding Committee on Employment, San Francisco, April 23, 1940.
P-8 Joint Legislative Fact-Finding Committee on Employment, San Francisco, April 24, 25 and 26, 1940.
H-1 Southern California Subcommittee, Los Angeles, March 18, 1940.
H-2 Southern California Subcommittee Los Angeles, March 19, 1940.
H-3 Southern California Subcommittee Los Angeles, March 20, 1940.
H-4 Southern California Subcommittee, Los Angeles, March 21, 1940.
H-5 Southern California Subcommittee San Bernardino, March 25, 1940.
H-6 Southern California Subcommittee, Riverside, March 26, 1940.
H-7 Southern California Subcommittee, San Bernardino, March 25, 1940.
(*)
H-9 Southern California Subcommittee, Santa Barbara, April 1 and 2, 1940.
H-10 Southern California Subcommittee, San Diego, March 28, 1940.
H-11 Southern California Subcommittee, San Diego, March 29, 1940.
H-12 Southern California Subcommittee, San Diego, March 29, 1940.
H-13 Southern California Subcommittee, Santa Ana, April 19, 1940.
M-1 Central Valley Subcommittee, Stockton, March 18, 1940.
M-2 Central Valley Subcommittee, Modesto (for Calaveras and Tuolumne counties), March 20, 1940.
M-3 Central Valley Subcommittee, Modesto (for Stanislaus County), March 20 and 21, 1940.
M-4 Central Valley Subcommittee, Merced, March 23, 1940.
M-5 Central Valley Subcommittee, Fresno, April 3, 1940.
M-6 Central Valley Subcommittee, Fresno, April 4, 1940.
M-7 Central Valley Subcommittee, Madera, April 2, 1940.
M-8 Central Valley Subcommittee, Hanford, Kings County, April 5, 1940.
M-9 Central Valley Subcommittee, Bakersfield, April 10 and 11, 1940.
M-10 Central Valley Subcommittee, Visalia, April 8, 1940.
M-11 Cooperative and Works Projects, Los Angeles, May 2, 1940.
M-12 Cooperative and Works Projects, Sacramento, May 8, 1940.
W-1 San Francisco Bay-Central Coast Area Subcommittee, San Francisco, March 11, 1940.

(*) There is no volume H-8.

W-2 San Francisco Bay-Central Coast Area Subcommittee, Monterey, March 20, 1940.
W-3 San Francisco Bay-Central Coast Area Subcommittee, Santa Cruz, March 21, 1940.
W-4 San Francisco Bay-Central Coast Area Subcommittee, Santa Cruz, March 22, 1940.
W-5 San Francisco Bay-Central Coast Area Subcommittee, San Francisco, April 4, 1940.
W-6 San Francisco Bay-Central Coast Area Subcommittee, San Francisco, April 4, 1940.
W-7 San Francisco Bay-Central Coast Area Subcommittee, San Francisco, April 4, 1940.
W-8 San Francisco Bay-Central Coast Area Subcommittee, San Francisco, April 4, 1940.
W-9 San Francisco Bay-Central Coast Area Subcommittee, San Francisco, March 28, 1940.
W-10 San Francisco Bay-Central Coast Area Subcommittee, San Francisco, April 9, 1940.
W-11 San Francisco Bay-Central Coast Area Subcommittee, San Francisco, March 29, 1940.
W-12 San Francisco Bay-Central Coast Area Subcommittee, San Francisco, March 30 and 31, 1940.
W-13 San Francisco Bay-Central Coast Area Subcommittee, San Mateo, April 17, 1940
W-14 San Francisco Bay-Central Coast Area Subcommittee, San Jose, April 18, 1940.
W-15 San Francisco Bay-Central Coast Area Subcommittee, San Francisco, April 1 and 2, 1940.
W-16 San Francisco Bay-Central Coast Area Subcommittee, Oakland, April 11, 12 and 13, 1940.
W-17 San Francisco Bay-Central Coast Area Subcommittee, Martinez, April 15, 1940.
W-18 San Francisco Bay-Central Coast Area Subcommittee, San Francisco, April 20, 1940.
Y-1 Assembly Committee Investigating Subversive Activities in the State Relief Administration, Alameda County, March 13 and 14, 1940.
Y-2 Assembly Committee Investigating Subversive Activities in the State Relief Administration, Visalia, March 21, 1940.
Y-3 Assembly Committee Investigating Subversive Activities in the State Relief Administration, Visalia, March 22, 1940.
Y-4 Assembly Committee Investigating Subversive Activities in the State Relief Administration, San Francisco County, April 25, 1940.
Y-5 Assembly Committee Investigating Subversive Activities in the State Relief Administration, San Francisco, April 26, 1940.

P—Senator Phillips, Chairman.
H—Assemblyman Houser, Chairman.
M—Senator Mixter, Chairman.
W—Assemblyman Wollenberg, Chairman.
Y—Assemblyman Yorty, Chairman.

PART III

The recommendations and findings in Parts I and II result from evidence obtained at hearings conducted throughout the State. Significant sections of the testimony are contained in Part III. These, together with data available in the complete transcript, and other material in the State Controller's files are offered in support of the committee's recommendations and conclusions.

SECTION 1

POLICIES

Relief, social welfare and all their kindred problems will remain so long as a large percentage of the people remain unemployed. There can be only one effective policy and that is the placing of emphasis on reemployment.

W-2 page 11— PATTERSON: "We have studied this problem from every angle and we feel the biggest mistake they make is the fact they are dealing with it as a social problem. We don't feel it is a social problem,—it is an unemployment problem. I think that ninety per cent of all our trouble is the fact some of the people try to deal strictly on the basis of a social problem, and it is not,—it is a problem of unemployment, and if it was approached from that angle, I think this thing would be so,—there would never be any necessity to have a grievance from any organization. Our organization has always contended the most serious charge we have against the relief administration, either locally or in the State, is the fact it is necessary for the unemployed to have representatives. We feel that if the administration was fair and efficient and there wasn't so many different interpretations of the law, that it wouldn't be necessary for the unemployed to have a grievance committee, and the most serious charge that we have is that charge."

H-1 pages 105 & 106— HOUSER: "Mr. Legg indicated that the quota had been kept about the same during the year 1939, but that the WPA had funds available and a quota available to take care of about from five to seven thousand more people on WPA rolls than were actually taken care of due to lack of local sponsorship, and when we asked him what was meant by local sponsorship, he said, that included sponsorship by cities and by counties and by State Relief Administration. Now my

W-2-11—James Patterson, Monterey County Workers Alliance leader.
H-1-105—James B Reese, Administrative Assistant to SRA Administrator, Los Angeles.

question is, those positions were available on WPA jobs, why didn't the State Relief Administration do something about creating sponsorship projects?"

REESE: "Well, for lack of funds mainly, the primary responsibility for the sponsorship of projects is not on the State Relief Administration. In some instances it is good business for us to take the sponsorship of these projects over because by contribution to the WPA we are able to save a certain amount of relief funds."

W-11 page 240— McLAUGHLIN: "Until the last special session of the Legislature in February of this year, the State Relief Administration, as an organization to administer unemployment relief, deteriorated constantly, and that deterioration was due largely to the desire to put on to the administrative staff unnecessary and inexperienced people, and by merely a change in attitude at the Intake, which is all that is necessary, the same method of procedure could be used as was used in the prior administration, but if the attitude at Intake was changed and was relaxed as it was, it results in abnormal and unduly increased case loads."

Further:
W-11 page 240— WOLLENBERG: "You feel from your observation that there was a direct relaxing on the eligibility rules?" McLAUGHLIN: "There was, there was a relaxing of vigilance."

"Liberalization" and "the new philosophy" placed many thousands on the relief rolls with a consequent increase in costs

H-12 page 153— MRS DALEY: "Have you noticed any liberalization of the policies, budgets, and so forth, since you have been in the office over here that would lead you to believe that under the present administration that they were giving bigger and better budgets or care?"

PHILLIPS: "Yes, there has been a distinct liberalization in the time I have been here since last June."

HOUSER: "That has been a liberalization in the amounts of the budget and types of aid given?"

PHILLIPS: "Not in the amounts of the budget, that is stationary, that is fixed; but, in the—you might say in the excesses which are allowed, and possibly some of the medical care, and very much so in the matter of shoes.—We issued many many shoe orders here—and also in the—I believe in the types of cases that have been accepted. I believe there has been a liberalization in the class of cases that have been accepted. For instance, a case that was accepted now, previously would have been rejected."

W-11-240—Frank Y. McLaughlin, Director of Public Welfare Department, City and County of San Francisco, and former State SERA Administrator.
H-12-153—James H. Phillips, SRA employee, National City, San Diego County.

W-16 pages 370, 371, 372

WOLLENBERG: "Have you seen any evidence of any change in Alameda County in the general philosophy in the administration of relief, interpretations of eligibility, and so forth?" MRS. PITTO: "I think your whole concept of relief has been changing, both from the administration side, and from the relief recipient. I mean, when I first started in, the average person coming in was very unhappy, to say the least, in making application, and felt degraded to a certain extent; it was the general feeling. I know I had an East Oakland district when I first started with the Alameda County Charities and I happened to have a small, bright car, and they used to ask me to let them out a block away, so they could walk, and nobody would know they were going on relief. I mean, that is changed by the circumstances; I mean, relief itself is no longer on the old basis; it is a general problem and has been recognized as such." WOLLENBERG: "That has continued right on, that is, it has ever since you have been here?" MRS. PITTO: "It would be my feeling that the average person comes,—maybe not the average, but I guess it would be, at least the average person comes in, demanding or asking relief perfectly freely, as if it were their right, and within the last year or year and a half, or maybe longer, instead of the applicants more or less having to prove their eligibility, they do not have to prove it, but you, more or less, have to prove they aren't eligible."

Further:

WOLLENBERG: ". . . in other words, have you ever had the feeling it is not what the law is, or what the manual says, but it is rather certain definite social background and reasons that should govern in the cases?" MRS. PITTO: "No, not entirely that, because, I mean, your Manual, your rules for eligibility as such, but there is a difference if you come in and make application and you say, 'I am in need,'—then you have to establish absolutely how you are in need; it is just a slight difference in interpretation,—it is rather difficult to put into words,—your tendency has been to accept an application and it is up to you to establish whether or not the person is eligible, rather than that they aren't eligible if they applied."

H-3 pages 491, 492, 493, 494, 495, 496

FREDERICK F. HOUSER: "Did you find any change of policy and procedure evidenced immediately upon the change of administration, or was the identical policy continued over into the first part of the Anderson administration." MRS. COPLAND: "I think by and large the policy was continued. However, there was a policy of liberalization so that the

W-16-370—Mrs. Helen Pitto, SRA Social Worker, Oakland.
H-3-491—Mrs. Bernice G. Copland, former SRA Supervisor, Los Angeles.

people expected a liberal program and I think that may have led to a matter of duplication but I think at that time it was considered a liberalized program. However, there was a slight change in policy evidenced." HOUSER: "Was there much careful scrutiny to see whether they had been here 12 months or not?" MRS. COPLAND: "Yes, I think in Los Angeles that was carried out rather faithfully."

HOUSER: "This is relating back to the first part of ----" MRS. COPLAND: "The early days in 1939."

HOUSER: "Well, now, you spoke of this liberalization psychology, from where did that proceed, down through the whole organization— the liberalization policy?" MRS. COPLAND: "Yes, I think it did, and I think it is a little easy to understand, it did so in a rather informal and possibly insidious way, not carefully planned. But individual decisions were being given on cases of a client who might or might not be eligible and would not get in, refusing to accept the case workers' plan or the district's version of eligibility. Very often those cases were changed at headquarters and my point in it being insidious is that the next day or the next week or the next time such a case came up it could hardly be expected that that intake would hold tight on a policy, which on an individual case only a few days they had been reversed on, so I feel that it was a rather informal weakening of policy and one which possibly couldn't be measured and one which wasn't always evident."

HOUSER: "In other words, once you began to break down or relax in one case on the interpretation of the manual, why it was pretty hard to refuse aid to another person where that relaxation or liberalization had already taken place?" MRS. COPLAND: "Very definitely." HOUSER: "Well, now, as I understand it from your testimony, there wasn't—there was practically no change or very little change in the manual itself and there was no change in the statute, of course, at that time, but this was simply a psychological change or a loosening in the interpretation of the manual and the statutes" MRS. COPLAND: "That's true and occasionally on the specific case if we would write the state office for an answer or guidance on a particular problem the answer which, after all we should have been privileged to use as a precedent, which came back, would sometimes show a liberalization. There were no changes in the manual that I can think of off-hand which could be charged to a liberalized program, certainly no change in the statute."

HOUSER: "Do you think that with the same manual and the same statutes that there can be different interpretations placed on those same rules though?"

MRS. COPLAND: "Yes, I think that is possible. I think when you have as many people using any policy it is pretty hard to make a policy that fits well every case that comes up and it is pretty hard to get all people thinking exactly alike on all situations, when you get a daily variation in each situation."

HOUSER: "So that you think that with exactly the same manual regulations prevailing in or exactly the same laws prevailing that the same person with a different psychological approach could either tighten up or loosen up on intake?" MRS. COPLAND: "I think that might be somewhat possible. We always felt we guarded against that, of course, by the sort of supervision we had and by direct and close connection with the administration, field service, meetings, staff training and that sort of thing. I think that is as close as you can come to uniform procedure when we handle the number of workers that an SRA office handles."

HOUSER: "Well, did this liberalization continue to increase as time went on? For example, during the time that Mrs. Kilbourne and Mrs. Orrins were in?"

MRS. COPLAND: "Yes, I think that it could be said that it did." HOUSER: "Were there any written instructions at that time or was it again purely a matter of psychology?" MRS. COPLAND: "I think it was a matter of precedents. You see Mrs. Kilbourne would not have the authority to make manual changes, for instance, those came from the state office. Mrs. Kilbourne in her position would have the authority to make individual decisions on cases as they came to her attention." HOUSER: "Well, now, we have heard a good deal in the Legislature of the so-called new philosophy which was injected into the SRA during the early part of the Anderson administration. Can you tell us something about that so-called new philosophy? Have you ever heard of that?" MRS. COPLAND: "Well, yes, I have heard the phrase and seen it in quotation marks, all over the place. I can't say that I could define it and in my presence Mr. Plunkett was once asked to define his new philosophy, and he rather shrugged his shoulders and said he wasn't sure what it meant and he thought it was an unfortunate day when he had used the phrase."

HOUSER: "In what connection had he used that? Have you any idea?" MRS. COPLAND: "The only connections I knew in which he had used it were in the

dismissal or demotions of persons, when he told them that he felt with the 'new philosophy' that they possibly wouldn't gear into the administration and, therefore, changes were necessary."

W-11 page 206— LORE: "Then some time early in 1939 there was a definite change toward liberalization?" MRS. REINHARDT: "I think it was within our own office, and from the state office, both. It was very definitely a liberalization from both sources, a different philosophy."

M-1 page 133— MIXTER: "When you took over your duties—let's see, your duties include those of intake supervisor?" MISS MONTGOMERY: "Yes." MIXTER: "Were cases being accepted in which eligibility had not been established, so far as you know?" MISS MONTGOMERY: "I felt that there were cases that were accepted that eligibility was not established, yes."

M-1 page 135— Continuing: MIXTER: "Do you believe that all cases of eligibility are clearly established before they are confirmed or approved?" MISS MONTGOMERY: "Before we give them relief?" MIXTER: "Do you believe they are?" MISS MONTGOMERY: "No, I don't."

Inefficiency of the SRA has allowed "the case-load" to climb steadily with a resultant reduction in the amount available for each deserving unemployed person.

H-11 page 7-B— HOUSER: "Can you explain the increase in case-load in 1939 as compared with 1938?" HOERGER: "I am not directly in contact with the figures. We did have more activity than in 1938." HOUSER: "Have you heard some explanations given?" HOERGER: "I cannot agree that WPA layoffs are the full cause." HOUSER: "What do you think the other causes are?" HOERGER: "I think unquestionably the change in administration from Merriam to Olson caused a general feeling that there would be a liberal interpretation of relief." HOUSER: "So that borderline cases would be admitted to the rolls? You make the statement based on your long association with the organization?" HOERGER: "Yes."

Further: H-11 page 12— HOUSER: "The increase has been over 125%—how about that?" HOERGER: "I think undoubtedly there has been a loosening of interpretations and restrictions put on over what there used to be." HOUSER: "In other words, it is easier to get on?" HOERGER: "Definitely."

W-11-206—Mrs. Beryl Reinhardt, Intake Supervisor, Public Welfare Department, San Francisco.
M-1-133—Miss Dorothy Montgomery, SRA Case Supervisor, Stockton.
H-11-7B—Myron E. Hoerger, SRA employee, San Diego.

W-14 page 47— MRS. LYTLE: "Well, I think that we were given the very definite impression, in the early part of 1939, that the rigid following of rules of eligibility was not to be as rigid, and that we were to relax our rules of eligibility and give service to clients in many instances when the actual need, or the actual need for relief was not always there. However, I do not think that was true in this county, and it has not been true since I came to this county."

M-1 page 228— MRS. SMITH: "It's—there has been a growing attitude, after a case once becomes active, that once they are getting relief, that it's up to the case worker to prove them ineligible rather than for the client to prove himself eligible."

H-9 page 192— MRS. KENNEDY: "I think that we should have directors who know conditions in the county and who are able to analyze situations. If we have a family in verifying their employment, (and) it's a large family, and in private employment they make around $75.00 a month and their standard of living does not change from year to year then I don't believe that we should give them more while they're on relief than what they receive when they're in private employment. I don't believe in encouraging people to stay on relief."

H-4 page 681— HOUSER: "Do you think it has been any easier to get on the relief rolls during 1939 than it was before?" MRS. RETTIG: "I certainly do, much easier." HOUSER: "Well, how did they make it easier?" MRS. RETTIG: "Well, for instance, just take the single men that I talked about, and then you take the transients, transients were no longer forced to sign a statement that they would return to their legal residence. If they were forced to do that at the point of intake it automatically cuts out a great many of them, because they will refuse at that point, therefore no aid is ever set up."

H-7 page 9— FITZER: "When the new administration came in in January of 1939, and shortly thereafter, there was some change in the interpretation there, and we were less strict in demanding that a single man accept camp care or no relief. In other words, we accepted a greater proportion of them for residential care than we had during the preceding three, or four, or five months."

W-14-47—Mrs. Myrtle C. Lytle, SRA Social Service Supervisor, San Jose.
M-1-228—Mrs Maona Smith, Former SRA Supervisor, Stockton.
H-9-192—Mrs. Helen Kennedy, Ventura County SRA director.
H-4-681—Mrs. Marilla Rettig, SRA Case Worker, Pasadena.
H-7-9—William F. Fitzer, SRA Director, San Bernardino County, San Bernardino.

P-7 page 264— PHILLIPS: "It has been suggested in other hearings that it was—what shall I say, Mr. Lore—compulsory residence in the camp was not a social service viewpoint." LORE: "That is right. It was the social service division that changed the policy."

P-7 pages 260 & 261— WAKEFIELD: On January 5, 1939, there were 2,631 single men receiving camp relief, the cash dole, as we often speak of it. On February 15, 1939, a new policy was inaugurated making camp referables voluntary instead of mandatory, with some few exceptions. That is referred to on page 17 of the Resident Projects Report. As a result of that new policy one year later, on February 15, 1940, the number of single men on cash dole were 20,502, or practically 8 to 1 to what it was before that policy went into effect. That was the result of that policy, as far as single men on the cash dole is concerned, but it didn't have a great deal of effect on the camps. The approximate population of the camps on January 5, 1939 was 8,000—I don't have the exact figures—we had the figures before and after, but not on this particular date. On February 15, at the time the single men's dole was up to its peak of 20,502, the camp population of SRA men was only 7,187. While the single men's dole was increasing something over 600 per cent the camp population only decreased, probably as a result of that policy, about 800.

Federal and State administration policies have lured thousands of families into an army of needy migrants.

M-6 page 184— GIFFEN: "They (migrants) are coming simply because the movement started, not three or four years ago, as most people think, but years back, in 1923 and 1924 and their relatives have sent back; the relatives who are here have sent back attractive reports of conditions in California and this migration is going on, not for a few months, but it is going on for years to come and I think that the natural, normal solution is to go ahead and develop the State of California and take care of them. Now, in 1937 we had something over 700,000 acres of cotton in the San Joaquin Valley, because of the Federal reduction program in 1938 that was cut to 404,000. There was an actual reduction of over 300,000 acres of planted cotton in the State and that was the thing that caused the extremely acute situation that developed. There simply was more labor than any of us knew how to take care of. We are overrun every day but it seems to me the perfectly reasonable thing to do is for the State to ask that the allot-

P-7-260—Ralph J. Wakefield, SRA State Supervisor of Camps, Los Angeles.
M-6-184—Russell Giffen, Farmer, Mendota, Fresno County.

ments, the crop allotments that those people, or these people have left in their other states should be passed along and permit the State of California to at least plant a like number of acres under the Federal program and if that were done then I think that this situation would be behind us and most of the things that are troublesome now would take care of themselves."

M-2 page 39— HODGE: "Our board has been consistently opposed to giving direct relief to able-bodied men and women. It is only since Mr. Hunt became the director of the SRA that we have had an actual work-relief program and that is eminently satisfactory to the members of the board and I think to the public at large."

M-9 page 118— MIXTER: "Is the Committee to understand from the latter comment that you feel that the matter of relief to the needy worthy should be made less attractive than employment in private enterprise?" CAMP: "Yes, I should think it should be made available only as a necessity instead of as a vocation, as some people have come to look at it."

H-2 pages 239 & 240— WILSON: "Well, there are so many cases of that that it is hard to pick out any one because a lot of that is due to the fact of changing policies. A policy may be in effect one day and out the next. For instance, the question of identification for relief funds. That policy has been changed, oh, I don't know how many times. One card had all the physical description on and another card had none. Another card had male and female on it. And another card was used as a commissary card. There were a half a dozen different groups of cards instead of under a unified set-up having one card that was carefully thought out and followed through consistently, keeping in mind all the time all the things that you were driving at."

H-1 page 190— HAYHURST: "All I can say is if you take every bit of the surplus commodities from our schools, none of our students will go hungry. They never have, and I don't think they ever will."

Further: H-1 page 192— "And at all times in all conversations, we wanted it understood that this was not for needy students; it was not to build up a free lunch."

M-10 page 130— WATSON: "Do you feel that there should be a ceiling put on the budget for orphan children and blind and so forth when they run up so high?" RYAN:

M-2-39—Ernest H. Hodge, Tuolumne County Supervisor.
M-9-118—W. B. Camp, Bakersfield, Kern County, farmer.
H-2-239—A. M. Wilson, Paymaster, State Controller's Office, Los Angeles.
H-1-190—Norman T. Hayhurst, Principal, Herbert Hoover High School, Glendale.
M-10-130—R. L. Ryan, Director of Welfare, Tulare County, Visalia.

"Yes, I feel that some of those budgets are far more than the parent ever earned in his life. It seems to me that the way the standards are put down, maybe they are only the minimum standards of what is decent to maintain the American standard, but the point is, that California has liberalized relief, and that is doing nothing more than to direct this type of case to California, because they can get more here."

H-9 page 129— O'DAY: "Well, if we should then become very 'hard-boiled' about relief do you think that our unemployment problem would diminish?" PREISKER: "Well, I think it would drop down to a maximum of $2,000,000 a month."

P-1 pages 189 & 190— SERAFINO: "I am not defending the rate of spending in the Relief Administration that it has had in the past. I admit very frankly that expenditures could be curtailed; and I agree with most of the restrictions that were put in the bill (S. B. 81). I firmly believe they should have been put in earlier. That is my personal opinion."

H-11 pages 22, 23 & 24— GIGLIOTTI: "If the proper legislation were written this whole thing could be cleared up where the case-load will decrease. Since the last law there has been a decrease of 16,000 cases. A lot of people are going off the rolls who don't want to be investigated. While I was on the board as chairman, a story came out that there were a lot of chiselers receiving old age assistance. The following week I had someone tell me that 14 or 15 people came in and didn't cash their checks; that they were afraid of investigations. There should be periodical investigations to make it definitely understood that the state will take care of legitimate people in need. People are getting more on relief than they ever earned in their lives."

Further: HOUSER: "Do you think if the chiselers were taken off and those not willing to work, would it be cut down?" GIGLIOTTI: "Yes. Those who don't want to work and those with other resources. The load would be cut 30 to 40%. There is a group that has no business on there and don't need it and there is the group that wouldn't work any way if you found work for them."

Further: "I am a believer in social welfare so long as social welfare is honest and has integrity of purpose. There is a definite place in SRA for social welfare, but it

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H-9-129—C. L. Preisker, Chairman, Santa Barbara County Board of Supervisors.

P-1-189—E. A. Serafino, Chief Accounting Officer, SRA, Los Angeles.

H-11-22—Frank G. Gigliotti, former chairman State Welfare Board, San Diego

must be honest,—a disinterested function of administering assistance to needy people in California,—not the building up of a political organization, not the building up of unions,—not the taking of people who came from the same school or the same train of thought."

H-11 pages 24 & 25— GIGLIOTTI: "We must work out a program of rehabilitation. You have a number of farms that at one time were producing farms. There is sufficient water, and children could be taken care of. During my investigation on the relief commission I found 70,000 such farms now owned by the state for taxes,—not because they wouldn't produce, but the War came and there was no one left but the old people. (In Europe, under similar circumstances,) "The governments took these people and said we will give you so many acres of land. You are given it primarily to produce sufficient food for yourself and family. You pay no taxes for the first five years. The government will lend you enough money so you won't have to start paying back for five years. We will grant you so much money—the amount of money you would get on relief. We will grant you a full budget, the second year 40%, third year 30%. You have two years with no taxes or interest and you don't have to pay the money back you borrowed for five years. So many could be rehabilitated on that basis. With a good program of mental, physical and economic rehabilitation, I believe thousands of these families could be taken care of."

SECTION 2

"THE CLIENT"

In the psuedo-professional jargon of the SRA the unemployed citizen has become "the client." He, his wife and his children are "a case" and bear a number. A generous State has provided many millions to help him, but too much has been squandered on chiselers, needless job-holders, and fantastic theories of social uplift.

Senate Journal, Jan. 30, 1940, pages 41-52— Report by Edwin N. Atherton and Associates on State Relief Administration: "A dangerous condition indicated is the increasing number of people who think in terms of guaranteed support by the State; people who have lost pride and independence and demand they be permitted to live in idleness. Many may be termed 'Professional Reliefers' who successfully adopt every possible means of remaining on relief. Partly, if not largely at fault is the 'liberalizing' policy adopted by the SRA. Another factor is the failure of field workers to properly investigate cases; to the sympathetic attitude of many of these workers who aid ineligibles

in getting on and in continuing on relief; to the alleged policy of the SRA to increase case-load that increased personnel may follow and finally to the persuasive teaching and influence of the Workers Alliance."

Senate Journal, Feb. 6, 1940, page 137—

Report and Recommendations of the Legislative Committee of SRA Los Angeles Chapter No. 65, of the California State Employees' Association. "As regards the relief recipients—known as 'clients' of the SRA—it must first be stated that no differentiation is made because of citizenship, previous standard of living, race, color, or creed. All are supposedly treated alike.

"After years of daily contact with these people, we, as employees of the SRA, have made the following personal analysis of the clients:

"A. They fall into three nearly numerically equal groups:

"(a) Those undoubtedly deserving. This group consists of the very people the program was set up to help and THEY ARE NOT GETTING ENOUGH. Most of them fall into the white American small family group formerly of adequate means.

"(b) Those doubtfully deserving. This group contains many ignorant, semiskilled or laborer families who have always lived more or less precariously and their resources are extremely difficult to check. Furthermore, they are usually of larger than average families and their present 'dole' constitutes to them a 'security wage' comparable with past earnings.

"(c) Those undoubtedly NOT deserving to be supported by the American taxpayer. This group is composed of alien (or part alien) families (who constitute a very large percentage of the entire relief load), 'bums' both masculine and feminine, habitual drunkards and dope users, and just plain 'chiselers.' The average citizen must realize that while all the people on relief are by no means or in any sense PROFESSIONAL RELIEFERS, nevertheless, EVERY REAL 'BUM' IN CALIFORNIA IS ON RELIEF.

"B. Besides our own citizens (and aliens) we have been supporting or partially supporting citizens of other States of the Union, known as 'transients.' As is well known, these people have flocked to California by the tens of thousands since 1932. Once they get here, if they can remain in the State one year, no matter how, they become a permanent part of our relief clientele. In the meantime, we must arrange (if we can) to send them home, again partially or wholly at our taxpayers' expense. Many have been sent home only to return time and time again."

W-11 pages 155 &156— COOLEY: "The prognostications were that at the end of March we would have 119,000 cases in the State. At the end of March in the state we will have approximately 102,000."

Continuing: (giving reasons) "Number one was that we have an all-time high of production and a great deal of employment, as high employment as we have had since 1929, which provided more jobs for unemployed persons; number two was that the WPA has kept up its quota. The reductions have not taken effect yet. For instance, in San Francisco we have got about 12,700 people employed on WPA, and as long as that keeps up the SRA will go down. The third thing was this, that in California there was an earlier crop in agriculture than heretofore, caused by the heavy rains, which took people from the SRA rolls. The fourth thing, I think, was that the State took steps with regard to relief administration in line with the new bill, which reduced the intake and cut the cases. Then, in addition I think there were psychological reactions, as far as relief clients were concerned, in our intake districts, as a result of the 40 per cent and 30 per cent cuts and the provisions of the new bill and the publicity on it."

Further: "That is right. The average applications in San Francisco have been around 1,200 a week for the last three years. In March, for the first three weeks they have dropped down to about 800."

W-11 page 244— McLAUGHLIN: "The purpose of explaining this is this: If, when Senate Bill 81 was enacted into law, the State Relief Administration sat down and calmly looked the situation over, and projected their case-loads for the last half of February, and all of March, April and May, they would have encountered what they have actually encountered during the month of March, namely, a substantial reduction in case-load, and they would know that that case-load would be still further reduced by the normal, seasonal decline in April, and still further reduced in May. It is reasonable to suppose that, having projected the normal seasonable decline from February 15th to May 31st, they would not have said immediately that with a case-load of 114,500 they must reduce the payments by 40 per cent. I think that by the time we get around to May 15th the record will show that the normal seasonal decline in case-load would permit of practically no cuts at all in relief budgets."

W-11-155—Edwin J. Cooley, SRA Director, San Francisco County.
W-11-244—Frank Y. McLaughlin, Director Public Welfare Department, San Francisco.

H-1 pages 20 & 21— HOUSER: "Now, in your opinion, you haven't been able to account at all definitely for this looseness of intake here in Los Angeles County. Do you think it could have been due to a changed outlook on the part of the district case supervisors and the case aides and the case workers as to when and when not they should admit someone to the rolls, change in philosophy along that line?" REESE: "Just a very general statement, to be put in the form of a question. It might also have been in the lack of experience of certain people or the lack of certain supervision. We find that the matter of ineligibility here varies all the way from 2.2 per cent in the Harbor District Office which is better than any other place in the state, generally speaking, up to 12 per cent in the Hollywood District, which is very high."

Further: H-1 page 32— HOUSER: "Now, referring to this audit again, I find only 17% of the budgets could be verified as correct, doesn't that rather surprise you?" REESE: "It definitely did, yes." HOUSER: "How do you account for that?" REESE: "Well, it is accountable on the basis that the persons preparing the budgets didn't do an accurate job."

H-1 page 42— HOUSER: "So that in Los Angeles County during the week of—the week ending January 18th on the basis of the statistical reports from four districts which were sampled for this . . . . purpose, we find that approximately 75.5% of those making applications were admitted to the relief rolls, is that correct?"

Continuing: H-1 page 44— REESE: "That is correct. You might as well use the figures that are here. Now, the five weeks ending December 1938, 47 per cent accepted and 53 per cent rejected, and 1939, 65 per cent accepted and 35 per cent rejected."

H-1 page 91— HOUSER: "How long since you have made an audit of Los Angeles County, before this audit was made?" REESE: "I don't know, but it was over a year or two years ago."

H-1 page 11— REESE: "You will note in this letter that—this page here, that audits have been made in twenty-eight counties of the State and that the ineligibility averaged over a three year period of 3 2." HOUSER: "Well, would you say that this audit showed any need for improvement in Los Angeles County?" REESE: "It definitely showed a need for tightening up the intake."

H-1-20—James B. Reese, Administrative Assistant to SRA Administrator, Los Angeles.

H-1 page 33— REESE: "You will notice that most of the budgets in Los Angeles County were under-budgeted rather than over-budgeted. Thirty-three per cent were under budgeted while 2½% were over-budgeted, and then the various breakdown will show you on what item they were over or under. Of course, the major item is rent, 35% were under-budgeted for rent." O'DAY: "May I ask a question?" O'DAY: "Do you mean under-budgeted according to value, or according to the way the budget was set up?" REESE: "The clients were paying more rent than they were actually allowed."

H-2 pages 379 & 380— RYMARCZICK: "In the five years that I have been with SRA there have been audits made. And I imagine in some cases the audits were considered to be a rather good audit. I have never yet seen such an audit as I think a business, I mean, the State of California, would require of a series of 58 branch houses to see that the policy of the central office was being carried out according to their instructions. The social audit crew that used to exist did go out and make audits. They made audits of office procedure and so forth. But as an actual fact there are hardly two counties in California today who in procedure or in finance as far as they have anything to do with finance in the district offices, carry out all of their procedure and plans identically. One would have one standard of accuracy, one would have one standard of office procedure and another will have sometimes slightly different and sometimes different to a large degree."

M-6 page 260— LAWLER: "As I said, at that time the Department of Welfare showed a case-load of 678 cases." MIXTER: "Was that Fresno County?" LAWLER: "Fresno County. The SERA hadn't been in operation for three months before we had on our case-load over 5,378 cases which, with the average family, would make it well over 20,000 people in Fresno County that were in need of relief."

M-3 pages 59 & 60— CAPPS: "In March, 1938, 2 months prior to the opening of the SRA office in Modesto, there were 268 employable indigent families receiving aid from the welfare department. In May, 1938, 2 months later, when the SRA office opened, the welfare department transferred 38 employable families, indigent families; that is, that it had depreciated from 268 to 38 in that length of time, to the SRA office. Two months later, July,

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H-2-379—Lyal B. Rymarczick, SRA Accounting Department, Los Angeles.
M-6-260—Fred Lawler, SRA recipient, Fresno.
M-3-59—C. E. Capps, farmer, Salida, Stanislaus County.

1938, the SRA office had 365 indigent families and in March, 1939, the SRA had 1059 families. The relief rolls went up, the cases went up at the time when it looked to us like it should have gone down. The time when the farmer was doing work, it went from 38 to 365 families, in practically 2 months, at the time when the welfare was depleting the list, and as soon as it was turned over to the SRA office, no work was required, it increased." MIXTER: "Would you say that the receiving of direct relief through the SRA, for example, became more attractive for some people than their continuing in private employment for compensation?" CAPPS: "Most assuredly." MIXTER: "Do you feel that what took place in the period mentioned was largely the result of the policy adopted by the SRA of the State?" CAPPS: "Yes, sir."

M-3 page 69— MIXTER: "Would you be in a position to have an opinion that you could express as to the administration of relief, that is, the administration of so-called direct relief in a general way, as between the system now in use and the system that was employed a few years back when the counties had control of the administration of such relief?" FERGUSON: "I could give you figures that probably would express that. In 1937, the highest number of persons receiving employable assistance, for employables, that is, had work cards, was 360 in March. In March 1939 after the SRA came into the county, it was 1059, and this year, I believe the case load for SRA for February is 1209."

P-1 page 315— LANE: "Now, then, as I say, about a year ago or prior thereto, any family that we received permission to send to any other county or state, unless there was some extenuating circumstance, they were required to accept transportation and go or be stricken from the records. However, about a year ago it was changed that any family who had been here one day more than a year was welcome to remain. We sent them only if they wished to go. I can't give you any figures or percentage, but it is conceivable that a tremendous difference was made in the number of people that remained as against those that went, because, in other words, if they could manage by hook or crook, either on or off relief, to remain here for one day more than a year, whether they had residence or not, they were entitled to remain and receive aid."

M-3-69—Bessie Ferguson, Director Welfare Department, Stanislaus County, Modesto.

P-1-315—George Lane, Bureau of Accounting, Department of Finance, Los Angeles.

M-10 page 86— JOHNSON: "Since June 30th of last year, 1939, our office has returned 325 families to their home state."

H-10 page 7— O'DAY: "How do you account for the jump in case-load of 172 in January 1938 to 767 in January, 1940?" HOLMES: "I can't say. I am not sure of this statement, but I think we had a freeze."

W-12 pages 94 & 95— BROWN: "They have thirty days to qualify that person or determine whether he is eligible, or not. In other words, he can get away with about that amount of relief, if he is a chiseler, he can get away with thirty days on the State. If intake was more careful, and the qualifying of these people for eligibility,—I think that is where a big saving could be made." LORE: "How do you find the case workers generally through the State? Do you find them fairly competent investigators on this kind of work? I mean, in regard to opening cases and checking eligibility?" BROWN: "No, I think there's a great laxity there. They are lacking in observation, it seems to me, as I can clearly show by cases I have in my brief case for your observation, for you to look over. One case in particular, we have a man paying us $35.00 a month over in Hayward, where he is milking twenty-eight cows, and that cow barn of his is within about a half block,—just half way across the street, and if you can't smell cows half a block, there's something wrong with the case workers. That man got away with $1491.00. I think they practice too much theory. In fact, they are inserting social practices into a problem which is purely an unemployment program."

Relief became "so easy" it was an inducement to dishonesty and indolence.

H-12 page 54— WORCESTER: "There were two orders given the man right after the other, although he had been paid in advance, the first was a deductible grocery order and the second a non-deductible. This man received a deductible order and a week later he received a non-deductible order, which I had never heard before. I am quite certain he shouldn't have had them—at least my interpretation of our manual provisions was that he was not entitled to them, and I was a bonded person."

M-10-86—D. W. Johnson, SRA Case Worker, Visalia, Tulare County.
H-10-7—Ned Holmes, SRA Imperial County, Hopeville.
W-12-94—Tom Brown, Supervisor Auditor, State Controller's Office, San Francisco.
H-12-54—Mrs. Daisy Lee Worcester, SRA employee, San Diego.

H-11 page 10— HOERGER: "I had charge of the ERO's. I issued a written requisition, signed by the case-aide or case-worker and approved by the social service supervisor. They were referred to the budget department and it was the basis on which relief orders were issued. They had to have a certified budget in order to issue emergency orders. I felt it was a waste; that a large number of them could have been avoided. HOUSER: "In what respect?" HOERGER: "I felt a good many were issued merely on the statement of the client that they needed relief or without actual checking."

P-2 page 24— PHILLIPS: "How about the ERO's? Will you explain that?" GOOCH: "Oh, the ERO's; emergency relief orders. Now those orders are issued, and quite rightly, where an emergency arises and the people are destitute and have no money. But there is a very bad practice in so much that people have a habit of taking these ERO's to stores and then getting something else other than food and clothing,—liquor, for instance. And I have had several cases of that."

"The spot pay" method by which representatives of the Controller's office distribute relief checks to recipients protects the State.

W-12 pages 57 & 58— FALLON: "First thing, it gives us a closer contact with the people. It assures the Controller there is such a person existing, because we get a signed receipt from these warrants when paid through the spot pay system. It gives the SRA a last-minute check with the paymaster, and even during the payoff, if they receive information too late to get it into my office here, the day before pay day, it enables them to spot any warrants they wish to stop during the payoff and on the premises. The third thing, I don't think we have ever had a spot pay where we haven't had unclaimed warrants from the spot pays. Those warrants that are unclaimed from the spot pay, we hold them seven days after the pay day, and give a list to the SRA and give them seven days to give us a satisfactory disposition. If they do not give us disposition, they are automatically redeposited to the general fund. I have a report for the ninetieth fiscal year and the first six months of the ninety-first fiscal year. During that period we redeposited to the general fund SRA and unclaimed warrants, 23,948 of them, in the amount of $360,271.65."

H-11-10—Myron E. Hoerger, SRA employee, San Diego.
P-2-24—Capt. Donald A. Gooch, SRA Investigator, Los Angeles.
W-12-57—Joseph S. Fallon, Chief Paymaster, State Controller's Office, San Francisco.

Continuing: W-12 page 67— FIELD: "I am trying to get hold of some plan or get a suggestion that might impress upon these people that they are committing a crime if they sign (for a check) when they are not entitled to it." FALLON: "I think that would be the best place to impress upon them that what they really have to sign when they do get these warrants, is at the time the case-aide or the visitor makes the home call. It would only take a few minutes of her time to explain that, and what is expected of them, and what actually they are signing for." WOLLENBERG: "Also, at intake, when they first come in."

Further: W-12 pages 71 & 72— FALLON: "I will take, for example, Alameda County, District 3, for the pay day of March 15, 1940. We were presented with a certified claim from the SRA for 3,340 warrants, in the amount of $34,245.69. 168 warrants for the sum of $1,807.44 were canceled in my office the day before pay day, upon the request of SRA; the balance of 182 warrants in the amount of $1,584.41 were unclaimed from the spot pay." WOLLENBERG: "Now, of that total number, 108 people were completely silent on the subject of their warrants?" FALLON: "Yes." LORE: "On its face, therefore, that record indicates that 108 people, at least, out of the group didn't care to, or felt they didn't need their relief check on that pay day?" FALLON: "That is true."

W-11 page 159— LORE: "Are those people that just didn't come to pick up their checks, is that it?" COOLEY: "Yes, or people that we went to visit and they had moved and we were unable to locate them, or they notified us that—I think it would be mostly people that we visit and could not find, and then there would be some cases where they had refused to call for their checks."

M-6 page 195— CARDWELL: "We knew they were working and we knew they were getting relief. In the cotton picking time I had in the neighborhood of 20 choppers—I mean chopping time—that we were hauling out from Fresno, and I noticed about one day out of the week that we would have some new faces I was paying them every night and I got so I could recognize them. I said, 'What is the reason of these new men?' And one of the crew told me, 'Well some of the men had to lay off that day so they could get their relief checks.'" MIXTER: "That was how long ago?" CARDWELL: "That was last spring."

W-11-159—Edwin J. Cooley, SRA Director, San Francisco County.
M-6-195—J. H. Cardwell, farmer, Fresno.

M-3 page 43— CROW: "I have three or four specific cases where the man has been working, the way I understand it, the SRA pays off on the 14th and 18th of each month. Well, I have got data where those men have laid off those days and went down and drawed SRA checks and been working right along. Another case where a man was working right along and drawing his check and he quit the man when he was busy, right in his busy season, took a trip to New Mexico. Seems like he got money enough out of the SRA and what he was working for, he took a pleasure trip, went off down to New Mexico with it."

M-3 pages 50 & 51— MIXTER: "Do you know of any instances where any such relief being drawn in this county is also being drawn by members of the same family from any other additional county, any other county?" PARKS: "I had occasion in the case Mr. Crow was speaking about, had occasion with a deputy from the sheriff's office to go out and investigate some petit theft charges, and in fact we picked one of the people up, the son of one of the clients of the SRA, and during the time, why, this same party was—reports in they were selling shoes, flour, different things like that around. Well, it was a question—they were questionable characters. During the investigation I called the SRA office and asked them if this certain party was on relief and they said, 'Well, we can't give you information with regard to our clients.' I said, 'All right, I'll put it this way: Is it possible that any of your clients could have six or seven pairs of shoes or seven or eight sacks of flour at one time?' The gentleman that talked to me said, 'Yes, it might be possible.' And during the check-up with the young fellow that we had in the sheriff's office, it developed that part of the family was getting relief in Stockton and part was receiving relief here in Modesto." MIXTER: "Do you know if those same people are in Stanislaus County?" PARKS: "They are still here."

M-3 page 85— DAY: "I don't know just what I might be able to give you of a constructive nature, there, but I am firmly convinced myself that there is a great deal of undue, unjust chiseling, might we say, on relief. I think that people are taking advantage of the laws in a lot of respects. I feel personally it is not so much that the actual relief itself that is causing so much hardship upon the taxpayers, as it is the abuse of the set-up as it was intended for as being given." ASSEM-

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M-3-43—C. F. Crow, farmer, Denair, Stanislaus County.
M-3-50—R. E. Parks, business man and deputy sheriff, Hughson, Stanislaus County.
M-3-85—Roy M. Day, foreman 1939 Stanislaus County Grand Jury, Turlock.

BLYMAN PHILLIPS: "The way it operates?" DAY: "The way it operates, yes."

M-9 pages 179 & 180 — BROTHERS: "We have one man that has been known to relief since last August. When the home call visitor case-aide went to the home there were the man, woman and children in the home and they didn't have anything. Well, that man was eligible for relief after we established his eligibility and residence and so forth, and when the case-aide made the next home call she found out this man had some hogs in the back yard. She asked him who they belonged to; he said somebody else, another man that lived away some place, said he was just keeping them; the next time she goes out she found out he had one calf and a cow, and she asked him who that belonged to, and he said 'well Mr. So-and-so has gone back East and left them here for me to keep,' and when she made three or four home calls and this woman was never home, this man said she was over to a relative's to take care of a sick woman, or something that way; and after it was about six or seven months old it didn't look good to her so she gave it over to my department and I went out there to find out this woman has been working for a year and nine months straight in private employment making $50.00 a month, and in the meantime the husband has argued and told lies to the case-aide and all kinds of misrepresentation and she has been making an honest effort to find out. She told me she went out there at five o'clock in the morning to see where this lady worked, but couldn't find out, but she had been making a very earnest effort to find out. This afternoon when I visited the ranch he had 48 hogs, 3 cows and a calf, 3 men boarding there and six horses." MIXTER: "And he will still be drawing State aid?" BROTHERS: "He was drawing relief. He isn't now."

H-1 page 13— Report of Sam Houston Allen, November 15, 1939: "For those who feel we are unable to close cases because of the long period between home calls, our statistics prove that under ordinary conditions the greater number of cases are closed because of WPA work orders. And of the remainder over and above those who voluntarily furnish us with the closing information, the facts are brought to us by landlords, our rate taxpayers, employers, etc., and only a very small percentage of cases are closed as the result of case-workers making the scheduled home call of which the chiseler is forewarned."

M-9-179—William T. Brothers, SRA Investigator, Bakersfield.
H-1-13—Sam Houston Allen, former SRA Director, Los Angeles County.

H-9 page 78— PREISKER: "The controversy that we have had with the State Relief Administration has been that we attempted—they contended that we attempted to be too hard on the relief recipient. That our work wasn't suitable, that the people were sick, that they were—well, I don't know, but it was always some excuse or other, or else we were interfering with some of their state plans; with the result, as I say, we never were able to get more than about 65% at work and those that we did get to work were usually the deserving and those that didn't work were the chiselers and were the very ones that we were after. In other words, the state plan always favored the chiselers on relief."

Further: "We would eliminate these known chiselers. We have the records on them here, we know who they are. We would eliminate a certain percentage of them right away. They wouldn't enter our program, they wouldn't draw any kind of relief and those that are holding other jobs, we can find them. We have coordinators, we have men in the state reemployment service that are working right along with them, we know who the chiselers are in this county. But your state rules don't get them."

Additional examples of chiseling are to be found in P-2 pages 20 to 30, H-2 pages 212 to 219, and in W-11 pages 47 to 53.

Recovery of money improperly paid by the SRA to chiselers, or as over-payments to deserving recipients, is a difficult and nonproductive procedure.

W-15 pages 63 & 64— WOLLENBERG: "You said you had approximately five thousand odd cases, and you had $216,000.00 set up, and you had a total in your file somewhere from which you estimate 25,000 cases. Have you any idea how much the balance, the full 25,000 would be worth in round numbers, on your claims?"

BROWN: "It might total twice $216,000.00, or it might total one-third, due to the policing which has been done since this thing first started."

Relief recipients, in many cases, are known to have squandered money paid them by the State.

W-2 page 29— JACOBSEN: "Well, several criticisms have come to me on SRA from residents of the Seaside District. Out there it seems they have a Camp (Camp Ord) these

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H-9-78—C. L. Preisker, Chairman, Santa Barbara County Board of Supervisors.

W-12-94—Tom Brown, Supervisor Auditor, State Controller's Office, San Francisco.

W-2-29—Andrew B. Jacobsen, Chairman, Monterey County Board of Supervisors.

people come into town here and get thoroughly saturated with wine, and they are strung all along the road there, it has created quite a problem in our county."

M-6 page 171— MYER: "I can explain that to the extent that we cleaned out the jungles on several occasions and on one instance twenty-seven of them were brought before me. Out of the twenty-seven I dismissed eleven of them, sixteen of them I committed to Fresno County jail for a period of ten days. I gave the sheriff an opportunity to take the fingerprints and check them down and run them down. Every one of the sixteen, strange as it may seem, had a prior record of some kind, some for rape, some for selling liquor to minors."

W-16 page 80— LORE: "Of the 500 you may have received in a week of notices of overpayments can you give us a little description of what that constituted? They are not all chiselers, are they?" GJERDRUM: "No, they are not. That is true. Of course, they are not all chiselers. Lots of these overpayments are through laxity in the personnel."

Further:
W-16 page 90— "Of all the cases I have been on, in this particular area of the State, let us take the Adolph Linge case. I personally turned over to the SRA in Alameda County certain conditions that existed in the family which, without question, make him ineligible for relief. This man was able to purchase a brand new 1939 Oldsmobile sedan, paid $1180 for it. The monthly payments stipulated $30 per month It was found two or three times there were other sources of income in the family, during the period they were on relief. Mrs. Linge was able to take an airplane trip back East, which she did. Social worker was aware of this but neglected to make a note of it."

Examples of restitution showing lack of proper SRA investigation are to be found in W-15 pages 44 to 64, W-15 pages 73 to 92, and W-2 pages 81 and 82.

W-2 page 14— PATTERSON: "These landlords know how much rent is allowed; they also know the unemployed person who is on relief. A person comes to rent a house and says 'How much is it'. He says, 'are you on relief' and if the man says 'Yes,' he says 'Sixteen dollars'. It is a racket. The relief administration is paying rent on those shacks that they shouldn't allow a hog to live in and they are paying the maximum of rent which is $16 per month."

M-6-171—Judge Albert L. Myer, Justice of the Peace, Firebaugh, Fresno County.

W-17-80—Thor Gjerdrum, Special Representative State Controller's Office, Oakland.

W-2-14—James Patterson, Monterey County Workers Alliance leader.

Wasteful management and improper supervision has increased the cost of SRA camps and has deprived men in them of the full benefit for which money was supplied.

P-4 page 18— COMBES: "During the peak periods of the year when the camps were filled to capacity and were double-decked in some instances and consequently the overhead of the individual camps was reduced on a man month basis. The cost dropped as low as $20 per man per month."

P-4 page 17— PHILLIPS: "Well, you have a single man budget running around $18 per month as against thirty in the camps, or you say about $25 per month in the camps as against my thirty." COMBES: "That is right."

W-10 pages 5 & 6— VEST: "After the incoming administration got into the saddle the thought was implanted in the operation section that the social service angle would be the controlling factor. Great stress was laid on the treatment of the clients. Special direction was issued that a liberty party would operate from Hoot Gibson to San Francisco every other week." WOLLENBERG: "And you brought them down in a truck?" VEST: "This was a matter of two hundred miles, a round trip, for a truck and driver, the truck leaving the project Saturday morning early and returning Sunday night in time for the evening meal. A bridge toll charge for the passage of these men is included in the charges against the operations of the camp." WOLLENBERG: "Would all the men always come back?" VEST: "No. It can be safely said that about twenty-five per cent of the men going on one of these liberty parties would fail to be on the return truck,—they knowing that it was a very simple matter to check into the intake office in San Francisco and be assigned out to Sharps Park for distribution to some other camp. A general motto of the clients and one well followed is: 'Join the SRA and see California by truck.' There did not seem to be any control in the matter of clients. A man could be checked out or check himself out and present himself to an intake office for assignment to an intake camp."

W-15 page 158— ARATA: "We can take, say we take, right here at Sharps Park, we take twenty-five men here at night that come in there, and of course, you realize that our greatest problem in the camps is booze,—there is nothing at all to a thousand men paralyzed drunk in the camps, nothing at all. It is nothing at all to see hundreds of men strung along the roads for miles, out cold as ice, particularly around pay day.

P-4-18—W. J. Combes, SRA Deputy Chief Accounting Officer, Los Angeles.
W-10-5—W. C. Vest, former SRA Camp Superintendent, San Francisco.
W-15-158—A. F. Arata, former SRA Camp Superintendent, Crockett.

W-1 page 72— SPEARES: "There are several men who were taken back to the employ of the State of California and are in camps at the present time, who were absolutely fired for inefficiency under the Pomeroy administration,—who were fired for absolutely being drunk in camp, inciting riots and all that sort of thing. One man, whose name I can't recall, at Camp Los Posados near St. Helena, was fired for being drunk, and one night I was called and told to hurry to King's River, which isn't in operation now but was then,—on the 23d day of February, 1938; there was a riot, and told to go down and quell it, and when I went down there I found the whole camp in three sections and one sign was up saying 'Second and G Streets, Sacramento,' and a fellow from the Los Angeles group had a sign up 'Fifth and San Pedro,' and the other sign was 'Third and Howard Streets,' and they were all drunk,—the whole works,—the superintendent of the camp was drunk; all the administrative help in the camp were drunk,—everybody from the cooks on up."

From the Sacramento Union, Tues., Dec. 5, 1939, page 1, col. 5— "OLSON OFFERS WELCOME TO MIGRANTS

"Says State Has Room For All But Must Have Federal Aid

"By Millard Browne

"First big gun in a drive for a comprehensive federal program to rehabilitate migratory laborers was fired by Governor Olson last night as a 10-man congressional delegation was entertained at the annual banquet of the Sacramento chamber of commerce.

"'We're going to present to congress at the next session some very definite requests for federal action in helping California rehabilitate migrant laborers,' the governor declared in an address of welcome to the senate and house appropriations and military affairs committeemen who had arrived in three army transport planes for an inspection of the Sacramento army air depot.

"*Wants Federal Help*

"'California is ready to receive these migrants and help them in becoming self-sustaining and self-supporting citizens,' Olson told the congressional delegation and 500 chamber of commerce members in a banquet at Hotel Senator.

"'We have resources that will support many times our present population, but while we are assimilating these people we ask the federal government to give us aid.'" (The remainder of the article has no additional quotations from Governor Olson.)

W-1-72—Willard Speares, former SRA Camp Superintendent, Oakland.

M-6 page 187— STONE: "I omitted the fact that I considered the fact of fingerprinting these individuals one of the ways in which many of them could be kept out—could be kept out. It is my belief that many of the criminal class have immigrated, or migrated to California, and they could be picked up on the border and that furthermore, if it was known that they were to be fingerprinted at the border, that a great diminution in number of migrants would be noted. These people object very seriously to fingerprinting both from the standpoint of fear of detection of previous crimes, and also there is a superstitious dread of such a practice."

H-6 page 11— STANFIELD: "During certain seasons of the year there will be anywhere from 65 to 75 a day coming to California (through) Indio (in Riverside) county." O'DAY: "Has this condition prevailed for long?" STANFIELD: "For three or four years." O'DAY: "You think it should be handled by the federal government?" STANFIELD: "I do."

H-6 page 79— JONES: "Every county has its problem. Migratory labor comes in and works for 15 or 20¢ an hour—they come from Oklahoma and other places by the thousands every year—they go back five and six times and then they come back again."

M-7 page 33— WAGY: "Do you have any more migrants on your rolls today?" COSGRAVE: "Yes, there are quite a number of migrants, I should say. I couldn't tell you the exact percentage, I haven't gotten that far yet, but judging from the comparison of number of clients on our rolls now as of the year or two years ago, it would seem that more than sixty per cent." WAGY: "More than sixty per cent today are migrants?" COSGRAVE: "That is what I would say."

M-7 page 86— STONE: "If I may offer this as an exhibit for your attention. We have primarily shown on this map, drawn up by the State Chamber of Commerce, the places where all of the migrants are coming from. We have here the basis of wages that are paid here, yonder and there over the United States. Arkansas is paying an average of a dollar a day for farm labor. Texas is paying a dollar and a quarter. Oklahoma pays about a dollar forty-five. The United States averages about a dollar and a half and California pays two dollars and eighty cents."

M-6-187—Dr. Lee A. Stone, Madera County Health Officer, Madera.
H-6-11—Ralph W. Stanfield, Chairman Board of Supervisors, Riverside County.
H-6-79—James L. Jones, former Chairman, Workers Alliance, Beaumont-Banning.
M-7-33—Carlos Cosgrave, Madera County SRA Director, Madera.
M-7-86—Dr. Lee A. Stone, Madera County Health Officer, Madera.

Further: M-7 page 98— STONE: "I have got probably a dozen or two dozen of the letters that they write back to their people back east. 'Come on out. They tell you there ain't no jobs, but can make a durn sight more if you come out here and work, and then again there's plenty of relief.' I have copies of letters, not copies, they are originals, written, handwritten to me."

W-2 page 51— LEACH: "Our own assemblyman (Monterey County) phoned in yesterday, very irate, because he has found a rancher who has brought in seven carloads of people from Oklahoma and there are more coming."

M-6 page 129— WATSON: "These people that stay in your winter camps, do they draw relief checks? Do you know if any of them do?"

BRITTON: "Some of them do. There are some of them who have too much pride and they won't go on relief but there are quite a number who, during the winter months, or during the rainy season, when there isn't any work they do go on relief. I would say in the last year or two the majority of the transient help has gone on relief, yes."

Further: M-6 page 135— WATSON: "What I was getting at, these people, didn't they used to get along without the aid of the SRA and perhaps some of them stayed in camp there, made enough during picking season to tide them over?" BRITTON: "That is right. And in most cases if they needed help we would help them ourselves, but in the last two or three years there has been such a large volume of labor that it was just impossible for us to take care of all of them during those seasons." MIXTER: "I feel that we have more labor in the state than we can digest and if these people can't find work it is a Federal problem. I can't see why the State should continue taking care of thousands and thousands of people who are coming in here from other states when there just simply isn't work enough to go around, and as far as agitation goes, in every case that I know of it has been outside influences, and they could be traced back to subversive organizations."

M-10 page 86— JOHNSON: "Since June 30th of last year, 1939, our office has returned 325 families to their home state."

W-2-51—William H. Leach, County Welfare Director Monterey County, Salinas.
M-6-129—Vernon C. Britton, farmer, Firebaugh, Fresno County.
M-10-86—D. W. Johnson, SRA Case Worker, Visalia, Tulare County.

M-6 pages 124 & 125— O'NEILL: "In one case in particular, a family comes from Los Angeles every year to pick cotton. There are five or six grown-ups in the family and they get big checks. That is they get—I have seen them draw $125 a week or $150 a week and they stay there during the picking season, return to Los Angeles and after they are gone just a short time I get an inquiry from the Los Angeles relief agency for recommendation, or inquiry. I presume they go back there and go on relief."

"Red-tape" deprives workers of employment in private industry and on WPA projects.

M-6 page 163— PALOMARES: "Yes, sir. They furnish the employment office with a statement that that ranch is—that the people on it are on strike because they do not pay certain wages and on account of living conditions and this and that and the other. The employment service can not refer labor to that farm until the strike is lifted."

M-6 page 139— WATSON: "Did they promise any of these employees of yours relief if they would go on strike, that you know of?" STEINDORF: "Yes, they did They held meetings at night down at Los Deltas, which is a little community about an eighth of a mile from the camp and said that if they went on strike they would be given relief and asked them not to work until they would get their demand and that they would later—Lillian Monroe said that she would see that they all got on relief."

M-6 page 151— PALOMARES: "We can not go to the SRA and ask for help. We must ask through the State employment office who in turn, requisitions the relief agency. If they want to come they come and if they don't want to come they don't come. In the late years the question of wages has been quite prominent in the picture and many of them have been told that the wages that the farmers paid were not satisfactory; consequently, they are to stay on relief and they did stay on relief regardless. Yet, many of those who were on relief, rather than to be taken off of relief have taken private employment."

H-1 page 48— HOUSER: "Well, now, let's get back on this WPA 18 months' furlough. Which month would that add to the rolls? In other words, in which month was that mostly felt?" REESE: "I think it started—I'll have to refer back. September, October, November, and December we still get some."

M-6-124—Jack E. O'Neill, farmer, Fresno
M-6-163—Frank J. Palomares, Manager, Agricultural Labor Bureau, Fresno
M-6-139—A. M. Steindorf, farmer, Firebaugh, Fresno County.
M-6-151—Frank J Palomares, Manager, Agricultural Bureau, Fresno.

Continuing: H-1 pages 50 & 51— "The statement was made by a number of representatives of the State Relief Administration appearing before our Social Service and Welfare Committee at Sacramento that in their opinion a tremendous increase in case-load was largely attributable to WPA lay-offs, but they told us nothing about the fact in Sacramento that at the same time the WPA workers were being laid off and put on SRA, the WPA was taking on from the SRA rolls an equal number of people." HOUSER: "Do you personally attribute the great increase in SRA rolls to 18-month layoff?" REESE: "Perhaps there is too much emphasis placed on that one point. There is a number of factors involved."

P-2 page 57— SENATOR MAYO: "Now, did you take a corresponding number and replace them with eligible SRA certificates?" LEGG: "Yes, sir; we kept our quota at all times." MAYO: "If you had to certify 5000 WPA workers from the WPA payroll, due to this act of Congress, for 18 months, you immediately take 5000 additional persons from the SRA and replace them?" LEGG: "Yes, sir."

P-2 pages 47 & 48— LEGG: "Every public agency in Southern California is eligible to be a sponsor for projects, sewing rooms, storm drains, schoolhouses, and all different sorts of projects. We did not have enough projects eligible to employ the quota that had been assigned to us." WOLLENBERG: "That was in what period of time?" LEGG: "Well, it has been more aggravated in the last five months, and we have had a quota in seven or eight thousand in excess of the number we could employ, ranging down to about three thousand at the present time. Today we can employ three thousand more, only if we had enough projects."

SECTION 3

EMPLOYMENT

Although unemployment has been the major problem of the decade, the California State Employment Service—the agency for finding jobs for men and women—has been subordinated to dole-paying activities. No small part of the difficulty arises from the effort to coordinate the State service with a Federal plan which lays emphasis on relief rather than on putting men and women to work.

M-6 page 162— PALOMARES. "Another suggestion that I would like to make without any criticism of the local officers of the employment service, the trouble is with the employment service up in Sacramento, that it has got too

P-2-57—Herbert C. Legg, Administrator WPA for Southern California, Los Angeles.
M-6-162—Frank J. Palomares, Manager, Agricultural Labor Bureau, Fresno

many generals, lieutenant-generals, brigadiers, colonels, and lieutenant-colonels. Years ago when you had only ten offices in the State of California, agriculture used to get better service because there wasn't so much red tape."

M-5 pages 85, 86 & 87— MIXTER: "Have you any idea as to the causes of the difference in placements in those two years in these two fields?" MARSH: "Last year, of course, at practically the inception of the cotton harvest your strike situation occurred, and the orders, as we received them just as others received them I believe, with some exceptions, and we also received from the CIO agricultural workers' union notice of a labor dispute with these growers and in accordance with our bulletins, we had to stop providing men pending investigation. And here is what happened; by the time we investigated and had determined the existence of a labor dispute or not, the migratory worker had moved in and taken the jobs over and the jobs weren't available. Consequently, the placements were filled from other sources." MIXTER: "Then the migratory workers to whom you refer came in and made direct application?" MARSH: "Yes."

MIXTER: "For employment, to the grower?"

MARSH: "Yes" MIXTER: "And that, to a considerable degree would be the reason for it?" MARSH: "That is the total reason for it The harvest of cotton last year was just about the same as the previous year of '38, and not much difference in the labor demand."

MIXTER: "Do you have any instructions that forbid sending labor to places where strike conditions prevail?" MARSH: "That is correct. We have a bulletin to that effect that was issued as of July 7, 1939."

MIXTER: "You mean—" MARSH: "Bulletin 26 from the Department of Employment, the Unemployment Reserve Commission; this bulletin refers to a ruling by Secretary Perkins of the Department of Labor which at that time we were affiliated with, and a ruling from the United States Employment Service, of Section 21.12 which very definitely states that each employment office under its supervision shall refrain from referring any person to any position at any place of employment where there exists a labor dispute, and for the purpose of this rule, the term 'labor dispute' shall include any controversy concerning terms or conditions of employment concerning the organization or representation of persons, negotiating, fixing, maintaining, changing, or seeking to arrange terms or condition of employment, regardless of whether or not the

M-5-85—Willard Marsh, Manager, Department of Employment Office, Fresno.

dispute is then in the relationship of employer and employee. That is the clause we, of course, are still operating under."

Continuing: M-5 pages 87, 88, 89— "Our policies are all set up by the administrative headquarters and we handle the administrating as it is set up. However, I do believe that the strike regulation could be more definitely defined. Our feeling in the actual application is that it is so loose that sometimes we can not definitely find out whether there is a labor dispute or not because of the fact that the regulations state that the dispute does not have to be in the relationship of the employee to the employer. It may be a third party who has no direct relationship. That leads to the possible occurrence where an individual who desires to enter into a labor dispute with some employer, having no connection other than the desire, serves notice upon us and following our regulations, then we have for the time being at least, a labor dispute until we have investigated it. If this could be worded to state 'bonafide labor dispute directly between employer and employee' we would have a much more conclusive basis than we have at the present time. Secondly, in regard to referrals of workers on SRA on requisition from our office, I have no criticism with the local SRA because their cooperation has been splendid. However, the system itself lends to a lag in the actual separation in this point: Where you refer individuals, that individual, of course, may refuse the job and in the meantime the opening still exists in agriculture, and other workers then have to be referred to make up the deficiency. Sometimes that constant filling up the gap takes so much time that by the time you actually get enough referred the job has been filled by another source." MIXTER: "There is lots of lost motion there?" MARSH: "Yes. If there was only some way that could be expedited, whether it would be mass separation or what it would be—I don't know the answer—but I do know that occurs and I am also of the opinion that a good deal of the building up of our slowness in getting these workers to the jobs as they exist and the job being filled by outsiders And that pyramiding may be quite a reason for the heavy residual load, plus new workers coming in. In other words, I feel that we are going to have to develop some method of clearance that will be faster than it is at the present time."

M-10 page 56— MIXTER: "In the event that a complaint of this nature is registered or filed with you in your office, and under the operation of existing statutes, you are forbidden to supply any labor while the situation

M-10-56—I. D Fisher, Manager, Department of Employment office, Visalia, Tulare County

alleged in the complaint continues, what is the procedure by your office, do you report the circumstances to—" FISHER: "Headquarters." MIXTER: "The State headquarters at Sacramento?" FISHER: "Sacramento." MIXTER: "And are you permitted to, or do you make any investigation on your own account?" FISHER: "We make no investigation." MIXTER: "These investigations, if and when they are made, they are made by the State office?" FISHER: "I presume that to be true. At least this local field office has made none." WATSON: "Do you know whether the State office ever made any?" Fisher: "I know of none, Mr. Watson."

M-3 page 47— PARKS: "Last year at Patterson there was considerable labor agitation over there." MIXTER: "What was the nature of that, was it farm labor trouble or industrial?" PARKS: "It was mostly union, unionizing, Workers' Alliance, mostly caused by agitators; wasn't caused by workers The trouble was caused by fellows who wouldn't work if you would give them a job, they were just trying to create trouble to force the farmers into paying a larger wage than what was the going wage" MIXTER: "In your observation, was there any attempt on the part of these people, these agitators and others to whom you refer, to intimidate, coerce the farmers into paying wages at rates other than they were offering?" PARKS: "Yes, sir."

M-3 page 94— STOKES: "More or less in case of these meetings is all that I say, the Workers' Alliance meeting." MIXTER: "These meetings that you referred to, were they generally participated in by a few people who sought to build up a type of sentiment that might be calculated to produce dissatisfaction among people who were working?" STOKES: "Very much so."

Further: WAGY: "He was a member of that organization?"
M-3 page 96— STOKES: "Yes, sir. His name was Pat Patterson, and he is the ringleader of, as we might put it, the stink stirred up right here in this county." WAGY: "What was that name again?" STOKES: "Pat Patterson. He is a Livingston registered Communist."

W-13 page 5— WOLLENBERG: "You actually place people in private employment from this office?" PATERSON: "Very much so, yes, we do." WOLLENBERG: "How many have you placed?" PATERSON: "In what period?" WOLLENBERG: "In private employment." PATERSON: "In seven months?" WOLLENBERG: "In seven months, any period that you want." PATERSON: "I would say 70 to 75."

M-3-37—R. E. Parks, business man and deputy sheriff, Hughson, Stanislaus County.
M-3-94—Charles Stokes, former WPA worker, Modesto.
W-13-5—A. N. Paterson, SRA Director, San Mateo County, Redwood City

Continuing: W-13 page 7— LORE: "How many people have the California State Employment placed?" PATERSON: "Since I have been here there has been one lady that got, I think, between three and four hours' work at $.35 an hour, and they called her from Millbrae and sent her to Menlo Park, and she had to pay one bus fare transportation down to Menlo Park from Millbrae and return."

W-13 page 9— WOLLENBERG: "Then you do know that by attacking the thing properly you think the jobs can be found?" PATERSON: "I think the jobs can be found, yes, but I do not think these people that are out of jobs can attack it in that way."

W-11 pages 160 & 161— COOLEY: "We have in San Francisco a unique system. We maintain in the San Francisco employment service a former CSES placement officer, and then we have nine or ten relief clients there. The purpose of that project is to keep the SRA addresses up to date on clients, with their telephone numbers, and also to keep a proper occupational classification of them. Then this $80 administrative worker, her job is to contact the CSES placement officers and get preference in placements for relief clients, and thus in that way we get a constant stream of about 100 jobs a month for SRA relief clients. This project which we set up, which is manned mostly by relief clients, means simply that they just get their budget, or they work for it, and get 15 per cent additional. They are not administrative employees. There is only one administrative employee at $80 a month. The cost of the project is far exceeded by the money saved in getting 100 people off relief in a month."

Senate Journal Jan. 30, 1940, pages 41-52— Report by Edwin N. Atherton and Associates on State Relief Administration: "A Los Angeles informant says: 'When Allen came into power as Administrator of the Los Angeles County District, he abolished the 'Reemployment Division' which had a staff of about 20 men whose duties were placing relief clients in employment in private industries. These men were trained and influential citizens who were in touch with business concerns and factories. On September 1, 1939 Allen set up a 'Sales Department' in the Los Angeles SRA to replace the 'Reemployment Division' with a staff of about 35 inexperienced and incompetent employees.'"

W-14 pages 9 & 10— WOLLENBERG: "What success did you have when you were running your own placement department?" BLAKE: "Very good success, the reports will show that they made a great many placements and the at-

W-11-160—Edwin J Cooley, SRA Director, San Francisco County.
W-14-9—Frank J Blake, Director, Santa Clara County SRA, Santa Clara

titude and instructions of the Department of Employment show it. For instance, they had on their rolls about 5% relief clients. While we were cooperating with them or rather they were cooperating with us, our placements were 4%. Later in the summer, when that cooperation was withdrawn—I will say we still are very friendly and try to help each other as much as possible—that the mechanics that we had for cooperation were discontinued, the placements dropped to less than 1%, showing that it was our work in cooperation with them that was placing most of the relief clients in private employment here, because, when that work was withdrawn from their office, they were not able to further place the relief clients, it dropped from 4 to less than 1%."

W-2 page 49— LEACH: "One big thing that is needed in SRA, in SRA in Monterey County and other counties, is more help and work placement, both by the SRA staff and by the State employment agencies, nine times out of ten, your CSES will not recommend or send out a man on relief, feeling that the man who is not on relief stands a much better chance of doing the job. That is one of the causes of our unemployment problem, the actual placement of these people back in private industry."

W-12 page 103— WOLLENBERG: "Do you feel the placement officers of the SRA gathered very valuable and essential information?" BROWN: "And did effective work in placing people into work and taking them off relief,—I really do."

H-12 pages 56 & 57— O'DAY: "The social workers don't put on a real vigorous campaign to see that people go to work?" WORCESTER: "No, we have had a placement department for that. Every person who has applied for relief has had a full account of the employment history and employability of all members of the family turned over to the placement department, and a great many of our people have been placed. I think we placed them independently for a while, but the State Relief Administration told us that wasn't legal."

H-13 page 114— PLATT: "Why, yes, give us some placement people. Let us have a couple of people to go out and contact all of these people and try to place them. I think it would be a good thing to have SRA placement people to go out and contact these ranchers and packing houses and all that and see if we couldn't get the

W-2-49—William H. Leach, Welfare Director, Monterey County, Salinas.
W-12-103—Tom Brown, Supervisor Auditor, State Controller's office, San Francisco.
H-12-56—Mrs. Daisy Lee Worcester, SRA employee, San Diego.
H-13-114—Lawrence Platt, SRA Director, Orange County, Santa Ana.

people off our rolls and find employment for them. I really believe it, they'd pay for themselves 100 times over."

H-13 page 113— HOUSER: "As I understand it, you don't make any real effort at the present time to locate jobs for these people, you pass the word on if any word comes in to you, to the California Employment Service." PLATT: "Yes, sir." HOUSER: "But, you went further and said that the California Employment Service devotes most of its time to Social Security and not to getting jobs." PLATT: Yeah, that's true."

M-9 page 150— FRICK: "On this unemployment insurance, we do pay a portion of that, but we sometimes get men who have been employed industrially, and I have known of cases where they have drawn the unemployment insurance and also been employed steadily, all the work they wanted." WATSON: "You have personal knowledge of some cases of that sort?" FRICK: "Yes, well I have personal knowledge, it comes rather direct. Right in my own camp, and in one place I received the notice because he lived there, that they were contemplating paying him this insurance. I know that they contemplated paying him this insurance because I received notice of it."

H-5 page 26— O'DAY: "Do you think the Legislature should make it part of their business to attempt to see that these people are reemployed?" GRIER: "The reemployment service is that. They have devoted too much time to securing jobs for those who are here in California and ineligible for relief. If their whole activity were devoted to ridding relief rolls, their reemployment activities would be much better than they have operated in the past."

H-9 page 197— MRS. KENNEDY: "Mr. O'Day, I feel that when a family apply to us for relief they only come with one thought or one problem and that is unemployment. The only thing that can solve that problem is getting the person back into private employment."

SECTION 4

PERSONNEL

The SRA has been over-staffed, many executives and employees being untrained for their duties while experienced workers have been released or demoted to make places for political appointees. SRA social service workers have too little regard for the taxpayer's problem of paying increased relief costs.

M-9-150—Forrest Frick, farmer, Bakersfield.
H-5-26—C. E. Grier, Chairman Board of Supervisors, San Bernardino County.
H-9-197—Mrs. Helen Kennedy, SRA Director, Ventura County, Ventura.

Senate Journal, Jan. 30, 1940, pages 41-52—

Report by Edwin N. Atherton and Associates on State Relief Administration: "There is evidence indicating the breaking down of morale. This appears to be due largely to internal dissensions and jealousies; to constant changes in personnel and in policy; to the appointing in supervisorial and key positions of inexperienced persons, lacking the necessary qualifications to direct a business of the importance and magnitude of the SRA."

P-1 pages 111, 112 and 113—

PHILLIPS: "I am just bringing up as a matter of record that, although in April and May and June of last year there was constant discussion between the Senate and the Assembly and representatives of the State Relief Administration that it was absolutely necessary to cut the cost, that one thousand additional people were added to the administrative staff of the SRA in that time; and that in setting up this encumbrance of money there was no contemplation of reducing the load whatever." SERAFINO: "As to that, Senator, may I say again that that is not my function. In other words, that is not my responsibility." PHILLIPS: "I am not asking you about that. I am asking you: Is that a fact?" SERAFINO: "Well—" PHILLIPS: "You were at these conferences—many of them. You know what the discussion was." SERAFINO: "That is right." PHILLIPS: "I am not asking you as a matter of policy; I am asking you as a matter of fact. Isn't it a fact that the discussion through all those conferences was the necessity of keeping down the cost of the SRA?" SERAFINO: "That is right." PHILLIPS: "Then, also, that the constant repetition of the fact that the SRA Administrative cost was not only high but was rising?" SERAFINO: "That is right." PHILLIPS: "That is a fact. All right, isn't it a fact that the estimate you gave under this House Resolution 42 is the highest administrative cost in the monthly history of the SRA?" SERAFINO: "Not entirely right, Senator. I would say it is the highest payroll in the history of the SRA."

P-1 page 203—

SERAFINO: "I would like to indicate to you that the reason that this figure of salaries outstanding was so large during the month of February is this, that we file our budget statement as of February 1st." PHILLIPS: "You filed your budget statement with Mr. Richards. Is that right?" SERAFINO: "That is right, and—" . . . PHILLIPS: "You might say Mr. Richards was startled; am I right?" SERAFINO: "I don't know whether he was or not. I imagine he was."

P-1-111—E. A. Serafino, SRA Chief Accounting Officer, Los Angeles.

W-11 page 59— SPEARES: "There seems to be a big difference in this administration and the last administration in the way those men are handled. I have noticed there is a tendency on the part of this administration to create as many new administrative jobs as they can. In other words, there have been no restrictions. We haven't been held down."

Generally the SRA has been over-staffed with unqualified executives and employees.

H-6 page 88— HOUSER: "Do you think he (Mr. Berkowitz) is qualified?" MACK: "I don't think he is qualified at all." HOUSER: "To what do you think he owes his appointment?" MACK: "The same thing I did." HOUSER: "What was that?" MACK: "I was county manager for the Governor for Riverside county."

W-16 page 34— WOLLENBERG: "Other than the experience you have shown us as a man with a certain business and working experience and a man who apparently, as you have put it yourself and as Mr. Chambers has aptly put it, is 'an honest and forthright individual'—" GALLAGHER: "I hope so." WOLLENBERG: "—you have had no particular experience or qualifications for that type of work, is that correct?" GALLAGHER: "That is correct."

W-16 page 104— JOHNSON: "So that within eleven months after you first entered the service you had become the chief of the personnel division of this county office?" MISS LOUGHREY: "Yes," JOHNSON: "Who are the three people who work under you in personnel now?" MISS LOUGHREY: "Miss Maretta de Sallier. She is classified as intermediate stenographer-clerk. Mrs. Elizabeth Gallagher, classified as intermediate accounting clerk." JOHNSON: "That is Mr. Gallagher's daughter-in-law?" MISS LOUGHREY: "That's right. And Miss Amelia Scalzo, classified as junior stenographer-clerk."

W-9 page 47— WOLLENBERG: "Was there any period there that you might have felt that you were over-staffed?" COOLEY: "Yes. I was over-staffed in—I was over-staffed in this county during October, November. I was over-staffed in this county both professionally and clerically, to a very considerable extent. I had asked Alexander in writing on several occasions to tell the State office to reduce the staff to yardstick. He refused to do so because he didn't want to remove these political appointees."

W-11-59—Willard Speares, former SRA Camp Superintendent, Oakland.
H-6-88—Fred Mack, SRA Technical Field Director, Riverside.
W-16-104—Wilhelmine E. A. Loughrey, Senior Personnel Interviewer, Oakland.
W-9-47—Edwin J Cooley, SRA Director San Francisco County.

W-7 page 7— WOLLENBERG: "Do you know how many people are employed in the warehouse?" MISS McFADDEN: "Approximately 78, including truck drivers" WOLLENBERG: "How many stenographers were there in the place?" MISS McFADDEN: "There were seven including myself." WOLLENBERG: "And was there plenty of work for seven girls?" MISS McFADDEN: "No." WOLLENBERG: "What would you say about the volume of the work you had to do as a stenographer over there?" MISS McFADDEN: "The amount of work I had to do over there could have been done by a girl coming in half a day for three days a week."

Further: W-7 page 9— WOLLENBERG: "What about the men, aren't the other employees there busy all the time?" MISS McFADDEN: "No." WOLLENBERG: "And was there work there that they should be doing?" MISS McFADDEN: "There wasn't any work to do. They were willing to do the work, anxious to do the work, if it is there to do."

W-7 page 19— WOLLENBERG: "How many men were there around there in the administrative force; how many men and women?" KEITH: "At the inception, the starting of the warehouse, there was, I would say, around fifteen" WOLLENBERG: "That would include what type of help?" KEITH: "I did not include the garage in that,—around 35." WOLLENBERG: "Around 35, including all departments?" KEITH: "Including all departments." WOLLENBERG: "And that was what month?" KEITH: "That was in August." WOLLENBERG: "August, 1939?" KEITH: "Yes." WOLLENBERG: "And how many are there now, do you know?" KEITH: "To the best of my knowledge, about 78." WOLLENBERG: "And is there any increased work or duties requiring over double the number of men?" KEITH: "There is less work."

W-10 pages 3 & 4— VEST: "Then we had a traveling steward, a man of no experience at all as a cook. He took over the management of all the kitchens in the Northern Area." * * * "I fail to see why we needed him. I could say that this job, in my estimation, was superfluous for the simple reason we had a regular inspector from Camps Department who took up all departments and who would have taken this up when he came through." WOLLENBERG: "In fact, there were three regular inspectors on the Northern Area?" VEST: "That is, in the Northern Area." WOLLENBERG: "And in

W-7-7—Kathryn McFadden, former SRA Stenographer, San Francisco.
W-7-19—Hiram R. Keith, former SRA Associate Engineer, San Francisco.
W-10-3—W. C. Vest, former SRA Camp Superintendent, San Francisco.

addition to the three regular inspectors who had always been there and watched everything about the camps there appeared an inspector of cooks?" VEST: "Appeared an inspector of cooks." WOLLENBERG: "Any other inspector?" VEST: "Yes,—meat and vegetable inspectors, but did not co-operate at all times with the superintendent."

H-4 page 690— MRS. RETTIG: "Well, there were a great many new people put on, who made no bones about the fact that they were political appointees. We had an ambulatory receptionist, for instance, put out in each district. And our ambulatory receptionist didn't ambulate, so I don't know just why she had that name, but that was her name." HOUSER: "What do they do, these ambulatory receptionists?" MRS. RETTIG: "Well, ours stood behind the desk and took the name of the client for the purpose of finding out what they wanted—whether it was a new application or what. But in some districts I understood at the beginning they were just supposed to wander around and make the clients comfortable and happy. That was the original philosophy I was told." HOUSER: "And were they needed in your opinion, or were they superfluous?" MRS. RETTIG: "We lived for five years without them. And they are gone now and we are surviving."

Procedure in handling SRA personnel is complicated and inefficient.

W-9 page 45— WOLLENBERG: "Did you have any breakdown in employment procedure while Harry Miller was State Director of Personnel?" COOLEY: "Yes, a very serious one. For a period of three and a half to four months, or over, over a hundred employees or more in this county did not receive their pay-checks." WOLLENBERG: "Do you know the cause of that?" COOLEY: "It was the failure of the SRA State Personnel Division under Miller to follow through on the necessary mechanics to clear with the Personnel Board, the Division of Finance and our Payroll Division and accounting in Miller's office in order to get the warrants executed."

H-1 page 78— HOUSER: "But it was felt in addition to your district case supervisors and in addition to your office managers you needed a new appointee in each of these fourteen districts?"

REESE: "Yes. And also for the fact that it was planned or under our present administration were

H-4-690—Mrs. Marilla Rettig, SRA Case Worker, Pasadena.
W-9-45—Edwin J. Cooley, SRA Director, San Francisco County.
H-1-78—James B. Reese, Administrative Assistant to SRA Administrator, Los Angeles.

putting more responsibility on to the district offices than previously had in breaking down the centralized control which doesn't always result in efficient operation."

W-7 page 24— KEITH: "It was taken by Mr. Crossen and Walter Mall and someone else,—men that weren't qualified at all to take an inventory, due to the fact that they didn't—couldn't discern or discriminate between the different articles. They didn't know the trade names of them."

W-10 page 2— VEST: "After the incoming administration, during 1939, assistant superintendents were appointed to camps; men of absolutely no experience in that line of work."

W-1 page 30— SPEARES: "His men (Serafino's) that came were men who were thoroughly familiar with what they were doing; in other words, there was no trouble whatsoever in taking the record. The men that were sent to Camp Stockton after the 15th of September when I started there this last year—1939. The record which they took wouldn't have been worth anything at all if it had been left up to them to take it. In other words, they didn't know the nomenclature of anything they were taking. They didn't know anything. They had to get out a rule and measure every stick of lumber—they couldn't tell if they were undercharging a desk."

Many women whose husbands are employed hold SRA positions.

H-7 page 87— HOUSER: "There are about 30 out of this local office, out of the 114, whose respective husbands or wives are employed by some public body?" EVERETTS: "Well, public or commercial." HOUSER: "And you think that when the lay-off is made that the married spouses ought to be laid off first?" EVERETTS: "I think so, yes, sir; I don't see why not."

M-5 page 94— MRS. HUGHES: "Well, I might say this: that in speaking on the observations I have made, I have been quite opposed to the practice of so many married women being employed in the SRA due to the fact that that is a relief program and these women have a substantial income from their husbands and still they are employed in positions that are of much interest. That might be one."

W-7-24—Hiram R. Keith, former SRA Associate Engineer, San Francisco.
W-10-2—W. C. Vest, former SRA Camp Superintendent, San Francisco.
W-1-30—Willard Speares, former SRA Camp Superintendent, Oakland.
H-7-87—Howard C. Everetts, WPA employee, San Bernardino.
M-5-94—Mrs. O. S. Hughes, housewife, Fresno.

H-9 page 69— O'DAY: "And even though you discharged these people, why you retained these other women whose husbands are working. Now, for instance, Mrs. Paul, her husband is the manager of the Gallenkamp Shoe Store here, and Mrs. Stowell, whose husband is a member of the Santa Barbara Police Department."

Evaluations of employees' services are ignored in handling the SRA staff.

H-10 page 41— HOUSER: "Was there any definite procedure followed in the layoff?" MRS. WORCESTER: "Most of the layoffs were of people with the highest evaluations; none from the lower group." HOUSER: "What was the reason for it?" MRS. WORCESTER: "Mr. Roe felt very strongly about these people put on since he had been put on the staff. Many single people are going to be laid off. The people on the staff a few months can not be as competent. Mr. Roe said not one of his people would be laid off." HOUSER: "Are his people all Democrats?" MRS. WORCESTER: "He said his people would not be laid off. Some of these people are good, although they are recent additions to the staff; some ought to be retained."

M-6 page 285— MIXTER: "Will you state briefly to the committee what you desire to present at this time." FORS: "Well, just in connection with the laying off. I read in the paper that the lay-offs were based on seniority. However, I know that was not so and I personally believe it wasn't based on efficiency."

H-12 pages 38 & 39— HOUSER: "And what was the basis for laying these people off, do you know?" MRS. SHIRLEY: "No, I really don't, I am at a loss to know because not only I but many of the most efficient people who worked for me were laid off. I do know one-fourth of the staff, who had lower evaluations, have not been laid off, they are also the least experienced people. I know they weren't made on efficiency. I have here a letter,—It's a lay-off letter of one of the women who worked for me. and I think it will be interesting—and, by the way, I am a union member, and she was not a union member, she was however a very good worker, and I gave her an evaluation of 89 per cent. She asks Mrs. Worcester to give her—since she wasn't given a copy of her evaluation—to give her a copy of what her evaluation was. And there is Mrs. Worcester's statement as to what it was. She is a person experienced in social work and had a very fine attitude toward clients, and was an efficient person. Then on March 22 she received this

H-10-41—Mrs. Daisy Lee Worcester, SRA employee, San Diego.
M-6-285—Alvin Fors, former SRA Case Aide, Fresno.
H-12-38—Mary Mercedes Shirley, former SRA employee, San Diego.

letter. As you will notice here, the evaluation that I gave her was 89 'Your over-all efficiency rating as a case worker is .778; seniority rating is 2 points; grand total .788. We wish at this time to thank you'—and so forth. There is that letter." HOUSER: "When was that? What is the date of that letter?" MRS. SHIRLEY: "That's the 22d. She went into Mr. Roe on March 26, and asked Mr. Roe if she might be allowed to resign, since if she ever wanted to get employment anywhere else or return to school a letter of that kind would be very damaging. She asked if she might have the efficiency rating I gave her, and this is the letter she received: 'Dear Mrs. Davis: We regretfully accept your resignation from our staff effective March 23, 1940. Your over-all efficiency rating is 89 points with 2 points for seniority making a total of 91 points as a case-worker."

P-1 page 271— PHILLIPS: "What grounds were given when you were separated?" DUNKELBERGER: "Economy reasons. In other words, because the relief bill was only twelve million two hundred, that they had to cut on account of economy reasons, and then they put two men in my position, after they fired me, three days later. That is economy; that is what we mean by this report, and it comes right down to it. In other words they transfer people around to hide them out some place."

H-3 page 540— HOUSER: "Did that go on to any great extent?" MRS. CRUICKSHANK: "Yes, there were quite a few of the evaluations that were changed." HOUSER: "What was the purpose of making those changes?" MRS. CRUICKSHANK: "First they picked out those that they thought should be in the upper five per cent, and then they just raised or lowered other percentages accordingly, so that they would fall in line." HOUSER: "In other words, whoever was running the office made up his mind, made up her mind as to who they wanted to go and who they wanted to stay, and only shuffled the evaluations around so as to meet their desires, is that it?" MRS. CRUICKSHANK: "I suppose it could be interpreted that way."

H-11 page 9— HOUSER: "In making evaluations, would you say being a SCMWA member had any influence?" HOERGER: "I would say yes." HOUSER: "A union member would be inclined to give a fellow member a higher evaluation?" HOERGER: "Yes, sir."

H-13 pages 128, 129 & 130— MISS THOMPSON: "According to Mrs. Alice Cox my rating in the Orange County Office was 93% and when

P-1-271—Jerry G. Dunkelberger, former SRA District Supervisor, Los Angeles.
H-3-540—Mrs. Merriby Cruickshank, SRA Case Supervisor, Los Angeles.
H-11-9—Myron E. Hoerger, SRA employee, San Diego.
H-13-128—Zelta Thompson, former SRA Clerk, Santa Ana.

the ratings came in from the State Office I was—the only intermediate—in the 5% bracket."

Continuing: "She called me over on March 15, and told me that Mr. Platt said that I was on the layoff list effective March 16, and she referred me to him and when I went in his office I asked him the reason for my dismissal and he said that he didn't have to give me one. I asked him if my seniority shouldn't count something and he said, 'There's no such damn thing as seniority.'" KUCHEL: "Did he say anything else to you?" MISS THOMPSON: "I asked him if my efficiency rating shouldn't count anything, I said that Mrs. Cox had told me that my efficiency rating was the highest of all of the intermediate clerks in the office, and he says, 'As far as those damned efficiency ratings are concerned,' he says, 'I'm changing those.'"

Political appointees of the SRA enjoy unusual privileges.

W-1 pages 61 & 62— SPEARES: "When I was on this relief job in the summer, relieved Mr. Amundsen, who is the superintendent of Camp El Dorado at Placerville. His assistant superintendent was Mr. Gordon See, who is a brother of Harry See who holds some political job with the State. Just what it is I don't know, but anyway he was not there. He appeared on the roll but he wasn't present. So I inquired from the men there as to where the assistant superintendent was and they said, 'Well, he doesn't come out to camp; he lives in town.' I said, 'How can he be assistant superintendent?' And they said, 'He says he was told when he was sent here they had some political job for him, but to come out every other day and sign the camp payroll,'—which he did. I called up Mr. Baumgartner, my chief, 182 Montgomery Street, and told him the story. He said, 'Bill, you are the superintendent, you certainly know how to run the camp.' So I sent for him and I informed him that he should stay in camp, and he said that he had been told when he was given the job he didn't have to stay in camp and his only job was pertaining to Saturday night and Sunday, when the men came in for week-ends, and it was his job to see that they were kept behaving themselves. I said, 'Why not leave that to the authorities in Placerville, when the men misbehave themselves?' He said, 'I'm a deputy sheriff.' Anyway, I made him stay in camp. But I only stayed there two weeks when I was sent to Hurleton, out of Oroville, as camp superintendent."

W-15 page 141— WOLLENBERG: "Now, in regard to the men who were signing the payroll up there at Camp Placer, did you have any men who were not in camp, but would

W-1-61—Willard Speares, former SRA Camp Superintendent, Oakland.
W-15-141—A. F. Arata, former SRA Superintendent, Crockett.

come up and just sign the payroll?" ARATA: "One, yes." WOLLENBERG: "There was one, and what was he on the payroll,—what was his title?" ARATA: "I believe his title was a watchman, I believe that was what they called him." WOLLENBERG: "What was he supposed to do?" ARATA: "He was the constable in the town of Auburn." WOLLENBERG: "How far from Auburn is the camp?" ARATA: "Twenty-three miles." WOLLENBERG: "When would he be in camp?" ARATA: "Well, he usually come up in the afternoon around three or four o'clock, signed the payroll one or twice a week, and that was the only time you would ever see him."

P-4 pages 69 & 70— PHILLIPS: "Did you have the same instructions from the director on him?" SERAFINO: "Yes, the director—the administrator approved advances to Voshell and also advances to Bamrick." PHILLIPS: "Well, I think it might be interesting for the record to show it, I wasn't looking for this. This just turned up accidentally; but it's very interesting that on August 23, 1939 Mr. Edward J. Bamrick started his career with an advance of $200 and that he had subsequent advances up to and including April 15, as shown by the ledger, that the unpaid balance, that is, the balance of money owed the revolving fund went as high as $335.35 on the 30th of December, but was reduced by taking both his pay checks for the 16th of February and the 7th of March which reduced his balance as of the 7th of March to $30.37, since when it has risen again to a present balance of $269.70 and that this treatment is an exemption from the regulations of the administrator."

W-13 pages 35 & 36— WOLLENBERG: "Are you employed by the SRA?" KEHOE: "Yes." WOLLENBERG: "Do you still maintain a real estate office in this county?" KEHOE: "I have an office but Mr. Diamond is the one that is conducting it, the one who was with me previous." WOLLENBERG: "Do you still maintain the office there or are you out of the business?" KEHOE: "Well, the office is still there." WOLLENBERG: "Are you associated in that business?" KEHOE: "Well, I am to a certain extent, yes, sir." WOLLENBERG: "Well, your answer is, 'Yes,' you are associated in the real estate business?" KEHOE: "In the Insurance."

P-3 page 40— BAUER: "The State of California allocates $5 a day by law to those boys. The boys of their own free will and accord here some time ago, before, if you please,

P-4-69—E. A. Serafino, SRA Chief Accounting Officer, Los Angeles.
W-13-35—James J. Kehoe, SRA Senior Interviewer, San Mateo.
P-3-40—Frederick Bauer, State Transportation Supervisor, Los Angeles.

any economy or streamlining was considered, offered voluntarily to cut their expenses and keep them down to $3 a day, which I am happy to state that they have done."

The foregoing, regarding the reduction being sanctioned in "free will and accord," is contradicted by the following:

P-4 page 47— SERAFINO: "Well, are you familiar, Mr. Heffner, with any agreement in the Transportation Division on a $3 a day basis instead of $5 a day basis?" HEFFNER: "No, the only thing that I know about that agreement was that two or three of the truck drivers who are really intelligent boys came over here and told me that they had been instructed that while they were on the road to only turn in their expenses at the basis of $3 a day." SERAFINO: "Instructed by whom?" HEFFNER: "Mr. Bauer."

Social service workers of the SRA disregard the taxpayer in their zeal to assist the relief recipient

H-2 page 205— WILSON: "There are about 40 per cent of the social service that are solicitous not only of the client, but of the taxpayer. About 60 per cent of them, and I use that figure because of a division in a particular district that I know of, I would say their sole interest is the welfare of the client."

Continuing: H-2 page 240— "Well, gentlemen, you have had testified here yesterday a means whereby the Social Service Division padded their rejections. Now, you perhaps wonder why that padding took place. Well, there was never any rule laid down in the yardstick that somebody didn't figure out some way to beat the yardstick, and your padding of your rejections and so on is just another way of adding to your required personnel."

W-12 pages 88 & 89— FALLON: "Well, my personal viewpoint would be the understanding of the Social Service Division, that we are actually spending money, instead of just figures on paper; we realize the value of the dollar, and every time they make a mistake or certify a wrong person to relief, they are spending the taxpayers' money,—the sooner they realize that, the longer our money will last. That has been my experience in my connections with some of the social service people. In fact, I have had some of them make statements they don't care anything about the money end; that's my job. They are merely interested in seeing the people get the amount of relief they are entitled to; they are not interested in the money end of it. I think, as long as they are

P-4-47—M. Heffner, SRA employee, Los Angeles.
H-2-205—A. M. Wilson, Paymaster, State Controller's office, Los Angeles.
W-12-88—Joseph S. Fallon, Chief Paymaster, State Controller's office, San Francisco.

distributing State funds, the case-aides should be interested in the dollar and cents point of view."

W-12 pages 97 & 98— BROWN: "I am always willing at all times to fully co-operate in all phases of the SRA, especially with the accounting division which, I think, should be given more consideration in determining really what is just and due the clients in conjunction with the social workers. In other words, the social workers have dominated the picture. The accounting end doesn't figure at all."

H-9 page 105— HOUSER: "You don't think that the State should employ a number of social workers to go around and discuss the marriage relationships of these people—" PREISKER: "I think that there is only one thing for them to discuss and that is, what the family needs to carry on a decent standard of living, to look into it to see whether there is another employable that should support them. I do believe in trained workers for the case work, but I believe we need a business man and not a social worker at the head of it, and I believe that the present thing that is wrong and the thing that has always been wrong with it is your relief commission. There's where we have struck our trouble, has been the relief commission and not the administrator."

M-8 pages 83, 85 & 86— MIXTER: "Mrs. Robinson, are you connected with the SRA in any way?" MRS. ROBINSON: "I am." MIXTER: "In what capacity?" MRS. ROBINSON: "Field—Technical Field Representative." MIXTER: "In what area?" MRS ROBINSON: "In the Seventh and Eighth Areas: Technical Field Representative, Seventh and Eighth Areas" MIXTER: "The committee has been led to believe that the Technical Field Representative for the Eighth Area was a Mr. McClintock. Had we erred in that understanding?" MRS. ROBINSON: "The areas have been so large and the case load so heavy I have been working in both areas coordinating with Mr. McClintock and Mrs. Jackson."

Further: MIXTER: "Are your duties or the carrying out of your duties necessarily always in conference with one or the other of these Technical Field Representatives of the two areas mentioned or sometimes carried on independently?" MRS. ROBINSON: "Not independently; with the State, possibly Mr. Chambers and and Mr. Mather, and then I bring back the interpretation of the laws to the others."

W-12-97—Tom Brown, Supervisor Auditor, State Controller's office, San Francisco.
H-9-105—C. L. Preisker, Santa Barbara County Supervisor.
M-8-83—Mrs. Margaret Robinson, SRA Technical Field Representative, Fresno

Continuing: WATSON: "What is your salary?" MRS. ROBINSON: "$260." WATSON: "You said that the State furnished you with a car?" MRS. ROBINSON: "Yes." WATSON: "What is the make of that car?" MRS. ROBINSON: "A Plymouth." WATSON: "Are you married now?" MRS. ROBINSON: "Yes, sir." WATSON: "Husband employed?" MRS. ROBINSON: "Yes, sir."

Additional: WATSON: "You are a secretary of the Democratic Central Committee, are you not?" MRS. ROBINSON: "I hold that title now." WATSON: "Do you receive any salary from that?" MRS. ROBINSON: "I don't." WATSON: "Do you do any politics on the side?" MRS. ROBINSON: "I don't. Not since this little bill was passed by your legislators I haven't participated in or attended a meeting."

SECTION 5

WASTE AND INEFFICIENCY

Study of the business methods and practices of SRA has developed an amazing record of duplication, "red-tape," waste and inefficiency.

W-11 page 244— McLAUGHLIN: "When Mr. Cooley appeared before the Board of Supervisors on March 6th he had a set of figures that showed there was only $2,425,000 available for direct relief payments."

W-11 page 245— Further: "Three days later that had been increased by almost $500,000, and it was $2,908,000 available. Three days later the figures I received from the office of the Director of Finance showed that the $2,908,000 became $3,021,000, and I have a letter in there from the State Relief Administration that shows that the total amount of money available for March, instead of being $4,200,000, is $4,500,000, and that the costs other than direct relief will not greatly exceed 20 per cent."

The SRA revolving fund demonstrates how SRA business has increased.

P-4 page 33— COMBES: "Going back to '36 and '37 I think the amount of the revolving fund was $15,000 at that time to the best of my recollection."
PHILLIPS: "What is the amount today?" COMBES: "The amount in the current revolving fund is $65,000 consisting of two sources. There was no provision in the $35,000,000 appropriation for a revolving fund and consequently we were permitted to continue to use the revolving fund which originally came from the 90th fiscal year consisting of $40,000 and we obtained a loan from the State Emergency Fund total-

W-11-244—Frank Y. McLaughlin, Director of Public Welfare Department, City and County of San Francisco.
P-4-33—W. J. Combes, SRA Deputy Chief Accounting Officer, Los Angeles.

ing $25,000 for this particular revolving fund and this revolving fund is exclusive of the one that was maintained for the food stamp distribution which is a new item just recently."

Further:
P-4 page 34— COMBES: "In addition to that then is the food stamp revolving fund which at the present time totals $275,000, $75,000 being for the North and $200,000 for the South." (The stamp fund has since been increased to $350,000.)

Advances to SRA employees accounts for the increased size of the revolving fund.

P-4 page 41— SERAFINO: "Before this bulletin went out we tried to keep a person's advance down below his salary and wherever possible is accumulated or a percentage of his accumulated salary. We generally tried to keep it within a half or three-quarters of his salary, is that right?" COMBES: "Yes." PHILLIPS: "Of his month's salary?" SERAFINO: "Of his month's salary." PHILLIPS: "But you weren't very successful?" SERAFINO: "No, we weren't very successful."

Absence of close control of SRA property is shown by testimony regarding inventories:

W-9 pages 8 & 9— COOLEY: "Decentralized accounting is a much more effective type of administration. Why we don't adopt it in all counties I don't know."

W-14 page 30— WOLLENBERG: "How do your inventories check out, are they all right, or is there a shortage shown at any time?" SCHUMANN: "Well, at the present time we are over and we have submitted that list to Serafino's office." WOLLENBERG: "In other words, you have more physical property on hand than you are charged with?" SCHUMANN: "That is right."

P-1 pages 6 & 7— PHILLIPS: "From 1936 to the present time in 1940 there has been no physical inventory taken?" SERAFINO: "No complete physical inventory. There have been periodical inventories taken at various times of various locations." PHILLIPS: "And in 1940, as of the moment, the value of the assets—the physical assets of the SRA are three and one-half million?" SERAFINO: "Approximately that." PHILLIPS: "What would you say they were four years ago?" SERAFINO: "Oh, I would say about half that figure."

P-4-41—E. A. Serafino, SRA Chief Accounting Officer, Los Angeles.
W-14-30—Louis Schumann, SRA Office Manager, Santa Clara County, San Jose.

H-7 pages 57 & 58— HOUSER: "Mr. Serafino testified before the Committee that there had not been any actual physical inventory taken for over three years." FITZER: "I cannot understand that because we have taken them ever since I can remember."

W-5 page 3— BLACK: "There were instances such as deliberate removal of tags, holding of State property in a private home, deliberately defacing State property, gross negligence in storing State property, where the location and manner of storing State property, where the location and manner of storing ruins the property and damages other private property, to be paid for out of relief funds."

W-6 page 11— BURNETT: "If articles were missing, which a number were from camps, apparently no effort was made to find them. It was a write-off. As far as I know there has never been an attempt to locate missing articles in camps."

P-7 page 356— WOLLENBERG: "Do you keep an inventory of those stores?" GRAY: "We have tried to. We never had a true inventory."

Further:
P-7 page 357— PHILLIPS: "When you signed the sheet was an inventory made, or a sheet laid before you and you just signed it?" GRAY: "I have never signed an inventory." WOLLENBERG: "Has one been presented to you for signature?" GRAY: "Yes; inventories have been taken and presented for signature, but I never signed one." WOLLENBERG: "Why haven't you signed one?" GRAY: "Because we never had a true physical inventory"

W-1 page 75— SPEARES: "You take those fellows who were paid to come around to inspect and take inventory of property for Mr. Serafino, they were the most laughable thing, —they come to your place, and they are simply being paid off because there wasn't any place to put them and they had to pay them off, and so they sent them to take inventory,—that is the thing that raises Cain with the morale and everything else."

W-12 pages 151 & 152— WOLLENBERG: "How often did you make those inventories?" LANTHEAUME: "Every three months." WOLLENBERG: "Do they balance, as to the equipment that had been purchased and assigned to the departments?" LANTHEAUME: "No they didn't." WOLLENBERG: "Recite to us the cases where

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H-7-57—William F. Fitzer, SRA Director San Bernardino County, San Bernardino.
W-5-3—John Black, former SRA employee, San Francisco.
P-7-356—Clifford C. Gray, SRA employee, Oakland.
W-1-75—Willard Speares, former SRA Camp Superintendent, Oakland.
W-12-151—Harold T. Lantheaume, former SRA Chief Timekeeper, San Francisco.

they didn't, —in what instance?" LANTHEAUME: "For instance, we had about twelve typewriters missing, and four or five desks, and numerous other equipment." WOLLENBERG: "Well, was there any effort made to determine where those typewriters might be, or the desks might be?" LANTHEAUME: "Well, I don't think there was." WOLLENBERG: "Do you mean, not by you or your department?" LANTHEAUME: "I mean, by my superiors." FIELD: "Did you report to your superiors the typewriters and desks were missing?" LANTHEAUME: "Yes." FIELD: "What did he say, —that is, Mr. Maitre?" LANTHEAUME: "Mr. Maitre says, I'll show you how to write off inventory', so he wrote it off." FIELD: "What do you mean by writing it off?" LANTHEAUME: "Which meant that he took, for instance, we might have a, —well, for instance, a oak file cabinet, with the number so-and-so,—so we tack a number on that, and that would be it."

Exactness of SRA records is placed in question by testimony heard by the committee.

W-12 page 124— WOLLENBERG: "You know there were changes made in the actual record, in that regard?" LANTHEAUME: "There was. As far as my records are concerned, that is, the timekeeping records, they still remained the same, as far as I know." WOLLENBERG: "And the changes were made in the cost accounting records?" LANTHEAUME: "In the accounting department records, the change was made."

W-15 pages 117 & 118— COOLEY: "I would like to say for the record, this San Francisco office of the SRA suffers deep embarrassment in this case, because of the inability of the administration to produce work order No. 1. I want to say further, for myself and for the staff, that I have examined on it, no one of them has been able to indicate what happened to work order No. 1. Assuming as I do assume, it was issued, for the rest of the case, it seems to me there is an adequate explanation on the record, even though we all may differ as to interpretations."

W-12 pages 213 & 214— WOLLENBERG: "This morning we had testimony from Mr. Lantheaume and Mr. Dewey Lee, the cost accountant, to the effect that in that project, there was work done on high chairs, that the actual cost of both labor and materials was so excessive, that the supervisor, Mr. Maitre, instructed them not to put either the time or the materials of record; that they had made it of record previous to his instructions and that when Mr. Maitre saw the record, that Mr.

Maitre, on inspection of this record, stated that that record should be changed; that the excessive cost that went into that record should be charged to general maintenance, and the record was changed. Mr. Lee testified he personally had changed and altered the record, in accordance with the instructions of his superior."

W-12 page 133— FIELD: "Now the actual cost of prevailing wages of cabinet men and carpenters,—and, you heard what Mr. Lee said, that prevailing wage would be around 80¢ to 90¢ an hour. If that were true, what would be your best recollection as to the actual cost to repair these two high chairs?" LEE: "Under prevailing wage?" FIELD: "Yes." LEE: "It would be around $190 to $200."

In selling salvage materials the SRA did not receive full value.

W-1 page 71— WOLLENBERG: "We had in the meeting at Los Angeles a statement from Mr. Serafino that they had gathered together a great deal of material in Camp Stockton and had a survey and then sold it as salvage material and worthless material, and I think they had gotten $30 for the whole lot." SPEARES: "Yes, I would like to have bought it for $150,—I was there when it was moved."

Purchase of supplies by the SRA may be a cumbersome process.

P-1 pages 88, 89 & 90— SERAFINO: "The original requisition for the purchase of those tomatoes came from our cannery unit —one of our co-op cannery units, and this unit had specified a certain type of tomatoes. I believe they were specified as Santa Clara Valley tomatoes. And they claimed that this was a superior canning tomato. My procurement department upon receiving the requisition immediately questioned whether that explanation was a reasonable one, and they doubted very much whether the purchase would ever even get through the State Bureau of Purchases, let alone our own procurement department. And there was quite an argument about it. However, the technical advisers in the co-op canning unit claimed from their own expert—supposedly expert knowledge that they knew what they were talking about." PHILLIPS: "Well, now, when you come in with this purchase order and you buy the material, who is responsible? Who has the final say as to whether an item should or should not be bought?" SERAFINO: "I would say that the Administrator has the final say. In other words, as head of the procurement office,—" PHIL-

W-12-133—Dewey J. Lee, former SRA employee, San Francisco.
W-1-71—Willard Speares, former SRA Camp Superintendent, Oakland.
P-1-88—E. A. Serafino, SRA Chief Accounting Officer, Los Angeles.

LIPS: "Do you mean to say that if you wanted to buy a hammer or a hundred tons of food and there was a question as to whether or not you needed them, it would have to go to Mr. Chambers?" SERAFINO: "Not necessarily to Mr. Chambers. I act in an advisory capacity to Mr. Chambers in that respect. PHILLIPS: But you say that you advised against these purchases, and still they were made." SERAFINO: "They were made for the reason that the technical experts in the canning unit convinced the Administrator that that purchase should have been made, over my objections."

P-1 pages 90 & 91— POULSON: "The day that I put out this information, when you gave us this statement, I went over to the purchasing agent and there was an order for $2200 worth of jam, and they had written to your office wondering why you were ordering jam when you were supposed to be having it manufactured." PHILLIPS: "What we are trying to get at is just where responsibility rests on this matter of purchases, and also why, say, the SRA puts out statements that the money is all gone and there isn't any money for these people who are on relief, and buys in $2200 worth of jam when they don't need it."

An indication of the volume of and difficulties with SRA purchases is also furnished by the following:

P-1 page 122— PHILLIPS: "Now, then, you have Item 4, purchase orders food for the camps, for which claims are not yet filed with the State Controller, $433,877.61. SERAFINO: "That may best be explained by telling you that we purchase for camp use approximately $150,000 a month in perishables alone, plus possibly another hundred thousand dollars in various other materials and supplies."

W-10 pages 4 & 5— W. C. VEST: "The question of the inspection and receipt of fresh fruits and vegetables and meats from the various vendors was always a troublesome item. The specifications under which a camp superintendent operates are those furnished from the main office, and in the case of fruits and vegetables provide that those products shall be U. S. No. 1, as far as the inspection and receipt was concerned. The receipts of these things were not up to standards. Complaints to the State Bureau of Purchases would meet with a rebuff, and instead of having the support of the Purchasing Department we would incur their enmity."

An indication of the variety of SRA expenditures is given by the following:

W-10-4—W. C. Vest, former SRA Camp Superintendent, San Francisco.

P-1 page 158— PHILLIPS: "You have even set up a $170,000 backlog for emergency orders for dental work."

P-1 page 218— SERAFINO: "Fifteen thousand dollars for telephone for the month of February. Now, that is ample to cover our needs, statewide, to our best estimates; and there is no doubt a certain amount of surplus in there that will never be expended. But we have got to have that. In other words, we have got to budget more than we intend to spend."

W-3 page 17— MORGAN: "They went to Mr. Harris to get some lumber, and it was shipped to Sacramento (from Santa Cruz in 1938) and the next day or two they shipped it back—over night the lumber came back within a mile of where they had bought it. We know, because Mr. Harris had his mark upon it, and they built the camp out of some of this lumber."

P-1 page 127— SERAFINO: "We spend approximately between twelve and fifteen thousand dollars a month on rentals, but I can tell you how many of those for previous months might not have been paid that are included in this figure; and the same for every other item that appears in that figure."

W-12 page 18— KENNEY: "There are approximately 300 existing leases as affecting the State Relief Administration in California; that includes leases for camps, leases for the surplus commodities, and if we get into food stamps, we will have both, and county administrative offices in the fifty-eight counties of the State."

The SRA spent $7650 for office space for a program rejected by the Legislature.

W-12 pages 19, 20, 21, 22, 23 & 24— WOLLENBERG: "What is paid for the area here?" (180 New Montgomery Street, San Francisco). KENNEY: "We are paying $1000 per month for this building for the third floor, and in addition, we are paying for our own janitor; we are receiving no utilities outside of water and lavatories." WOLLENBERG: "What about the garage?" KENNEY: "That is a separate lease." WOLLENBERG: "You have a separate lease on the garage?" KENNEY: "Yes, we have. It has nothing to do with this building at all. That lease is probably $150 or $175 per month." WOLLENBERG: "What area is covered over there?" KENNEY: "I don't remember the exact area." WOLLENBERG: "Is it the whole garage or the upper floor?" KENNEY: "Just a portion of the upper floor." FIELD: "What did it cost to fix up these

W-3-17—George A. Morgan, Supervisor, Santa Cruz County.
W-12-18—John M. Kenney, SRA Attorney, Oakland

offices?" KENNEY: "It cost approximately to fix up the second and this floor here, about $18,000 per floor, and on June 1st of last year we took over half of the fourth floor upstairs, in anticipation of the Richards program being enacted." FIELD: The production for use?" KENNEY: "The production for use, and all the other things that were programmed at that time, and this being a State office, and we had no thought at that time the State office would later be moved to Los Angeles, and we were rather crowded—" WOLLENBERG: "You mean, you had no thought in your mind?" KENNEY: "Well—" WOLLENBERG: "I mean, you don't know what was in the mind of any one else?" KENNEY: "Oh, no. In anticipation of the enlargement of the relief program, one-half of the fourth floor was taken over." WOLLENBERG: "That was on June 1st?" KENNEY: "June 1st, 1939, at the rental of $550 per month. The State office was moved to Los Angeles on October 1st 1939." WOLLENBERG: "The announcement of that move, do you remember when that was made?" KENNEY: "The announcement?" WOLLENBERG: "As a recall, it came from the Governor's office direct in Sacramento?" KENNEY: "The announcement I recall, I happened to be walking along the street and looking at a headline in the newspaper that said that Governor Olson states that the SRA office is to be moved to Los Angeles,—that was the first week in July of last year." WOLLENBERG: "Then you had entered, or the Administrator, or whoever the responsible party is, had taken over a half floor at the rate of $550 a little over a month prior to that?" KENNEY: "Yes. I myself, nor any one associated with me, knew there was any move contemplated at all. In fact, there was rumor the State office would be moved in toto to the Ferry Building, because of the ample facilities in the Ferry Building, and the vacant space caused by the State Chamber of Commerce having moved, and the proposition we would enjoy free rental there." FIELD: "Who was the man who authorized the rental of the fourth floor?" KENNEY: "The rental—" WOLLENBERG: "Who requisitioned it?" KENNEY: "Mr. Grant Friel,—he was the Acting Director of the Division of Operations, at that time." WOLLENBERG: "How much money was spent on that floor?" KENNEY: "ABOUT $6,000." WOLLENBERG: "In preparation of the State offices?" KENNEY: "That is right." WOLLENBERG: "What was done with the lease." KENNEY: "The lease was canceled as of September 30th, at midnight, 1939." FIELD: "Getting back to the fourth floor,

do I understand you paid $6,000,—it cost you $6,000 to get the fourth floor in shape?" KENNEY: "That is correct." FIELD: "In addition, you paid four months' rent at $550?" KENNEY: "That is correct." FIELD: "A total cost of about,—$8,200, to be exact?" KENNEY: "That is approximately correct." FIELD: "Isn't that assuming a lot on the part of the State Relief Administration, to take it for granted a certain program is going to be in effect and spend a lot of money on that assumption?" KENNEY: "Well, of course, that isn't for me to answer." FIELD: "What I was trying to ask,—who gave you orders, or who actually had the say to fixing up the fourth floor and running up more charges?" KENNEY: "It probably emanated from Mr. Friel; he was acting directly under Mr. Chambers, and I received instructions that Mr. Grant Friel was acting Director of Operations, as I indicated a few moments ago, the fourth floor was taken over because of a crowded personnel condition existing on the second and third floors, and also in anticipation of an enlargement of the program pursuant to the program which was being prepared at that time by the Governor's—" FIELD: "The Richards committee?" KENNEY: "The Richards committee,—that is correct." FIELD: "Do you think any one of the State relief had any idea what the Richards report would contain?" KENNEY: "No. Personally I don't know; I couldn't answer that question." FIELD: "Do you know any one in the administration that did?" KENNEY: "No, I do not."

P-1 page 53— SERAFINO: "This building at 155 Washington." PHILLIPS: "And how much did you actually spend? Around twenty thousand?" SERAFINO: "We spent about twenty thousand for alterations to the building."

W-7 pages 13 & 14— WOLLENBERG: "Now, in connection with Camp Natoma, did you have anything to do there with the construction of a warehouse?" KEITH: "Completely designed and built it." WOLLENBERG: "And that was a large warehouse, was it?" KEITH: "Yes. I would say around 30,000 square feet." WOLLENBERG: "And was it designed to be adequate to do warehousing for the Camps Department of the SRA in the Northern Area of the State?" KEITH: "Yes." WOLLENBERG: "How much was spent on that warehouse for construction, approximately?" KEITH: "Approximately $12,000." WOLLENBERG: "Was it ever used for the purpose for which it was built?" KEITH: "Not to my knowledge."

W-7-13—Hiram R. Keith, former SRA Associate Engineer, San Francisco.

P-1 pages 47 & 48— PHILLIPS: "Do you send somebody out from your department to look at the building?" SERAFINO: "On the major locations we do. In the past, however, we have only hit the major locations." PHILLIPS: "Generally speaking, outside of Los Angeles or San Francisco, you simply take the word of the local director?" SERAFINO: "That is right." * * * PHILLIPS: "And then you would transmit that request to the Department of Finance?" SERAFINO: "That is right." PHILLIPS: "Would the Department of Finance then make any check upon it?" SERAFINO: "They have the privilege, Senator, of making the check, and in certain instances they have. However, they generally follow the same policy that—" PHILLIPS: "Have you ever known your office to send, we will say, a teletype request to the Department of Finance for the approval of a lease and to get another teletype approval back that it is all right to take the lease?" SERAFINO: "That is done quite often, Senator." PHILLIPS: "That is the common procedure?" SERAFINO: "I think you are about right. That is about what we have been following." PHILLIPS: "Then, if we follow your trail backwards—that is, if we follow your statement backwards, we find that in practice the local director rents a building at his own desire and at his own rent?" SERAFINO: "Well, I don't know as I have a right to answer you to that or not." PHILLIPS: "Can you answer anything else?" SERAFINO: "I am afraid not."

Removal of SRA headquarters from San Francisco to Los Angeles was expensive.

P-1 page 62— PHILLIPS: "It cost around $50,000 to bring the personnel down. Did you include transportation in that?" SERAFINO: "That is right." PHILLIPS: "By what authority was that allowance paid? By what state law or state regulation?" SERAFINO: "As far as I know there is no authority for it, other than the administration's action." PHILLIPS: "Was it an order of the administration or was it passed upon by the State Relief Commissioner?" SERAFINO: "It was an order of the state administrator."

HOUSER: "You think they (E.R.O.'s) were given where not needed?" HOERGER: "Yes; I was told by relief clients they found it an advantage to demand EROs because the case would be opened quicker." HOUSER: "Did many demand who were not entitled to them?" HOERGER: "It happened quite often."

P-1-47—E. A. Serafino, SRA Chief Accounting Officer, Los Angeles.
P-1-62—Myron E. Hoerger, SRA employee, San Diego.

H-3 page 517— PHILLIPS: "We have one photostatic copy of an ERO issued for unpaid water assessments on clear property, on property which was farming property. . . . Now where is the emergency in the payment of an ERO in what amounts to back taxes on—" MRS. COPLAND: "I would say that that was an effort to make use of the ERO."

W-16 page 96— JOHNSON: "Isn't it also true where your case workers or people out in the field are lax in the original investigation, you have a heavy percentage of non-collectibles where overpayment is made?" GJERDRUM: "That is right." JOHNSON: "And even if the people cooperate in the administrative office it won't be much help unless the individual workers in making their periodic check-ups are imbued with the same spirit of cooperation?" GJERDRUM: "That is absolutely true. That's right."

M-6 page 243— WATSON: "Do you think these shoes that the SRA has been giving them were cheap shoes?" ANDERSON: "Unquestionably they were. As I understand it they merely give them a shoe order and they can go and buy them where they want to. In fact, I had one of our local merchants tell me not so long ago that a man came in to him and wanted to trade him two shoe orders for women's shoes that he had for a nice $6 pair of tan and white ones that he had in the window, men's shoes. There is no control over it. There is nothing you can do."

M-5 page 115— WATSON: "How would they decide as to how many sheets or pillow cases that a family should have? How would they decide that? The number that was in the family? MISS KEMPF: "That was left up to the case-aides." WATSON: "How many did you usually issue to a family?" MISS KEMPF: "Sometimes as high as six with request and sometimes more than that."

W-10 page 6— VEST: "The camp superintendent was directed to issue such necessary clothing as the man needed. This clothing had a small sales value, and under the social service set-up a man after leaving one project could dispose of that clothing and draw out necessary clothing to replace that he disposed of." WOLLENBERG: "And you know that a lot of clothing, shoes, and things like that, were sold right along?" VEST: "Yes, —even those branded not to be sold."

H-3-517—Mrs Bernice G. Copland, former SRA Supervisor, Los Angeles.
W-16-96—Thor Gjerdrum, Special Representative, State Controller's Office, Oakland.
M-6-243—C. J. Anderson, Executive Secretary, Fresno Community Chest, Fresno.
M-5-115—Miss Mary B. Kempf, former SRA employee, Fresno.
W-10-6—W. C Vest, former SRA Camp Superintendent, Oakland.

Paper-work, or "red-tape" procedure abounds in the SRA.

W-9 page 56— COOLEY: "Well, I think the thing that is basic with us as a need is a simplification of our paper work and better relations with the Comptroller. That is number one. . . . "Number two is, we haven't ever worked out satisfactorily the right kind of coordination between the SRA and WPA. The paper work moves too slowly. It doesn't come over fast enough and our paper work doesn't get over there fast enough and we are not close enough together in our paper work. That is the main trouble."

H-2 pages 346, 347 & 373— RYMARCZICK: "In other words, by the time you get through running a check that has been written and delivered to the paymaster and carried out in the field for delivery and returned, transferred to social service for disposition, returned to the paymaster, cancelled and sent back to Sacramento for redeposit, it costs approximately the same amount. We usually estimate around 75 cents."

Further: "At the present time, there are about 5000 or 6000 checks being cancelled in the Los Angeles office." (each month) "The amount of waste that is involved in the administration of relief, it runs into hundreds of thousands and possibly larger sums than that in the course of a year."

W-2 page 38— LEACH: "To send a single man to a camp there are 14 forms to be made, four or five people have to go over them and sign them. I think that could be done away with."

W-16 pages 188 & 189— LORE: "There has been testimony, not only in this county yesterday, but in several counties we have been in, of overworked SRA employees, of long hours to do the work, many hours overtime in order to keep up with the work." THOMPSON: "Yes, I talked with one out here in the corridor yesterday who gave me a story about an error made by the case-aide and how many people it went on up through until it got to the higher-uppers, then the error was passed all the way back down through all the hands, and it was just a little error—and then it was fixed. And I think some of those separated from the service will give you a pretty good idea where the 'red tape' tangle messes SRA up. I think they will back me up in my statement, and if the administrative tangle of 'red tape' given them is finally cut it would be 2.25

W-9-56—Edwin J. Cooley, SRA Director San Francisco County, San Francisco.
H-2-346—Lyal B. Rymarczick, SRA employee, Los Angeles.
W-2-38—William M. Leach, County Welfare Director of Monterey County, Salinas.
W-16-188—S. H. Thompson, Director of Charities, Alameda County, Oakland.

instead of maybe 4%. I don't claim we have any particular abilities, but we do get quick decisions and quick answers on legal decisions on all questions without holding up two days' work and without the encumbering tie-ups of the State office O K."

Transportation of SRA supplies is an extensive, statewide enterprise.

P-3 pages 18, 27 & 28— PHILLIPS: "How many trucks does the State of California—or that are operated by the State Relief Administration?" BAUER: "I would say approximately 335. I may be a little off." PHILLIPS: "All right. Now, in addition to the present trucks, how many trucks does the State rent?" BAUER: "We have on rent 20 and 16. That's 36. When I say rental, it's purchase rental."

P-3 pages 32 & 33— FIELD: "You mean to tell me that the SRA or the State would rent trucks for $150, a small Ford truck, for 4,000 miles minimum mileage and 5 cents a mile after 4,000, you pay all the upkeep, the driver, the gas, oil, and they don't even furnish the insurance?" BAUER: "That's correct. That's my understanding."

W-7 page 4— WOLLENBERG: "How many State trucks would you guess were standing idle day in and day out—standing idle around the yard there?" MISS McFADDEN: "I would say at least five, possibly more." WOLLENBERG: "During that time the rented trucks were in operation?" MISS McFADDEN: "Yes, sir." WOLLENBERG: "Do you know whether or not those idle State trucks were in good repair, able to run?" MISS McFADDEN: "They were apparently operated up until the day the rented trucks came in and then immediately parked in the yard and left."

W-15 page 126— WOLLENBERG: "A ton and a half truck would take a dollar and fifty cents' worth of groceries for a 300 mile ride, is that right?" ARATA: "Yes."

Further: W-15 pages 127 & 128— WOLLENBERG: "These trucks that run—do you know a driver named Quinn, Tom Quinn?" ARATA: "Yes, I know him." WOLLENBERG: "Do you know anything about a delivery he made from Oakland to Los Angeles around Christmas?" ARATA: "Well, he told me about it, yes" WOLLENBERG: "What did he say, what was the delivery he made?" ARATA: "Well, he delivered a six-bit Christmas tree from Oakland to Los Angeles." WOLLENBERG: "Was there anything else on the truck?" FIELD: "A seventy-five cent Christmas tree, from Oakland to

P-3-18—Frederick Bauer, State Transportation Supervisor, SRA, Los Angeles
W-7-4—Kathryn McFadden, former SRA employee, San Francisco.
W-15-126—A. F. Arata, former SRA Camp Superintendent, Crockett.

Los Angeles?" ARATA: "Yes." WOLLENBERG: "And what year was that?" ARATA: "It was sometime in 1938." WOLLENBERG: "In the Christmas of 1938; when was it?" ARATA: "Well, I am not positive; it was a week before Christmas—it may have been 1937 or '38." WOLLENBERG: "But the Oakland warehouse wasn't open then?" ARATA: "Oh, yes. They had the warehouse in Oakland for years, but not the warehouse they have now." WOLLENBERG: "He drove a 1½ ton truck with a seventy-five cent Christmas tree—what did the truck bring back." ARATA: "Nothing."

Further:
W-15 page 149— ARATA: "Well, usually, if the truck driver wants to have his truck greased, he'll go into the service station and have it serviced and greased there." WOLLENBERG: "The greasing isn't done in the camps by the driver?" ARATA: "No, you see they have no way of paying. Some of the larger camps, like Natoma and Sharps Park, would have a man to grease, but you take the smaller camps—they go into the service station and have the service station attendant grease the truck. The only way he can pay him for the job is by charging it out in gasoline; that's the way they do." WOLLENBERG: "Do they do the same thing in repairing tires, and changing tires?" ARATA: "Yes."

P-1 pages 285 & 286— DUNKELBERGER: "In other words, they deliver on an average of about a hundred or a hundred and fifty pounds of commodities to each school and made about five stops. But we were operating under the basis down there, which our superior told us: the minute we received an order, to make a delivery, regardless of whether it was a hundred pounds or fifty pounds. And in one instance, why, we ran a truck into Baldwin Park out here four times in one day with about a hundred pounds on it each trip That is one reason why your trucking costs are going up."

W-7 page 10— WOLLENBERG: "Do you know any other instances of Mr. Dunne's having financial transactions with other employees?" MISS McFADDEN: "Yes. He dispatched a State car to Madera and back, and this man picked up postal savings of his own and they were loaned or transferred to Mr. Dunne in amount of $100."

W-11 page 197— MISS DOUGLAS: "There is one thing I don't want to forget. You see, SRA was going to sponsor the project and the county was its co-sponsor, which meant the county would spend about $4,500. When Miss Porter was placed on the job the attitude of the county was that as long as they were putting the money into

W-15-149—A. F. Arata, former SRA Camp Superintendent, Crockett.
P-1-285—Jerry G. Dunkelberger, former SRA District Supervisor, Los Angeles
W-7-10—Kathryn McFadden, former SRA employee, San Francisco.
W-11-197—Miss Helen Douglas, nutrition worker, San Francisco

the project they should have some voice in choosing the supervisor. The SRA wrote the county and told them that they did not want their contribution of $4,500 for the running of the project."

H-9 pages 85 & 86— PREISKER: "Mr. Chambers ordered immediately that the work should start. That is, that the county would be furnished with all the relief clients and they would be certified to the co-ordinator that the county maintains and to the road department to work out their relief. It had taken about two weeks, I imagine, to get a form of a contract—or I might say that two or three days following Mr. Chambers — after Mr. Chambers was here, that the project was authorized to start and then stopped, and authorized to start and then stopped, at least four changes were made in one day."

HOUSER: "When was he here?" PREISKER: "Well, it was about a month ago, it was somewhere along a month ago, and within two days after that we got word to start, we got our—you know you can't just put on three or four hundred men right now, you have to build your project up a little bit, get your foremen and your trucks and your machinery and everything of that kind ready to go, and the particular day that we were to start the orders were changed about four times from Los Angeles and finally the fifth order was that we would have to wait for a contract."

The provision of excess quantities of surplus commodities resulted in inefficient distribution of thousands of pounds of articles in outlying areas and to schools.

H-1 page 129— O'DAY: "And that was the first time that you had been told about building—to go out and build up those quotas?" DUNKELBERGER: "No, that was the general meeting—and telling us to go out and more or less liberalize the program. I was told by Mr. Olmstead around the first of the year that I had charge of the lunch program in Los Angeles County. And he at that time had the position that Mr. Lubin holds now." O'DAY: "But the first time you were informed that the policy was to be liberalized was on February the 8th, is that correct?" DUNKELBERGER: "That is correct."

P-1 page 291— DUNKELBERGER: "We went out there (Herbert Hoover High School in Glendale) and they certified 43 students. We went out there when we got that certification. It was signed by the SRA District Director

H-9-85—C. L Preisker, Chairman, Santa Barbara County Board of Supervisors

P-1-291—Jerry G. Dunkelberger, former SRA District Supervisor, Los Angeles.

certifying it to 600. I think that Assemblyman Fields knows that there is probably not 600 needy children around Herbert Hoover High School, but that is what they certified for."

Further: "A cafeteria will use, say, 600 pounds of flour. In other words, all the flour they use is given to them by the—by our division. They don't go out and buy flour because we give them more than they need. And the same thing holds true on butter and eggs. For instance, Herbert Hoover High School is using about 15 pounds of butter a week. On the advent of Federal Surplus Commodities coming in, they jumped up and started using about 60 pounds of butter a week."

P-2 pages 30 & 31— GOOCH: "They (relief recipients) are supposed to get all sorts of surplus commodities, as a matter of fact, flour, vegetables, and a few of those sort of things, which it is pretty hard to use a great deal of, are the ones that are given out. I will give you this: On April 13th I made a careful survey throughout the territory to ascertain whether vegetables were being distributed correctly. A check was made to cover the whole of one route. Temple Street: clients were being given more than their requirements, to get rid of vegetables. Some threw them on the way after leaving the commissary. South Central Avenue: generally okay, but some surplus. Bellflower: surplus. Long Beach: no deliveries for a week; previous delivery very intermittent. Torrance: okay. Wilmington: surplus. And so on. 2174 Washington Boulevard had never received any; one week later, no vegetables; one week later, just being received. I believe these conditions are being corrected."

H-2 pages 300 & 301— WILSON: "There is one other suggestion on procedure that I want to offer for the consideration of the committee. Under your Unemployment California Benefits, a person who is unemployed has to report once a week at the office of the employment agency or the UCB office. Under our system the case-aide is supposed to chase the client down and ask him a lot of questions and take his answers and then go on to another client's home until she makes the rounds. In the first place, that is costing a lot of money, that could be better used for relief. Why wouldn't it be just as practical to ask the client to twice a month to come in and make a new certification each time and then have your flying squads to go out and hunt the 'hot spots'. I believe that—I leave that to you as a thought."

P-2-30—Captain Donald A. Gooch, SRA Inspector, Los Angeles.
H-2-300—A M Wilson, Paymaster, State Controller's Office, Los Angeles

P-1 pages 279 & 280— DUNKELBERGER: "When Mr. Lubin came into the picture, he set up selective clothing stores. And gentlemen, I don't know why they call them selective clothing stores because there is not over half a dozen items that a relief client can select from." PHILLIPS: "Has that materially increased the expense?" DUNKELBERGER: "Very definitely; in my estimation, I would just say that it had increased in about three times over what it was before." PHILLIPS: "By rent and by the people who were working there to give out the clothing?" DUNKELBERGER: "That is correct."

W-16 pages 228 & 229— SPEARES: "I attribute the loss solely to the idea the State relief, after buying the cattle, didn't go ahead with their program of feeding and slaughtering. In other words, they were kept there over a period of six months; I know they would have to be fed something." LORE: "They were purchased for slaughtering rather than breeding stock?" SPEARES: "They certainly weren't going to breed them; they were bought to fatten and kill for the use of the camps." WOLLENBERG: "They were pretty fat when they were bought?" SPEARES: "Yes, when they were dumped at Seventy-third Avenue, they could have been killed then."

Further: W-16 page 211 "Mr. Hank Kirstan, Henry Kirstan, the superintendent of Camp Placer, at Auburn, told me that when they arrived there each one of them had lost right around—oh, I would say—he estimated about 25 pounds loss per head in weight." WOLLENBERG: "Where are those cattle now, do you know?" SPEARES: "As far as I know they are still at Camp Placer." WOLLENBERG: "What was done with them around Camp Placer?" SPEARES: "They were fed there." WOLLENBERG: "And by 'fed,' you mean by bought feed?" SPEARES: "Yes, sir."

W-16 page 183— WOLLENBERG: "May I interrupt a minute and ask Mr. Lore: I looked these over last night, Mr. Lore, the statements Mr. Gallagher volunteered, the information he gave us. He has something here about a cabbage-growing project and he gave us these figures. I wish you would look at it. He has added up for salary for approximately five months—" LORE: "Mr. Wollenberg, I have looked at those figures." WOLLENBERG: "$3200 was spent, and $30 worth of cabbages grown."

W-16 pages 49 & 50— WOLLENBERG: "Now, can you give me any idea of what the administrative cost is in Alameda County of administering relief, under the present set-up?" GALLAGHER: "We don't keep any. No cost set-up in

P-1-279—Jerry G. Dunkelberger, former SRA District Supervisor, Los Angeles.

W-16-228—Willard Speares, former SRA Camp Superintendent, Oakland.

Alameda County can tell us what it costs to administer relief." WOLLENBERG: "You don't know?" GALLAGHER: "No. And we have tried to get it from the State office, but we couldn't get it from the State office. That is one of the things we were deeply interested in when I went into the position first, was the cost. So the only information I have I get from Kenneth Lieb, and he told me the county here was operating at about fourteen and one-tenth per cent. I don't think the State office expense was added to that."

P-4 page 37— COOMBES: Now in the event that a person went to work and we did have some instances of that prior to the time that a position was established for them then under those conditions we would not disburse from our revolving fund because the person was not officially an employee of the relief administration." PHILLIPS: "Well, now, do you refer to this group who signed the waivers?" COMBES: "Yes, I am referring to that group in particular. They went to work when there were no jobs for them and the jobs had to be created after they went to work."

SECTION 6

PRESSURE

The cost of relief to California has been higher than necessary because of the activities of the SCMWA among SRA employees and of the Workers Alliance among relief recipients. These unions have coerced employees and needy alike to obtain preferment for their members.

Senate Journal, Jan. 30, 1940, pages 41-52 Report by Edwin N. Atherton and Associates on State Relief Administration: "Information has been obtained indicating that unions and politicians exert a strong voice in the control of SRA; that certain of these from without which have been termed as 'radical' are able to dictate appointments to the SRA of persons without fitness or experience, apparently the only qualification required being loyalty to their sponsors. The SCMWA (State, County and Municipal Workers Association), a CIO union, whose membership consists of SRA employees, not only usurps an unwarranted influence in establishing the policy of the SRA but also intimidates the personnel into joining the union; that another CIO union, the Workers Alliance, which works closely with the SCMWA, and which appears to be more or less closely connected with the politicians or political factions, apparently wields sufficient power to have its members placed in key positions, thus enabling the Workers Alliance to persuade relief clients to join their unions by

P-4-37—W. J. Combes, SRA Deputy Chief Accounting Officer, Los Angeles.

promising preferred attention in securing relief; that many employees of the SRA are reported to have extremely liberal, if not radical, ideas, which they discuss with relief clients, attempting to and often converting them to their cause."

W-9 page 81— STANSFIELD: "They were only as strong as the administration allowed them to be. They have no power to strike, and until recently I couldn't think that they had the power to picket. The constitution, as I read it, never provided for that. I was president of this when it began." WOLLENBERG: "You were president of the SCMWA?" STANSFIELD: "Yes. Please don't hold that against me. I later resigned. It didn't take me very long. I resigned after attending a few executive meetings."

Further: "With the coming of the new administration they were given a free hand. There is no question about it."

H-10 pages 24 & 25— HOUSER: "What is your opinion of the SCMWA?" ROE: "I don't think they benefit the workers or the State." HOUSER: "Why not the State?" ROE: "They take too much time off running union business." HOUSER: "Do they exert much pressure?" ROE: "They are absolutely a pressure group. They put pressure on the director, who works for the State. There must have been pressure on Mr. Chambers. I think there is pressure by them all over the State, wherever they are. They told me unless I laid off personnel the way they read No. 7, they were going to bring charges against me of misuse of state funds. The demand was given verbally. I said if I have misused state funds I should be fired; if I haven't, those people should remove that charge. It sounded like blackmail to me."

Employees of the SRA are subjected to pressure by the SCMWA.

H-3 page 549— HOUSER: "How do they exert that pressure?" MRS. CRUICKSHANK: "In some instances they continually are asking people to join, to go to their meetings, to read their literature and their books, even to the extent that they had to have an excuse for not joining—that they couldn't afford it at the time." HOUSER: "Did they get any results from their practices?" MRS. CRUICKSHANK: "Yes. Some people were afraid of losing their jobs if they didn't join it." HOUSER: "They had sufficient influence among the appointive powers so that people were afraid of losing their jobs." MRS. CRUICKSHANK: "Yes."

W-9-81—John W. Stansfield, SRA Case Worker, San Francisco.
H-10-24—William B. Roe, SRA Director, San Diego County, San Diego.
H-3-549—Mrs. Merriby Cruickshank, SRA Case Supervisor, Los Angeles

H-4 page 695— HOUSER: "And you are a member of SCMWA?" MRS. RETTIG: "Never." HOUSER: "Do you think that your lack of membership in that organization might have had anything to do with—" MRS. RETTIG: "I am sure that it had a lot to do with it. That, and the fact that they told me that I knew the wrong people. After I went to Pasadena I kept asking the district supervisor there if any evaluation had ever been sent on me and it hadn't been. And while I was acting supervisor Mr. Kievits was at that time district director and he thought I was efficient and tried to get me reclassified back to a supervisor. And Mrs. Orans told him that no evaluation had ever been sent through and she didn't know why I had been demoted. She suggested that he go down-town and find out and he came back and her statement to me was that Mrs. Orans told him that nothing could be done for Mrs. Rettig, that she knew the wrong people."

H-13 pages 107 & 108— HOUSER: "What do you think about the SCMWA?" PLATT: "I'm not in sympathy with their tactics." HOUSER: "You aren't." PLATT: "Absolutely not." HOUSER: "Why not?" PLATT: "Well, I think they're a pressure group. I don't believe that social workers should be registered like coal miners and they may need some protection against their boss, but most of them are professional people, well educated people and I don't see any need for pressure groups or anything like that; like they've treated the administration, most of the SCMWA are the old social workers of Los Angeles and in different parts."

P-1 page 307— DUNKELBERGER: "I was told that I had better join that organization (SCMWA)—well, that was about six or eight weeks prior to this report coming out. Of course, then, after that report coming out, why, they come around to me and they says, 'Oh, so you belong to the company union, is that the idea? Well, we will get you.' They did threaten me."

H-2 pages 236 & 237— WILSON: "Well, I will give you an example: There was a young lady by the name of Louise Lake who was employed at the Hollywood office and she was one of the group that hadn't been there six months and under the administrative letter number 21 she was cut off. But the question came up as to her evaluation on the basis of possible future employment and she was—I don't happen to have one of those evaluation forms here but perhaps you are familiar with it. She was evaluated at the time at

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H-4-695—Mrs. Matilla Rettig, SRA employee, Pasadena
H-13-107—Lawrence Platt, SRA Director, Orange County, Santa Ana
P-1-307—Jerry G. Dunkelberger, former SRA District Supervisor, Los Angeles.
H-2-236—A. M Wilson, Paymaster, State Controller's Office, Los Angeles.

five which is the highest evaluation on all except one item and that item was co-operativeness toward her fellow workers and she very promptly questioned her superior on the why of that. She said, 'There hasn't been a single time in the course of my duty that I have ever failed to co-operate with any other members of the staff,' and this supervisor told her very frankly that it was her attitude toward SCMWA was the reason for her two point cut on that."

Continuing: "Now, it happens that this supervisor is a member of CSEA. And it happens that the case workers in the district were members of another organization. It is especially significant that her workers rated Mrs. Blank the lowest of the nine case supervisors in this district office. The other eight case supervisors were all members of the other organization." HOUSER: "What was the other organization?" WILSON: "The SCMWA."

H-2 page 283— HOUSER: "What do you class in that new philosophy group, do you have any specific organization in mind?" WILSON: "Yes. The SCMWA is decidedly a new philosophy group organization." HOUSER: "What other organizations?" WILSON: "The Workers Alliance is another new philosophy group organization, very decidedly."

W-9 page 22— PHILLIPS: "You mean, they asked you to put back all of the SCMWA employees?" COOLEY: "That's right." FIELD: "And reclassify the others that he had bumped down." PHILLIPS: "Was it their idea that you should generally remove from your rolls an equal number of people to make a place for them?" COOLEY: "I raised that question with them, and they said it was the administration's business. That is what I would have been obliged to do. I couldn't have reinstated union members without firing some other people to make room for them because I have to cut my staff in accordance with my declining case load."

The SCMWA is dominated by leaders who are radical and inclined toward Communism.

H-12 page 124— HOUSER: "Just how strong do you think the Communist Party is in the SCMWA?" FISHER: "I would say it was the dominant force." HOUSER: "You think it is the leadership?" FISHER: "It is the leadership. It is not the rank and file, no. The rank and file in all organizations Communistically dominated are all right, but the leadership is dis-

W-9-22—Edwin J. Cooley, SRA Director, San Francisco County.
H-12-124—George W. Fisher, Attorney, San Diego.

tinctly red." HOUSER. "And you feel the same way about the Workers Alliance?" FISHER: "Decidedly so."

H-10 page 26— HOUSER: "Do you feel that some members of the SCMWA are members of the Communist party?" ROE: "Yes." HOUSER: "Have you any particular members in mind?" ROE: "I would rather not name them today." HOUSER: "Will you give us the names later?" ROE: "Yes; there are two absolutely known and I think there are some more; at least one of them occupies a position of prominence in the SRA."

W-1 page 67— SPEARES: " 'The (SCMWA) dues,' they said, 'are one dollar for the dues, and for the good of the organization in this State all money stays here.' Well, now, they had a little argument as to just where that money did go, and finally they admitted 75% of the money was sent East and 25% of it was used in the State of California. Someone wanted to know if any of the money was used in the Mooney defense, and they admitted that it was used on the Mooney defense and also that it was used on the Harry Bridges defense."

H-3 page 546— HOUSER "To what do you attribute that attitude?" MRS. CRUICKSHANK: "It has been my personal opinion that that has been an effect upon the workers by the SCMWA. They have issued bulletins in the lobbies of the buildings setting forth their demands."

M-1 pages 225, 226 & 227— MIXTER: "Do you know whether or not administrative information has been made available to the representatives of the SCMWA before it has been given to the general staff at all?" MRS. SMITH: "In some instances it appears to have been so."

H-3 page 496— HOUSER: "It has been reported that during the time that Mr. Maben occupied the position of County Director, I guess it was, that a so-called purge list of employees to be removed from office and a list of new appointees to be made to the vacant positions was submitted by the SCMWA and the Workers Alliance. Have you any knowledge of that matter?" MRS. COPLAND: "Yes, I have heard that a great deal and understood that I had the dubious honor of being on the purge list and had asked Mr. Anderson about that. He admitted that there were only three that were definitely on the list naming two others and myself. He inferred that that list had been presented by the groups mentioned."

H-10-26—William B. Roe, SRA Director, San Diego County, San Diego.
W-1-67—Willard Speares, former SRA Camp Superintendent, Oakland.
H-3-546—Mrs. Merriby Cruickshank, SRA Case Supervisor, Los Angeles.
M-1-225—Mrs. Maona Smith, former SRA Supervisor, Stockton.
H-3-496—Mrs. Bernice G. Copland, former SRA District Director, Los Angeles.

M-9 pages 94 & 95— WATSON: "We have asked several people that question here, people who were in this organization in Bakersfield. They have all avoided the question just as you have avoided it. It looks to me like it is mighty poor bookkeeping in your organization or else there is something wrong there." WHALEY: "What do you want, a black list or something?" WATSON: "Black list of what?" WHALEY: "People who are in the union." WATSON: "No, we do not want a black list of the people who are in the union. We have asked you for a list of people in your organization who are employed in the SRA." WHALEY: "I wouldn't give it to you."

W-15 pages 234 & 235— FIELD: "I would like to ask you one or two questions: When the Workers Alliance picket line was picketing the headquarters, when you made the 40% cut——" COOLEY: "They never picketed." FIELD: "You had no picket line here at all?" COOLEY: "No." FIELD: "Didn't the SCMWA picket?" COOLEY: "That's right; they did what they called a street demonstration." FIELD: "They had a street demonstration.—how long did it go on there?" COOLEY: "Wednesday, Thursday, Friday, and Saturday." FIELD: "It was quite a long demonstration, without calling it a picket line?" COOLEY: "They called it a street demonstration; that was their term for it." FIELD: "All right. I am willing that they might call it anything they want to, but during that demonstration, how many of your employees would get in it and participate in it?" COOLEY: "During their noon hour, the employees that belonged to the SCMWA participated in this demonstration. I believe it was compulsory service" FIELD: "On the part of the SCMWA members?" COOLEY: "Yes, I believe it was."

The Workers Alliance exerts pressure on SRA employees to gain special privileges for persons asking relief.

W-9 pages 78 & 79— STANSFIELD: "The Administration is bent more quickly by pressure groups today than it was."

Again: "Workers Alliance groups never used to come in and sit in a booth while you were interviewing a client."

M-5 page 98— MRS. HUGHES: "Well, I would imagine just—this is my opinion——but just from the pressure that was brought." MIXTER: "By whom?" MRS. HUGHES: "By the Workers Alliance." MIXTER: "Upon these relief clients?" MRS. HUGHES:

M-9-94—Hal Reed Whaley, SRA Investigator, Bakersfield.
W-15-234—Edwin J. Cooley, SRA Director, San Francisco.
W-9-78—John W. Stansfield, SRA Case Worker, San Francisco.
M-5-98—Mrs. O. S. Hughes, housewife, Fresno.

"Yes, and upon the personnel." MIXTER: "In the office?" MRS. HUGHES: "Yes. And I know they went through a special door; they didn't have to sit out in the waiting room as the other clients had to because they had them lined up and then went through another door."

M-1 page 143— MRS. SMITH: "Again, it depends upon what you term 'pressure.' The Workers Alliance, I have known the Workers Alliance to come back into the office and re-discuss the same case three times in an effort to get a different decision."

W-11 page 201— MISS DOUGLAS: "Mr. Cooley called a meeting of the Workers Alliance with the people at Central Medical so that the Workers Alliance could air all their troubles and grievances there. Mr. Besenik, who seems to be the man who represents the Workers Alliance group here in San Francisco, is the one that always calls up and puts the pressure on."

M-9 page 78— MIXTER: "Does the Committee understand from your remark that the Workers Alliance came in and occupied the office of the SRA in Wasco?" MISS MADISON: "Yes, the Workers Alliance, sometime last month, occupied the office for approximately a week as a demonstration." MIXTER: "How many of them, about?" MISS MADISON: "Oh, it varied from twenty, I would say, to around 175."

Sit-down and farm strikes are fostered by the Workers Alliance.

M-9 pages 84 & 85— WILBUR: "Well, the Workers Alliance came to my office and told me they were going to pull a sit-down strike about a week before they did. I called the Los Angeles office and talked to Mr. Ruderman who was the man under Mr. Reese at that time and Mr. Ruderman said 'So long as they don't interfere with local operations and bother your help, let them stay, but when five o'clock comes, put them out.' About a week later, the Workers Alliance and the CIO group came into my office. It was not only a Workers Alliance sit-down strike but also a CIO and UCAPAWA. So when the people moved in on me, I again called Los Angeles office. Mr. Reese was in Sacramento and Mr. Robert Rumsey was the only one in the office at that time to give me any information. Mr. Rumsey informed me that the Labor Relations Commission had ruled that if the people came into my office on a sit-down strike I was supposed to let them stay as long

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M-1-143—Mrs. Maona Smith, former SRA Supervisor, Stockton.
W-11-201—Miss Helen Douglas, nutrition worker, San Francisco.
M-9-78—Miss Helen Madison, SRA District Case Supervisor, Wasco.
M-9-84—Albert G Wilbur, SRA Director Inyo, Mono and Kern Counties, Bakersfield.

as they wanted to but I would have to guard state employees and state property."

M-9 page 126— MIXTER: "Do you know whether this group of pickets were employees of any organization such as the Workers Alliance, the CIO or the UCAPAWA?" TUCKER: "They carried banners of the Workers Alliance, the UCAPAWA, and CIO."

M-3 page 96— WATSON: "Have you been around any of these strikes or groups where they have tried to take people off of jobs by telling them that they could get relief if they could get off of the job?" STOKES: "No, I never was around any strikes, I don't believe in strikes." WATSON: "In any of these meetings have you heard them tell them that?" STOKES: "Yes, many of them."

M-6 page 124— O'NEILL: "Well, as a farmer, I would say that we would like very much to have our labor left to work out their problems with us without interference from the Workers Alliance and the other groups in Fresno that are on relief. So far as we are concerned, we feel that our troubles would be minimized if we didn't have this outside interference."

M-6 pages 192 & 193— CARDWELL: "But these relief workers would go out in these caravans and they would try to prevail on the pickers. They would tell them 'Why do you want to pick unless you get a $1 25 per hundred. If you will stop picking and join the picket line, we will see that you get on relief.'"

Further: "Most were of this particular type, that they were being investigated by an official from the State Comptroller's Office in Sacramento at that time." MIXTER: "Do you know what for?" CARDWELL: "Yes, for chiseling." MIXTER: "Chiseling on relief?" CARDWELL: "Chiseling on relief."

H-12 page 121— FISHER: "Well, there is no—I don't believe there is any question but that the Workers Alliance is a Communistically directed organization. In San Diego it is made up of known Communists. For instance, at the sit-down strike here the other day—I don't recall the date because I have since been out of town—Dan Taylor was one of the members of the sit-down strike, as was also his wife. Both of those are acknowledged Communists, and are members of the Workers Alliance. There are a great many other known Communists who are members of that organization."

M-9-126—A. I. Tucker, farmer, Arvin, Kern County.
M-3-96—Charles Stokes, former WPA employee, Modesto.
M-6-124—Jack E. O'Neil, farmer, Fresno.
M-6-192—J. H. Cardwell, farmer, Fresno.
H-12-121—George W. Fisher, Attorney, San Diego.

H-12 page 142— NELSON: "Well, I am by inclination and training a social worker, and I don't believe a trade union has any place in social service, and I don't believe a pressure group can accomplish any given end that could not be achieved by legitimate methods of negotiation." HOUSER: "You think they are a pressure group?" NELSON: "Definitely so."

H-12 page 156— PHILLIPS: "Well, it may be and I wouldn't be surprised but what it has been caused—some of it, at least, by pressure by the Workers Alliance. Now, it is a very common thing for a budget to come to my desk—my office, rather, and the worker say, 'Now, the Workers Alliance is in on this, this will have to go through.' That is rather, you might say, a big stick kept in reserve, and that case is supposed to get preference. Now that, I don't think, can be traced to any individual in the organization, that is just a general feeling."

M-6 page 221— SCHMEISER: "You will notice in reading over those affidavits there that both Ben Clay and Homer Key were offered work at agricultural rates and refused to work and yet they took the lead in the CIO picket line and endeavored to stop people who were willing to work from working and induced them to go out on the picket lines." WAGY: "Are they on the relief rolls?" SCHMEISER: "They were on the relief rolls, apparently, at the time; yes, sir."

A Workers Alliance official keeps his word.

H-6 page 60— Riverside, April 23, 1940— HOUSER: "Are you a member of the Workers Alliance?" JONES: "Yes; I am Chairman of the Beaumount and Banning Local."

H-6 page 63— Continuing: O'DAY: "How long have you been on relief?" JONES: "Off and on for perhaps five years."

H-6 page 82— Further: HOUSER: "I am informed by an official of the Workers Alliance in Los Angeles County that all your Los Angeles County officials and all state officers are paid jointly by the Workers Alliance and the Communist party. For example, one of your officers in Los Angeles County, according to the statement given to me, —and I believe it is true, is paid $20 a week by the Workers Alliance and $30 as a member of and organizer of the Communist party." JONES: "No, I don't. If I ever find out the organization is connected with communism in any form I will have nothing more to do with it."

H-12-142—Allen W. Nelson, SRA Case Worker, San Diego.
H-12-156—James H. Phillips, SRA employee, San Diego.
M-6-221—R. F. Schmeiser, farmer, Fresno
H-6-63—James F. Jones, former Workers' Alliance leader, Banning.

From the Herald of Banning Monday, May 6, 1940, page 1, columns 6 & 7—

"Banning, Calif., May 4, 1940.

"Editor Banning Record:

"Some time ago when I appeared before the legislative sub-committee in Riverside as a witness, I was asked by the chairman if there was any Communist in the Workers Alliance, to which question I answered that there was none that I knew of. I also stated that if I found my organization was dominated by Communists I would offer my resignation to the local immediately. I also stated to the committee that I had refused to accept an application for membership of a confessed Communist in our local.

"At last night's meeting one of our members stated that he read in the papers that our state president had admitted he was a Communist. Immediately two visiting members from the Hemet and San Jacinto local, both officers of their organization, took the floor and said they would back our state chairman even if he was a Communist, and both took me to task for refusing to accept a confessed Communist into our local, and threatened to bring charges against me for doing so, and when our member stated that our local should go on record against Communism and ask our State President to resign, these two members became very angry and raved for almost an hour, calling my attention to the article in the Los Angeles Times which quoted me as saying that the Legislature did a good job in the economy legislation which was contrary to the Workers Alliance and its set-up.

"When these two gentlemen had finished their Communist argument I was fully convinced that I was chairman of a Communist organization and offered my resignation to the local, effective immediately, just as I promised the legislative sub-committee I would when I learned the truth. My resignation was accepted, and I am no longer chairman of this organization, neither am I a member any more, as I also turned in my membership book and union button.

"I hope my many friends will forgive me for getting mixed up with this Un-American organization, and I want to apologize to the Hon. Senator John Phillips and Nelson S. Dilworth for the strongly worded resolution adopted by our local, and a copy mailed to each one of them protesting their action in the state legislature which was signed by myself and our secretary, John R. Carter.

"I also want to go on record as being opposed to Communism and any other Un-American activity, such as the German-American Bund which Fritz Kuhn thought was safely hid behind the Christian Front until the FBI showed him up for what he really was, and I hope our Senators and Congressmen keep an eye

on all Un-American activities and foreign isms until every leader of such organizations has been brought to justice and proper punishment meted out to them.

"Foreign agents are attacking our country from every angle trying to break down our American form of government. One of these could be excessive appropriations such as was asked for by the Workers Alliance and the Olson Administration in the special session of the legislature, which would cause a breakdown in our financial structure and place a tax burden upon the people greater than they can bear.

"California is now staggering under a tremendous tax burden caused by the daily horde of migratory workers coming into California from other states, which problem is now almost too big for the State to handle.

"Yours for a government of the people, by the people, and for the people, free from any foreign isms.

"Sincerely yours,

"JAMES F. JONES,

"1235 East Williams Street."

M-7 pages 42 & 43— MIXTER: "Have you had any evidence of any so-called labor trouble?" BAKER: "Yes, I have. Well, it's the CIO, it has been organized in our county and they affiliated with them . . . and our trouble started from that source. They have affiliated with the CIO and they have organized in here and they are trying to organize the farm workers of our county."

M-9 page 143— STOCKTON: "In regard to the relief being offered to the people who go on strike, to my personal knowledge last year when they first started to picketing the place, a young man who lives in Arvin, who claimed to be Secretary of the Workers Alliance, told our pickers that if they picked cotton that they would not be allowed to get relief, even when the picking was over, but if they didn't pick cotton, that they could go directly on relief."

Numerous cases are added to relief rolls by the Workers Alliance which coaches applicants on how to answer questions asked by SRA case-workers.

H-4 page 688— MRS. RETTIG: "Well, the Workers Alliance spend a great deal of time in the district office. They are in there every Monday and every Thursday in our particular office. They come in during the interviews with the clients and the case-worker at the point of qualify. They have told them all the answers, for instance, a man gets a WPA check on one day, he spends it immediately and he comes in and he brings the Workers

M-7-42—O L. Baker, farmer, Madera.
M-9-143—Frank R. Stockton, farmer, Arvin, Kern County.
H-4-688—Mrs. Marilla Rettig, SRA employee, Pasadena.

Alliance and his receipts and the case has to be accepted, because he has receipts showing what he did with it."

H-12 page 28— MRS. DALEY: "Do you mean you know more about the set-up of relief than the director?" WAHLENMEIER: "Not necessarily, but very often we know quite a lot about the rules as they apply to our relief clients, their contact with the client himself. It is no reflection on the director if he doesn't know every little detail because after all directors are not social workers And, we have the manual in regard to relief, and before we go down there we have more time to put in on the case than the social workers have."

H-1 page 96— HOUSER: "You called our attention today, Mr. Reese, that within the last few days some of your district directors and social service case-supervisors and I guess some of your case-aides and case-workers have been advising people not to pay rent. Is that their own advice or did that go out from headquarters?" REESE: "Well, I think you are perhaps a bit confused with the workers alliance." HOUSER: "I wouldn't be surprised." REESE: "I believe the Workers Alliance is quoted as having recommended to the relief clients that they not pay their rent."

H-11 page 18— GIGLIOTTI: "I have felt that EROS were being issued on occasions just because of demands and pressure being brought to bear and the plea made that people were destitute, whereas I felt that they were not."

M-6 page 174— MYER: "Lillian Monroe was able to issue an order on a piece of paper to the SRA and those individuals got relief. There is a question in my mind, it has been there for some time, wondering what means or power or pressure that individual had."

H-2 page 204— WILSON: "For instance there was a case only recently out in Hollywood which a family by the name of Speakus asked for relief. The worker on the case decided that the party did not have—There was a letter accompanying the application, apparently, signed by the official of the Workers Alliance insisting that the client was eligible. The case-aide took it to her supervisor. Her supervisor said, 'Oh, my God. Better pass it because we don't want any trouble with the Workers Alliance.' The case-aide was still not satisfied and

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H-12-28—Vernon Wahlenmeier, Workers' Alliance leader, San Diego.
H-1-96—James B. Reese, Administrative Assistant to SRA Administrator, Los Angeles.
H-11-18—Frank G. Gigliotti, former member State Welfare Board, San Diego.
M-6-174—Albert L. Myer, Justice of the Peace, Firebaugh, Fresno County.
H-2-204—A. M. Wilson, Paymaster, State Controller's office, Los Angeles.

took it to the social service supervisor of the district, and that social service supervisor OKed it. The case was ultimately turned down by finance, but I don't believe until after there had been some assistance rendered in the case. It has happened not once, but many times in the entire set-up You'll probably find that a good part of the 7½ per cent of your ineligibles are included in your Workers Alliance membership."

Continuing: "There was another case of Workers Alliance organizer in northern California who was removed from the relief rolls when an investigator discovered that he was drawing considerably more than $100 a month as an organizer from his union."

Relief recipients pay part of dole to keep membership in Workers Alliance.

H-12 page 24— O'DAY: "How much a month do the members pay in the Workers Alliance?" WAHLENMEIER: "Thirty-five cents." O'DAY: "Thirty-five cents. And you have a thousand members here. What happens to that money, about $350 a month, isn't it?" WAHLENMEIER: "Well, there is a division of that money that goes to the—from the local to the county, from the county to the state, and the national office, all get a per capita." O'DAY: "Do you know what the division is?" WAHLENMEIER: "Approximately, the local gets—let's see, the county office gets 22 cents out of that." O'DAY: "Yes." WAHLENMEIER: "And the state office gets 11 cents out of it, and the national—I don't know what the breakdown is there."

W-11 page 183— MISS DOUGLAS: "Well, of course, we objected professionally to a man with Mr. Frye's background of support of that particular radical group going in where there was contact in the homes of relief clients, and where there was an increase in the budget. He is untrained, too, he is unqualified professionally and by experience." WOLLENBERG: "You said that he was a friend of the Workers Alliance." MISS DOUGLAS: "He has been very active. He was at one time their secretary or president, I am not sure which."

M-1 pages 106 & 107— MIXTER: "Had you had any previous experience or background in this type of work?" NABOISEK: "No, sir." MIXTER: "What had been your business prior to engaging in your present position?" NABOISEK: "Just prior to being employed by the SRA I was a member of the Workers Alliance of Alameda County, and I was employed by them at a small salary monthly on a full time basis." WATSON:

H-12-24—Vernon Wahlenmeier, Workers' Alliance leader, San Diego.
W-11-183—Miss Helen Douglas, nutrition worker, San Francisco.
M-1-106—Herbert Naboisek, SRA Supervisor, Stockton.

"In what capacity?" NABOISEK: "I was secretary." MIXTER: "Do you know the publication called the 'People's World'?" NABOISEK: "Yes, sir." MIXTER: "Have you ever solicited subscriptions to that publication?" NABOISEK: "I have asked several people to subscribe." MIXTER: "Your answer is 'Yes'?" NABOISEK: "I say yes, I have."

M-1 page 221— MIXTER: "Is there any, or has there been any, person or persons on relief staying at your home as a lodger or boarder or roomer?" COON: "Yes, one of my closest friends with whom I have been associated within the past five years was living with me at the time he was employed on the SRA and is still living with me, but he is unemployed." WATSON: "Is this gentleman who lives at your house a member of the Workers Alliance? He is, is he not?" COON: "I believe so." WATSON: "One of the leaders?" COON: "Yes, sir."

M-10 page 157— WATSON: "Is the CIO and the Workers Alliance very closely connected, do they work together?" PENNEBAKER: "I understand that the Workers Alliance is an affiliate of the CIO and they do work very close together. That has been our observation here that they do work close together." WATSON: "Do you feel that the SRA office here has been working with the Workers Alliance and the CIO?" PENNEBAKER: "I feel that the Workers Alliance has been subsidized to a certain extent, those members of the Workers Alliance have been subsidized to a certain extent in their activities through relief payments, and otherwise, I mean this, that they are getting relief payments and can carry on this work at no expense to themselves, they appear not to have any responsibilities or obligations to meet, and feel that their living is being taken care of, and they do put in a considerable amount of time on this sort of thing."

M-10 page 119— MIXTER: "Is it your feeling that the representatives of this Workers Alliance group were doing this deliberately with an ulterior motive to undermine the organization, an ulterior motive of undermining the organized effort of the district to furnish decent and reasonable labor to people who needed it?" OLIVER: "Yes." MIXTER: "You are convinced of that?" OLIVER: "Yes, there was only about four of those men that caused all of this trouble out there."

M-10 page 260— GREER: "Well, I participated in that strike myself, and the one that told me about that, I was a member of the Workers Alliance at that time, and so they

M-1-221—Boyd W. Coon, SRA Case-worker, Stockton.
M-10-157—Carl E. Pennebaker, farmer, Exeter, Tulare County.
M-10-119—R. B. Oliver, Chairman, Board of Supervisors, Tulare County, Dinuba, Tulare County.
M-10-260—E. R. Greer, farm worker, Tulare.

called me, the leaders called me and gave me instructions. I made three trips in the field myself to these farms and called out the workers on three different farms. I was instructed to go out there and call the people, call them off the farms and tell them to come in there, they had places for them to live and to get a dollar for picking cotton, wanted to raise this cotton to a dollar and a dollar and a half a hundred for picking, so I made three trips into the field and that is what I told them. That was my instructions from the leaders."

Further:
M-10 pages 264 & 265—

WATSON: "Well, these pickers that you went out to see, was there any of those quit and came in?" GREER: "Four out of one field." WATSON: "Did you tell them they could get on relief if they would quit?" GREER: "I did." WATSON: "Well, did those four get on relief, on the relief roll that came in?" GREER: "Yes, they did." WATSON: "Did the Workers Alliance help them get on the roll?" GREER: "I was instructed to send them to the SRA office and there was a committee there." WATSON: "A committee there to see that they got on relief?" GREER: "That was my instructions." WATSON: "Do you know how soon after this strike they did get on the relief roll?" GREER: "That same day, I suppose, because they got a check the next payday." WATSON: "Were you asked or demanded to go, by the Workers Alliance, and pull this strike out there?" GREER: "I was asked to, yes, sir, by the Workers Alliance, and CIO affiliates."

Y-1 pages 165, 166, 167, 168 & 169—

CHAIRMAN YORTY: "Did everybody go through that procedure?" FULLER: "No." YORTY: "Well, which people didn't go through that procedure?" FULLER: "Workers Alliance members and Unemployed Council members." YORTY: "Unemployed Council and Workers Alliance. How were they handled?" FULLER: "They called up, and the appointments were made for them." YORTY: "Well, suppose there were 50 people waiting there with these regular appointment slips or numbers and somebody came in with one of these Workers Alliance or Unemployed Council slips, then what happened?" FULLER: "These people took preference over them." YORTY: "And yet, they were all just applying for relief?" FULLER: "Yes." YORTY: "Well, now, were you given any special instructions as to the handling of the Workers Alliance and Unemployed Council applicants?" FULLER: "The instructions I received lots of times were to bring them right in immediately after the hours of closing. Sometimes on Satur-

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Y-1-165—Harold Wright Fuller, former SRA employee, Oakland.

days, sometimes after two o'clock." YORTY: "The appointment was made by the Workers Alliance, though?" FULLER: "Yes." YORTY: "Or by this Unemployed Council?" FULLER: "Yes." YORTY: "Now, were there any occasions while you were there where people were waiting in line to apply, where they were forced to wait longer because of these slips that others had?" FULLER: "Every week; many days they had to." YORTY: "You mean, some people waited days?" FULLER: "Some people were there from nine in the morning till five in the afternoon to get an appointment the next day or the day after. Instead of getting Friday's appointment, they were lucky to get one by Monday or Tuesday. Sometimes it would be six or eight or ten or twelve or fifteen of these come in. Those people got all the appointments." YORTY: "Well, now are there any marks on these Form 5's that could distinguish between these clients, whether they came from the Workers Alliance or Unemployed Council, whether they didn't have any such person to recommend them?" FULLER: "Yes; lots of times there was a cross put up in this corner." YORTY: "Will you look at those and see if they have that mark?" FULLER: "(Examining papers) This one has Unemployed Council, UC; the other one is WC, Workers Alliance." YORTY: "And you are referring to those crosses up in the upper right-hand corner with the initials WC and UC?" FULLER: "Yes, sir." YORTY: "That is the way these people were picked out so that a qualifier or anybody else could tell where they came from?" FULLER: "Yes, sir." YORTY: "To your knowledge, were these people whose Form 5's had that mark on put on relief any quicker than the others?" FULLER: "Oh, yes. They were bound to get the qualifying appointments ahead of other people; that meant an extra day or two, a

Further: nice two or three days." "Lots of them were treated like honored guests." YORTY: "What would happen if you didn't let one of them right in?" FULLER: "The door closed at two o'clock, and pretty soon they would call up—call the office to show so and so in from the Unemployed Council or the Workers Alliance. Other people couldn't get in." YORTY: "Now, were you ever asked to join the CIO union, the SCMWA, by any one when you were employed at SRA?" FULLER: "Yes, sir. By dozens of people." YORTY: "Were you approached during office hours?" FULLER: "Yes." "I should say a half dozen times." YORTY: "Did you have any difficulty keeping order at any time among those who were applying for relief?" FULLER: "Plenty." YORTY: "What was the nature of your difficulty?" FULLER: "Well, the difficulty was there were drunkards."

SECTION 7

POLITICS IN RELIEF

Politics permeates the SRA and is an important factor in contributing to its inefficiency and extravagance.

H-2 pages 230 & 231— WILSON: "There have been different kinds of politics in SRA. There has been Republican politics, Democratic politics, new philosophy politics, just as well as you might say group politics, personal politics within groups. Under the Republican administration from my observation the politics was held to a minimum. It was used, if any, in the administrative heads. And a good many of the people on the administrative payroll under the heads of departments were actually taken from the relief rolls. I know that in our own department there are three or four that were taken from the relief rolls. However, since the advent of the new administration there has been a definite tendency to replace some of the holdovers with party workers."

H-12 page 4— HOUSER: "Do you think the governor was involved in this playing of politics?" WAHLENMEIER: "I think he was. If he hadn't been he would have ordered the relief administrator not to cut the budgets until the money run out."

H-2 pages 265, 266 & 267— PHILLIPS: "You mean to say that after the new administration came in, the new administration checked the political registration." MRS. KREINBRING: "Yes. I believe that was done in May of this year. Well, I presume they checked my registration and found out what it was. In fact, I filed an application in the state office, and I was told because of the political set-up and because they had checked my registration I couldn't get the position." PHILLIPS: "Who told you that?" MRS. KREINBRING: "The message was sent to me by Mr. Chambers." PHILLIPS: "Directly from him?" MRS. KREINBRING: "Yes."

H-3 pages 488 & 489— HOUSER: "I noticed a moment ago in your testimony a statement to the effect that a good many of the personnel now was serving for purposes other than good service along social service lines. Do you want to enlarge on that?" MRS. COPLAND: "Yes. I feel very seriously that the people that have been replaced by people for purely political purposes, not because of their qualifications or their training, or their general experience qualifies them for the position but because for political purposes they were put in the positions

H-2-230—A. M. Wilson, Paymaster, State Controller's office, Los Angeles.
H-12-4—Vernon Wahlenmeier, Workers Alliance leader, San Diego.
H-2-265—Mrs. Christine Kreinbring, former SRA employee, Pasadena.
H-3-488—Mrs. Bernice G. Copland, former SRA Supervisor, Los Angeles.

that they now hold. I think that explains the situation more than anything else for the present conditions in the relief administration."

H-12 page 86— HOUSER: "You have been in the State Relief Administration for a long time. Have you noticed as much political bias as in this particular case? Has it ever entered into the picture before?" MRS. TILLER: "No, it has never entered into the picture before, in any of the times that I have become employed by the State Relief Administration, and I have had three re-employments, as it were, with the administration."

H-4 page 692— HOUSER: "Well, have there been any replacements of capable employees by political appointees to your knowledge?" MRS. RETTIG: "Oh, yes, I think, that has been very true all along the line. For instance, my own demotion was certainly done according to no standards of personnel that had ever been set before."

H-10 pages 34 & 35— HOUSER: "The appointments that have been made—are they political?" MRS. WORCESTER: "In a sense they are all political appointments. Mr. Roe made the statement he would not appoint anyone who was not a Democrat. When I sent in the list I was interested in the qualifications. I presume those rejected probably were not Democrats."

H-6 page 26— BERKOWITZ: "The campaign was on in California, I got very busy on that. I quit the WPA and took part in the campaign." HOUSER: "Whose campaign?" BERKOWITZ: "Governor Olson's." HOUSER: "How long were you active in the campaign?" BERKOWITZ: "From the 1st of September until after election was over in November." HOUSER: "What did you do?" BERKOWITZ: "I was one of the campaign committee for the Democratic party appointed by the central committee, and had charge of all literature in the whole county—distributing it."

Further: M-3 page 2— HOUSER: "What were the outstanding principles of Governor Olson's program?" BERKOWITZ: "I don't know anything outstanding that their plank meant more than any other." HOUSER: "Do you remember any particular plank?" BERKOWITZ: "I didn't read the literature—I did the distributing."

M-3 page 2— KOSTER: "I applied, I don't know what the date was, and I was sponsored—I shouldn't say 'Sponsored,'—I had recommendations of Senator Garrison of this county, Mr. Hugh Donnelly and also the

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H-12-86—Miss Dorothy Tiller, SRA employee, San Diego.
H-4-692—Mrs. Marilla Rettig, SRA Case Worker, Pasadena.
H-10-34—Mrs Daisy Lee Worcester, SRA employee, San Diego.
H-6-26—Charles Berkowitz, SRA Director, Riverside County, Riverside.
M-3-2—Edwin Koster, SRA Director, Stanislaus County, Modesto.

Democratic Central Committee." MIXTER: "What previous capacity have you occupied?" KOSTER: "On April 6th I was placed in the Stockton office." MIXTER: "Last year?" KOSTER: "Last year." MIXTER: "1939?" KOSTER: "And I took this training there for about 10 weeks. On June 15th I was placed in the Modesto office as placement officer."

H-11 page 3— HOUSER: "Were you demoted on Mr. Roe's appointment?" MISS COUTS: "Yes; I was demoted to Grade 1 Supervisor. I was demoted still further." HOUSER: "How many demotions have you had?" MISS COUTS: "In August, 1939, I was acting director. I was demoted to Grade 1 supervisor; from there I was demoted to case-worker." HOUSER: "When was the last demotion?" MISS COUTS: "The end of last week. I questioned my seniority rating. I was told that my seniority rating as grade 1 was only so much, whereas my seniority rating as a case-worker was more; if I cared to put in an application as a case-worker, he would like to have it in writing." HOUSER: "Were you reappointed?" MISS COUTS: "Yes, as a case-worker. It took effect last week."

W-11 page 199— MISS DOUGLAS: "Another experience which brings out the fact that political endorsement was necessary, when we were closing the project, we had a number of very excellent clerical workers, girls who definitely needed their jobs, and the job was gone as far as the project was concerned, so I sent them down to the Personnel Office at 1000 Geary, suggesting that they apply for a job. In every instance those girls were told that they would have to get the endorsement of two people in the political group, preferably their Democratic assemblyman and one other."

W-1 page 64— PHILLIPS: "Apparently Mr. Ballou had something to do with the selection for men for camps?" SPEARES: "Every one of these ex-army men,—veterans, who have been assigned, all tell the same story, that they got their jobs through Mr. Ballou, and Mr. Sullivan who seems very close to Mr. Ballou, —Mr. Sullivan at the present time is a work camp superintendent under Mr. Smiley, who is the base camp superintendent at Camp Natoma, and he is very active in veterans' and political work. In fact, he advised me that I had better join this Democratic Veterans' Action Committee if I wanted to retain my job,—I guess he was right, because I didn't retain it."

H-11-3—Sarah A. Couts, SRA employee, San Diego
W-11-199—Miss Helen Douglas, nutrition worker, San Francisco.
W-1-64—Willard Speares, former SRA Camp Superintendent, Oakland.

W-9 page 38— LORE: "You don't know who the master mind behind Alexander's appointment was, do you?" COOLEY: "Well, I don't know, but, of course, I know this: That Walter Ballou and C. C. Alexander were close friends. They were together in WPA and Alexander reported directly to Ballou and boasted of his friendship with him. There wasn't any doubt in my mind that Alexander was Ballou."

W-9 page 11— COOLEY: "I was not allowed to make an appointment in San Francisco County without the approval of Alexander or Ballou."

W-9 page 14— Further: COOLEY: "It was known Alexander was here controlling appointments on a political basis."

P-8 pages 497 & 498— POULSON: "What does Mr. Ballou do in the SRA?" CHAMBERS: "At what period? Now?" POULSON: "In the last year or so." CHAMBERS: "He was definitely an employee of the Relief Administration up until the day I was appointed." POULSON: "What day was that?" CHAMBERS: "August 14th." POULSON: "Well, Mr. Ballou has some calls here in October and November of 1939; one of them is $7.90, another is $8.50, $6.80, and $13.40." DEUEL: "He was not an employee?" CHAMBERS: "He made the calls and charged them to us?" POULSON: "He called Estell. What does Mr. Estell do?" CHAMBERS: "At that time he was in the personnel department." POULSON: "$7.90. He called Mosher, $8.50; he called Miller, $6.80 in San Francisco, and then he called him when he went to Los Angeles and that was $13.40." PHILLIPS: "Do you think there is anything significant in the fact that he only called people who are in the personnel department?" CHAMBERS: "Has he made any lately?" POULSON: "We don't have these lately." CHAMBERS: "I don't think you will find it. POULSON: "They are all personnel men, aren't they?" CHAMBERS: "Yes—no, Mosher was operations—at that time I think he was. Was he in operation? Yes, he was in the operations department."

W-16 pages 218 & 219— WOLLENBERG: "Now, you were telling, I believe, about a man who came into the camp, by the name of Mr. Garoutte." SPEARES: "Yes, Mr. Garoutte replaced Mr. Farrington. He was sent in as assistant superintendent at $85.00 a month. He brought a letter from Mr. Wakefield, Supervisor of Camps, saying I was to put him to work immediately upon arrival,

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W-9-38—Edwin J. Cooley, SRA Director, San Francisco County, San Francisco.

P-8-497—Walter Chambers, SRA Administrator, Los Angeles.

and his pay was to start,—I don't recall exactly, I think the first day of October. In questioning Mr. Garoutte, I had to know exactly how much experience he had, so I would know how much confidence to place in him, and what duties to turn over to him, and I asked where he had worked before in camps, and he told me he had not worked before in camps, that he had organized the Veterans Democratic Action Committee and that they had promised him a job for the good work which he had done, and he was told to report to Mr. Walter Ballou in the Governor's office in Sacramento, and Mr. Ballou had given him this position. I asked him if he had any experience in handling men at all. He said only in the Army; he was a non-commissioned officer in the Army, and he was told to report he had a lot of experience and he was to say he was trained, and eventually he was to get a camp. Mr. Garoutte, within two days after his arrival in camp, informed me he had received a message from Mr. Ballou, of the Governor's office, and Mr. Ballou wanted him to do some political work for him, and he would have to be excused for the time it would take to handle the job. . . Mr. Garoutte was gone on an average, I would say, of four days out of each week, working for the Governor's office."

W-11 page 177— MISS DOUGLAS: "He (Cub Porter) sent word out to me that they were very apt to make a political appointment out there and that I should get all the local Democratic backing that I could get, and get it very quickly."

Further:
W-11 page 188— FIELD. "Now, you say that in October and November of 1939 you noticed a change of political pressure being put on the Bureau?" MISS DOUGLAS: "Very definitely."

H-9 page 225— HOUSER: "But you think in spite of the fact that you had no previous experience with a position of this kind and in spite of the fact that you had endorsement of five or six members of the County Central Committee, which I presume consists of eight——" CALLIS: "No, I had that later on. It didn't mean anything anyway." HOUSER: "In spite of those facts, you don't think your appointment was political in nature?" CALLIS: "Well, I suppose it was. Yes." HOUSER: "Did you take any part in the Olson campaign?" CALLIS: "Yes."

H-7 pages 70 & 71— HOUSER: "What did they mean when they said you were politically unacceptable?" FITZER: "I don't

W-11-177—Miss Helen Douglas, nutrition worker, San Francisco.
H-9-225—Ted C. Callis, SRA employee, Ventura.
H-7-70—William F. Fitzer, SRA Director, San Bernardino County, San Bernardino.

know." HOUSER: "You must have some idea." FITZER: "Well, at that time I had had no one pressing me for appointments, for instance. Individuals had come to me and said, 'I am a good Democrat and I backed the Governor' but no organization or no person politically powerful at that time had attempted to influence me to appoint anybody." HOUSER: "They have since that time?" FITZER: "Yes."

W-3 page 19— WOLLENBERG: "For what period of time were you employed in the SRA in Santa Cruz County?" MRS. MACQUIDDY: "From March 1, 1937, until November 28, 1939." WOLLENBERG: "And during that period you were County Director the entire time?" MRS. MACQUIDDY: "I was County Director the entire time."

W-3 pages 30 & 31— FIELD: "When did you sever your connections?" MRS. MACQUIDDY: "You mean, from the SRA? It was November, 1939." WOLLENBERG: "At the time of your severance of your connections, was it a voluntary resignation on your part?" MRS. MACQUIDDY: "I wouldn't call it exactly voluntary. I was asked to accept a transfer to Monterey County to take a position as a Grade Two supervisor in charge of the other supervisors. Since I was told the thing was political I simply resigned in protest of the politics." WOLLENBERG: "What were the circumstances that led up to that?" MRS. MACQUIDDY: "If I can start from the beginning, I think, I can qualify it. About last April when the time came to reduce because the case load was falling, the Field Representative came and said the procedure would be changed though I would continue to be responsible for the work of the people in the office. If I wanted to release anyone I would have to get approval from the State office." FIELD: "Who was the Field Representative?" MRS MACQUIDDY: "Mrs. Irene Leeper. So I was suspicious that the thing was political and it didn't seem administratively very strong. I asked her, but she was evasive. About two weeks later at the conference of the social workers I talked with a friend of mine who was a District Administrative Supervisor in San Francisco and she asked me if I had had difficulty in releasing people. * * *"

Further:

W-3 page 32— WOLLENBERG: "That was when the conference was held?" MRS. MACQUIDDY: "Yes, on the 19th of May. Dewey Anderson called in all of the county directors, he said we needn't pull our punches, we could ask anything—we could ask about policy and procedure.

Further:

W-3-19—Mrs. Elizabeth Wilson MacQuiddy, former SRA Director, Santa Cruz County, Aptos.

So in the course of the discussion I asked why if we were responsible for the work of the people we had been denied the right to dismiss. He seemed embarrassed and he evaded and he said it was a difficult question to answer, but in two or three weeks he could answer it. And when the meeting was over he came up to me and said, 'You asked me a hard question.' He said,—I remember his exact words, and I am sure his exact words were, 'You are particularly obtuse politically, if you know what that means.' He went on rather frankly and said, used a generality, that certain forces or some group—something like that, wanted to turn the SRA into a complete spoils system. He said he was fighting the thing and that if he couldn't stop it he would resign and if he did resign that would be the only reason and then I would know the answer to my question."

Even health must yield to politics! !

W-11 page 192— LINDNER: "The entire panel that was presented to me was made up of Democrats. We had no choice in the matter. I had the choice of picking the good men from the Democrats, and I insisted very strenuously that I would not be a party to any of the business unless I could pick the men I wanted."

Attempts to "pressure" members of the Legislature have been made by SRA employees.

H-13 page 10— KUCHEL: "Since I returned to Orange County, Mr. Platt, some of the people that live here in the county tell me that this was prepared, that is, this statement, mimeographed statement, for the purpose of the record, which opposes the return of the administration of relief to the counties—" PLATT: "Uh huh." KUCHEL: "—and which then goes on to allege that the members of the State Assembly from Orange County are working for certain special interests and the like, were prepared in the SRA headquarters. That statement was made to me in Sacramento." PLATT: "I made a statement up there that I didn't know where they were printed." KUCHEL: "Yes." PLATT: "And that's still true, but when I got back I found out that they were printed in our office."

H-13 pages 74 & 75— HOUSER: "What else of the State's did you use in your campaign against Mr. Kuchel and Mr. Watson?" GERHART: "Nothing else that I know of." HOUSER: "All right. Time, yes. When did you do this work?" GERHART: "We were sending out,

W-11-192—Dr. Harold H. Lindner, Medical Advisor, Public Health Department, San Francisco.
H-13-10—Lawrence Platt, SRA Director, Orange County, Santa Ana.
H-13-74—Harry S. Gerhart, SRA Case Worker, Santa Ana.

handling various publicity material although that was primarily under Mr. Vissman and I assisted him to some extent though not a great deal, but——" HOUSER: "During your working hours, though, wasn't it?" GERHART: "Yes, that was part of the working hours from the publicity department. Public relations of the State as handled as a department of the State Relief Administration at that time." HOUSER: "So you think it was well within your functions to use State material and State time in order to promote a campaign against members of the Legislature with whom you disagree." GERHART: "Well, the ethics of that may be questionable, although in the heat of battle why it seemed to be a good thing to do at the time."

H-13 page 14— KUCHEL: "Now, prior to the enactment of the 'Little Hatch Act', did you ever suggest to the various employees at that branch of the government of the SRA in Orange County, 'Write or wire to their assemblymen,' insisting on the ——" PLATT: "We got instructions from the State Office to do that." KUCHEL: "And who particularly asked you to do that?" PLATT: "The head of the Community Relations Department Mr. Johnson, I think, they sent over here for that."

H-3 page 571— MRS. COPLAND: "I also wanted to make some statements about the belief of most of the workers in the SRA against politics in relief. They think it would be a terrific shame to let the organization be broken down—by a—completely broken down and demoralized by the importation of people who know nothing about public welfare. That is why the workers in the relief administration have been putting up such a fight against the dismissal of people on flimsy grounds, and have been trying for years to get a decent personnel policy in the SRA even before this administration."

P-8 pages 432 & 433. PHILLIPS. "Is Mr. Kehoe still in the employ of the SRA?" CHAMBERS: "Yes." PHILLIPS: "Is Mr. Kehoe still the President of the Young Democrats?" CHAMBERS: "I requested that knowledge this morning from Mr. Kehoe, and I discovered that he still is." PHILLIPS. "He still is? Have you read Senate Bill 81?" CHAMBERS: "I have, and up to ten days ago we had no interpretation from the Attorney General. On the receipt of that interpretation from the Attorney General, advices were given to those who held positions of that nature that they had their choice of resigning from their position or the State Relief Administration. Mr. Kehoe was told that this

H-3-571—Mrs. Bernice G. Copland, former SRA Supervisor, Los Angeles.

morning." HOUSER: "Mr. Chairman? You say, Mr. Chambers, you sent out instructions within the last few days that they have either to resign from the State Relief Administration or from the political activity?" CHAMBERS: "That is true." HOUSER: "Let me ask you, Mr. Chambers, don't you think being President of the Young Democrats is taking an active part in politics?" CHAMBERS: "Absolutely, I do. I don't think there is any argument on that. I told Mr. Kehoe so over the telephone."

The Public Relations Section, abolished by the Legislature, turns up again in the guise of "Field Agent," assigned to all committees and hearings.

W-2 pages 96, 97 & 98— FIELD: "Mrs. Wyckoff, I don't want to interrogate you at all; I just think that we should establish, shall I say, your position with us. With that in mind, I will ask you, are you an employee of the SRA?" MRS. WYCKOFF: "Yes." FIELD: "In what capacity?" MRS. WYCKOFF: "I am field agent from the Administrator's office." FIELD: "How long have you been an employee of the SRA?" MRS. WYCKOFF: "Thirteen months." FIELD: "As a field agent?" MRS. WYCKOFF: "No, I was formerly in the division of community relations,—I was the original director."

Further: FIELD: "Are you employed out of the Los Angeles office?" MRS. WYCKOFF: "No, I was employed in San Francisco." FIELD: "How long have you been a field agent?" MRS. WYCKOFF: "Two weeks." MRS. WYCKOFF: "What duties do you have as a field agent?" MRS. WYCKOFF: "I have been assigned to this committee, to follow you around and point any matter out to the Administrator he should answer or any questions that you may have; to give you any documents; to make available everything to you that we can." SENATOR TICKLE: "In other words, it is more feasible and mobile than packing around dictagraphs." FIELD: "I must admit I admire this way much better." LORE: "You have some other duties in connection with your position other than the duties you mention, which are just temporary,—you have more permanent duties in other work?" MRS. WYCKOFF: "Yes, that is right." TICKLE: "Is this, in a sense, a vacation for you?" MRS. WYCKOFF: "It is very pleasant."

Continuing: FIELD: "You said you were assigned by the Administrator to furnish him with any information which might be of benefit to him in the administration of

W-2-96—Mrs. R Florence Wyckoff, SRA Field Agent, San Francisco.

relief—" MRS. WYCKOFF: "Or benefit to you." FIELD: "Yes. Could you briefly outline what that may be, what information you might be able to pass on to the Administrator?" MRS. WYCKOFF: "Where situations arise where the local individuals in the counties don't have the full story of what happens to certain cases, I send to the State office for the information, so we can have it to give the complete picture. For instance, today in that man's paycheck—the answer is obviously in the State office. This county office can't know what it is and the social service field representative, normally she would be the person to do that. We have abolished the whole staff, so I am sort of acting as a temporary go-between."

H-4 page 599 & 600— HOUSER: "Well, I think the committee would be interested in knowing your personal appraisal of Walter Chambers as far as his ability to run the State Relief Administration is concerned. We would like to get your opinion on that." KELLY: "Well, of course, I am not in a position to give that kind of an opinion. I can give you the opinion of the Executive Committee. They have gone on record in that resolution as asking for his removal." HOUSER: "So that the only reasons for Walter Chambers' removal in the opinion of you and your Executive Committee were that he had left too many Republicans in positions in the State Relief Administration which you thought should be held by Democrats." KELLY: "Because they were sabotaging the program, yes."

W-6 pages 8 & 9— BURNETT: "I met a man down there by the name of Fogg. He is on the State committee, Democratic Committee in Los Angeles, and he told me he was paying in two per cent of his salary to some political fund in Los Angeles, and he says all of the new appointees are doing that." WOLLENBERG: "They ask you to do it?" BURNETT: "Not directly, anyhow." He said "It is a good idea." He said "Every Democrat should do it." WOLLENBERG: "Did you ever see any letters or correspondence on that subject?" BURNETT: "I saw a letter Mr. Morris Lee had, signed by some San Francisco political worker who had authorized him to collect contributions. WOLLENBERG: "Do you know where that letter could be obtained?" BURNETT: "Unless Mr. Morris Lee has it, I don't." WOLLENBERG: "Is he in San Francisco?" BURNETT: "He is in Los Angeles. He showed me that letter. Mr. Morris Lee

H-4-599—Bernard J Kelly, Deputy Director of Motor Vehicles, Los Angeles. (Chairman Democratic County Central Committee, Los Angeles County.)
W-6-8—Edward V. Burnett, former SRA employee, San Francisco.

had been there five months and Mr. Fogg had been there five months, and they were retained, whereas I was there twenty-one months, and they let me go, and other people who were there two or three years were let go. And these were—well, the politicos—is the term the people term them down there—they were retained."

H-12 pages 52 & 53— MRS. WORCESTER: "And, I had another experience after that, which was pretty much of a shock, too, when a campaign worker came into our office and said he had worked in New York in campaigns, and in New York when you work for Tammany Hall you got paid on the dotted line; and, Mr. Roe refused to pay him, and told him he would pay him when he got in the relief administration. This man made demands on me which I couldn't meet according to our rules and regulations; and, when one of our social workers visited the family he stated that he got five hundred signatures for Mr. Roe——"

Further: H-12 page 53— HOUSER: "This same man told you that?" MRS. WORCESTER: "Yes—told one of our social workers. He demanded an emergency relief order which I couldn't give him because he had his check, and Mr. Roe who also has the right to sign a relief order signed it and the man got his check."

The creation of many new positions to "take care of" political appointees has greatly increased SRA payrolls.

H-3 pages 564 & 565— MRS. JERGINS: "I think that the job of district director is entirely superfluous. The district offices were run competently by the district-directors, that is, the trained professional social-workers before the district directors were important and could be run efficiently again; that is the joint running of them by the officer managers and the district case supervisors. It's an entirely superfluous position and it's just an expense to the taxpayers." HOUSER: "What do you think they were appointed for originally?" MRS. JERGINS: "I think to build a political machine." HOUSER: "By who? By Governor Olson?" MRS. JERGINS: "The Democratic party; some of them belong to one faction and some to another, so probably part of the party could be built up by some and part by others."

H-3 page 527— MARY STANTON: "We told the Governor that if he wished to restore morale that we knew that the program was not succeeding because the morale of the

H-12-52—Mrs. Daisy Lee Worcester, SRA employee, San Diego.
H-3-564—Mrs. Virginia Jergins, SRA employee, Rosemead.
H-3-527—Mary Stanton, Executive Secretary, Los Angeles County Social Aide, Los Angeles.

State Relief Administration had been shattered, the people were not working, that the quickest way to do it would be to employ a qualified professional public welfare administrator as the assistant to Mr. Anderson, and to give that person the authority which the State Relief Administrator, and the State Relief Administration could develop sound public welfare policies, and to carry on with a qualified public welfare staff. He stated that he would not do that, that he was having pressure brought to bear upon him from all of the Districts in the State because they were not getting appointments that they had anticipated, and secondly he said he would not appoint such persons, and that we could expect immediately from fifty to sixty political appointments in the social welfare department under the SRA."

Senate Journal, Jan. 30, 1940, pages 34-41— Resignation of Dr. H. Dewey Anderson, dated August 14, 1939: "The most serious of all problems, however, and the one which makes necessary this resignation, is my refusal to accede to certain demands made upon me to play partisan politics with the administration of the SRA." Further, "It is my profound conviction that the introduction of the political spoils system into the SRA will have far-reaching damaging effects on Federal co-operation and assistance, to the great detriment of the people needing relief, and resulting in greater financial burden for the State." Also, "The spoils system has already entered the State Relief Administration, and is particularly noticeable in a jockeying for positions and a frantic attempt on the part of old employees to retain their jobs."

Senate Journal, Jan. 30, 1940, pages 41-52— Report by Edwin N. Atherton and Associates on State Relief Administration: "The lessened efficiency is attributed by them to these major conditions: (1) the indefinite, uncertain, constantly changing SRA policy; (2) personal bickerings and jealousies among the personnel due to factional discord between the "liberals" and the "conservatives" within the organization; (3) pressure groups within SRA which try to and too often succeed in dominating personnel and in dictating policy; (4) "political" and "pressure" groups which obtain dismissals and name replacements without consideration of merit, experience or qualification."

SECTION 8

SUBVERSIVE ACTIVITIES

Radical SRA employees have used their positions to spread subversive doctrines among other employees and among the recipients of relief. Communists and fellow-travelers have received little discouragement from the State Administration.

Senate Journal, Jan. 30, 1940, pages 41-52— Report by Edwin N. Atherton and Associates on State Relief Administration: "'A victim of subversive activity and union pressure, the SRA has lost efficiency and effectiveness.'"

Further: "'The Executive Council is composed of powerful CIO leaders, representatives of the Communist Party, and presidents of local chapters of CIO and SCMWA. At these meetings, instead of discussion and effort being put forth to improve working conditions of the workers, time is spent in determining to whom telegrams and letters should be sent regarding any bills in any way affecting the Communist Party, either in the State Legislature or Congress.' 'Every indication of these council meetings is that the objectives of the Communist Party and the interests of the Union are first.'"

H-2 page 235— WILSON: "Now, it is no longer a question of partisan politics, gentlemen, at all, it is a question of whether or not we are going to permit people within the State Relief Administration to tear down the ideals of American Democracy under this guise of freedom of speech and call it a form of political belief in which they are entitled not to express their opinion."

Further: "As a consequence you have very few people who are now in the heads of the departments who believe in the American philosophy and you have quite a few who believe in the totalitarian philosophy. That is what I mean by your relaxation of vigilance."

H-2 page 15— BROWN: "Regardless of the ability to pay by the taxpayers." WAHLENMEIER: "Well, you are talking in terms of human misery versus ability to pay. I think as long as there is any dollars left in California that there is an ability to pay." BROWN: "If it took all the dollars, why, they should take them? Is that correct?" WAHLENMEIER: "If it will avoid human suffering. Would you say that with all of the industries that we have here in California that just because it is going to take away some of their profits to feed the unemployed that the unemployed should go hungry, when the land and every-

H-2-235—A. M. Wilson, Paymaster, State Controller's office, Los Angeles
H-2-15—Vernon Wahlenmeier, Workers' Alliance leader, San Diego

thing belong to them to start with—I mean belong to the people?"

Further:
H-12 page 121— "Well, there is no—I don't believe there is any question but that the Workers Alliance is a Communistically directed organization. In San Diego it is made up of known Communists. For instance, at the sit-down strike here the other day—I don't recall the date because I have since been out of town—Dan Taylor was one of the members of the sit-down strike, as was also his wife. Both of those are acknowledged Communists, and are members of the Workers Alliance. There are a great many other known Communists who are members of that organization."

M-10 pages 283 & 284— MIXTER: "Did your investigation, Mr. Combs, reveal any cooperation between the Communist party of Tulare County and the activities of the Workers Alliance, so far as administration of relief is concerned?" COMBS: "Unquestionably." MIXTER: "Could you cite any instance or instances of that concerning which you have factual knowledge?" COMBS: "We have proof I think that can not be successfully controverted, both from our own investigators who were at that time members of the Communist party, and from other persons who were members of the Workers Alliance executive committee to the effect that all of the officers of the Workers Alliance were required to be members of the Communist party, and I think we still have some of those affidavits that were not used during the Yorty Committee hearing. We also have an affidavit from a communist by the name of Ledweiss, William T. Ledweiss who was a state Communist organizer and who attended a meeting in Stockton in August of 1936. The meeting was also attended, and I will produce the papers, the editor of the Communist newspaper which is now the Peoples' World, and at that time I believe was called the Daily Worker. At that meeting, according to the affidavit of Mr. Ledweiss, it was stated that the Communists should join the Democratic party in as large a group as possible and that by January 1st, 1940 through the Workers Alliance, the Communist party would have political control of the State Relief Administration. That affidavit can be made available for your committee, if you wish."

H-9 page 254— HOUSER: "How long have you been Chairman of the Grievance Committee?" PINNEY: "Well, I think it was something like three or four years ago, it might have been a little longer, just something about that time." HOUSER: "Well, you were a registered Com

M-10-283—R E. Combs, Attorney, Visalia, Tulare County.
H-9-254—John H. Pinney, Workers' Alliance member, Santa Barbara.

munist up until very recently, weren't you?" PINNEY: "Yes, until I went into the Democratic Party."

Y-1 pages 139 & 140— ASSEMBLYMAN YORTY: "Was there any discussion at that time as to the strategy of the Communist Party and its work within the Democratic Party?" MORTON: "Yes, there was. At that time I was a member of the Socialist group. They needed me there as—well, I would call it the spy system. Their strategy is to get as many political members in all the parties and undermine the Government. There are as many Communists in the Republican Party as in the Democratic and Socialist Parties. When I suggested that I leave the Socialist Party and become a full-fledged Communist they said, 'No; you stay in the Socialist Party and let us know what is going on.' I didn't like that stuff. It ended up in a fist fight there in Berkeley one night that involved about fourteen Trotskyites, including Jack London's daughter Joanne; I read a scandal about it in the papers this morning. After that I got out of the Socialist Party."

M-10 page 222— MIXTER: "During your operations as a newspaper man, have you had occasion to carry on any investigation as to subversive activities and control within the SRA and other similar state organizations?" UHL: "I have." MIXTER: "What is your conclusion?" UHL: "My conclusions were that if the SRA in Tulare County is not under the absolute control of the CIO and similar affiliates, similar organizations, I should say perhaps, if not in absolute control, then there is a very definite coercion at times and a certain amount of control, and basing that partly on a meeting which I attended in the SRA building of the CIO where various activities of the CIO in connection with their efforts in the SRA were discussed "

M-9 page 85— WILBUR: "Mr Hicks was the head of the CIO, and Loretta Adams, who represents the Workers Alliance—" WATSON: "(Interrupting) And the Communist Party?" WILBUR: "And the Communist Party, yes, were more or less leaders in the demonstration."

M-9 pages 115 & 116— CAMP: "Including the individuals who are usually the leaders in that particular thing and have been over a number of years and the same radicals, including and headed locally by one Loretta Adams, the one registered Communist in Kern County at the present time. She and her lieutenants have been the guiding

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Y-1-139—Don Morton, writer and newspaperman, Oakland.
M-10-222—Kenneth Uhl, newspaper man and rancher, Visalia, Tulare County.
M-9-85—Albert G. Wilbur, SRA Director, Inyo, Mono, Kern Counties, Bakersfield.
M-9-115—W. B. Camp, farmer, Bakersfield.

light in all of the labor difficulties that have occurred on the ranches in Kern County during the past two and a half years or two or more years." MIXTER: "You believe that all of the labor difficulties in agriculture in Kern County during the past two or two and a half years have been directly traceable to the efforts of this person whom you mentioned and others similarly engaged in fomenting trouble and all of them were members of or definitely in sympathy with and directed by the Communist Party?" CAMP: "Yes." WATSON: "Do you feel there is any need for any more migratory camps in this valley?" CAMP: "You mean Federal Migrant Camps?" WATSON: "Yes." CAMP: "No, I think they are distinctly a disturbing factor for the labor themselves and have done no one any permanent good." WATSON: "Have you heard, of these people who live in these migrant camps, if they hold subversive meetings in these camps to promote these strikes? Aren't meetings held inside of these camps, some of them?" CAMP: "Definitely so, yes." WATSON: "And many of these folks who foment the trouble live there and at the present time—if not today, then a few weeks ago—one Loretta Adams was employed there as a kind of overseer?" CAMP: "As a kind of timekeeper." WATSON: "Some kind of a timekeeper?" CAMP: "I don't know, but whatever her title is, we know what she is there for and what she is doing while living there."

M-7 page 44— MIXTER: "If I understand you correctly, the general people, some of the people who might have otherwise gone into employment remained on relief?" BAKER: "Sure, and boasted of the fact." WATSON: "I wanted to ask you, at any time did the Workers Alliance induce these people to leave their jobs and go on relief?" BAKER: "They was induced from some source. Of course, I've got to tend to my business, and I don't know whether it was the CIO or the Workers Alliance or who, but they been out to my camp and they also threatened my workers if they would go out and work for the prices that were paid, that they would wreck their car and burn their cabins and also that they'd kill me."

H-10 page 26— ROE: "The Workers Betterment League comes in and says they are all Communists; the Workers Protective say the same thing." HOUSER: "Do you feel that some members of the SCMWA are members of the Communist party?" ROE: "Yes. There are two absolutely known and I think there are some more; at least

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M-7-44—O. L. Baker, farmer, Madera.
H-10-26—William B Roe, SRA Director, San Diego County, San Diego.

one of them occupies a position of prominence in the SRA."

W-11 page 119— GERAGHTY: "Well, I looked up to see who were known Communists, and on this list I found two names." WOLLENBERG: "That were registered, you mean?" GERAGHTY: "As Communists." WOLLENBERG: "You mean, registered politically?" GERAGHTY: "Registered politically as Communists. One was Dr. L. R. French, and the other was Mario Casaroli."

W-11 page 182— MISS DOUGLAS: "The project is running under the general supervision of WPA, and WPA put Mr. Percy Frye in as supervisor, and Mr. Percy Frye has all the Workers Alliance support and, Labor's Non-Partisan League."

Further:
W-11 page 183— "Well, of course, we objected professionally to a man with Mr. Frye's background of support of that particular radical group going in where there was contact in the homes of relief clients, and where there was an increase in the budget."

H-2 page 290— WILSON: "Only when stirred up by agitators and galled by red propaganda does any appreciable part of them (recipients) get the 'world owes me a living' complex, and there is a lot of that red propaganda delivered at every pay station and every depot almost every payday or every gathering day."

Y-2 page 138— ASSEMBLYMAN TENNEY: "Was it generally known among the people in this community and in the SRA office that the Workers Alliance and SCMWA and Laborers Non-partisan League were Communist controlled organizations" MRS. HUBER: "I'm afraid the people didn't realize it as a whole. The laymen didn't." TENNEY: "How about the employees of the SRA office?" MRS HUBER: "We knew it."

SECTION 9

COUNTY ADMINISTRATION

Payment of relief to the unemployed must be continued until reemployment has been accomplished. To continue relief, every economy must be made and inequities which have developed under the SRA must be eliminated. No plan has demonstrated that it can function as economically as has a plan of local supervision, under State direction.

W-11-119—T. P. Geraghty, SRA Executive Secretary, Board of Personnel Standard and Appeals, San Francisco.
W-11-182—Miss Helen Douglas, nutrition worker, San Francisco.
H-2-290—A. M. Wilson, Paymaster, State Controller's office, Los Angeles
Y-2-138—Mrs. Adele Huber, SRA Case Worker, Visalia, Tulare County.

W-2 pages 57 & 58— LEACH: "There were 109,000 SRA clients; they had to divide up the money among those clients, taking the average per case which was estimated at $36 at that time—$36 by 109,000 should bring you well under the mark of $4,000,000 allowed for the month of March, Mr. Lore, just by simple arithmetic in its simplest form, after allowing for camps, the commodities, and administration, and that is the basis why I believe the forty per cent cut was not necessary."

W-14 page 7— BLAKE: "Well, we closed over 300 cases around the first of April. About half of them were due to the effects of Senate Bill 81."

W-14 page 46— MRS. LYTLE: "Well, I would say that my own immediate experience is that there probably has been some lessening of eligibility. However, I think we have certainly tightened up on eligibility as the result of Senate Bill 81."

H-1 pages 18 & 19— REESE: "Fortunately we have never had a fixed manual until the recent Legislature practically wrote us one in the Senate Bill 81. The Legislature has defined eligibility to such a point that our manual is practically obsolete."

H-5 page 2— GRIER: "I think we all feel that your Legislature at the special session did a very fine job under the circumstances with the Senate Bill 81. I think events have subsequently absolutely upheld you in your contention that was a sufficient appropriation and not necessary to cut budgets because now we know the budget cuts that were made are being reinstated."

H-9 pages 90 & 91— PREISKER: "But during this month when 12,000 were supposedly cut off their relief checks, of course, with the change it didn't amount to that much, and although we set up $5,000 with the expectation there might be a rush and they probably would use it up within a week or two weeks anyhow, they have actually worked out during this month $897 worth of the $5,000."

P-1 page 318— LANE: "I would like to pass on to you gentlemen what I attribute to your action as a very noticeable and direct result: The fact that these transients now—the workers convey to me that they are anxious—not only

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W-2-57—W. H. Leach, Welfare Director Monterey County, Salinas.
W-14-7—Frank J. Blake, SRA Director Santa Clara County, Santa Clara.
W-14-46—Myrtle C Lytle, SRA Social Service Supervisor, San Jose.
H-1-18—James B. Reese, Administrative Assistant to SRA Administrator, Los Angeles.
H-5-2—C. E. Grier, Chairman Board of Supervisors, San Bernardino County, Upland.
H-9-90—C. L. Preisker, Chairman Board of Supervisors, Santa Barbara County, Santa Barbara.
P-1-318—George Lane. SRA Supervisor, Los Angeles.

ready, willing and able, but anxious to go (back to their home states), which is just the contrary of what has been the policy in the past."

H-13 page 39— PLATT: "Well, we had 116 people when this bill went into effect and the cut came and we have, now, fifty-six people.

H-6 page 50— BERKOWITZ: "When I took office in September the percentage was 59.4 increase over the year previous. There has been a consistent drop until it was 17 per cent last time I saw it, about a week ago." HOUSER: "After the Legislature passed Senate Bill 81?" BERKOWITZ: "Yes. Our peak season is the first of March. There is a definite decline in this county."

H-12 page 2— WAHLENMEIER: "To start with, the budgets were slashed 40% and persons couldn't meet their bills on that budget slash. And, the Workers Alliance, being an organization of the unemployed, called upon by the unemployed to try to do something about it. Any way that we could figure this budget slash we couldn't justify it. I don't think that the 40% cut was necessary, especially at the time that it was made."

W-14 pages 46 & 47— WOLLENBERG: "That there was a decided lessening or relaxing of eligibility rules in the early part of 1939?" MRS. LYTLE: "Yes, sir." WOLLENBERG: "And a tightening up again since the passing of Senate Bill 81, is that your feeling?" MRS. LYTLE: "Yes, sir." LORE: "Was there any tightening up prior to the enactment of Senate Bill 81, or do you think that the relaxation continued from early in 1939 until its passage?" MRS. LYTLE: "Do you mean, did the relaxation continue to relax?" LORE: "Put it that way." WOLLENBERG: "Or stay relaxed?" MRS. LYTLE: "Or stay relaxed, or what?" LORE: "What did happen, in your opinion?" MRS. LYTLE: "Well, I think that we were given the very definite impression, in the early part of 1939, that the rigid following of rules of eligibility was not to be as rigid, and that we were to relax our rules of eligibility and give service to clients in many instances when the actual need, or the actual need for relief was not always there. However, I do not think that was true in this county, and it has not been true since I came to this county."

H-13-39—Lawrence Platt, SRA Director, Orange County, Santa Ana.
H-6-50—Charles Berkowitz, SRA Director, Riverside County, Riverside.
H-12-2—Vernon Wahlenmeier, Workers' Alliance leader, San Diego.

M-7 page 88— STONE: "At the present time there is a very interesting thing going on that I learned about a little while ago, that Mr. McWilliams of the Division of Immigration, of Housing, is gathering information for the SRA on aliens in the State of California, for the purpose of proving their, they are legally in the United States. Now, what I can't see, just exactly, where the authority comes for a thing of that kind. There are reported to be in the employ of the Division of Immigration and Housing four individuals who are known agitators."

P-1 page 245— PALOMARES: "I think we all draw our own conclusions. I have tried to compare the SRA set-up, for instance, with the county. Now, I never have to supplement a county case. If anything happens to the case, that is, you might say is on the border line, I can get on the 'phone or drop up to the county office and in five minutes we will have the thing settled; but with the SRA for instance, I can go over to any one of the boys over there and talk to them, well, they have got to write to Los Angeles, or teletype them, then we have to wait until it comes back and in the meantime our problem is still on our hands. I have asked them 'What would you do in a community where you didn't have a Chest or a private agency to alleviate the situation or take up this slack?' I have often wondered. They said they just couldn't do anything. I am of the opinion that if we put the SRA on the same basis as you have orphan aid and blind aid, old-age security, and handle it through the counties that you are going to effect economy and also efficiency."

M-1 page 148— MIXTER: "Do you believe the administration of relief is handled efficiently in the several counties of the state?" STUART: "You mean the entire program?" MIXTER: "Yes." STUART: "On a decentralized basis." MIXTER: "Including that which is now being handled under the SRA?" STUART: "I believe that it could be handled efficiently by the counties under state supervision." MIXTER: "And financed by the state?" STUART: "Financed by the state." MIXTER: "Do you believe that there would be a savings effected in the administration of relief in that manner which should result in either benefit, added benefit, to the relief recipient or in the reduction of the relief load generally?" STUART: "Both."

M-7-88—Dr. Lee A. Stone, Health Officer, Madera County, Madera.
P-5-16—Fred K. Hoehler, Director American Public Welfare Association, Chicago.
P-1-245—Frank J. Palomares, Manager, Agricultural Labor Bureau, Fresno.
M-1-148—C A. Stuart, Superintendent, Welfare Department, San Joaquin County, Stockton.

W-11 page 242— McLAUGHLIN: "I think the administration should lie in the welfare departments of the counties, as at present for the administration of the Social Security program."

H-9 page 62— FUNDERBURGH: "I would see no objection to county administration, were there a state wide, uniform, policy, so far as eligibility is concerned and administration."

H-9 pages 92 & 93— PREISKER: "In other words, my opinion is that if it is returned to the counties and the relief is apportioned between the county and the state, the county should participate clear to the top." HOUSER: "In other words, you would integrate the program and then apportion it in the same manner that the categorical aids are apportioned today. I don't mean on the same percentage basis but on some percentage basis where the county would contribute, say, $10 and the state $10." PREISKER: "Yes, either fifty-fifty or a forty-sixty, or a thirty-five-sixty-five, some basis like that."

M-4 pages 94 & 95— WYMAN: "I am a very strong believer in local administration and local participation by the people who are in the locality. I believe that it wouldn't make any difference if you had the most efficient SRA setup in the country and the most efficient county welfare department, there would still be a wastage in the duplication, because you can see where we have an aged mother getting old age security and she has an unemployed son age 25, we have two case-workers, one from the county and one from the SRA going out to visit that family. There is a duplication of case workers, of stenographic work, of traveling time and traveling pay, and all the way through there is duplication and even if both of them are very efficient, you have got that thing to consider. I think that if we had local administration administered under the Board of Supervisors with a strong State central supervision similar to what we have under the categorical aids and under the supervision of the State Department of Social Welfare, where the budgets are set up by the State and there is a leeway which could be taken care of corresponding to the needs of that particular locality, then we would be sure of the right kind of personnel, that the aid would be administered similarly all over the

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W-11-242—Frank Y. McLaughlin, Director Public Welfare Department, City and County of San Francisco.

H-9-62—Isaac Vernon Funderburgh, SRA Acting Director, Santa Barbara County, Santa Barbara.

H-9-92—C. L. Preisker, Chairman, Board of Supervisors, Santa Barbara County, Santa Barbara.

M-4-94—George K. Wyman, Director Welfare Department, Merced County, Merced.

State, but that you would take into account the differences in each vicinity and then your taxpaying groups, the farm bureaus, the granges the chambers of commerce, would be able to appear before the Board of Supervisors as they do now in the cases of county welfare departments, and protest certain expenditures which they might think are unwarranted or acceptive. But as it is now, there is no recourse for them in connection with a State-wide organization."

M-3 page 75— WAGY: "Do you think if the administration of relief was turned back to your county here that you could still furnish work projects to take care of those needing relief?" CROWELL: "I think we have got it lined up, we could take care of them for three years, sawing wood. The people that have the land gave us the wood if we clear it off for them."

M-2 pages 40 & 41— HODGE: "I have made the statement with the cooperation of our board that while we don't solicit this return, we feel that it means a lot of grief and a lot of work, but our board is in this condition where we feel that if the legislature in their wisdom finds that it is right and proper to return it to the counties in order to save money, we are willing to accept the responsibility." WAGY: "Only this: Do you think that would apply all over the state pretty well?" HODGE: "I do, Mr. Wagy." WAGY: "You think, then. that the counties could handle it by putting on relief projects at a less cost to the taxpayer than is now costing?" HODGE: "I do." WAGY: "With the added results of benefits from the work done." HODGE: "Yes." WAGY: "And with the further added advantage of maintaining the morale of the people." HODGE: "Absolutely."

W-2 page 31— JACOBSEN: "Well, we supervisors have not been soliciting return to the counties because it would create quite a bit of additional work, but I would say this candidly, if Monterey County handled the Administration of relief the way it handled the administration under our welfare department, if that would be any criterion of how it would be handled throughout the state, if it did come back to the counties, I feel we would make a better job of it than they are doing with the present State Relief Administration. I believe it would be more efficient and savings in both state and county overhead."

M-3-75—Charles C. Crowell, Chairman, Board of Supervisors, Stanislaus County, Turlock.

M-2-40—Ernest H. Hodge, Chairman, Board of Supervisors, Tuolumne County, Tuolumne.

W-2-31—A. B. Jacobsen, Chairman, Board of Supervisors, Monterey County, Pacific Grove.

W-2 pages 37 & 38— LEACH. "Our unemployment relief work has faded out but we still have the machinery. If relief was returned to the County, probably the only change in this county would be to hang out a sign 'Emergency Relief Division, County Welfare Department'. The public welfare executives presented a plan to Ralph Jenny, now a judge, and a very fine man, and Jenny reported that he thought relief should be turned back to the counties."

H-6 page 92— WARNER: "I think it could be administered more economically by the counties, they being closer to the people and knowing what their wants and needs are."

M-7 pages 3 & 5— SCOTT: "December of 1936, the Board of Supervisors entered into an agreement with the State Relief Administration, whereby the County Welfare Director was to act as agent for the State Relief Administration. That was carried on until a week ago yesterday. March twenty-fifth, 1940." MIXTER: "During this period, you functioned then, in the capacity as Acting Director for SRA in Madera County and also as the Director of Welfare for Madera County?" SCOTT: "Yes." MIXTER: "Would you be in a position to say whether or not this new arrangement was satisfactory to the Board of Supervisors, or would you rather send the Board to speak for itself?" SCOTT: "I would say this, that the Board send a resolution to the State Relief Administration, to Mr. Chambers, to the Governor, and to those interested that they would rather that the co-ordinating program remained as it was, and no change be made."

M-3 page 61— WAGY: "Your grand jury seems to have gone into this matter pretty thoroughly. Have they suggested any remedy?" CAPPS: "Well, they suggested the turning of the relief proposition back to the county where it could be more efficiently and economically handled. That is their judgment and what they based their calculations on, our investigation."

P-5 pages 22 & 23— PHILLIPS: "Do you believe that in any other state a similarly complicated situation exists and in which they have the difficulties that we are facing in this state?" HOEHLER: "Of course I am a local administration man. I believe that this job has got to be done where people work and where people live, and so far as possible the controls for administration ought to be on the local level. There ought to be some state supervision

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W-2-37—W. H. Leach, Welfare Director, Monterey County, Salinas.
H-6-92—Willis H. Warner, Supervisor, Orange County, Huntington Beach.
M-7-3—H. M. Scott, Director, Welfare Department, Madera County, Madera.
M-3-61—C. E. Capps, farmer, Salida, Stanislaus County.
P-5-22—Fred K. Hoehler, Director American Public Welfare Association, Chicago.

so as to keep your local organization in line with other organizations, and so that the state would have control to a degree of the money which is being spent, but I don't believe that politics is any worse on the state level than it is down at the local level. If you had your state supervising and acting as a check on the local communities, the chances are you would reduce politics to a minimum, and that is what has got to happen if these programs are to do anything for the people."

W-16 page 162— THOMPSON: "The testimony both of the last administrator and the previous administrator is both to the effect, before Mr. Lore's committee, I think, that it is about 72% out of the dollar—72 to 74¢." WOLLENBERG: "That went to the relief recipient?" THOMPSON: "Went to the relief recipient. And about 15 to 18¢—say 18—in branch office set-up, and some 6 on other administrative purposes. Mr. Lore probably would remember that better than I do." WOLLENBERG: "In your county relief the recipient receives how much out of every dollar appropriated for the—" THOMPSON: "On this last month there would be a difference on that figure, or almost 94¢, 93¢ and a fraction."

P-6 pages 53, 54, 55, 56 & 57— NIELSEN: "We found in one county that the administrative cost charged to that particular county, although the county SRA office was in an adjoining county, the administrative cost was $159 with one person on relief, and they paid that individual $17. Another county paid out $1700 and the administrative cost was $1400, in October 1939." MAYO: "Solano County. In June 1939 they paid out $1779.30 and it cost $1439.51 administrative overhead."

Further: In Glenn County, in June 1939, they had 17 cases and they had five employees. That is one employee for every 3½ cases. They paid out $382.91 for relief and it cost them $346.77 to pay it out. That is nearly 90 per cent there."

Continuing: June, 1939, Colusa County had 34 cases. They paid out $482 and it cost them $434 to pay it out. In Butte County they paid out $10,000 and it cost $3,000 to administer it. In Marin County they had 129 cases, 9 employees, and they paid out $3700 and it cost $1100 to pay it out. In Yolo County they paid out $6,000 and it cost approximately $2,000 to pay it out. In Solano County there were 93 cases and 10 employees. They paid out $1779.30 and it cost them $1439.51 to pay it out. In Calaveras County they paid out $840.52 and it cost them $500.95 to pay it out. In Tehama

W-16-162—S. H Thompson, Director of Charities, Alameda County, Oakland.

County, for instance, they had in the four categorical aids for February 1940, 690 cases and they paid out $24,000. The administrative cost was $423 for the $24,000 and they had four employees. In Calaveras County they had 338 cases, of the four categorical aids and there were two employees—this is in the county office—and they paid out for the year $124,000 at an administrative cost of $3,000. In Marin County, for the month of March, 1940, they had 1037 cases of the four categorical aids, and they paid out $32,856 with an administrative overhead of $1800. That is representative of what we found in those counties with three and four people handling as many as 1,000 cases in the four categorical aids—around 2½ per cent to 3 per cent.

Further: "Sonoma County, as of March, 1940, had 442 case loads, SRA and the total amount paid to the recipients was $12,222.29. They had 22 employees. Their administrative cost was $3,058.92. The County of Sonoma, handling old age security, blind, children's aid, indigents, for the month of March had 2587 cases, expended $92,811.80 at an administrative cost of approximately 2½ per cent. I believe the administrative cost of Sonoma County SRA is about 43 per cent, if my figures are correct. That is an example of many of the counties through which we traveled. I just grabbed that one at random."

SECTION 10

THE HOEHLER STATEMENT

(Perhaps no more important hearing was conducted by the committee than the one in San Francisco on April 24th at which Mr. Fred K. Hoehler of Chicago, Director of the American Public Welfare Association, appeared. In addition to giving a comprehensive statement on "the relief problem," Mr. Hoehler answered questions of the committee in a round-table discussion. The committee would prefer to include the complete transcript of the hearing in this report, but because of its length there follows only a part. The complete record of the hearing is to be found in P-5 of the transcript.)

MR. HOEHLER: If there is any one item which has appeared in the newspapers about California more frequently than another, it is the situation in SRA. The more conservative newspapers have used it as a critical attack on relief and public assistance by saying, "Here relief is thrown into politics."

I have followed that up and I found out some of the actual circumstances. I am not going to discuss that, but I do want to be helpful to you and pull out of my experience those things that might be useful.

I was interested in the discussion here before the hearing started on the single man, and, off hand, with the reservation that I may want to change it after I listen to more discussion about your local situation, I think the Senator is right; the unsettled person, the person without domicile in any of your counties, or the single person who is not

located in a home of his own, becomes pretty much of a State problem, largely because the housing of those people in homes in the County would be extremely costly, to set up a home or a domicile for each individual. That would be just impossible to finance in the counties.

STATE RELIEF CAMPS FOR SINGLE MEN

If it is a State problem, there ought to be some responsibility for the State to make decisions as to the character of people who would be accepted in the camps. I hesitate to suggest that you go into camps that would be in the nature of a concentration camp, such as some of us have seen in Europe. Therefore, to make this mandatory on the individual to go to a camp is a little bit difficult. It ought to be handled through persuasion and discussion, but if it is made mandatory it would put California in the position of being criticized as setting up a concentration camp if it was mandatory in your legislation. If every person who had a single status and no home would be required to enter one of those camps—and I throw this out as a caution—it would be misinterpreted.

The camps should be set up for single men, if you are going to do it that way, with the understanding that those people who are responsible for administration would see to it that as many of those single men be sent to those camps for work projects, or treatment, if necessary, as possible.

Now, the Hoode Gibson Camp may be a camp that is necessary in this State for taking care of people who are called "unemployable," whether they are unemployable or not, because they don't fit into any existing jobs.

CHAIRMAN PHILLIPS: They are rheumatic cases, arthritic cases, and there are baths and warm springs at Camp Gibson.

MR. HOEHLER: There is a camp that needs institutional management, it does not need work management, and there should be on hand somebody who has practical nursing experience to look after that. I had not known about the Hoode Gibson camp and I am not qualified to talk about it, but I think the suggestion made by the Senator of State-run camps is the right line of thought.

The question as to who should decide who goes to the camps is another matter. If—and I am stating a hypothesis here—if you decide to turn the general relief program back to the counties with State supervision then I think it is necessary * * *

UNSETTLED PERSONS IN OTHER STATES

About single people or unsettled people; in New York State, which I will discuss first, where you have a situation that is fairly comparable to your own State here, the counties take care of these people, all of the single and unsettled people. They take care of them in homes, they take care of them by arranging for boarding them out if they are single men not eligible for old age assistance, and the State then reimburses the County for the people who have no domicile or who are unsettled in the County but are State residents. The State pays for it by reimbursement to the counties. Then if the person happens to be a resident of any other state, the State takes the responsi-

bility, the State Social Welfare Department, of seeing that that person is moved back to their own state.

Now, of course, their problem of non-residents is about three per cent of their total case load. Yours would be a much larger percentage.

Now, to get to a discussion of handling SRA in various states, in the State of Ohio there is an extremely complicated system of handling the general relief program. The township trustees are responsible, the cities are responsible, and the counties are responsible, so you have a situation that is even more complicated than what you have here. It is not shown up as much because you don't have the thing centralized in one place where the attacks will be directed, because you have them scattered over something like 1300 different units. Of course that is a situation that must be corrected, and I have been in conference with the Governor there and others about the need for it, because they see the need. It is a question of getting the proper legislation.

The State of Ohio provides some money for general relief. That money is given to the counties or to the cities on the basis of a percentage allotment, and the counties and the cities then make up the difference themselves.

DISTRIBUTION OF RELIEF COSTS

CHAIRMAN PHILLIPS: How is the percentage derived? You say it is on a percentage allotment?

MR. HOEHLER: It is 40/60, 40 per cent from the State and 60 per cent from the county, or it might be 50/50. That is a matter of administrative discussion. The township trustees take care of their so-called pauper poor out of the money which they raise in taxation and they get no assistance from the State.

CHAIRMAN PHILLIPS: Those are our indigents?

MR. HOEHLER: Those are your indigents. Now, in the State of Pennsylvania the State handles the entire job. There is a State Department of Public Assistance which gets State money entirely, and that money is spent in the counties for public assistance, old age assistance, or assistance to children, and for general relief.

The county organizations, however, are administered by boards of social welfare in the counties, or boards of public assistance in the counties—they call them Boards of Welfare or Boards of Assistance—those boards are appointed by the Governor. The Administrator of the County is appointed by the Board of Social Welfare in the county from lists which are made up after civil service examination. * * *

CHAIRMAN PHILLIPS: The cities and the counties pay the 60 per cent?

MR. HOEHLER: Yes, and the State pays 40 per cent.

SENATOR DEUEL: What state is that?

MR. HOEHLER: New York.

CHAIRMAN PHILLIPS: Compare that with our proposal that the State shall pay 70 or 75 per cent here.

MR. HOEHLER: Well, I think that your State of California is different from the standpoint of the wealth of the counties and the tax set-up in the counties. The city of New York, the city of Buffalo, and the city of Rochester—most of those counties are fairly well off. There are only one or two impoverished counties in the State of New York,

and they are able to do a larger percentage of the job than you can do here.

If the State pays 60 per cent in New York, as they have done in various times in the past—the thing fluctuates depending upon what the Legislature thinks or what pressure is brought on the Legislature —if the counties pay 40 per cent they can well afford to pay that, or they can pay 60 per cent whereas here you have a number of counties that could not afford to do the job on their own, or even 40 per cent of it, because the tax basis is so limited and your tax structure is not the same as it is in New York. The State has a wider range for taxation.

STATE AND COUNTY COOPERATION.

The State Department of Social Welfare in New York has supervisory authority over the counties, or the cities, as the case may be. The actual administration of this money is done in the local government, but the State Department will say, "You shall have certain standards for personnel, you shall have certain standards of relief, and certain procedures," and the counties are required to keep records as set forth by the State Department and to report to the State Department on forms.

Then the State Department has authority to go into the county periodically and do what they call a case review or make spot checks of what is actually happening in the county. That enables the State Department to give adequate supervision and to say to a county, "You are not doing this job," or "Two-thirds of your people are on here because of political pressure which has been brought on the county and you have got to reduce this load continually until you get to the people who are really there on the basis of need and not on the basis of political preferment or because of personal preferment."

There are instances, of course, where personal politics can play a more important part than partisan politics, so the State Department has to check on that constantly. That is what they call supervision. Supervision is merely a method by which the State will get some information from the counties as to what the counties are doing with their money. If they think that the county is not expending the State's money properly, the State then can crack down on the county with its restrictions. The State could even go to the point of refusing to give the county their 60 per cent or their 40 per cent, as the case may be, which the State now allocates to the counties.

In that state, as I said before, if the county takes care of the unsettled person, the person without domicile, the county then requests the State for reimbursement and that becomes a State case handled by the county organization for the purpose of efficiency and economy. The State could send in a duplicating organization paralleling the county organization, but they prefer not to do that. They prefer to assign responsibility to the county and then keep a rigid control on those cases for which they pay 100 per cent.

I may be taking a lot for granted, and in case you don't understand, please ask questions.

SENATOR DEUEL: Doesn't that result in a great deal of controversy between the county and State authorities?

MR. HOEHLER: No. For instance, the county will send a payroll up to the State, and they will indicate that on that payroll there are 50 people in the county who are so-called State charges. The State then goes back, sends its auditors back and checks those from the standpoint of eligibility. For instance, they will take out case No. 1 and they will find out why the county determined that case No. 1 was a State case, and if the auditors say that that is not a State case, that it is a county case, then the county has full responsibility for that and it is thrown out and there is no reimbursement. They can do that either by a careful check of individual cases or they can do it by spot check. New York prefers to do it by checking the individual cases

Then that case is carried for a number of months, and the State will go back and make a check after, say, three months, they will check the same cases to find out whether the cases should continue to be State or county cases.

SENATOR DEUEL: Of course, you understand that in California, as I understand it, we approach the subject on a different basis.

MR. HOEHLER: You say that the employable unemployed are State charges regardless of where they live, and that the indigents and unemployables are county charges

CHAIRMAN PHILLIPS: How many states in the Union, Mr. Hoehler, have a duplication of the offices and personnel in the State and County units?

MR HOEHLER: About 15 or 20 states That duplication sometimes is more complicated than what you experience here.

SENATOR MIXTER: You are familiar with the system used in California for raising revenue for State purposes, Mr. Hoehler?

MR. HOEHLER: I think I am.

SENATOR MIXTER: It is not clear to me how revenue for operating the State Aid in New York is raised. Would you explain that?

TAXES FOR RELIEF FUNDS.

CHAIRMAN PHILLIPS: Our county tax is an ad valorem tax on land, and all other taxes are used by the State. We have some thirteen or fourteen types of taxation in the State

MR. HOEHLER: The situation in New York is about the same as it is here, except that the counties are permitted—for instance, the City of New York has a special tax on sales and a cigarette tax, and some of the counties put on amusement taxes, and the cities put them on, to raise additional revenue, but for the most part it is an ad valorem property tax.

SENATOR MIXTER: For State purposes?

MR. HOEHLER: For county purposes.

SENATOR MIXTER: Is there any ad valorem tax applied in the State of New York for raising State Revenue at all?

MR. HOEHLER: There are excise taxes on utilities, but no property tax.

SENATOR MIXTER: Not on common property?

MR. HOEHLER: No, but there is a State income tax in the State of New York.

SENATOR DEUEL: No state sales tax?

MR. HOEHLER: No.

COST OF ADMINISTERING RELIEF.

SENATOR MAYO: What is the percentage of administrative overhead in the State of New York? Do you have any idea on that?

MR. HOEHLER: Yes; 13 per cent.

SENATOR PHILLIPS: What would you say in other states?

MR. HOEHLER: It is 13 per cent in New York. It is awfully hard to compare percentages because New York has a total welfare and relief budget of nearly $70,000,000, and when you get up into huge figures your percentages fall down a little bit. If other states did the job as thoroughly as New York does it from the standpoint of social workers and investigations and office equipment, the percentage might run as high as 17 to 20 per cent.

In the State of Illinois, for instance, where they have got a situation very much like yours, with a State Relief Administration operating throughout the State and paralleled by a State Welfare Department operating the categories, the percentage is 10 per cent in the State of Illinois. Now they are having extreme difficulty in making that 10 per cent do a good job, and in the city of Chicago the Governor's Commission, which was made up of business men, went into this thing and they found—they set up what they called an experimental station, in which they put the best trained people they could get, and they reduced the case load so that each worker was handling a hundred or less, and they saved $14,000 in three months. They published a report which we reprinted and sent around to the states. The title of the report was, "Adequate Service Brings Economy."

ASSEMBLYMAN LORE: That is, they ran their percentage of administrative cost up?

MR. HOEHLER: They ran it up but saved in total cost.

CHAIRMAN PHILLIPS: How much did it run it up? You said it was a ten per cent administrative cost before that; what would you say it came to, 13 or 14 per cent?

MR. HOEHLER: They ran it up to 14 per cent, but they saved $14,000 in three months. That report is available to your committee. You can wire for it. It is a business man's report. Those men decided they would get rid of social workers.

15 PER CENT ENOUGH "TO DO A GOOD JOB."

CHAIRMAN PHILLIPS: I think the interesting thing for this Committee is that we set in the bill a limitation of 15 per cent.

MR. HOEHLER: Fifteen per cent ought to enable the department to do a good job. I say that with some reservation, but on the experience in other states I would say that a program such as the one you have here could be handled on a 15 per cent administrative cost basis. Ten per cent is too low. This business man's committee requested the Legislature to remove the limitation on administrative cost and to make it a matter of administrative discretion. The Legislature chose not to do it, and they are operating under 10 per cent. In fact, in the rural districts they are operating under 8 per cent.

SENATOR DEUEL: You made the statement that these business men were determined to get rid of social workers. Did they do so?

COMPETENT WORKERS SAVE MONEY.

MR. HOEHLER: No, they decided that if they did so it would cost them more money. They ran this experimental station and then they had a control station in two districts, one which was handled by competent people, trained people, with a good administrator, a man with some administrative experience. They got that fellow out of one of the business houses where he was doing some personnel work, something closely allied to social work. In the other station they took away all the trained people and put in a lot of people who said, "We know how to do this because we have been helping people all our lives." The difference was just unbelievable. They did demonstrate that they needed competent people to do the job and they demonstrated that they could save money.

SENATOR DEUEL: How are these administrators appointed, by political classification or upon merit, or how?

POLITICS IN RELIEF "MOST DANGEROUS."

MR. HOEHLER: For the most part that administration has been free from politics completely. Governor Horner has been importuned constantly to make political appointments in his Relief Administration, but he has said it is the most dangerous thing we can do, that anybody who has any sense, or a wise politician, will keep politics out of this thing because it has got a kick-back that will ruin any politician or anybody with political ambitions.

The same thing was discovered in the State of Pennsylvania. The present Governor, Governor James, said to me, "After I looked over what my predecessor did in political manipulation in this relief program, I am determined that I am not going to commit political suicide by interfering in the administration of relief." Whether he is doing that or not is a question of opinion, and whether Governor Earle, who preceded him did or not is a question of opinion. That was the Governor's statement for public consumption.

SENATOR DEUEL: Of course, that is merely a matter of the mental attitude of the executives?

MR. HOEHLER: Yes.

SENATOR DEUEL: If he wants to make political appointments there is nothing to stop him from doing so?

MR. HOEHLER: I am enough of a politician myself to recognize that. . . . .

WELL TRAINED PERSONNEL AVAILABLE.

MR. HOEHLER: After all, these programs are with people and the question is, what are the effects of our modern economy on people, what is done to people, what has happened to industry that so many people are out of work, and how can those people be retrained or readjusted or reoriented, or any other change in their lives that will make them more available for jobs, and in the meantime what should be our attitude toward people? Should we look on people as we do on machines, or should we look on them as people who must be able to help themselves through the operation of their mental capacities and their physical capacities, and if so, what does the meager relief allowance do

to those people: Does it make them less employable or more employable? What does an adequate relief allowance do for those people, does it keep them off from work when work is available? What is the relationship of work to the dole, if you please? That kind of study can be presented to the schools of social work today and I am confident that that is the thing that is going to be done.

SENATOR DEUEL: But they are not as yet turning out any graduates under that system you have outlined there.

MR. HOEHLER: You would be surprised how many people who have graduated from that type of school have changed their approach to this problem.

Now, as an administrator for one county I had about 800 different social workers, and when I handled the State job I was simply doing it temporarily and we had a number of different kinds of social workers. The social workers who came to me had some knowledge and some understanding of the job that they had to do, and they learned more after they walked into our shop than they learned in the previous four years. The reason they were able to learn more after they walked into our shop was because they had some background of training, they knew how to absorb knowledge, and they knew how to change their point of view. If they didn't know how to change their point of view, if they were the kind of people whose training had made them dogmatic and immobile, they soon left our organization. We had ways and means of getting rid of them because they were incompetent.

"THIS JOB" SHOULD BE DONE AT HOME

CHAIRMAN PHILLIPS: It falls back really to the attitude of the State Administration and the attitude of the administrator of public welfare. Now, in California we are facing this practical problem that in the session of the Legislature we passed this bill that I spoke of, and that bill waits for action now on the desk of the Assembly. That bill proposes to return the supervision of relief to the counties and it does not propose any integration of the State level, not because of a lack of interest on our part, but because of the limitations of the Governor's proclamation. Now, we believe, the majority of this Committee believes, that that is a good bill. It believes that we should put the Administration of relief in the hands of the counties as the only possible way of correcting a situation which exists in this State.

Do you believe that in any other state a similarly complicated situation exists and in which they have the difficulties that we are facing in this state?

MR. HOEHLER: Of course I am a local administration man. I believe that this job has got to be done where people work and where people live, and so far as possible the controls for administration ought to be on the local level. There ought to be some state supervision so as to keep your local organization in line with other local organizations, and so that the state would have control to a degree of the money which is being spent, but I don't believe that politics is any worse on the state level than it is down at the local level. I was a precinct committeeman and I know something about how you are

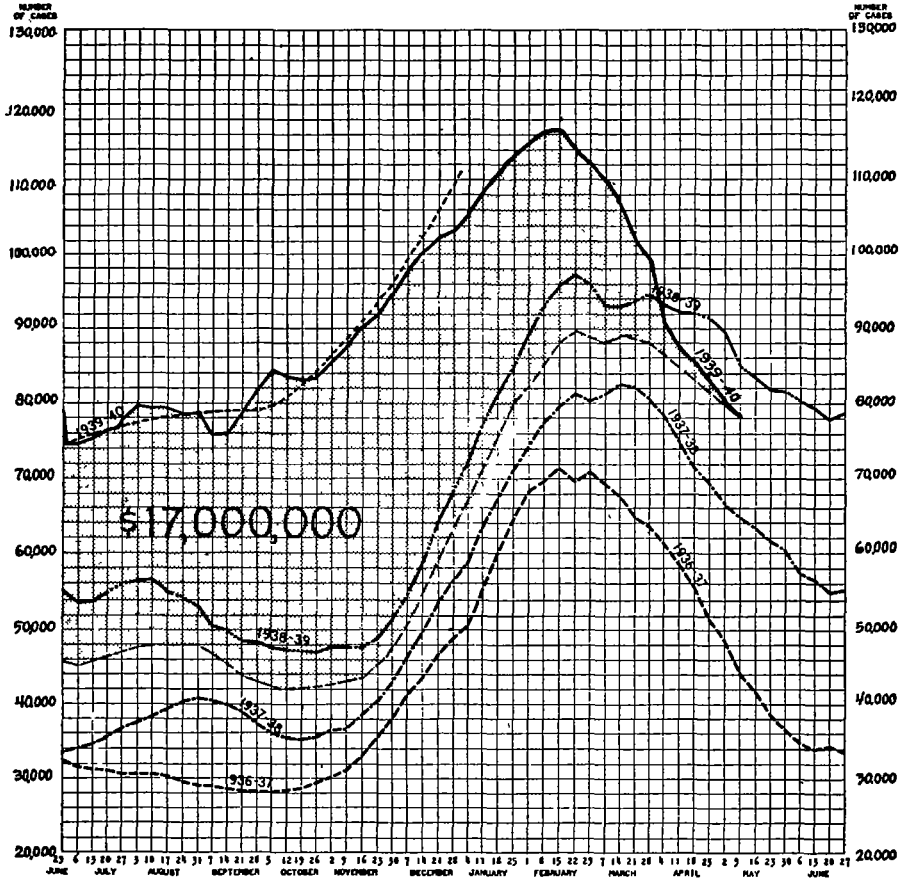
high pressured to do certain things. As you know, the precinct committeeman is just about the lowest public office.

SENATOR MAYO: We don't have them here.

MR. HOEHLER: You don't have them here but you do have rotten politics. The city of Kansas City, which I come from, was just about as poorly run as any city in the country for generations. If you had your state supervising and acting as a check on the local communities, the chances are you would reduce politics to a minimum, and that is what has got to happen if these programs are to do anything for the people.

TOTAL SRA CASES UNDER CARE

FOR FISCAL YEARS BY WEEKS – JULY 1, 1936 TO JUNE 30, 1940



Second Reading of Senate Bills (Out of Order).

Senate Bill No. 87—An act amending sections 3 and 5 of an act entitled "An act creating the Colorado River Board of California and the office of Colorado River Commissioner of California, prescribing the powers and duties of said board and commissioner," approved July 1, 1937, relating to powers and duties of the board and commissioner, to repeal Chapter 14 of the statutes of the first extraordinary session of 1940, convened on January 29, 1940, declaring the urgency thereof, and providing this act shall take effect immediately.

Bill read second time, ordered to engrossment, and on file for third reading.

Senate Bill No. 91—An act to amend sections 232 and 377.5 of the Vehicle Code and to repeal an act entitled "An act to amend sections 232 and 377.5 of the Vehicle Code, relating to the installation of motor vehicle engines or motors," approved February 16, 1940, relating to the installation of motor vehicle engines or motors, to take effect immediately.

Bill read second time, ordered to engrossment, and on file for third reading.

Senate Bill No. 93—An act to amend section 164 of the Vehicle Code and to repeal an act entitled "An act to amend section 164 of the Vehicle Code, relating to renewal of registration of vehicles," approved March 28, 1940, relating to renewal of registration of vehicles, to take effect immediately.

Bill read second time, ordered to engrossment, and on file for third reading.

Senate Bill No. 92—An act to amend sections 210 and 252 of the Vehicle Code, to repeal sections 211, 212, 213 and 214 thereof, and to repeal an act entitled "An act to amend sections 210 and 252 of the Vehicle Code, and to repeal sections 211, 212, 213 and 214 thereof, relating to permits to nonresident owners of motor vehicles," approved February 24, 1940, relating to permits to nonresident owners of motor vehicles, to take effect immediately.

Bill read second time, ordered to engrossment, and on file for third reading.

Reports of Standing Committee.

The following reports of standing committee were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, May 22, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following request of Senator Seawell for permission to offer a Concurrent Resolution:

Relative to a recess of the Senate and Assembly of the State of California;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, and the concurrent resolution offered placed on file.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, May 22, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred a communication from the Governor, dated May 15, 1940, relating to appointments made by him to membership on the Board of Trustees of the Mendocino State Hospital; has had the same under consideration, and recommends that the following appointments:

Joseph Figone, vice Walter Sandolin, term expired;
Percy Ornbaum, vice E H. Benson, term expired;
Clarence A. Babcock, vice William J. Bolce, term expired;
Thaddeus D. Johnson, vice Lewis F. Hoffman, deceased;

all for the term ending January 15, 1944, be confirmed by the Senate;

Also that the Senate do not consent to the appointment of:

Arthur Butzbach, vice Chas. R. Perkins, deceased,

for the term ending January 15, 1944.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Consideration of Appointments by the Governor.

Motion Confirming Appointments by the Governor.

Senator Seawell moved that the Senate confirm and consent to the appointment of Joseph Figone, Percy Ornbaum, Clarence A. Babcock and Thaddeus D. Johnson as members of the Board of Trustees of the Mendocino State Hospital.

The President put the question, "Will the Senate confirm and consent to the appointment of Joseph Figone, Percy Ornbaum, Clarence A. Babcock and Thaddeus Johnson?"

The roll was called, with the following result:

AYES—Senators Biggar, Brown, Collier, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Kenny, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Seawell, Slater, Swing, Tickle, and Wagy—28.

NOES—None.

Appointments Confirmed.

Whereupon the President announced that the Senate had confirmed and consented to the appointments of Joseph Figone, Percy Ornbaum, Clarence A. Babcock and Thaddeus D. Johnson as members of the Board of Trustees of the Mendocino State Hospital.

Communication.

The following communication was received, read, and on motion of Senator Garrison ordered printed in the Journal:

Excerpt from "California Conservationist."

"WARDENS ARE OBNOXIOUS."

TO THE EDITOR:

Please do not send the *California Conservationist* to our high school library.

It will only be tossed into the waste basket as long as you continue the fat-headed policy of publishing game law violations.

My name has not appeared in the list, and is not going to.

I obey the game laws, and believe that others should be required to do the same, but I feel that the publication of these names is a violation of good sportsmanship such as should not come from a Fish and Game Department.

Besides, game wardens are already obnoxious enough, so why encourage them?

Thousands of Californians would enjoy an open season on game wardens more than one on deer.—A. G. Butzbach, Principal, Lower Lake Union High School, Lower Lake.

Consideration of Appointment by the Governor.

Senator Seawell moved that the Senate refuse to confirm and consent to the appointment of Arthur Butzbach as a member of the Board of Trustees of the Mendocino State Hospital

The President put the question, "Will the Senate confirm and consent to the appointment of Arthur Butzbach?"

The roll was called, with the following result:

AYES—None.

NOES—Senators Biggar, Brown, Collier, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Seawell, Slater, Tickle, and Wagy—28.

Appointment Not Confirmed.

Whereupon the President announced that the Senate had refused to confirm and consent to the appointment of Arthur Butzbach.

Introduction, First Reading and Reference of Bills.

The following Concurrent Resolution was offered:

Senate Concurrent Resolution No. 16: By Senator Seawell—Relative to a recess of the Senate and Assembly of the State of California.

Consideration of Senate Concurrent Resolution No. 16.

Senate Concurrent Resolution No. 16.

Relative to a recess of the Senate and Assembly of the State of California.

WHEREAS, The Legislature of the State of California is convened in extraordinary session, which commenced on the twenty-ninth day of January, 1940, pursuant to a proclamation of the Governor of the State of California, as provided by section 9 of Article V of the Constitution of the State of California; and

WHEREAS, The Senate and the Assembly of the State of California find it necessary and desirable to recess until not later than the second day of December, 1940; and

WHEREAS, It may be necessary in the interests of the State for such recess of the Senate and the Assembly to terminate prior to said second day of December, 1940; and

WHEREAS, The Constitution of the State of California provides that neither house shall, without the consent of the other, adjourn for more than three days; now, therefore, be it

Resolved by the Senate of the State of California, the Assembly thereof concurring, That the Senate hereby consents to the adjournment of the Assembly for a period of more than three days, as more particularly herein set forth; and be it further

Resolved, That the Assembly hereby consents to the adjournment of the Senate for a period of more than three days, as more particularly herein set forth, and be it further

Resolved, That the Senate and the Assembly of the State of California shall adjourn at four o'clock p.m. on the twenty-fourth day of May, 1940, and the Legislature and each house thereof shall thereupon recess until the second day of December, 1940, and shall convene at twelve o'clock noon on said second day of December, 1940, unless sooner reconvened as hereinafter provided; and be it further

Resolved, That in the event it appears to the President Pro Tempore of the Senate and to the Speaker of the Assembly to be for the best interests of the State that the Legislature and the Senate and Assembly thereof reconvene on a day prior to said second day of December, 1940, they are expressly authorized and directed to call the Legislature and the Senate and Assembly thereof together to convene on a day and at an hour to be specified by them jointly in a notice of reconvening of the Legislature and the Senate and Assembly thereof. Duplicate copies of such notice shall be prepared and signed by the President Pro Tempore of the Senate and by the Speaker of the Assembly. One copy shall be delivered to the Secretary of the Senate and the other copy shall be delivered to the Chief Clerk of the Assembly. Such delivery shall be made at least three days prior to the day set in the notice for such reconvening. Copies of the notice forthwith shall be mailed by the Secretary of the Senate to each member of the Senate at the home address for such member as shown by the records of the Secretary and copies shall be mailed by the Chief Clerk of the Assembly to each member of the Assembly at the home address for such member as shown by the records of the Chief Clerk. Following the giving of such notice of reconvening and the mailing of copies thereof, as herein provided, the Legislature and the Senate and Assembly thereof shall thereupon reconvene on

the day and at the hour specified in such notice The affidavits of the Secretary of the Senate and of the Chief Clerk of the Assembly that copies of any such notice were severally received by them and mailed to the members as herein provided shall be conclusive evidence of the facts therein stated.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Concurrent Resolution No. 16 adopted by the following vote:

AYES—Senators Biggar, Brown, Crittenden, Cunningham, Deuel, Fletcher, Foley, Gordon, Hays, Hollister, Holohan, Jespersen, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Seawell, Shelley, Slater, Tickle, and Wagy—28.

NOES—Senator Garrison—1.

Senate Concurrent Resolution No 16 ordered transmitted to the Assembly.

Adjournment.

At three o'clock and five minutes p.m., on motion of Senator Seawell, the President of the Senate declared the Senate adjourned, until two o'clock p.m., Thursday, May 23, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Thursday, May 23, 1940.

The Senate met at two o'clock p.m.
Hon. Ellis E. Patterson, President of the Senate, in the chair.
Secretary Joseph A. Beek at the desk.

Roll Call.

The roll was called.

Call of the Senate.

Senator Garrison moved a call of the Senate.
Motion carried.
The Secretary was directed to call the roll.
The roll was called, and the following answered to their names:

Senators Breed, Brown, Collier, Cunningham, Fletcher, Foley, Garrison, Gordon, Holohan, Keating, Mixter, Parkman, Phillips, Quinn, Slater, Swing, and Wagy—17.

The Secretary announced the absentees.
Time, two o'clock and two minutes p.m.
The President of the Senate directed the Sergeant-at-Arms to close the doors.
The Sergeant-at-Arms having been furnished with the names of the absentees, was directed to bring them to the bar of the Senate.

Further Proceedings Under Call of the Senate Dispensed With.

At two o'clock and fifteen minutes p.m., further proceedings under the call of the Senate were dispensed with, on motion of Senator Garrison.

The names of the absentees were called, and the following answered to their names:

Senators Breed, Brown, Collier, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Keating, Mayo, McBride, Mixter, Nielsen, Parkman, Phillips, Powers, Quinn, Seawell, Shelley, Slater, Swing, and Wagy—27.

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev. A. Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Wednesday, May 22, 1940, the further reading was dispensed with, on motion of Senator Slater.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, May 22, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No 131—An act to amend section 1300.17 of the Agricultural Code, relating to the marketing of agricultural products, and declaring the urgency of this act.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Bill No. 131 ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, May 22, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Senate Concurrent Resolution No. 16—Relative to a recess of the Senate and Assembly of the State of California.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Senate Concurrent Resolution No. 16 ordered to enrollment.

ASSEMBLY CHAMBER, SACRAMENTO, May 22, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Assembly Joint Resolution No. 26—Relative to requesting the United States Secretary of Agriculture not to abandon the Bard Experimental Station.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Joint Resolution No 26 ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, May 23, 1940

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No 129—An act to submit to the people, at the general election on November 5, 1940, a proposed amendment to the Constitution of this State, relating to liens, mortgages, encumbrances and agreements taken as security for aid to the aged and to the powers of the Legislature in relation thereto, and to provide that this act shall take effect immediately;

Assembly Concurrent Resolution No 17—Relative to veterans and educational qualifications in the State civil service.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

The bills reported herein ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, May 22, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 125—An act to amend section 1300.17 of the Agricultural Code, relating to the marketing of agricultural products, and declaring the urgency of this act;

Assembly Bill No. 132—An act to amend the title and to add sections 1e, 1f, 1g and 1h to an act entitled "An act to provide for the acquisition, installation, construction, reconstruction, extension, repair and maintenance of works and improvements mentioned in the Improvement Act of 1911 and of public utilities and other public works by municipalities, cities and counties, counties, unincorporated territory, and by any district or political corporation authorized by law to construct such public improvements, or by combination thereof; for the assessment of the cost and expenses thereof upon the property benefited; and for the issuance of bonds to represent such assessments," approved June 6, 1913, Statutes of 1913, Chapter 247, as amended by Statutes of 1940, Chapter 35, approved February 29, 1940, relating to districts, political corporations, public corporations and unincorporated territory or any combination thereof, authorized by law to construct such public improvements; relating to the acquiring of legislative jurisdiction therefor; providing that such proceedings shall be subject to the Special Assessment Investigation, Limitation and Majority Protest Act of 1931; and providing that this act shall take effect immediately;

Assembly Bill No 140—An act to add sections 3897 4 and 3897.5 to the Political Code, and to amend section 3804 of, and to add sections 3793 5 and 3793 6 to, the Revenue and Taxation Code, relating to property taxation, declaring the urgency hereof, to take effect immediately

JACK CARL GREENBURG, Chief Clerk of Assembly
By C. W. BOOTH, Assistant Clerk.

The bills reported herein ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, May 22, 1940

MR PRESIDENT I am directed to inform your honorable body that the Assembly amended, and on this day passed as amended:

Senate Bill No 90—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, providing the conditions and terms upon which any expenditure for such relief may be made, and declaring that this act shall take effect immediately;

And respectfully requests your honorable body to concur in said amendments

JACK CARL GREENBURG, Chief Clerk of Assembly
By C. W. BOOTH, Assistant Clerk.

Communication.

The following communication was received, read, and ordered printed in the Journal:

STATE OF CALIFORNIA, DEPARTMENT OF FINANCE,
SACRAMENTO, May 23, 1940.

To the Senate of the State of California,
Sacramento, California.

GENTLEMEN: We have reviewed the report submitted on May 7, 1940, by Price-Waterhouse & Company to the Joint Senate-Assembly Legislative Fact-Finding Committee and printed on pages 458 to 480 of the Senate Journal of May 16, 1940 (first extraordinary session), and submit herein our observations relative thereto:

The comments contained on page 458, especially those concerned with the necessity for making assumptions because of existing accounting methods, are casual and lack a fundamental appreciation of the magnitude of operations. They represent a veiled attempt to relate recording procedures generally adapted to the needs of a corner grocery to those of an establishment which has been disbursing over one hundred thousand dollars daily under specific legal and fiscal regulations.

The differences between the position as at February 15, 1940, reported by the Department of Finance to the Assembly and that established by Price-Waterhouse & Company were explained by accountants of the Department of Finance at an executive meeting of the joint committees of the Legislative Fact-Finding Committee. For purpose of record we desire to reiterate our contentions by a restatement of the reconciling factors which appear on page 461 of the Journal.

Item I. Reversion of unliquidated encumbrances $1,179,423

It will be well to bear in mind that the estimates which represent this aggregate were in existence and in evidence at close of business February 15. The Legislature had not as yet enacted any provisions with respect to reduced appropriations and limitations of activity. Without any expression of legislative intent, the encumbrances were valid and in line with a continuation of the existing program and prognostication of the relief load. The reversions made by the Relief Administration subsequent to February 15, 1940, were the direct result of curtailed operations enjoined upon it by law.

The note referring to an error of $264,817 and "explained" on page 5 of the report presents a conclusion which is basically incorrect and due to a reprehensible failure of Price-Waterhouse & Company auditors to establish the actual facts. The amount of $1,077,849 reported by the Department of Finance as unliquidated encumbrances for salaries and wages was entirely correct The distribution of the amount between February and preceding periods was entered on information hastily secured by teletype The designation actually appearing on the report prepared by the Department of Finance was "Wages and salaries to February 29, inclusive." Since the amount was correct in total as stated, it was not considered essential to rectify the explanatory designation after the resolution had been printed in the Journal. The Price-Waterhouse auditors obtained from some source a detail of one of the component items, and, without verifying the aggregate, arrived at an unwarranted conclusion.

Item II. Exclusion of encumbrances relating to other periods $720,102

This deals obviously with numerous outstanding estimates covered in some instances by purchase orders for items not yet delivered to warehouses. Provisions for payment had to be reserved without opportunity to utilize the corresponding

funds for relief. It must be understood in this connection that Price-Waterhouse accountants also had erroneously excluded from consideration the second half of February with regard to pay roll and contractual obligations which had to be reserved even if the Relief Administration had closed its doors on February 15.

Item III. Exclusion of "back log" of emergency relief orders $170,000.

The reasoning for such exclusion as developed on pages 459 and 460 is faulty and again demonstrates a misunderstanding of actualities. The referrals represent inchoate obligations which can not readily be converted into recordable figures Obviously, no posting could be made of amounts until the values of professional services were later ascertained. Since the medical program was heavily curtailed upon the effective date of the new legislation, the fact that only $10,000 of such referrals were reported outstanding as of March 31, 1940, has absolutely no bearing on the situation as at February 15.

Item IV. Material and supplies on hand $506,000.

In a development of the cash position, it would seem that an inventory of supplies on hand has no place whatsoever. Inventories do not fluctuate to any great extent and government accounting, generally, removes such inventories from cash consideration, on the assumption that they are practically the same at the beginning and at the end of a fiscal period.

The considerations which govern our discussion of the Price-Waterhouse statement with respect to the position as at February 15, apply with even greater force to the statement of position as of March 31, reflected on pages 462 and 463 of the report. Your attention is invited to the reconciliation appearing herewith:

Reconciliation of SRA Records to Price-Waterhouse Audit Report for Available Balance at March 31, 1940.

Appropriation available to March 31, 1940			$42,100,000 00
Chap. 668 Stats. 1939	$35,000,000 00		
Chap. 5 Stats. 1940	1,600,000 00		
Chap. 12 Stats. 1940	5,500,000 00		
Expenditures as of March 31, 1940			40,261,643 45
Actual of record		$38,361,189 83	
Abatements filed in April applicable to preceding month		90,546 38	
Net expenditures		$38,270,643 45	
Unliquidated encumbrances		1,991,000 00	
Salaries and wages	$658,000 00		
Service and expense	249,000 00		
Materials and supplies	690,000 00		
Emergency orders outstanding	165,000 00		
Property and equipment	67,000 00		
Reserve for retirement reduction	162,000 00		
Cash balance available March 31, 1940			$1,838,356 55
Corresponding balance Price-Waterhouse Report			$2,856,000 00
Difference to be reconciled in thousands			$1,018,000 00
Materials and supplies on hand disregarded by SRA		$527,000 00	
Property and equipment disregarded by PW		67,000 00	
Retirement deduction reservation disregarded by PW		162,000 00	
Service and expense underestimated by PW		4,000 00	
Purchases not delivered disregarded by PW		348,000 00	
Total		$1,108,000 00	
Less abatements applicable to March disregarded by PW		90,000 00	

Please note in particular that Price-Waterhouse accountants excluded from consideration any reservation for retirement deductions which on ruling of the Attorney General is a rather "live" commitment and entirely overlooked the asset represented by abatements filed in April but applicable in March. These two items, aggregating in excess of a quarter of a million dollars, are cited, not in disparagement of the effort exerted by the Price-Waterhouse accountants. We are pointing out, however, that the magnitude of the task is such that many pertinent factors escape the attention of the best of technicians who can not be expected to be as conversant with the situation as accountants of the Department of Finance, who are charged with the duty of keeping in continuous touch with State activities.

In this connection, it appears pertinent to express some comment on that portion of the report of the Joint Legislative Fact-Finding Committee which appears in the Senate Journal of May 13, 1940, under Item J, since it touches on the sincerity in meeting provisions of Chapter 12, Statutes of 1940

The tabulation appearing hereunder shows that the reductions made by the administration which, as of March 31, 1940, resulted in a cash balance of $1,838,000, were made possible only because of the budget cuts.

Statement of Comparison Between Original Budget and Revised Budget as at March 31, 1940.

	Original budget	*Actual and estimated*	*Increase or decrease (–)*
State	$626,600 00	$493,965 03	$–132,634 97
Local	2,486,500 00	1,945,899 30	–540,600 70
Total administration	$3,113,100 00	$2,439,864 33	$–673,235 67
Cash relief	$14,000,000 00	$10,518,629 47	$–3,481,370 53
Medical bureaus	118,000 00	74,771 73	–43,228 27
Camps	905,400 00	511,300 58	–394,099 42
Total general relief	$15,023,400 00	$11,104,701 78	$–3,918,698 22
Surplus commodity	$479,800 00	$205,365 76	$–274,434 24
Contributions to WPA	267,821 00	264,263 55	–3,557 45
Total special programs	$747,621 00	$469,629 31	$–277,991 69
Administration		$375 00	$375 00
Advances to cooperatives	$421,700 00	118,100 81	–303,599 19
SRA work projects	133,100 00	34,992 82	–98,107 18
Total work program	$554,800 00	$153,468 63	$–401,331 37
Additions and betterments	$257,115 00	$4,095 65	$–253,019 35
Contributions to employees' retirement September		57,719 92	57,719 92
Total	$19,696,036 00	$14,229,479 62	$–5,466,556 38

As evidenced by the foregoing, the amount of $5,466,556 38 represents the aggregate reduction in State Relief Administration expenditures from those originally contemplated. Items contributing to the reduction are segregated as follows:

Unanticipated reduction in case load	$2,146,000	39 26%
Budget cuts	1,335,000	24 42%
Property and equipment	253,000	4.63%
SRA work programs	98,000	1.79%
Advances to cooperatives	304,000	5.56%
Contributions to WPA	4,000	.07%
Surplus commodity distribution	274,000	5.01%
Medical program	43,000	.79%
Single men's camps	394,000	7.21%
Administration	673,000	12 31%
Less increase in provision for retirement deduction	(58,000)	(1 05) %
Total	$5,466,000	100 00%

It will be noted that the budget cuts amounted to less than a quarter of the reductions effected Furthermore, were it not for the unanticipated reduction in load, the State Relief Administration would have operated as of March 31, 1940, with a deficit exceeding $300,000, even after institution of all economies established under legislative pressure. Before the trend of the relief load could be observed, the budget cuts authorized under section 3a of Chapter 12, Statutes of 1940, appeared then as the only available means to meet the situation and would have so appeared to any intelligent executive not endowed with the gift of prophecy.

Very truly yours,

JOHN R. RICHARDS,
Director of Finance.

Reports.

The following report of Special Committee was received, and on motion of Senator Phillips ordered printed in the Journal:

PART VII.

Part VII of the Fact-Finding Committee's Report on Employment represents a gathering of various reports, statistical data and exhibits which in the bound pamphlet to follow will probably be inserted in appropriate places in connection with previously submitted material.

The reports of three subcommittees which have been submitted to the Joint Committee have been approved only as to general form but have

not been approved finally nor as to their recommendations It is believed that these can be completed in time to be included in the pamphlet referred to above. These are the reports of those members of the Committee who were gathering material to be submitted to the Joint Committee on the following subjects:

1. Cooperatives (Senator Mixter)
2. Surplus Commodities (Assemblyman Lore)
3. Youth Movement (Assemblyman O'Day)

In addition to these, the items in this seventh part include the following:

1. A letter from a former recipient of relief, who had been returned to his home State and now wants to come back to the more attractive conditions of California.

2. A chart showing the difference between the amount of money actually spent for relief since the beginning of this biennium and the amount which would probably have been needed if the present case number represents a truer picture than the case totals during previous months.

3. Two forms, A-1 and A-2, which suggest the influence of political backgrounds in the selection of SRA employees.

4 One of many cards found in the SRA offices in San Francisco after this department had moved to Los Angeles.

5. A reproduction of the interesting "Waiver" required of SRA employees who were taken on the rolls before any job existed for them.

6. Four statistical tables showing monthly expenditures in the SRA, the monthly case loads, comparative expenditures and per capita costs between California and other states, and the basis for the appropriation contained in Senate Bill No 90.

The Joint Committee submits these items as the final part of its report. All of the material will be gathered together, and in a short time will be ready for distribution in more convenient form. The Committee, if it is continued, will attempt to keep statistical matter up to date and to review other material already in its files but which it was impossible to work upon in the short time between sessions.

Monthly Expenditures of SRA Including Relief and Administrative Overhead.

	1936–37	*1937–38*	*1938–39*	*1939–40*	*1940–41*
July	$1,289,393	$1,927,247	$3,212,621	$4,149,298	$2,088,691
August	1,221,887	1,920,475	2,854,032	3,815,923	2,116,532
September	1,276,771	1,906,103	2,724,974	3,897,050	1,901,289
October	1,316,290	1,885,965	2,878,614	4,143,950	1,874,919
November	1,463,603	2,037,019	2,751,931	4,315,840	1,938,062
December	2,035,453	2,618,125	3,279,608	4,771,712	2,515,743
January	2,544,373	3,266,561	3,971,785	5,248,606*	2,781,075
February	2,916,539	3,679,553	4,370,810	5,229,421*	3,100,875
March	2,986,515	3,811,644	4,552,313	4,076,871*	3,168,792
April	2,549,491	3,462,983	4,313,722	3,500,000†	
May	1,956,476	3,092,887	3,922,513	3,000,000†	
June	1,494,558	2,883,554	3,214,667	2,361,113	
Total	$23,051,349	$32,492,116	$42,047,590		

* According to records of State Controller.
†Arbitrary distribution of $12,000,000 appropriated in S.B 81.
June, 1940, to March, 1941, figures are in S.B. 90
Source of actual expenditures: SRA Monthly Bulletins.
(Joint Committee—May, 1940)

Weekly Count of Cases on SRA and WPA in California.

	Wednesday Count of Cases	
	SRA	*WPA*
November 1, 1939	85,016	74,254
November 8, 1939	87,212	77,721
November 15, 1939	90,419	79,061
November 22, 1939	91,157	81,160
November 29, 1939	94,153	83,090
December 6, 1939	96,893	85,572
December 13, 1939	100,178	86,780
December 20, 1939	102,155	87,431
December 27, 1939	103,340	87,528
January 3, 1940	105,163	87,598
January 10, 1940	108,638	87,589
January 17, 1940	111,505	88,749
January 24, 1940	113,338	88,828
January 31, 1940	115,224	88,320
February 7, 1940	116,174	89,275
February 14, 1940	116,306	90,911
February 21, 1940	113,994	91,642
February 28, 1940	112,354	92,007
March 6, 1940	110,020	92,096
March 13, 1940	107,700	92,538
March 20, 1940	102,144	94,404
March 27, 1940	98,898	94,132
April 2, 1940	91,584	92,561
April 9, 1940	87,639	89,752
April 16, 1940	85,728	88,321
April 23, 1940	83,674	86,827
May 2, 1940	81,884	86,684
May 9, 1940	78,913	85,987

(Joint Committee—May, 1940.)

State and Local Expenditures for General Relief in Western States January, 1940.

	Total expenditures	*Expenditure per case*
California	$5,033,304	$31.35
Minnesota	1,147,497	27.22
Utah	141,839	22 48
Nevada	19,080	20 94
Iowa	737,250	19.87
North Dakota	99,888	18.74
Wyoming	33,814	18 12
Montana	100,881	17.56
Louisiana	161,541	16 37
Colorado	243,140	15 59
South Dakota	86,000	15.36
Kansas	424,001	14.56
Idaho	32,064	14 37
Washington	349,936	14 37
Arizona	41,258	14.30
Nebraska	164,595	13 20
Missouri	461,076	12 82
New Mexico	15,590	7 42
Texas	109,000	7 08
Oklahoma	65,000	4 96
Arkansas	18,328	4 86

NOTE: Figures do not include administrative overhead.
Source: U. S. Social Security Bulletin.
(Joint Committee—May, 1940.)

Method of Determining Amount of SRA Appropriation for Period Beginning June 1, 1940, and Ending March 31, 1941.

Month	Actual Relief Granted by SRA in 1938-1939	Proposed Relief Appropriation Based on Percentage Cut	Add 15% for Admin Overhead	Proposed Relief Appropriation for 10 Months Beginning 6/1/10
June	$2,415,461	$2,053,142*	$307,971	$2,361,113
July	2,136,768	1,816,253*	272,438	2,088,691
August	2,165,251	1,840,463*	276,069	2,116,532
September	1,945,053	1,653,295*	247,994	1,901,289
	$6,247,072	$5,310,011	$796,501	$6,106,512
October	$1,918,076	$1,630,365*	$244,555	$1,874,919
November	1,982,672	1,685,271*	252,791	1,938,062
December	2,573,649	2,187,602*	328,140	2,515,743
	$6,474,397	$5,503,238	$825,486	$6,328,724
January	$3,224,434	$2,418,326**	$362,749	$2,781,075
February	3,595,217	2,696,413**	404,462	3,100,875
March	3,673,963	2,755,472**	413,320	3,168,792
	$10,493,614	$7,870,211	$1,180,531	$9,050,742
Ten Months Total	$25,630,544	$20,736,602	$3,110,489	$23,847,091
			Controller's Expense	500,000
GRAND TOTAL APPROPRIATION				$24,347,091

* Cut 15% below actual expenditures in 1938-39.
** Cut 25% below actual expenditures in 1938-39

(Joint Committee—May, 1940)

(Date)_____19__

I,_____hereby Pledge to the Democratic State Central Committee,
707 South Broadway
Los Angeles, California

the sum of _____Dollars

($_____) per month.

From_____1939 to September,1940.

(Name)_____

(Address)_____

To David V. Gill
County Supervisor of Operations.

From_____ Subject: WAIVER.

It is expressly understood that I accept my assignment to work within the State Relief Administration, Los Angeles,County, with the full understanding that there is considerable doubt as to the availability of money to be used for payment of the position which I am accepting, and that in the event such money is not available, I will make no claim against either the State or any individual for the t ime which I spend on such assignment until status of position is definately ascertained.

This waiver is voluntarily signed with the full knowledge of the conditions prevailing, and it is my personal desire to assist in instituting the program to the extent that I am perfectly willing to volunteer my services without compensation, if necessary.

_____



The question of the return of Relief to the Counties now agitating the Legislature is not desired nor indorsed by County Supervisors themselves. Orange, San Diego, and Los Angeles Counties and the State Associations of Supervisors would not endorse this plan.

The Sponsors are a small group of Special Interests who maintain a large Legislative Lobby. They wish to defeat the only sensible plan which has been presented in the State for the handling of this problem, namely; Work Relief. The S.R.A. says "every man should work for his relief".

This special interest group wishes to switch the tax burden to County taxpayers and Property Owners - a group which is not now taxed for unemployment relief.

If Relief Appropriations are cut down or if Administration is returned to Counties a number of things will happen as a severe jolt to all classes of society.

1st. County tax rate will jump 41.7 % with an increase of $12 to $15 per year on $3,000 assessed valuation.

2nd. Relief will be paid in kind, - grocery orders and rent orders, On the lowest possible scale regardless of suffering and need. County schedules are now held up by State standards.

3rd. SRA Sponsored W.P.A. projects including sewing will be discontinued. Distribution of Federal Surplus Commodities will be curtailed as will also the stamp plan and other means of Federal Assistance.

4th. All Merchants, Landlords, and Utilities will suffer a servere jolt in the income with the elimination of $125,000 to $150,000 monthly circulation through the S.R.A.

5th. Suffering, discontent, and agitation will increase until malnutrition and hunger will cause mass meetings, mobs and riots, as occured in Cleveland and such as happened frequently when unemployment was originally handled by the cities and counties.

Orange County Assemblyman, Clyde Watson in the south of the county and Thomas Kuchel in the north of the county, are working with and for the special interests which are trying to defeat an adequate relief program and shift the burden to county political control and the ever changing Boards of Supervisors.

They should be wired, phoned, or written, care of the Assembly at Sacramento, and told in no uncertain terms to support an adequate appropriation so that a common sense program of work and self help can be completed which in a short time will actually save tax-payers money.

58 Counties have nothing new to add to the solution of this problem. A return to them would delay the achievements of the past 5 years.

Republicans and Democrats alike are joining in opposing the rule or ruin program of this small group of self constituted State Dictators.

Form A - 1 :
Northern Division: APPLICATION FOR POSITION IN STATE SERVICE
(To be executed in duplicate and delivered to)
Read form care- (Headquarters, Northern Division, Democratic)
fully before (State Central Committee, Hobart Building,)
filling out. (582 Market Street, San Francisco, California)

County where application originated_____

Name_____Street Address_____

Age_____Sex_____Telephone_____City_____

County of residence_____Party Registration_____

Congressional District_____Assembly District_____Precinct_____

Place of birth_____Nationality_____

White or colored_____Married or single_____

Native born citizen_____Naturalized citizen_____When_____

Where naturalized_____

Occupation_____

Education_____

_____

_____

_____

(if more space is needed, use blank sheet and attach hereto)
Position desired_____

_____

What section of State do you desire to reside in?_____

Persons dependent upon you for support_____

Qualifications for position_____

_____

_____

_____

(if more space is needed, use blank sheet and attach hereto)
Former employment: From 1929 to date_____

Employer	Address	Position	Salary

(if more space is needed, use blank sheet and attach hereto)

What is your present position?_____
Have you ever been convicted of a felony or a crime involving moral turpitude?_____Date and place of such conviction_____

If you are a lawyer or have ever been admitted to the practice of the law, have you ever been-- (a) Disbarred_____
(b) Disciplined for an offense involving moral turpitude_____
If answer is "yes" to (a) or (b), explain fully by reciting the facts on a separate sheet and attach hereto.

Form A - 2 :
Northern Division :

Read form carefully before filling out.

TO BE ATTACHED TO FORM A - 1 (APPLICATION FOR POSITION IN STATE SERVICE)
(to be executed in duplicate)

Name_____ Address_____

Political activities_____

Political activities verified by:

_____
(signature of person verifying) (address)

Telephone

(Title or designation of person verifying political activities.)
(Title or designation held during campaign by person verifying, preferably, should be stated.)

Note: Verification may be made by any one of the following: Any officer of the Democratic State Central Committee; chairman of Democratic County Central Committees for applicants resident in their respective Counties; and State, Area, Congressional District, County, Assembly or other District Campaign Chairman, Manager, Director or similar official during the Primary or General Election campaign of 1938, for applicants resident in or who worked in such territory over which such campaign official had jurisdiction during said campaigns. Also, verification may be made by a President, Chairman or other managing officer of a Democratic or other club or group organization, such as Veterans, Racial Groups, Youth Groups, Labor Groups or Organizations, etc., but whenever such verification is used the reason for not securing one of the preceding verifications should be stated. Persons verifying must have knowledge of or reliable information concerning the work of the applicant.

Person verifying may add here any statements, which he desires to make

I hereby certify that the foregoing information given by me and others, contained in or attached to Form A - 1 and Form A - 2, is true and correct to the best of my knowledge and belief.

Dated_____ 193____

_____
Signature of Applicant

Columbus, Ga.
Feb. 21-40-

Dear friend -
just a few lines to let you hear from me. I am still living - and feeling O.K. and trust hope you are the same - tell Jack & Red hello for me - and sure would like to see you all - George I want you to write and give me particulars on how things are out there - and tell me if they have cut out the relief - as I am thinking of coming back out there - I am sending you a stamp - so please answer in a hurry - as I want to come out there - it sure is cold here - well I'll be looking for answer real soon -

Sincerely your friend

Columbus - Ga -

PART I.

Minority Report of Edward F. O'Day, Assemblyman, 24th District, Member of the Joint Legislative Fact-Finding Committee on Employment.

To the members of the California Legislature.

In submitting this minority report of the Joint Fact-Finding Committee on Employment and Relief, I do so for the reason that there are certain findings and recommendations in the majority report that I can not agree with. On the other hand, the major recommendations contained in the report are recommendations that I concur in.

This minority report contains verbatim, many of the recommendations of the majority report. The language taken from the majority report appears herein in quotation marks.

The question of county administration of relief is a broad one and involves a highly complex problem. The problem of unemployment is a National problem and a State problem and these two agencies of Government are the suitable agencies to solve this problem rather than the smaller political divisions of our Government such as the counties and the cities. I therefore can not concur in a recommendation to return relief to the counties.

It is my opinion that the Joint Legislative Fact-Finding Committee on Employment and Relief has performed a public service in the work that it has done, and that legislative committees investigating and studying the activities of any department of the State Government performs service to the members of the Legislature and to the public.

Recommendations.

"In presenting its recommendations for a coordinated program, the Joint Legislative Fact-Finding Committee on Employment—to which was assigned the study of the relief and employment situation in California—makes this preliminary observation:" (The Joint Legislative Fact-Finding Committee devoted most of its time to investigating and studying the State Relief Administration. It was created with the joint purpose of studying not only relief but also employment. Due to a shortness of time, it became impossible to complete investigation of both relief and unemployment and because the matter of relief was pending before the Legislature and was so vital an issue, it took the committee's full time and the problem of employment was not so thoroughly studied. If a committee is created to function in the future, the problem of employment should be given greater study.)

"The complexity of the situation and the rapidity with which it has grown to be the major problem in California, have resulted in what can only be called muddled thinking. We have lost sight of basic principles. Constant reiteration of the gravity of the relief situation has obscured the fact that relief is a single phase of the problem of unemployment.

Removing the now recognized relief difficulties would leave the unemployment problem still unsolved. Removing unemployment, on the other hand, would eliminate much of the need for relief, except for indigency due to old age; the loss of one or both parents; disease, and similar conditions preventing self support."

I concur with the committee's emphasis that the major question with which the Legislature has to deal is the problem of unemployment.

I

Reorganization Program.

I believe that the complete reorganization of all functions of State Government dealing with employment, unemployment, and State aid of every type would be advisable. The consideration, however, of this matter is one that should not be attempted at a special session of the Legislature, as the problem is so complex it would be more advisable to consider it during a regular session when the Legislature is convened for a longer period. Under this program, a director of a new department of employment "would correlate and direct all these affiliated activities. Responsible to him would be division heads in charge of the following divisions:

(a) Division of aid to the Aged, Blind and Dependent Children;

(b) Division of Employment, including or coordinating the work of the State Employment Service;

(c) Division of Unemployment Insurance, taking over or coordinating the functions of the present California Employment Commission;

(d) Division of Direct Relief, supervising and coordinating the activities of the county welfare departments, and conducting State administration of direct relief, and such functions as may be placed with the Department of legislative action."

Single men's camps should, in order to efficiently operate, have control over their own intake.

"(e) Division of Cooperatives, supervising all self-help organizations."

Director of Employment.

"The Director of Employment must be the most capable man obtainable, and his compensation should be fixed by the Legislature commensurate with the importance of the job he is given to do. The committee emphasizes the necessity of finding an executive of exceptional ability and special qualifications. He should be appointed by the Governor, subject to a two-thirds approval by the Senate.

The appointment of a competent Director of Employment would bring the good business management essential in the solution of the unemployment problem.

Elimination of Certain Existing Commissions.

"With the creation of a Department of Employment, the State Relief Commission, the State Social Welfare Commission and the Unemployment Reserves Commission will go out of existence and their functions, jurisdictions and powers will be transferred to the Director of Employment."

Detailed Recommendations Should Be Unnecessary.

"The committee could make detailed recommendations relative to changes and improvements in almost every function and division of the State Relief Administration. It is apparent, however, that abolishing the present SRA, which was created as an emergency agency of State government, and placing its functions under regularly established

department, or the creation of the Department of Employment, already recommended, would cure most of these difficulties." The Legislature has the power to effect such a reorganization. It seems very impractical to consider any major reorganization of the departments dealing with employment and relief at this special session. Such a great change in our governmental structure should receive a more careful study before such a move is attempted.

Extension of Public Works.

"The committee suggests that it should be possible for the State and the counties to create work at a wage fair to the unemployed but not so attractive as wages in private employment.

Projects undertaken on this basis would (1) permit the State and counties to acquire physical improvements; (2) benefit the unemployed by providing them with work at wages higher than the dole; (3) benefit private enterprise by stimulating private employment through large scale purchases of material and increased purchasing power of those employed on these projects.

State work should be handled, the committee believes, under the Department of Public Works, the Department of Natural Resources, the Department of Education, the Department of Agriculture, or any regularly constituted department capable of supplying work of this kind. County work should be handled by such county agencies as are provided by law. Such work should not be confused with, nor designated as, 'relief work'."

II.

Mobilization for Employment.

"The major factor in solving California's relief problem must be a 'mobilization for employment.'

Mobilization for employment can be made a reality in California. Business should support a plan on tangible and practical grounds. Research to develop new products, new markets, and consequently new jobs must be expanded, and in this the State, which hitherto has done little or nothing, must become an aggressive leader.

Business must be made to understand the choice is between cooperation and taxation; between mobilization to meet an emergency as serious as war, and moral and financial bankruptcy.

Mobilization for employment can be California's contribution to the solution of an aggravated national problem." Private industry must be made to realize that it has always been, in America, the major employer group, and if it does not reemploy, at a decent standard of living wage, the unemployed people, it will be necessary for the State to do so. Private industry receives the benefits of American labor, and it should assume its obligation to employ them.

III.

Return Relief Administration to the Counties.

Unemployment is a national and State problem and these two great branches of our government are more suitable to attempt a solution

of this problem than are the 58 counties in our State of California. Local administration by the counties would create different types of administration. The types of administration would result from the attitudes of local public officials which could not be controlled by any rule or regulation or set of standards that the State might set up.

Resentment in certain rural areas exists against unemployed people. It is my belief that if relief were returned to county administration, that the urban centers of San Francisco, Los Angeles and Sacramento would be more attractive to the unemployed and the unemployed people would gradually collect in these centers. County welfare departments are fundamentally social agencies and are especially adapted to the handling of unemployable unemployed people. The problem of unemployable unemployed people, however, is not a social problem. Their problem can be solved by providing work for them. The State is in a better position to cope with this problem than are the counties.

Present Regulations Unsatisfactory.

"The statement has been frequently made by those who oppose the idea of local supervision of relief, that this would result in '58 different kinds of relief administration.' The committee finds that there is no hard and fast regulation at the present time. The SRA administration imposes its regulations upon its county directors, many of them interpret these to suit themselves." Uniform rules should be provided for by the State Relief Administration and a central office should interpret its rules and they should be carried out by the county directors of the State Relief Administration. "On the other hand, the committee has heard complaints that the present regulations, as imposed upon case workers, are too severe. In the past a case worker was given a reasonable power of decision in individual cases. Thus cases in different areas of the State, could be handled according to conditions in those areas, and some distinction could be made between families accustomed to lower or higher standards of living.

Today, rigorous and inelastic regulations appear to apply at this point, while on the other hand, regulations which might justly be expected to be observed, are administered with great elasticity by directors, district supervisors, and case workers." A committee composed of the Attorney General, the Controller, the State Relief Administrator, and the Director of Agriculture should be created to study this problem as this is one of the major problems arising through unemployment relief.

"Employables and Unemployables."

A committee should be created to study the definition of employables and unemployables and recommend a solution to the Legislature. "A simplification of the handling of applicants at the intake is recommended by the committee."

Relief Problem.

The problem of relief is not a social work problem. However, if a person remains unemployed for a great length of time, it oft-times occurs that he becomes a permanent social problem. The basic problem created by unemployment can be solved by providing opportunities for remunerative employment. Relief cases should be divided into two classes:

Those in need of social case work and those in need of employment. The former should be handled by social case workers. The latter should have work provided for them.

A business-like investigation of financial responsibility of the applicants of relief should be maintained and rigorous prosecution of chiselers should be conducted. Law-enforcing agencies and judges should be admonished that for the general welfare of the State, chiseling on relief must be stopped and can be prevented by proper prosecution.

Limitations of the Proclamation.

As previously noted in this minority report, this special session of the Legislature should not consider a general reorganization of the problem of unemployment and relief.

The restrictions in Senate Bill No. 81 making it impossible for the present relief administration to conduct works programs should be stricken out and an opportunity given to this organization to provide a suitable works program to place as many relief cases as possible at some type of work.

IV.

"A stand must be made against 'legislation by regulations,' which is contrary to the intent of the State and Federal constitutions, and against increasing bureaucracy.

The committee recommends legislation authorizing the courts to prevent unwarranted and illegal State interference with local authority."

V.

Establish Three-Year Residential Requirements.

I recommend that the present rule requiring three years residence in California before direct relief may be granted remain.

VI.

Clear Relief Applications Through Credit Agency.

I recommend a study of costs to the SRA or to the counties of clearing of accepted applications through private credit agencies in the same manner as commercial or financial credit applications are cleared.

VII.

A ceiling of $58 for a person on relief is too low and causes many hardships. American people are generally on relief rolls because they can not find employment, not because they do not want to work; not because they do not seek work, but because there is no work available for them. To have them exist on such a meager allowance tends to cut down their general morale and weakens their physical condition and makes them a permanent charge on the public.

PART TWO

Explanatory Report.

"The members of the Joint Legislative Committee on Employment offer no panacea for unemployment.

Two months work on the part of seventeen legislators in all parts of California emphasizes the complexity of the problem.

There is no easy way out of the difficulty. The problem is shared in varying degrees by every State, but affects California peculiarly because of a proportionately large population of indigent migrants and because California is a proving ground of radical and subversive plans to make use of the unemployed While the problem is complex, it can and will be solved, not in a day, but more rapidly than had hitherto been believed."

Problem Will Be Solved.

"The unemployment problem of California can be solved by a determination to solve it The solution will not come from those who preach cynical defeatism to further class hatreds, not from pessimists who view democracy with despair.

A relief program emphasizing reemployment and creating work projects rather than a program emphasizing the social aspects of the unemployed people should be inaugurated. A concerted effort to return people to active employment, whether the positions be public or private, offers the solution to the unemployment problem."

A Start Has Been Made.

"The solution will be founded upon fundamental American traditions of economy, honesty, individual effort, and sincere cooperation in working out a problem of the commonwealth.

The committee's belief that emphasis should be placed on employment rather than on relief is supported from a source which the majority of the members of the Legislature have on occasion sharply criticized, the Workers Alliance."

Workers Alliance Confirms Analysis.

"Testifying before the committee headed by Assemblyman A C. Wollenberg, in Monterey, on March 20, 1940, J. W. Patterson, chairman of the grievance committee of the local Workers Alliance, in response to a request made the following general statement (W-2 page 11, official transcript):

> 'We have studied this problem from every angle and we feel that the biggest mistake they (the State Relief Administration) made is the fact that they are dealing with it as a social problem. We don't feel that it is a social problem—it is an unemployment problem. I think that 90 per cent of all our trouble is the fact that some of the people try to deal strictly on the basis of a social problem, and it is not.
>
> If it was approached from that angle * * * there would never be any necessity to have a grievance from any organization.'

Again, Mr. Patterson said (page 12 of transcript):

> 'It is a problem of unemployment, and they approach it from the social angle, and they are supposed to go into the home and try to rehabilitate a man who has lost a job, and all that kind of stuff * * *.
>
> This is not a social problem, it is an unemployment problem, and we feel that if they would try to spend time to work it out, it

wouldn't be necessary to have this namby-pamby social idea—that is never going to settle the problem of relief.'

The treatment of unemployment relief as a social problem is a production of many years of handling this problem by social workers rather than by men experienced in reemployment projects.

The field of social work has a definite place in certain types of relief cases but is a poor substitute for those whose only problem is their inability to find remunerative employment."

New Approach Is Needed.

"Unemployment is a relatively new problem in the United States. Yet no American is unaffected by it. No American interested in the welfare of his government and the preservation of American liberties can ignore its involvements. No American can tolerate the suggestion that the problem is too big to be solved in the American way by the absorption of unemployed men and women into a revitalized American economy." Private industry must, however, cooperate with the government and should take the lead in a reemployment program

Subversive Influences at Work.

"Proponents of these schemes are deliberately working, more or less openly, toward a revolution. Others, less vicious in their purposes, but equally dangerous because of ignorance, unwittingly are lending the cause of revolution their names and reputations." The unemployed people offer a fertile field to those who desire to promote Communism and other "isms" in America.

The State Relief Administration, because it is the agency of government dealing with the unemployed, is subjected to attacks from Communists and other subversive groups. It should set up a strong defense mechanism to offset these attacks. The present Relief Administrator is opposed to Communism and to subversive influences and is engaged in a constructive program of separating all radical and subversive elements and personnel from the State Relief Administration.

Relief Is a Palliative.

"Like any medicine which does not remove the cause of the illness, relief is dangerous in itself. Bromides administered over long periods may produce rashes on the patient's body. In the same way, relief is producing red rashes on the body politic. As quickly as possible, and with complete coordination of effort, the cause of the trouble must be attacked and the palliative tapered off.

Relief must continue until the Mobilization for Employment has proved itself successful. It should be repeated that the dole, which is the form in which relief is extended in California, is not a cure for unemployment."

California needs a public works program for people on relief and should inaugurate one and conduct it until such time as private industry absorbs the employable unemployed people.

Works Projects Considered.

"The State should give maximum cooperation to the Works Progress Administration and urge extension of its activities in California. Every effort must be made to obtain sponsorship for projects to the end that the full WPA quota for the State may be utilized. The

committee was astounded to learn, from testimony by the WPA Administrator for Southern California (P-2, Pages 46 & 47), that his agency had had an average of over 2,000 jobs monthly which were open to the unemployed, but of which the SRA had never availed itself."

Refusal to Accept Work Condemned.

"There can be no difference of opinion as to the gross dishonesty of any SRA official who condones and abets relief recipients in refusing to take work on WPA or similar projects. No relief recipient should be permitted to refuse suitable employment or to delay the acceptance of work Any relief recipient refusing suitable employment should forthwith be removed permanently from the relief rolls." A public works program should be set into motion at the earliest possible convenience. Projects that will inure to the general benefit of the State should be inaugurated. A thorough study of work programs with the thought of efficiency, businesslike operation and permanent benefit to the State should be sought. Hastily created projects poorly supervised yield but small benefit to the State as a whole and tend to break down the morale of the relief clientele.

Long Range Outlook Urged.

Conclusions in respect to the problem of unemployment in California.

"(A) This problem will prevail, in greater or less degree, until 'Mobilization for Employment' has won its objective. While the trend of private business and employment is upward at present, the fact that this is due, in part, to the European war should not be overlooked. Recent reports show a 17 per cent improvement in business over a year ago.

(B) The State should do all within its power to foster increased employment in private enterprise.

(C) The SRA has permitted social service theorists and wishful thinkers to run riot in California for years with resultant wastefulness, chiseling and inequities. Social service, as evidenced in the SRA, has presumed that unemployment is permanent and that relief recipients are a permanent class. The SRA social service workers have disregarded the possibilities of re-employment, and have done no good to their own profession.

The committee has respect for altruism, but contends that genuine altruism means employment for every citizen who would work. * *

Common sense, not a formula, controls effective social service work. In the SRA, social service has been characterized by an exaggerated professional attitude.

(D) Relief budgets should take standards of living into account as well as the number of members of a family, and should consider total income from all sources, especially all State aids.

(E) The problem of youth is one of the greatest problems of unemployment.

Young people today are getting married on relief and their children are being born on relief. Little is being done to foster a spirit of initiative and independence characteristic of so many generations of self-reliant American families. This is a problem for both the Legislature and groups responsible for methods of education. Further study

is being given this subject and the committee expects to submit a report. There is hope of solution because American youth still wants work, still seeks to be self-reliant.

(F) The California State Employment Service must be built to a place of real importance.

The personnel and activities of the California Employment Insurance Commission have been directed toward paying unemployment benefit checks rather than obtaining employment for the unemployed.

(G) The unemployment problem has been aggravated because thousands, having gained the comparative security of relief, have been reluctant to accept even temporary employment because of having again to qualify for future assistance. Some effort should be made to encourage relief recipients to accept employment even though it may be temporary. This result will be gained by reducing the amount of red tape necessary for readmittance of the deserving to the relief rolls."

(H) Sincere, honest and efficient administration of relief must prevail.

(I) Politics should play no part in the administration of relief.

(J) The Federal Government should take care of migrants coming into California, until they are absorbed by private industry.

(K) A State camp program operated in conjunction with work programs already referred to and with the requirement that all single men, with certain exceptions, go to them to receive aid, can be constructive factors in rehabilitation and reemployment.

How Committee Functioned.

"The Joint Fact-Finding Committee was appointed in the closing days of the February, 1940, special session. It was charged with several functions. One was to continue the investigation, begun more than a year ago, into abuses within the SRA. Another was to submit recommendations for improving California's handling of the entire employment problem. Still another function was to observe the operation of Senate Bill No. 81, with a view to future legislation.

These duties have been performed by the committee to the best of its abilities within given time. Whatever may be its shortcomings, they are due to physical limitations, not to lack of effort. The members of the committee have conducted hearings in every part of California; personally examined documents, inventories, books and records; and have heard scores of witnesses who testified under oath and whose testimony is embodied in official transcripts."

Special Subcommittees Appointed.

"To facilitate the work of investigation, the nine Assemblymen and eight Senators on the committee arranged for the appointment of subcommittees. Four such subcommittees were designated. They worked on a geographical basis; subcommittees headed by Senators Mixter and Nielsen, and by Assemblymen Houser and Wollenberg, conducted hearings, respectively, in the Central Valley, in Northern California, in Southern California, and in the San Francisco Bay-Central Coast area.

Committee members were designated to prepare special reports to be submitted to the Joint Committee as follows:

Assemblyman Elmer E. Lore, Surplus Commodities;
Senator Frank W. Mixter, The Cooperatives;
Assemblyman Edward O'Day, The Youth Problem;
Assemblyman Norris Poulson, Accounting Procedure in the SRA;
Senator J. I. Wagy, The Migrant Problem;
Assemblyman Clyde A. Watson, The Alien Problem.

The committee also arranged for two independent investigations into vital phases of the employment problem.

The national firm of Price, Waterhouse & Co, certified public accountants, was retained by the committee in an advisory capacity. In addition to advising the committee on general phases of SRA accounting, it was asked to establish, from the SRA records, without making a complete audit, the approximate balances in the funds of that department as of February 15, 1940, and March 31, 1940. The firm was also asked to indicate changes in the financial position of the SRA during this period, with certain expenditures segregated. It has furnished this information, and other information and comments, which the committee submits as a separate part of this report.

The committee received the cooperation of the State Controller, the Director of Agriculture and the State Relief Administrator."

Credit Agencies Investigate Cases.

"To ascertain the truth of reports that chiseling is still rife, the Controller, under authority of the Legislature and with the approval of the Director of Finance, arranged with private credit agencies to investigate more than 10,000 cases on the SRA rolls. The results of this so-called social audit will be made available to the Legislature in a separate report."

Sampling Method.

"The committee, handicapped for time, has made free use of the 'sampling' method now in general use by political polls, and by financial, economic and statistical fact-gathering agencies. Obviously the committee could not check every relief case, every transportation order, every reported instance of waste, extravagance, and incompetency. By methods it did use, the committee believes that it secured a true picture of the relief situation."

In submitting this minority report, I again wish to express my belief that this committee has made a careful study of this, our greatest problem, and have made many recommendations which, if enacted into law, will inure to the benefit of the unemployed as well as to the people of the State as a whole. In principle, I differ with them concerning the matter of county administration of relief.

Yours respectfully,

EDWARD F. O'DAY.

Minority Report of Subcommittee on Personnel and Policy of Joint Legislative Fact-Finding Committee on Employment.

The majority report of the Subcommittee on Personnel and Policy on which I served is, on the whole, a fair summary of the testimony

heard by the committee. I file this minority report, however, for the reason that I disagree at several points with the interpretation of testimony.

The majority report errs in listing San Luis Obispo among those counties in which new directors have recently been appointed. The director of that county was one of the old employees in the SRA service who was transferred into San Luis Obispo at the time the committee visited that county.

In so far as my observation went, I felt that SRA was being efficiently operated in all but one of the counties visited. There was some evidence of laxity in Alameda. As stated in the majority report, changes have recently been made there to correct conditions recognized by the Relief Administrator as demanding his attention.

I feel justified in saying a few words in regard to newly appointed directors to which the majority report refers with some disparagement. Prior to the Fall of 1939, practically every county director had been promoted into his position from the Social Service Division. The present State Administration had a feeling shared by many members of the Legislature, that county directors should have a better business background than was possessed by social workers. It was the belief of the Governor, shared, I believe, by the Relief Administrator, that a director with business experience could get better cooperation between the finance and social service divisions of the county offices and avoid dominance by the social service division which it was felt might show unwarranted generosity toward applicants for and recipients of relief.

I did not completely subscribe to this theory at the time the changes were made. I was, however, favorably impressed by the ability and common-sense attitude of most of the county directors visited and it seems unfair to me to state that they were "chosen because of service rendered during the last campaign." To me it appeared that they were men of integrity, business experience and sufficient intelligence to operate the offices to which they were entrusted.

I am not in complete accord with the statement of the "new philosophy" contained in the majority report. Several witnesses appearing before the subcommittee explained that under previous administrations, it had been obligatory upon an applicant for relief to prove his eligibility. Under the "new philosophy," it was stated that case workers were instructed to offer applicants considerable cooperation in determining the facts upon which eligibility hinged.

If this is the much discussed "new philosophy" I completely approve it. I believe it should be the duty of case workers to cooperate in every reasonable way with applicants in determining facts relating to eligibility and not put the entire burden of proof on those who, in many cases, have no knowledge of the technical and legal points involved in the law or in rules and regulations.

I object to a statement in the majority report that members of the Workers Alliance in Alameda were shown preference in the handling of their cases to the prejudice of nonmembers of that organization. According to the testimony, a strike condition prevailed in the county several years ago under the former administration. To prevent a complete breakdown of intake due to hundreds of applications daily that could not be handled under the usual routine, the social service super-

visor worked out a plan whereby officials in an organization called the unemployment council might submit names and addresses of members seeking relief and also designate those cases in which it was believed a real emergency existed.

These cases were handled in small groups as they could be absorbed by intake. If some such policy had not been adopted, testimony was to the effect that there would have been two or three hundred applicants per day in excess of the number that could be handled and intake would have broken down to the detriment of all applicants. The great majority of the applications so handled were those of members of the unemployment council, an organization of AFL, CIO and railroad brotherhood unions, and not of the Workers Alliance. To me, this seemed a wise procedure in view of the circumstances and I do not believe that it should be criticized as demonstrating preference to Workers Alliance members.

I would also dissent from the appraisal of the Contra Costa County director contained in the majority report. Complaints against him came from disgruntled ex-employees whom he had laid off when forced to cut his staff. Evidence that competent employees were summarily discharged came from the discharged employees themselves. After listening to the testimony of these people for the better part of the day, I was inclined toward the belief that the director's judgment in making layoffs was good.

I am in complete accord with the closing statement of the majority report to the effect "that the primary problem in the administration of relief lies in personnel" and that employees entrusted with the expenditure of the State money must realize that they are charged with a sacred obligation both to conserve funds of taxpayers and to do justice to the unfortunate on relief. I believe that with few exceptions, SRA employees visited by our subcommittee were equal to this obligation.

Respectfully submitted.

ELMER E. LORE.

Requests for Permission to Offer Concurrent Resolutions.

The following requests for permission to offer Concurrent Resolutions were presented:

By Senator Deuel:

SENATE CHAMBER, SACRAMENTO, May 22, 1940

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to offer a Concurrent Resolution, the title of which is set forth below:

Relative to Legislative Printing.

Respectfully submitted.

SENATOR DEUEL

Request referred to Committee on Rules.

By Senators Keating, Holohan, and Seawell:

SENATE CHAMBER, SACRAMENTO, May 23, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, we request permission to offer a Concurrent Resolution, the title of which is set forth below:

Relative to Legislative Bill Room Equipment.

Respectfully submitted.

SENATORS KEATING, AND OTHERS.

Request referred to Committee on Rules.

By Senator Shelley:

SENATE CHAMBER, SACRAMENTO, May 23, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to offer a Concurrent Resolution, the title of which is set forth below:

Relative to leave of absence of the Secretary of State.

Respectfully submitted

SENATOR SHELLEY.

Request referred to Committee on Rules

Unfinished Business.

Senate Bill No. 90—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, providing the conditions and terms upon which any expenditure for such relief may be made, and declaring that this act shall take effect immediately.

Consideration of Assembly Amendments.

The Senate took up for consideration Assembly amendments to Senate Bill No. 90.

Amendment No. 1.

In line 2 of the title of the printed bill, after "unemployment", insert the following: "and for the administration thereof"

Amendment No. 2.

On page 3, line 29, of the printed bill, after "Commission", insert the following: ", or, with money available for his administrative expenses, the Controller".

Amendment No. 3.

On page 3 of the printed bill, between lines 33 and 34, insert the following:

"SEC. 6.7. With money from this appropriation, not to exceed one per cent of the total sum appropriated, chargeable to the eighty-two per cent classification, the Relief Administrator and the Relief Commission may contract with any non-profit medical or health service corporation organized under the laws of this State for the rendition of medical and health services to any person and his family eligible for assistance from this appropriation."

Amendment No. 4.

On page 4, line 6, of the printed bill, after "for" and before "purposes", insert the following: "educational or other".

Amendment No. 5.

On page 4, line 8, of the printed bill, after "scholarships", insert the following: "and National Youth Administration student aid received by any person under the National Youth Administration in-school programs".

Amendment No. 6.

On page 4 of the printed bill, strike out line 9, and insert in lieu thereof the following:

"(b) Three-fourths of the income earned by National Youth Administration project workers under the National Youth Administration out-of-school programs.

(c) That portion of the income from the Civilian Conservation Corps which that agency permits the enrollee to expend for his own use."

Amendment No. 7.

On page 4, line 10, of the printed bill, strike out "(c)", and insert in lieu thereof the following: "(d)".

Amendment No. 8.

On page 4 of the printed bill, between lines 11 and 12, insert the following paragraph:

"In addition, all other income of any minor under eighteen years of age, not mentioned above, need not, but may, be deducted either in whole or in part."

Amendment No. 9.

On page 4 of the printed bill, strike out all of lines 24 to 27, inclusive; and in line 28, strike out "(3)", and insert in lieu thereof the following: "(2)".

Amendment No. 10.

On page 5, line 22, of the printed bill, after "countries", insert the following: "and for the dependents of such aliens".

Amendment No. 11.

On page 7, line 50, of the printed bill, strike out "case worker or case aide, or both," and insert in lieu thereof the following: "employee or employees".

Amendment No. 12.

On page 8, line 3, of the printed bill, before "who", insert the following: "(i)".

Amendment No. 13.

On page 8, line 4, of the printed bill, strike out "when such refusal is", and insert in lieu thereof the following: "or (ii) who has heretofore refused to appear, to testify or to answer the questions of any legislative committee. The refusal shall be".

Amendment No. 14.

On page 8 of the printed bill, strike out lines 12, 13 and 14, and insert in lieu thereof the following:

"SEC. 23. On and after the ninetieth day following the effective date of this act, no person shall be presently or hereafter employed by the Relief Administrator or the Relief Commission in connection with the administration or distribution of this appropriation unless such person has been a resident of California for five years preceding the effective date of this act."

The question being: Shall the Senate concur in Assembly amendments to Senate Bill No. 90?

The roll was called, and the Senate refused to concur in Assembly amendments to Senate Bill No. 90 by the following vote:

AYES—None.

NOES—Senators Biggar, Brown, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Keating, Mayo, McBride, Mixter, Nielsen, Phillips, Seawell, Shelley, Slater, and Wagy—22.

Reports of Standing Committees.

The following reports of standing committees were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, May 23, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 140—An act to add sections 3897.4 and 3897.5 to the Political Code, and to amend section 3804 of, and to add sections 3793.5 and 3793.6 to, the Revenue and Taxation Code, relating to property taxation, declaring the urgency hereof, to take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be referred to the Committee on Finance, Revenue and Taxation.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Bill No. 140 read first time, and referred to Committee on Finance, Revenue and Taxation.

SENATE CHAMBER, SACRAMENTO, May 23, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Joint Resolution No. 26—Requesting the United States Secretary of Agriculture not to abandon the Bard Experimental Station;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be referred to the Committee on Governmental Efficiency.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Joint Resolution No. 26 read, and referred to Committee on Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, May 23, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 125—An act to amend section 1300 17 of the Agricultural Code, and to repeal Chapter 28 of the Statutes of the first extraordinary session of the fifty-third session of the Legislature, relating to the marketing of agricultural products, and declaring the urgency of this act;

Assembly Bill No. 129—An act to submit to the people, at the general election on November 5, 1940, a proposed amendment to the Constitution of this State, relating to liens, mortgages, encumbrances and agreements taken as security for aid to the aged and to the powers of the Legislature in relation thereto, and to provide that this act shall take effect immediately;

Assembly Bill No. 131—An act to amend section 1300.17 of the Agricultural Code, and to repeal Chapter 28 of the Statutes of the first extraordinary session of the Fifty-third Legislature, relating to the marketing of agricultural products, and declaring the urgency of this act;

Assembly Bill No. 132—An act to amend the title and to add sections 1e, 1f, 1g and 1h to an act entitled "An act to provide for the acquisition, installation, construction, reconstruction, extension, repair and maintenance of works and improvements mentioned in the Improvement Act of 1911 and of public utilities and other public works by municipalities, cities and counties, counties, unincorporated territory, and by any district or political corporation authorized by law to construct such public improvements, or by combination thereof; for the assessment of the cost and expenses thereof upon the property benefited; and for the issuance of bonds to represent such assessments," approved June 6, 1913, Statutes of 1913, Chapter 247, as amended by Statutes of 1940, Chapter 35, approved February 29, 1940, relating to districts, political corporations, public corporations and unincorporated territory or any combination thereof, authorized by law to construct such public improvements; relating to the acquiring of legislative jurisdiction therefor; providing that such proceedings shall be subject to the Special Assessment Investigation, Limitation and Majority Protest Act of 1931; and providing that this act shall take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that they be re-referred to the Committee on Governmental Efficiency.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Bills Nos. 125, 129, 131 and 132 read first time, and referred to Committee on Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, May 23, 1940

MR. PRESIDENT: Your Committee on Rules, to which was referred

Assembly Concurrent Resolution No. 17—Relative to veterans, and educational qualifications in the State civil service;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be re-referred to the Committee on Governmental Efficiency

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman

Assembly Concurrent Resolution No. 17 read, and referred to Committee on Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, May 22, 1940.

MR PRESIDENT: Your Committee on Rules, to which was referred the following request, by Senator Deuel, for permission to offer a Concurrent Resolution:

Relative to legislative printing;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the Concurrent Resolution offered, and placed on file

Committee membership—5; committee vote Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, May 23, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following request by Senators Keating, Holohan and Seawell for permission to offer a concurrent resolution:

Relative to Legislative Bill Room equipment;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the concurrent resolution offered, and placed on file for immediate action

Committee membership—5; committee vote: Ayes—5

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, May 23, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following request by Senator Shelley for permission to offer a Senate concurrent resolution:

Relative to leave of absence of the Secretary of State;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the concurrent resolution offered, and placed on file.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, May 23, 1940

MR PRESIDENT. Your Committee on Rules has examined:

Senate Bill No. 87—An act amending sections 3 and 5 of an act entitled "An act creating the Colorado River Board of California and the office of Colorado River Commissioner of California, prescribing the powers and duties of said board and commissioner," approved July 1, 1937, relating to powers and duties of the board and commissioner, to repeal Chapter 14 of the Statutes of the first extraordinary session of 1940, convened on January 29, 1940, declaring the urgency thereof, and providing this act shall take effect immediately;

Senate Bill No. 91—An act to amend sections 232 and 377.5 of the Vehicle Code and to repeal an act entitled "An act to amend sections 232 and 377 5 of the Vehicle Code, relating to the installation of motor vehicle engines or motors," approved February 16, 1940, relating to the installation of motor vehicle engines or motors, to take effect immediately;

Senate Bill No. 92—An act to amend sections 210 and 252 of the Vehicle Code, to repeal sections 211, 212, 213 and 214 thereof, and to repeal an act entitled "An act to amend sections 210 and 252 of the Vehicle Code, and to repeal sections 211, 212, 213 and 214 thereof, relating to permits to nonresident owners of motor vehicles," approved February 24, 1940, relating to permits to nonresident owners of motor vehicles, to take effect immediately;

Senate Bill No. 93—An act to amend section 164 of the Vehicle Code and to repeal an act entitled "An act to amend section 164 of the Vehicle Code, relating to renewal of registration of vehicles," approved March 28, 1940, relating to renewal of registration of vehicles, to take effect immediately;

And reports that the same have been correctly engrossed

SEAWELL, Chairman.

On Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, May 23, 1940

MR PRESIDENT Your Committee on Governmental Efficiency, to which was referred:

Assembly Bill No. 133—An act to amend sections 867 and 868 of the Fish and Game Code, and to repeal Chapter 24 of the first extraordinary session of the Fifty-third Legislature, relating to yellow-tail, barracuda, and white sea bass;

Assembly Concurrent Resolution No. 20—Relative to the intention of the Legislature in using the term "Mackinaw cutthroat trout" in section 619 5 of the Fish and Game Code, as added by Chapter 778, Statutes of 1939;

Assembly Concurrent Resolution No. 6—Relative to reports of the 1939 annual convention of the Military Order of the Purple Heart;

Has had the same under consideration, and respectfully reports the same back, and recommends that they do pass.

Committee membership—11; committee vote: Ayes—7; absent—4

HAYS, Chairman.

On Finance, Revenue and Taxation.

SENATE CHAMBER, SACRAMENTO, May 23, 1940

MR PRESIDENT Your Committee on Finance, Revenue and Taxation, to which was referred:

Assembly Bill No. 47—An act to amend sections 124, 127, 3591, 3594, 3616, 3651, 3659, 3661, 3691, 3807, 4101 4111, 4112, 4113 and 4147 of, to amend the title of Chapter 8 of Part 6 of Division I of, to repeal sections 3614, 3707 and 4108 of, to add sections 3511 5, 3521, 3662 and 3663 to, to add Chapter 4.3, consisting of sections 3534 to 3562, and Chapter 4 6, consisting of sections 3571 to 3578, to Part 6 of Division I of, the Revenue and Taxation Code, and to amend sections 3833 3, 3857.2 and 3859 20 of, to repeal sections 3773 1, 3833 and 3859.18 of, and to add sections 3773 1, 3773 2, 3785.4, 3785 5 and 3785 6 to, and to add Chapter IXb, consisting of sections 3860 01 to 3860 32, and Chapter IXc, consisting of sections 3861 1 to 3861 8, to Title IX of Part III of, the Political Code, relating to property taxation, including the right of redemption and the classification and control of tax deeded property, and making an appropriation;

Assembly Bill No. 128—An act to add section 5.18 to the Retail Sales Tax Act of 1933, and section 4 11 to the Use Tax Act of 1935, relating to exemptions, including the exemption of live stock and poultry of a kind the products of which

ordinarily constitute food for human consumption, to repeal Chapter 6 of the statutes of the first extraordinary session of the Fifty-third Legislature and to declare that this act shall take effect immediately;
Has had the same under consideration, and respectfully reports the same back, and recommends that they do pass.
Committee membership—11; committee vote. Ayes—11.

TICKLE, Chairman.

Message from the Assembly.

The following message from the Assembly was received and read:

ASSEMBLY CHAMBER, SACRAMENTO, May 23, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day respectfully refused to recede from its amendments to:
Senate Bill No. 90—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, providing the conditions and terms upon which any expenditure for such relief may be made, and declaring that this act shall take effect immediately;
And appointed Assemblymen Daley, Houser and Lore, as a Committee on Free Conference to meet a like committee from the Senate.

JACK CARL GREENBURG, Chief Clerk of Assembly
By C. W. BOOTH, Assistant Clerk.

Appointment of Committee on Free Conference.

SENATE CHAMBER, SACRAMENTO, May 23, 1940.

MR. PRESIDENT: Your Committee on Committees announces the appointment of Senators Phillips, Mayo and Foley as a Committee on Free Conference, concerning:
Senate Bill No. 90;
To meet a like committee from the Assembly.

SEAWELL, Chairman.

Introduction, First Reading and Reference of Bills.

The following concurrent resolutions were introduced.

Senate Concurrent Resolution No. 17: By Senator Deuel—Relative to legislative printing.

Senate Concurrent Resolution No. 18: By Senators Keating, Holohan and Seawell—Relative to Legislative Bill Room equipment.

Senate Concurrent Resolution No. 19: By Senator Shelley—Relative to leave of absence of the Secretary of State.

Consideration of Senate Concurrent Resolution No. 17

Senator Deuel asked for, and was granted, unanimous consent for the consideration of Senate Concurrent Resolution No. 17, without reference to committee, for purpose of adoption.

Senate Concurrent Resolution No. 17.

Relative to legislative printing.

WHEREAS, The cost of legislative printing is an important part of the expense of the Legislature; and
WHEREAS, The adoption of a uniform style of printing and uniform forms for legislative publications will result in a material saving in legislative printing; now, therefore, be it

Resolved by the Senate of the State of California, the Assembly thereof concurring, That Joseph A. Beek, Secretary of the Senate, Jack Carl Greenburg, Chief Clerk of the Assembly, and Paul Mason, Secretary of the Assembly Committee on Legislative Procedure, be directed to prepare, in cooperation with the State Printer, a Legislative Style Book, covering the style to be used in legislative printing and to propose uniform procedure and forms to be used in the histories, journals and other

legislative publications and to submit the same to the Legislature not later than the convening of the fifty-fourth session.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Concurrent Resolution No. 17 adopted by the following vote:

AYES—Senators Biggar, Brown, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Keating, Mayo, McBride, Mixter, Nielsen, Phillips, Seawell, Shelley, Slater, and Wagy—22

NOES—None.

Senate Concurrent Resolution No. 17 ordered transmitted to the Assembly.

Consideration of Senate Concurrent Resolution No. 18.

Senator Keating asked for, and was granted, unanimous consent for the consideration of Senate Concurrent Resolution No. 18, without reference to committee for purpose of adoption.

Senate Concurrent Resolution No. 18.

WHEREAS, Certain additional equipment is required for the Legislative Bill Room; and

WHEREAS, Such equipment should properly be paid for out of the Contingent Fund of the two houses of the Legislature rather than from the legislative printing fund; now, therefore, be it

Resolved by the Senate of the State of California, the Assembly thereof concurring, That the sum of $1,816.80 be and the same is hereby appropriated, one-half to be payable from the Contingent Fund of the Senate and one-half from the Contingent Fund of the Assembly for the purpose of acquiring for the Legislative Bill Room such additional equipment; and be it further

Resolved, That the Controller be and he is hereby directed to draw his warrants in favor of such firms or individuals supplying the equipment above provided for as are certified to him by the Secretary of the Senate and the Chief Clerk of the Assembly and the Treasurer is directed to pay the same, but in no event shall the total amount expended exceed the sum of $1,816.80.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Concurrent Resolution No. 18 adopted by the following vote:

AYES—Senators Biggar, Brown, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Keating, Mayo, McBride, Mixter, Myhand, Nielsen, Phillips, Powers, Seawell, Shelley, Slater, and Wagy—24

NOES—None.

Senate Concurrent Resolution No. 18 ordered transmitted to the Assembly.

Consideration of Senate Concurrent Resolution No. 19.

Senator Shelley asked for, and was granted, unanimous consent for the consideration of Senate Concurrent Resolution No. 19, without reference to committee for purpose of adoption.

Senate Concurrent Resolution No. 19.

Relative to leave of absence of the Secretary of State.

Resolved by the Senate of the State of California, the Assembly thereof concurring, That leave of absence from the State for a longer period than sixty days

during his term of office is hereby granted to the Honorable Paul Peek, Secretary of State.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Concurrent Resolution No. 19 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Myhand, Nielsen, Parkman, Powers, Quinn, Seawell, Shelley, Slater, Tickle, and Wagy—30

NOES—None.

Senate Concurrent Resolution No. 19 ordered transmitted to the Assembly.

Second Reading of Assembly Bills (Out of Order).

Assembly Bill No. 133—An act to amend sections 867 and 868 of the Fish and Game Code, and to repeal Chapter 24, of the first extraordinary session of the Fifty-third Legislature, relating to yellow-tail, barracuda, and white sea bass.

Bill read second time, and ordered on file for third reading.

Assembly Bill No. 47—An act to amend sections 124, 127, 3591, 3594, 3616, 3651, 3659, 3661, 3691, 3807, 4101, 4111, 4112, 4113 and 4147 of, to amend the title of Chapter 8 of Part 6 of Division I of, to repeal sections 3614, 3707 and 4108 of, to add sections 3511.5, 3521, 3662 and 3663 to, to add Chapter 4.3, consisting of sections 3534 to 3562, and Chapter 4.6, consisting of sections 3571 to 3578, to Part 6 of Division I of, the Revenue and Taxation Code, and to amend sections 3833.3, 3857.2 and 3859.20 of, to repeal sections 3773.1, 3833 and 3859.18 of, and to add sections 3773.1, 3773.2, 3785.4, 3785.5 and 3785.6 to, and to add Chapter IXb, consisting of sections 3860.01 to 3860.32, and Chapter IXc, consisting of sections 3861.1 to 3861.8, to Title IX of Part III of, the Political Code, relating to property taxation, including the right of redemption and the classification and control of tax deeded property, and making an appropriation.

Bill read second time, and ordered on file for third reading.

Assembly Bill No. 128—An act to add section 5.18 to the Retail Sales Tax Act of 1933, and section 4.11 to the Use Tax Act of 1935, relating to exemptions, including the exemption of live stock and poultry of a kind the products of which ordinarily constitute food for human consumption, to repeal Chapter 6 of the statutes of the first extraordinary session of the Fifty-third Legislature and to declare that this act shall take effect immediately.

Bill read second time, and ordered on file for third reading.

Resolution.

The following resolution was offered:

By Senator Fletcher:

Resolved, That Assembly Bill No. 133 presents a case of urgency, as that term is used in Section 15 of Article IV of the Constitution, and the provision of that section requiring that the bill shall be read on three several days in each House

is hereby dispensed with, and it is ordered that said bill be read the third time, and placed upon its passage.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and the resolution adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Mayo, McCormack, Myhand, Nielsen, Parkman, Powers, Seawell, Shelley, Slater, and Wagy—27

NOES—None.

Whereupon the President declared the provisions of Section 15, Article IV of the Constitution suspended for the purpose of considering, at this time, Assembly Bill No. 133.

Consideration of Assembly Bill No. 133.

Assembly Bill No. 133—An act to amend sections 867 and 868 of the Fish and Game Code, and to repeal Chapter 24 of the first extraordinary session of the Fifty-third Legislature, relating to yellow-tail, barracuda, and white sea bass.

Bill read third time.

Urgency Clause.

SEC 4 This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution and as such shall take effect immediately. The facts constituting such necessity are as follows:

This act permits the utilizing of an already available supply of healthful food fish in canned, as well as in a fresh, state. Unless this act takes effect at once no facilities will be available for using for canning purposes the fish taken during the next ensuing fishing season and the people of the State will be deprived of the opportunity of using a desirable food supply for a considerable period. Existing conditions make it necessary that the supply of food fish be utilized as much as possible and, therefore, it is necessary that this act take effect immediately.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McCormack, Myhand, Nielsen, Parkman, Powers, Seawell, Shelley, Slater, Tickle, and Wagy—28.

NOES—None.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 133 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Myhand, Nielsen, Parkman, Powers, Seawell, Shelley, Slater, and Wagy—27.

NOES—None.

Title read and approved.

Assembly Bill No. 133 ordered transmitted to the Assembly.

Consideration of Assembly Concurrent Resolution No. 20.

Assembly Concurrent Resolution No. 20.

Relative to the intention of the Legislature in using the term "Mackinaw cutthroat trout" in section 619.5 of the Fish and Game Code, as added by Chapter 778, Statutes of 1939.

WHEREAS, Some confusion has arisen from the use of the term "Mackinaw cutthroat trout" in section 619.5 of the Fish and Game Code as added by Chapter 778, Statutes of 1939, and certain enforcing officers are reported to have declared an intention to disregard the provisions of said section 619.5 which establish a bag limit of 5 such trout per day regardless of size and to enforce the general bag limit for trout which is 25 trout but not more than 10 pounds and 1 trout; and

WHEREAS, The fish designated as the Mackinaw cutthroat trout is a large fish which frequently attains a weight of 20 or more pounds and under the general bag limit for trout the limit would ordinarily be two fish; and

WHEREAS, The Legislature intended to increase the bag limit as to the fish designated by it as the Mackinaw cutthroat trout to 5 fish per day; now, therefore, be it

Resolved by the Assembly of the State of California, the Senate thereof concurring, That in using the term "Mackinaw cutthroat trout" in section 619.5 of the Fish and Game Code, as added by Chapter 778, Statutes of 1939, the Legislature intended to designate the fish commonly designated by fishermen fishing in the waters of Lake Tahoe and vicinity as the "Mackinaw trout," which same fish appears to be designated as the "cutthroat trout" on page 60, Fish Bulletin No. 28, published by the Fish and Game Commission as the "Handbook of Common Commercial and Game Fishes of California," said fish apparently being technically designated as Salmo clarkii.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Concurrent Resolution No. 20 adopted by the following vote:

AYES—Senators Biggar, Brown, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Keating, Mayo, Mixter, Myhand, Nielsen, Phillips, Powers, Seawell, Shelley, Slater, and Wagy—23.
NOES—None.

Assembly Concurrent Resolution No. 20 ordered transmitted to the Assembly.

Consideration of Assembly Concurrent Resolution No. 6.

Assembly Concurrent Resolution No. 6.

Relative to reports of the 1939 annual convention of the Military Order of the Purple Heart.

Resolved by the Assembly of the State of California, the Senate thereof concurring, That there shall be printed as a public document three hundred copies of the report of the proceedings of the 1939 annual convention of the Military Order of the Purple Heart, together with illustration copies of all general orders enacted at such convention and of the official roll, one hundred fifty copies for the use of the Assembly and one hundred fifty copies for the use of the Senate; the cost of the same to be payable out of the legislative printing appropriation.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Concurrent Resolution No. 6 adopted by the following vote:

AYES—Senators Biggar, Brown, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Keating, Mayo, McCormack, Myhand, Nielsen, Powers, Seawell, Shelley, Slater, and Wagy—22.
NOES—None.

Assembly Concurrent Resolution No. 6 ordered transmitted to the Assembly.

Third Reading of Senate Bills.

Senate Bill No. 87—An act amending sections 3 and 5 of an act entitled "An act creating the Colorado River Board of California and the office of Colorado River Commissioner of California, prescribing the powers and duties of said board and commissioner," approved July 1, 1937, relating to powers and duties of the board and commissioner, to repeal Chapter 14 of the statutes of the first extraordinary session of 1940, convened on January 29, 1940, declaring the urgency thereof, and providing this act shall take effect immediately.

Bill read third time.

Urgency Clause.

SEC. 4. This act is hereby declared to be an urgency measure, necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution and shall take effect immediately. The facts constituting such necessity are as follows:

A long standing controversy over the division of the waters of the Colorado River has hampered the development of the vast water projects in the States of California, Nevada and Arizona. Informal conversations among the responsible officials of these States have led to believe that it is possible to compose this controversy in the near future by interstate agreement The authority of the Colorado River Board of California and the Colorado River Commissioner to negotiate such an agreement and to submit it to the Governor and the Legislature must be immediately confirmed in order that such an agreement be formulated before the regular session of the Legislature to be held in the year 1941 and in order that the controversy existing between California and its sister States may be quickly terminated to the satisfaction of all States concerned.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Quinn, Shelley, Slater, Tickle, and Wagy—28.

NOES—None

The question being on the passage of the bill.

The roll was called, and Senate Bill No. 87 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Seawell, Shelley, Slater, Tickle, and Wagy—28.

NOES—None.

Title read and approved.

Senate Bill No. 87 ordered transmitted to the Assembly.

Senate Bill No. 91—An act to amend sections 232 and 377.5 of the Vehicle Code and to repeal an act entitled "An act to amend sections 232 and 377.5 of the Vehicle Code, relating to the installation of motor vehicle engines or motors," approved February 16, 1940, relating to the

installation of motor vehicle engines or motors, to take effect immediately.

Bill read third time.

Urgency Clause.

SEC. 4. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution of the State of California, and shall take effect immediately.

The following is a statement of facts constituting such necessity: Under the provisions of section 232 and 377 5 of the Vehicle Code, a fee of $1 must be collected each time a motor vehicle engine changes hands between persons before it reaches the ultimate consumer. This situation has led to a great deal of dissatisfaction on the part of persons engaged in the business of reconditioning engines. Cooperation of persons so engaged with the Department of Motor Vehicles is essential in order that the records of the department may be kept up to date. It is necessary under the provisions of sections 232 and 377 5 of the Vehicle Code to impose the fee only when the engine is installed in the vehicle since no record of intermediate transactions is kept by the Department of Motor Vehicles. In order to relieve the situation as soon as possible, and to remove this unnecessary burden from those engaged in the business of reconditioning motor vehicle engines or motors, it is necessary that this act take effect immediately.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Powers, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—32.

NOES—None.

The question being on the passage of the bill.

The roll was called, and Senate Bill No. 91 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Powers, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—32.

NOES—None.

Title read and approved.

Senate Bill No. 91 ordered transmitted to the Assembly.

Senate Bill No. 92—An act to amend sections 210 and 252 of the Vehicle Code, to repeal sections 211, 212, 213 and 214 thereof, and to repeal an act entitled "An act to amend sections 210 and 252 of the Vehicle Code, and to repeal sections 211, 212, 213 and 214 thereof, relating to permits to nonresident owners of motor vehicles," approved February 24, 1940, relating to permits to nonresident owners of motor vehicles, to take effect immediately.

Bill read third time.

Urgency Clause.

SEC. 5. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the mean-

ing of section 1 of Article IV of the Constitution of the State of California, and shall take effect immediately.

The following is a statement of facts constituting such necessity: This act provides for the abolition of permits now issued to nonresident owners of vehicles. In view of the fact that the permits are printed and the supply of such permits on hand is limited, it is necessary that this act shall take effect immediately in order to avoid the unnecessary expense of printing additional forms.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Shelley, Slater, Tickle, and Wagy—31.

NOES—None.

The question being on the passage of the bill.

The roll was called, and Senate Bill No. 92 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Shelley, Slater, and Wagy—28.

NOES—Senator Seawell—1.

Title read and approved.

Senate Bill No. 92 ordered transmitted to the Assembly.

Senate Bill No. 93—An act to amend section 164 of the Vehicle Code and to repeal an act entitled "An act to amend section 164 of the Vehicle Code, relating to renewal of registration of vehicles," approved March 28, 1940, relating to renewal of registration of vehicles, to take effect immediately.

Bill read third time.

Urgency Clause.

SEC. 3. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution of the State of California, and shall take effect immediately.

The following is a statement of facts constituting such necessity: This act exempts the Department of Motor Vehicles from the duty of mailing to legal owners notices of successive renewals by registered owners of vehicles. This will effect an estimated saving of nearly $17,000 per annum; and, in order to enable the Department of Motor Vehicles to make this economy as soon as possible, and to prepare for the enforcement of the act prior to December 1, 1940, according to its terms, it is necessary that this act take effect immediately.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Hays, Hollister, Holohan, Keating, Kenny, Mayo, McBride,

McCormack, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Slater, Tickle, and Wagy—28.
NOES—None.

Bill read third time.

The question being on the passage of the bill.

The roll was called, and Senate Bill No. 93 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Seawell, Slater, Tickle, and Wagy—30.
NOES—None.

Title read and approved.

Senate Bill No. 93 ordered transmitted to the Assembly.

Senate Resolution No. 48.

The following resolution was offered:

By Senator Tickle:

Resolved, That the following named persons be and the same are hereby stricken from the payroll of the Senate on the completion of work on May 24, 1940:

Joseph F. Nolan	Sergeant-at-Arms
A. Raymond Grant	Chaplain
James Boyd Garrison	Minute Clerk
Maitland S. Pennington	Assistant Secretary
John F. Lea	Assistant Secretary
Robert G. Alderman	Engrossing and Enrolling Clerk
Harry L. Jordan	Bookkeeper to Sergeant-at-Arms
N. L. Levering	Journal Clerk
Vera Frank	Chief Stenographer
Howard S. McIntire	Assistant Secretary
Nancy Lyon	Assistant Journal Clerk
Marguerite Bridges	Stenographer
Flora Gilliam	Stenographer
Jeanne Vallee	Stenographer
Dorothy Dittmer	Stenographer
Victoria Fites	Stenographer
Irma Horne	Stenographer
Margaret Linfesty	Stenographer
Betty H. Rourke	Stenographer
Belle Tomasini	Stenographer
Genevieve Dalton	Stenographer
Laura Prentice	Assistant Engrossing and Enrolling Clerk
Frank H. Moore	Assistant Sergeant-at-Arms
J. Desmond Sullivan	Assistant Sergeant-at-Arms
Claire Young	Assistant at Desk

Resolution read, and on motion of Senator Tickle adopted.

Senate Resolution No. 49.

The following resolution was offered.

By Senator Tickle:

WHEREAS, The Legislature of the State of California assembled in extraordinary sessions will be at recess from May 24, 1940, to December 2, 1940, and

WHEREAS, It will be necessary for the Secretary of the Senate during such period of recess to conduct the business of the Senate and perform the duties provided by law, the standing rules of the Senate and resolutions adopted by the Senate and to employ certain necessary assistance incident thereto; therefore be it

Resolved, That the Controller be and he is hereby authorized and directed to draw his warrants in favor of the Secretary of the Senate and in favor of officers

and employees who render services to the Senate as certified weekly by the Secretary, from the fund set aside for the pay of officers and employees of the Senate at the per diem provided by law, and the Treasurer is hereby directed to pay the same.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 49 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, McBride, McCormack, Mixter, Myhand, Nielsen, Powers, Quinn, Rich, Seawell, Slater, Tickle, and Wagy—28.

NOES—None.

Senate Resolution No. 50.

The following resolution was offered:

By Committee on Contingent Expenses:

Resolved, That the Controller be and he is hereby authorized and directed to draw his warrant on the contingent fund of the Senate in the sum of $739 48 in favor of the Secretary of the Senate to pay the bills and for the purposes set forth below, and the Treasurer is directed to pay the same, vouchers for all expenditures to be filed with the Controller:

State Department of Finance	$234 52
Postal Telephone and Telegraph Co	24 82
Railway Express Co	20 33
Pacific Telephone and Telegraph Co	76 13
State Supply Department	225 00
Hammond Typewriter Co	98 00
H. S Crocker Co	55 86
Sacramento Rubber Stamp Co	4 82

KEATING, Chairman
HOLOHAN

Resolution read.

The question being on the adoption of the resolution

The roll was called, and Senate Resolution No 50 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Cunningham DeLap, Deuel, Fletcher, Foley, Garrison, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Powers, Rich, Seawell, Slater, and Wagy—26.

NOES—None.

Senate Resolution No. 51.

The following resolution was offered:

By Committee on Contingent Expenses:

Resolved, That the Controller be and he is hereby authorized and directed to draw his warrant on the Contingent Fund of the Senate in a sum of two thousand dollars ($2,000) in favor of the Secretary of the Senate, and the Treasurer is hereby directed to pay the same, for postage, telephone service, telegraph service, supplies, rental of typewriters, illuminating resolutions, traveling expenses and any other incidental expenses in connection with conducting the business of the Senate after adjournment for the recess beginning May 24, 1940.

The Secretary of the Senate is instructed to file with the Controller receipts covering all expenditures made hereunder.

KEATING, Chairman.
HOLOHAN.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 51 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Powers, Seawell, Slater, Tickle, and Wagy—28.
NOES—None.

Senate Resolution No. 52.

The following resolution was offered:
By Senator Seawell:

Resolved, That there is hereby appropriated out of the Senate fund created by Chapter 44, Statutes of the first extraordinary session of the fifty-third session the sum of one thousand dollars to pay the claim of Joseph A. Beek, Secretary of the Senate, and be it further

Resolved, That the Controller is hereby directed to draw his warrant for the said sum in favor of the Secretary of the Senate and that the Treasurer is directed to pay the same.

Resolution read.
The question being on the adoption of the resolution.
The roll was called, and Senate Resolution No. 52 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Powers, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—30.
NOES—None.

Senate Resolution No. 53.

The following resolution was offered:
By Senator Hays:

Resolved, That the State Compensation Insurance Fund is hereby authorized to enter into a compromise agreement with W. P. Rich as to his claim against the State of California for workmen's compensation benefits upon such terms as may be mutually agreed upon.

Resolution read.
The question being on the adoption of the resolution.
The roll was called, and Senate Resolution No. 53 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Seawell, Slater, and Wagy—29.
NOES—None.

Resolution.

The following resolution was offered:
By Senator Wagy:

Resolved, That Assembly Bill No. 128 presents a case of urgency, as that term is used in Section 15 of Article IV of the Constitution, and the provision of that section requiring that the bill shall be read on three several days in each House is

hereby dispensed with, and it is ordered that said bill be read the third time, and placed upon its passage.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and the resolution adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Kenny, Mayo, McBride, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, and Wagy—30

NOES—None.

Whereupon the President declared the provisions of Section 15, Article IV of the Constitution suspended for the purpose of considering, at this time, Assembly Bill No. 128.

Consideration of Assembly Bill No. 128.

Assembly Bill No. 128—An act to add section 5.18 to the Retail Sales Tax Act of 1933, and section 4.11 to the Use Tax Act of 1935, relating to exemptions, including the exemption of live stock and poultry of a kind the products of which ordinarily constitute food for human consumption, to repeal Chapter 6 of the statutes of the first extraordinary session of the Fifty-third Legislature and to declare that this act shall take effect immediately.

Bill read third time.

Urgency Clause.

SEC. 4. This act is hereby declared to be an urgency measure, necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1, Article IV of the Constitution and as such shall take effect immediately. The facts constituting such necessity are as follows:

The collection of use and sales taxes upon the sales, storage, use, or other consumption of live stock and poultry of a kind, the products of which ordinarily constitute food for human consumption has cost more than the revenues received therefrom. Nor, until recently has it been determined that live stock and poultry of a kind the products of which ordinarily constitute foods for human consumption are subject to the sales and use taxes, as a result of which the citizens of the State have been inconvenienced and harassed by their collection. Unless these taxes are immediately repealed, they will result in great hardship both to the citizens of the State and their government, endangering the public peace and safety.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Breed, Collier, Cunningham, DeLap, Deuel, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Rich, Seawell, Slater, and Wagy—27.

NOES—None.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 128 passed by the following vote:

AYES—Senators Biggar, Breed, Collier, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Seawell, Slater, and Wagy—28.

NOES—None.

Title read and approved.

Assembly Bill No. 128 ordered transmitted to the Assembly.

Recess.

At three o'clock p.m., on motion of Senator Seawell, the President of the Senate declared recess until five o'clock p.m.

Reconvened.

At five o'clock p.m., the Senate reconvened.

Lieutenant Governor Ellis E. Patterson, President of the Senate, in the chair.

Secretary Joseph A. Beek at the desk.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, May 23, 1940.

MR PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Senate Bill No. 87—An act amending sections 3 and 5 of an act entitled "An act creating the Colorado River Board of California and the office of Colorado River Commissioner of California, prescribing the powers and duties of said board and commissioner," approved July 1, 1937, relating to powers and duties of the board and commissioner, to repeal Chapter 14 of the statutes of the first extraordinary session of 1940, convened on January 29, 1940, declaring the urgency thereof and providing this act shall take effect immediately;

Senate Bill No. 91—An act to amend sections 232 and 377.5 of the Vehicle Code and to repeal an act entitled "An act to amend sections 232 and 377 5 of the Vehicle Code, relating to the installation of motor vehicle engines or motors," approved February 16, 1940, relating to the installation of motor vehicle engines or motors, to take effect immediately;

Senate Bill No 92—An act to amend sections 210 and 252 of the Vehicle Code, to repeal sections 211, 212, 213 and 214 thereof, and to repeal an act entitled "An act to amend sections 210 and 252 of the Vehicle Code, and to repeal sections 211, 212, 213 and 214 thereof, relating to permits to nonresident owners of motor vehicles," approved February 24, 1940, relating to permits to nonresident owners of motor vehicles, to take effect immediately;

Senate Bill No. 93—An act to amend section 164 of the Vehicle Code and to repeal an act entitled "An act to amend section 164 of the Vehicle Code, relating to renewal of registration of vehicles," approved March 28, 1940, relating to renewal of registration of vehicles, to take effect immediately.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Senate Bills Nos. 87, 91, 92 and 93 ordered to enrollment.

ASSEMBLY CHAMBER, SACRAMENTO, May 23, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 134—An act to amend section 6 of an act entitled "An act providing for a State exhibit at the Golden Gate International Exposition to be held in the San Francisco Bay region, California, in 1939, providing for the construction of a State building or buildings therefor and the gardening and improvement of the surrounding grounds, creating a California Commission for the Golden Gate International Exposition to have charge and control of said State exhibit and building or buildings, defining its powers and duties and making an appropriation therefor," approved May 25, 1937, relating to the disposal of the property of the California Commission for the Golden Gate International Exposition upon the termination of the Exposition.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Bill No. 134 ordered referred to Committee on Rules

Report of Standing Committee.

The following report of standing committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, May 23, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No 134—An act to amend section 6 of an act entitled "An act providing for a State exhibit at the Golden Gate International Exposition to be held in the San Francisco Bay region, California, in 1939, providing for the construction of a State building or buildings therefor and the gardening and improvement of the surrounding grounds, creating a California Commission for the Golden Gate International Exposition to have charge and control of said State exhibit and building or buildings, defining its powers and duties and making an appropriation therefor," approved May 25, 1937, relating to the disposal of the property of the California Commission for the Golden Gate International Exposition upon the termination of the exposition, declaring the urgency of this act, to take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be re-referred to the Committee on Governmental Efficiency

Committee membership—5; committee vote. Ayes—5.

SEAWELL, Chairman.

Asssembly Bill No. 134 read first time, and referred to Committee on Governmental Efficiency.

Recess.

At five o'clock and thirty minutes p m, on motion of Senator Seawell, the President of the Senate declared recess until six o'clock and thirty minutes p m

Reconvened.

At six o'clock and thirty minutes p.m., the Senate reconvened.

Lieutenant Governor Ellis E Patterson, President of the Senate, in the chair.

Secretary Joseph A Beek at the desk.

Message from the Assembly.

The following message from the Assembly was received and read:

ASSEMBLY CHAMBER, SACRAMENTO, May 23, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Senate Concurrent Resolution No. 17—Relative to legislative printing.

Senate Concurrent Resolution No 18—Relative to legislative bill room equipment.

Senate Concurrent Resolution No 19—Relative to leave of absence of the Secretary of State.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Senate Concurrent Resolutions Nos. 17, 18 and 19 ordered to enrollment.

Resolution.

The following resolution was offered:

By Senator Tickle:

Resolved, That Assembly Bill No. 47 presents a case of urgency, as that term is used in Section 15 of Article IV of the Constitution, and the provision of that section requiring that the bill shall be read on three several days in each House is

hereby dispensed with, and it is ordered that said bill be read the third time, and placed upon its passage.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and the resolution adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—32.

NOES—None.

Whereupon the President declared the provisions of Section 15, Article IV of the Constitution suspended for the purpose of considering, at this time, Assembly Bill No. 47.

Consideration of Assembly Bill No. 47.

Assembly Bill No. 47—An act to amend sections 124, 127, 3591, 3594, 3616, 3651, 3659, 3661, 3691, 3807, 4101, 4111, 4112, 4113 and 4147 of, to amend the title of Chapter 8 of Part 6 of Division I of, to repeal sections 3614, 3707 and 4108 of, to add sections 3511.5, 3521, 3662 and 3663 to, to add Chapter 4.3, consisting of sections 3534 to 3562, and Chapter 4.6, consisting of sections 3571 to 3578, to Part 6 of Division I of, the Revenue and Taxation Code, and to amend sections 3833.3, 3857.2 and 3859.20 of, to repeal sections 3773.1, 3833 and 3859.18 of, and to add sections 3773.1, 3773.2, 3785.4, 3785.5 and 3785.6 to, and to add Chapter IXb, consisting of sections 3860.01 to 3860.32, and Chapter IXc, consisting of sections 3861.1 to 3861.8, to Title IX of Part III of, the Political Code, relating to property taxation, including the right of redemption and the classification and control of tax deeded property, and making an appropriation

Bill read third time.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 47 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, DeLap, Deuel, Fletcher, Foley, Garrison, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—31.

NOES—None.

Title read and approved.

Assembly Bill No. 47 ordered transmitted to the Assembly.

Report of Committee on Free Conference.

The following report of Committee on Free Conference was received:

SENATE CHAMBER, SACRAMENTO, May 23, 1940.

MR. PRESIDENT: Your Committee on Free Conference concerning:

Senate Bill No. 90—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment and for the administration thereof, providing the conditions and terms upon which any expenditure for such relief may be made and declaring that this act shall take effect immediately;

Reports that it has met a like committee of the Assembly, consisting of Assemblymen Daley, Lore and Houser, and reports that the Committee on Free Conference has agreed to recommend the following:

That the Senate concur in the Assembly amendments, and that the bill be further amended as follows:

Amendment No. 1.

On page 2, line 10, of the printed bill, as amended in Assembly May 21, 1940, after "1940.", insert the following: "Any unexpended amount remaining in this classification at the close of the ninety-first fiscal year may be expended during the first, second, or third quarter of the ninety-second fiscal year."

Amendment No. 2.

On page 2 of the printed bill, as amended May 21, 1940, between lines 37 and 38, insert the following:

"SEC. 3.5. Out of the money appropriated by this act, the Relief Administrator or his duly authorized agent may, without at the time furnishing vouchers and itemized statements, draw one sum not to exceed $25,000 for use as a revolving fund for payment of compensation earned, traveling expenses advanced or where other cash payments are necessary; and another sum not to exceed $450,000 as a revolving fund for Federal Food Stamp purposes. On March 31, 1941, or at any other time, upon demand of the Department of Finance, these expenses must be accounted for and substantiated by vouchers and itemized statements submitted to and audited by the Controller."

Amendment No. 3.

On page 4 of the printed bill, as amended May 21, 1940, between lines 30 and 31, insert the following:

"(e) All income received by any relief recipient or member of his family as pay for attending drill or for any other duty as a member of the National Guard."

Amendment No. 4.

On page 6, line 8, of the printed bill, as amended May 21, 1940, after "person" and before "who", insert the following: "who has not taken an oath under section 11 of Chapter 12 of the Statutes of 1940,".

Amendment No. 5.

On page 8 of the printed bill, as amended May 21, 1940, strike out lines 17 to 24, inclusive.

Amendment No. 6.

On page 8 of the printed bill, as amended May 21, 1940, strike out lines 44 to 50, inclusive.

PHILLIPS, Chairman.
MAYO.
FOLEY.
Senate Committee on Free Conference.

DALEY, Chairman.
HOUSER.
Assembly Committee on Free Conference.

Report of Committee on Free Conference read.

The question being the adoption of the report of the Committee on Free Conference.

The roll was called, and the report of the Committee on Free Conference adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Hollister, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Tickle, and Wagy—30.
NOES—Senator Shelley—1.

Reports of Standing Committee.

The following reports of standing committee were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, May 23, 1940

MR. PRESIDENT: Your Committee on Rules, to which was referred a communication from the Governor, dated May 15, 1940, in which he advised the Senate that he had appointed Isaac Pacht a member of the Board of Prison Directors, vice Donald Kolts, term expired, for the term ending January 12, 1950;
Has had the same under consideration, and recommends that the Senate consent to this appointment.
Committee membership—5; committee vote: Ayes—5

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, May 23, 1940

MR. PRESIDENT: Your Committee on Rules, to which was referred a communication from the Governor, dated May 15, 1940, in which he advised the Senate that he had appointed Henry S. Grossman a member of the State Board of Education, vice A. Heber Winder, term expired, for the term ending January 15, 1944, and Eleanor Lloyd Smith, vice Margaret K. Workman, resigned, for the term ending January 15, 1943.

Has had the same under consideration, and recommends that the Senate do not consent to these appointments.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Consideration of Appointment by the Governor.

Motion Confirming Appointment by the Governor.

Senator Seawell moved that the Senate confirm and consent to the appointment of Isaac Pacht as a member of the Board of Prison Directors.

The President put the question, "Will the Senate confirm and consent to the appointment of Isaac Pacht?"

The roll was called, with the following result:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Garrison, Gordon, Hays, Hollister, Holohan, Jespersen, Keating, Kenny, McBride, McCormack, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Seawell, Shelley, Slater, and Wagy—28.

NOES—None.

Appointment Confirmed.

Whereupon the President announced that the Senate had confirmed and consented to the appointment of Isaac Pacht as a member of the Board of Prison Directors

Consideration of Appointment by the Governor.

Senator Seawell moved that the Senate refuse to confirm and consent to the appointment of Henry S. Grossman and Eleanor Lloyd Smith as members of the State Board of Education.

The President put the question, "Will the Senate confirm and consent to the appointments of Henry S. Grossman and Eleanor Lloyd Smith?"

The roll was called, with the following result:

AYES—Senators Garrison, Kenny, and Shelley—3

NOES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Gordon, Hays, Holohan, Jespersen, Keating, McBride, Myhand, Nielsen, Parkman, Powers, Seawell, Tickle, and Wagy—21.

Appointments Not Confirmed.

Whereupon the President announced that the Senate had refused to confirm and consent to the appointment of Henry S. Grossman and Eleanor Lloyd Smith as members of the State Board of Education.

Notice of Motion to Revise Standing Rules.

Senator Seawell gave notice that on the next legislative day he would move to revise the Standing Rules of the Senate.

Adjournment.

At six o'clock and forty-five minutes p.m., on motion of Senator Seawell, the President of the Senate declared the Senate adjourned, until eleven o'clock and thirty minutes a.m., Friday, May 24, 1940

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER,
SACRAMENTO, Friday, May 24, 1940.

The Senate met at eleven o'clock and thirty minutes a m.
Hon. Ellis E. Patterson, President of the Senate, in the chair.
Assistant Secretary Maitland S. Pennington at the desk.

Roll Call.

The roll was called, and the following answered to their names:

Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Powers, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—32.

Quorum present.

Prayer.

Prayer was offered by Senator Biggar.

Reading of the Journal.

During the reading of the Journal of Thursday, May 23, 1940, the further reading was dispensed with, on motion of Senator Slater.

Privilege of Floor of Senate Extended.

On request of Senator Mixter, the privilege of the floor of the Senate Chamber for this day was unanimously extended to J. R. Fanner of Exeter, chairman of Tulare County Water Commission.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, May 23, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted the report of the Committee on Free Conference concerning: Senate Bill No. 90.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Senate Bill No. 90 ordered to enrollment.

ASSEMBLY CHAMBER, SACRAMENTO, May 23, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Senate Bill No. 88—An act relating to parks and making an appropriation for the State Park Maintenance and Acquisition Fund for the operation, maintenance and extension of the State park system, to repeal an act entitled "An act relating to parks and making an appropriation from the State Park Maintenance and Acquisition Fund for the operation, maintenance and extension of the State park system," approved February 28, 1940, and providing that this act shall take effect immediately;

Senate Concurrent Resolution No. 15—Relative to the operation, maintenance, and extension of the State park system.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Senate Bill No. 88 ordered to enrollment.

Senate Concurrent Resolution No. 15 ordered to enrollment.

Reports of Standing Committee.

The following reports of standing committee were received and read:

On Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, May 24, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Assembly Bill No. 132—An act to amend the title and to add sections 1e, 1f, 1g and 1h to an act entitled "An act to provide for the acquisition, installation, construction, reconstruction, extension, repair and maintenance of works and improvements mentioned in the Improvement Act of 1911 and of public utilities and other public works by municipalities, cities and counties, counties, unincorporated territory, and by any district or political corporation authorized by law to construct such public improvements, or by combination thereof; for the assessment of the cost and expenses thereof upon the property benefited; and for the issuance of bonds to represent such assessments," approved June 6, 1913, Statutes of 1913, Chapter 247, as amended by Statutes of 1940, Chapter 35, approved February 29, 1940, relating to districts, political corporations, public corporations and unincorporated territory or any combination thereof, authorized by law to construct such public improvements; relating to the acquiring of legislative jurisdiction therefor; providing that such proceedings shall be subject to the Special Assessment Investigation, Limitation and Majority Protest Act of 1931; and providing that this act shall take effect immediately;

Assembly Bill No. 125—An act to amend section 1300 17 of the Agricultural Code, and to repeal Chapter 28 of the statutes of the first extraordinary session of the fifty-third session of the Legislature, relating to the marketing of agricultural products, and declaring the urgency of this act;

Assembly Bill No. 129—An act to submit to the people, at the general election on November 5, 1940, a proposed amendment to the Constitution of this State, relating to liens, mortgages, encumbrances and agreements taken as security for aid to the aged and to the powers of the Legislature in relation thereto, and to provide that this act shall take effect immediately;

Assembly Bill No. 131—An act to amend section 1300.17 of the Agricultural Code, and to repeal Chapter 28 of the statutes of the first extraordinary session of the Fifty-third Legislature, relating to the marketing of Agricultural products, and declaring the urgency of this act;

Has had the same under consideration, and respectfully reports the same back, and recommends that they do pass.

Committee membership—11; committee vote: Ayes—7; absent—4.

HAYS, Chairman.

SENATE CHAMBER, SACRAMENTO, May 24, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Assembly Bill No. 134—An act to amend section 6 of an act entitled "An act providing for a State exhibit at the Golden Gate International Exposition to be held in the San Francisco Bay region, California, in 1939, providing for the construction of a State building or buildings therefor and the gardening and improvement of the surrounding grounds, creating a California Commission for the Golden Gate International Exposition to have charge and control of said State exhibit and building

or buildings, defining its powers and duties and making an appropriation therefor," approved May 25, 1937, relating to the disposal of the property of the California Commission for the Golden Gate International Exposition upon the termination of the exposition, declaring the urgency of this act, to take effect immediately,
Has had the same under consideration, and respectfully reports the same back, and recommends that it do pass.

Committee membership—11; committee vote: Ayes—9; absent—2

HAYS, Chairman.

SENATE CHAMBER, SACRAMENTO, May 24, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Assembly Joint Resolution No. 26—Requesting the United States Secretary of Agriculture not to abandon the Bard Experimental Station;
Has had the same under consideration, and respectfully reports the same back, and recommends that it be adopted.

Committee membership—11; committee vote: Ayes—7; absent—4.

HAYS, Chairman.

Second Reading of Assembly Bills (Out of Order).

Assembly Bill No. 134—An act to amend section 6 of an act entitled "An act providing for a State exhibit at the Golden Gate International Exposition to be held in the San Francisco Bay region, California, in 1939, providing for the construction of a State building or buildings therefor and the gardening and improvement of the surrounding grounds, creating a California Commission for the Golden Gate International Exposition to have charge and control of said State exhibit and building or buildings, defining its powers and duties and making an appropriation therefor," approved May 25, 1937, relating to the disposal of the property of the California Commission for the Golden Gate International Exposition upon the termination of the exposition, declaring the urgency of this act, to take effect immediately.

Bill read second time, and ordered on file for third reading.

Assembly Bill No. 131—An act to amend section 1300.17 of the Agricultural Code, and to repeal Chapter 28 of the statutes of the first extraordinary session of the Fifty-third Legislature, relating to the marketing of agricultural products, and declaring the urgency of this act.

Bill read second time, and ordered on file for third reading.

Assembly Bill No. 129—An act to submit to the people, at the general election on November 5, 1940, a proposed amendment to the Constitution of this State, relating to liens, mortgages, encumbrances and agreements taken as security for aid to the aged and to the powers of the Legislature in relation thereto, and to provide that this act shall take effect immediately.

Bill read second time, and ordered on file for third reading.

Assembly Bill No. 125—An act to amend section 1300.17 of the Agricultural Code, and to repeal Chapter 28 of the statutes of the first extraordinary session of the fifty-third session of the Legislature, relating to the marketing of agricultural products, and declaring the urgency of this act.

Bill read second time, and ordered on file for third reading.

Assembly Bill No. 132—An act to amend the title and to add sections 1e, 1f, 1g and 1h to an act entitled "An act to provide for the acquisition, installation, construction, reconstruction, extension, repair and maintenance of works and improvements mentioned in the Improvement Act of 1911 and of public utilities and other public works by municipalities, cities and counties, counties, unincorporated territory, and by any district or political corporation authorized by law to construct such public improvements, or by combination thereof; for the assessment of the cost and expenses thereof upon the property benefited; and for the issuance of bonds to represent such assessments," approved June 6, 1913, Statutes of 1913, Chapter 247, as amended by Statutes of 1940, Chapter 35, approved February 29, 1940, relating to districts, political corporations, public corporations and unincorporated territory or any combination thereof, authorized by law to construct such public improvements; relating to the acquiring of legislative jurisdiction therefor; providing that such proceedings shall be subject to the Special Assessment Investigation, Limitation and Majority Protest Act of 1931; and providing that this act shall take effect immediately.

Bill read second time, and ordered on file for third reading.

Resolution.

The following resolution was offered:

By Senator Seawell:

Resolved, That Assembly Bills Nos 132, 125, 129, 131, and 134 present a case of urgency, as that term is used in Section 15 of Article IV of the Constitution, and the provision of that section requiring that the bills shall be read on three several days in each House is hereby dispensed with, and it is ordered that said bills be read the third time, and placed upon their passage.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and the resolution adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Powers, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—30.

NOES—None.

Whereupon the President declared the provisions of Section 15, Article IV of the Constitution suspended for the purpose of considering, at this time, Assembly Bills Nos 132, 125, 129, 131, and 134.

Third Reading of Assembly Bills.

Assembly Bill No. 134—An act to amend section 6 of an act entitled "An act providing for a State exhibit at the Golden Gate International Exposition to be held in the San Francisco Bay region, California, in 1939, providing for the construction of a State building or buildings therefor and the gardening and improvement of the surrounding grounds, creating a California Commission for the Golden Gate International Exposition to have charge and control of said State exhibit and building or buildings, defining its powers and duties and making an appropriation therefor," approved May 25, 1937, relating to the disposal of the property of the California Commission for the

Golden Gate International Exposition upon the termination of the exposition, declaring the urgency of this act, to take effect immediately.

Bill read third time.

Urgency Clause.

SEC. 2. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution and as such shall take effect immediately. The facts constituting such necessity are as follows

This act provides for the disposal of the property and the clearing of the grounds of the exposition at Treasure Island in San Francisco Bay. It is planned to use this site as a landing field for aircraft after the termination of the present fair. In view of the present international situation no time should be lost between the termination of the fair and the conversion of this site into a landing field usable for defense purposes, and consequently, it is necessary that this act take effect immediately.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Keating, Kenny, Mayo, McCormack, Mixter, Myhand, Nielsen, Parkman, Rich, Seawell, Shelley, Slater, Swing, and Wagy—27.

NOES—None.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 134 passed by the following vote:

AYES—Senators Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Keating, Kenny, Mayo, McCormack, Mixter, Myhand, Nielsen, Parkman, Powers, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—28.

NOES—None.

Title read and approved.

Assembly Bill No. 134 ordered transmitted to the Assembly.

Assembly Bill No. 132—An act to amend the title and to add sections 1e, 1f, 1g and 1h to an act entitled "An act to provide for the acquisition, installation, construction, reconstruction, extension, repair and maintenance of works and improvements mentioned in the Improvement Act of 1911 and of public utilities and other public works by municipalities, cities and counties, counties, unincorporated territory, and by any district or political corporation authorized by law to construct such public improvements, or by combination thereof; for the assessment of the cost and expenses thereof upon the property benefited; and for the issuance of bonds to represent such assessments," approved June 6, 1913, Statutes of 1913, Chapter 247, as amended by Statutes of 1940, Chapter 35, approved February 29, 1940, relating to districts, political corporations, public corporations and unincorporated territory or any combination thereof, authorized by law to construct such public improvements; relating to the acquiring of legislative jurisdiction therefor; providing that such proceedings shall be subject to the Special Assessment Investigation, Limitation and Majority Protest Act of 1931; and providing that this act shall take effect immediately.

Bill read third time.

Urgency Clause.

SEC. 6. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution and shall therefore go into immediate effect. The facts constituting the necessity are as follows:

Prior to the adoption of the "Special Assessment Investigation, Limitation and Majority Protest Act of 1931" assessments were placed upon properties in this State greater than the ability of such properties to bear. In many of such districts large blocks of lands have been sold to the State for delinquency in the payment of such special assessments. For the past ten years it has been necessary to conduct numerous refunding proceedings to correct these evils and millions of dollars of public funds have been expended in order to rehabilitate these properties which were subjected to excessive assessments. This Legislature enacted the said "Special Assessment Investigation, Limitation and Majority Protest Act of 1931" in order to prevent the repetition of such evil. By the amendments to this act adopted at the present session of this Legislature, to wit, Statutes of 1940, Chapter 35, approved February 29, 1940, the scope of this act was broadened to include numerous districts and political subdivisions which are not subject to the "Special Assessment Investigation, Limitation and Majority Protest Act of 1931." It is essential, therefore, that proceedings under this statute be immediately made subject to the provisions of the "Special Assessment Investigation, Limitation and Majority Protest Act of 1931" in order to prevent the repetition of the aforesaid evils.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Breed, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Keating, Kenny, Mayo, McCormack, Mixter, Myhand, Nielsen, Parkman, Powers, Rich, Shelley, Slater, Swing, Tickle, and Wagy—29.

NOES—None.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 132 passed by the following vote:

AYES—Senators Biggar, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Hays, Holohan, Jespersen, Keating, Kenny, McCormack, Mixter, Myhand, Nielsen, Parkman, Powers, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—27.

NOES—None.

Title read and approved.

Assembly Bill No. 132 ordered transmitted to the Assembly.

Assembly Bill No. 125—An act to amend section 1300.17 of the Agricultural Code, and to repeal Chapter 28 of the Statutes of the first extraordinary session of the Fifty-third Session of the Legislature, relating to the marketing of agricultural products, and declaring the urgency of this act.

Bill read third time.

Urgency Clause.

SEC. 3. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution of the State of California and therefore shall take effect immediately.

The following is a statement of facts constituting such necessity:

The orderly marketing of agricultural crops is essential to the welfare of the people of this State. The economic conditions of many agricultural producers throughout the State are such as to require immediate assistance, if their purchasing power and taxpaying ability are to continue and their morale and standard of living are not to be undermined. Seasonal and accumulated surpluses of agricultural commodities which have a seriously depressing effect upon marketing

conditions must be directed into channels of trade and consumption through the aid of orderly marketing procedure, including sound advertising and sales promotion plans. To be of maximum benefit, the provisions of this act must be made available for application during the current harvest season; hence, it is necessary that this act take effect immediately.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Brown, Collier, Crittenden, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Mayo, McCormack, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—27.

NOES—None.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 125 passed by the following vote:

AYES—Senators Biggar, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Keating, Mayo, McCormack, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—28.

NOES—None.

Title read and approved.

Assembly Bill No. 125 ordered transmitted to the Assembly.

Assembly Bill No. 129—An act to submit to the people, at the general election on November 5, 1940, a proposed amendment to the Constitution of this State, relating to liens, mortgages, encumbrances and agreements taken as security for aid to the aged and to the powers of the Legislature in relation thereto, and to provide that this act shall take effect immediately.

Bill read third time.

Urgency Clause.

SEC. 8. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety and shall, therefore, under the provisions of section 1 of Article IV of the Constitution, take effect immediately. The facts constituting such necessity are as follows:

The Legislature in extraordinary session has considered and proposed to the people a certain amendment to the Constitution relating to the release of liens, mortgages, encumbrances and agreements taken as security for aid to the aged, and to the powers of the Legislature in relation thereto. In order that the people may be informed of the contents and of the arguments for and against the proposed constitutional amendment, it is necessary that this act take effect immediately. Thus this information can be prepared for the voters prior to the election at which this constitutional amendment is to be submitted, and the right to vote may be exercised intelligently with full knowledge of the facts, thereby effectively safeguarding public peace, health and safety.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Brown, Collier, Crittenden, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Mayo, McCormack, Mixter,

Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—27.
NOES—None.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 129 passed by the following vote:

AYES—Senators Biggar, Brown, Collier, Crittenden, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Keating, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Powers, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—27.
NOES—None.

Title read and approved.

Assembly Bill No. 129 ordered transmitted to the Assembly.

Assembly Bill No. 131—An act to amend section 1300.17 of the Agricultural Code, and to repeal Chapter 28 of the statutes of the first extraordinary session of the Fifty-third Legislature, relating to the marketing of agricultural products, and declaring the urgency of this act.

Bill read third time.

Urgency Clause.

SEC. 3. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution of the State of California and therefore shall take effect immediately

The following is a statement of facts constituting such necessity:

The orderly marketing of agricultural crops is essential to the welfare of the people of this State. The economic conditions of many agricultural producers throughout the State are such as to require immediate assistance, if their purchasing power and taxpaying ability are to continue and their morale and standard of living are not to be undermined. Seasonal and accumulated surpluses of agricultural commodities which have a seriously depressing effect upon marketing conditions must be directed into channels of trade and consumption through the aid of orderly marketing procedure, including sound advertising and sales promotion plans. To make the services rendered expeditious and responsive to needs, an improved means for depositing and disbursing funds collected by assessment must be provided. To be of maximum benefit, the provisions of this act must be made available for application during the current harvest season; hence, it is necessary that this act take effect immediately.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Hays, Holohan, Keating, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Powers, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—27.
NOES—None.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 131 passed by the following vote:

AYES—Senators Biggar, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Keating, Mayo, McBride, McCor-

mack, Mixter, Myhand, Nielsen, Parkman, Powers, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—28.
NOES—None.

Title read and approved.

Assembly Bill No. 131 ordered transmitted to the Assembly.

Assembly Joint Resolution No. 26.

Requesting the United States Secretary of Agriculture not to abandon the Bard Experimental Station.

WHEREAS, The United States Department of Agriculture has announced that the Bard Experimental Station maintained in the Imperial Valley of California under the direction of the Bureau of Plant Industry is to be abandoned upon the thirtieth day of June, 1940; and

WHEREAS, At this experimental station research of the utmost moment to the arid regions of California and of the western United States is carried on, including investigation of soil improvement, crop rotation, cotton breeding and culture, alfalfa feed production, plant fertilization, date palms, and manure systems; and

WHEREAS, It is imperative that, if the arid regions of the western portion of the United States are to reach their fullest commercial and agricultural development, new and improved methods of growing, planting, rotating and fertilizing crops, manuring and improving the soil, and improving the various types of crops be discovered; now, therefore, be it

Resolved by the Assembly and the Senate of the State of California, jointly, That the Honorable Henry A Wallace, Secretary of Agriculture of the United States, is hereby respectfully requested not to abandon the Bard Experimental Station but to continue it in all of its activities; and be it further

Resolved, That the Chief Clerk of the Assembly of the State of California is hereby instructed to transmit copies of this resolution to the President of the United States, the Chairman of the Committee on Agriculture and Forestry of the Senate of the United States, the Chairman of the Committee on Agriculture of the House of Representatives of the United States and the Secretary of Agriculture of the United States.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Joint Resolution No. 26 adopted by the following vote:

AYES—Senators Biggar, Brown, Collier, Crittenden, Cunningham, DeLap, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Mayo, Mixter, Myhand, Nielsen, Powers, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—23.
NOES—None.

Assembly Joint Resolution No. 26 ordered transmitted to the Assembly.

Report.

The following report by special committee, was received, and on motion of Senator Crittenden ordered printed in the Journal:

Preliminary Report of the Senate Building and Loan Expenditure Investigating Committee.

To the Members of the Senate of the State of California.

Your committee appointed pursuant to Senate Resolution No. 22, which appears in Senate Journal of February 12, 1940, and also pursuant to the supplemental amendment thereto, begs leave to respectfully report as follows:

The said resolution provided for the investigation of expenditures and other activities of the Building and Loan Commissioner of the State of California.

After the adoption of said resolution, your committee was regularly and duly appointed, and consisted of Bradford S. Crittenden, chairman, William P. Rich, John F. Shelley, and John D. Foley.

Meetings Held.

Your committee has held open sessions in the cities of Sacramento, San Francisco and Los Angeles. Four sessions were held in Sacramento on the following dates, February 15, 16, 20 and 22, 1940. Two sessions were held in San Francisco on March 7 and 8, 1940. Two sessions were held in Los Angeles on April 1 and 2, 1940. One session was held in San Francisco on May 2, 1940. The session held in San Francisco on May 3, 1940, was an executive session for the purpose of beginning the preparation of a report.

Public notice in the press of the State was given of all hearings. Witnesses appearing, either voluntarily or by subpena, were mostly sworn, and a transcript was taken of their respective statements and testimony. Numerous exhibits have been filed with the committee, and made exhibits after being properly marked for identification.

Your committee realized from the beginning that its real purpose was to determine whether or not the present building and loan law, as it appears on the statute books, and as it has been interpreted by the Building and Loan Commissioner, and by the various State and Federal courts, is working to the best interests of the people of the State of California. We have not attempted in any way to make a judicial decision relative to the merits of any pending trials in any of the courts growing out of the building and loan activities.

Whatever testimony was taken by the committee was accepted for the purpose of aiding the committee in solving the problem contained in and reaching the solution of unsatisfactory conditions, if any there be, growing out of the present condition of the law.

Policies Set Forth.

Your committee agrees that a primary purpose in government is to protect and make secure private investments, private ownership of property, and private operation of privately owned business, whether corporate or personally owned and operated.

We are not unmindful of the fact however, that where there has been fraud, mismanagement, impairment of corporate property, and the interested parties, whether creditors or investors, are helpless, that the State should step in and aid in protecting the interests of all of such persons.

Facts Found

Your committee has had neither the time, nor the money, to investigate the activities of the State Building and Loan Commissioner, only in a limited way. His duties are very far reaching. His activities may affect the securities of all building and loan associations throughout the State. From what investigation we made however, we find the law permits the following:

Building and loan associations in California are now engaged in a great variety of activities, never contemplated when the building and loan laws were originally enacted.

Originally they were organized to make long time loans to home builders. They were considered helpful to the borrower because payments were made on the installment plan on easier terms than the

usual bank loan. They were considered safe for those who desired to invest their money at rates of interest somewhat more than the banks paid on savings accounts, and such investments were secured by the mortgages or deeds of trust held by the building and loan association on the property of the borrower.

Conservative building and loan associations in those days usually had sufficient deposits on hand so that the investor could draw out his money at any time.

A public misunderstanding grew up from this situation, and many looked upon the building and loan as a bank, from which they could draw their deposits at will. A change in the economic condition, which caused a stringency in the money market, and an impairment in the value of the properties held by the building and loans as security, changed the situation, and caused much trouble. Certificate holders were unable to withdraw their deposits. Impairment of assets and lack of deposits prevented many from making loans, and since 1932 a great variety of problems have developed.

The Legislature in years past has been called upon to extend leniency to building and loan associations, so that they could make payments of interest to depositors at a less rate than was originally either agreed upon, or represented to the depositors that would be paid. This was done to prevent the rapid liquidation of such associations.

The Legislature was also called upon to change the statutes affecting building and loan associations, so that the Building and Loan Commissioner would have more power, and so that he could, without any restrictions, take over for liquidation, building and loan associations.

The purpose of the act was to provide quick action on the part of the State, and complete control over the management of such association. This has raised problems which should be carefully studied.

The present building and loan associations frequently invest their assets not simply by loaning to the home builder, but in almost every type and kind of property. They own large agricultural and live stock ranches, apartment houses, hotels, etc. Their investments are located sometimes in several States.

The investments in building and loan associations run into several hundred millions of dollars. Probably two hundred thousand certificate holders in the State of California have some of their savings invested in these associations.

The economic picture changes rapidly from year to year. The building and loan associations present, therefore, one of the most important financial problems of the State. Since 1932 there have been some twenty-four building and loan associations taken over by the State, most of which have been liquidated by the various building and loan commissioners. He, however, not like other private trustees, is not required to make an accounting until final liquidation.

The final accounting has not yet been made by the commissioners upon some of the building and loans which have been in the process of liquidation for many years. Many of the properties which may be operated during the time of liquidation by the commissioner, make only accountings to the commissioner, when he requires it.

The certificate holders are the real parties interested in any building and loan association. However, they have no say in regard to the operation of, or the policy to be followed by the building and loan

association, or the commissioner. They have no prescribed manner of appeal to the commissioner as to their wishes in regard to management, policy or liquidation, and they have no prescribed statutory method of appealing to the courts to right wrongs that may have been done either by the association management, or by the commissioner. They have no voice in any of the legal proceedings, although the company and commissioners frequently shout loudly that they are working in the interest of the certificate holders.

The court's hands are tied, and can be of very little assistance to the real parties of interest, the certificate holders.

Neither the certificate holders, nor the building and loan association, have any statutory right to reorganize after seizure exists—in fact an effort to reorganize an association not in the custody of the commissioner might possibly be made the reason for a seizure by the commissioner.

Should 75, 80 or 100 per cent of the certificate holders desire to assume the responsibility of liquidating the assets of an association in their own behalf, they have no statutory remedy, but must abide the opinion of whoever is commissioner, who may never have had any wide experience in finance, and who may insist on liquidation.

The certificate holder has no statutory right to compel the association, or the commissioner, to give him a detailed account of receipts and expenses.

The Building and Loan Commissioner is a public official. He acts, however, similar to a private trustee when acting in his liquidation capacity. This results in an unusual situation. He either directs personally, or is himself the manager of millions of dollars of property, hundreds of different pieces of property and going business concerns, and there is no one who can check on the detail of the receipts and expenditures of such properties of building and loan associations, and from whom and to whom property is received or paid during liquidation, except in transfer of real estate.

Power to Make Rules.

Under the statute the commissioner has the power from time to time to amend, supplement, revoke, or make rules and regulations governing the exercise of his power. It would be quite interesting and surprising to make a study of how far reaching the law is in this regard. It can be used to great detriment of the associations, and of course, it may be used for more efficient conduct of his office. One important thing about it is the uncertainty of what might be done by the commissioner. This is always a cause of anxiety and worry to the associations.

Power to Take Possession of Associations.

The statute on building and loan associations, section 13.11, grants almost unlimited powers to a commissioner in the matter of taking possession of building and loan associations. He may, without appraisal of the property, without auditing of the accounts of any given association, without written findings of fact justifying the taking of possession of any building and loan association, without the order of any court, and without the filing of any adequate bond, take possession of building and loan associations, whether they be small, or

whether they may own fifty millions of dollars worth of property, and hundreds of going concerns, without any notice at all.

The original statutes governing building and loan associations carried many protective provisions which are not now in the statutes. This situation in the law permits the Building and Loan Commissioner to incur great liability, which the building and loan association will have to pay before the court can determine whether the take-over is right or wrong.

After take-over has been accomplished, even though not justified, the building and loan association taken over is prohibited from using its own funds to defend itself against any such arbitrary action. A commissioner, however, can pile up expense in a very brief period of time, chargeable to the association, for the prosecution of proceedings of taking possession.

This prosecution is not carried on by the chief prosecuting officer of the State, but the commissioner is empowered to hire all of the law firms he desires, and pay them all large fees for handling the one matter, and building and loan associations may be subject to unlimited extravagance incurred by any State Building and Loan Commissioner.

Of course, as said before, the purpose of providing these broad powers was in the interest of direct and immediate action on the part of a commissioner; however, it has the danger of permitting great waste, long delays, and rendering favoritism to personal and political friends.

It would appear that under the statute the commissioner could ruin an otherwise solvent building and loan association by expenditures incurred in the take-over, and by declaring liquidation dividends at a time when it would prevent the association from ever becoming a going concern.

The statute is not clear as to policy in regard to the taking of possession of building and loan associations. It is left entirely to the commissioner in office. Should a commissioner believe that private associations should be permitted as far as possible to work out their own problems, he probably can do so. But he can also prevent refinancing, refunding, or reorganization, no matter how much all interested persons desire to do so.

Because there is so much litigation pending in regard to liquidation of various building and loan associations, and also because various officials of the building and loan associations are also involved, we have refrained from mentioning in this report specific incidents shown in the transcript upon which we are basing largely this preliminary report. We are setting forth tentatively, recommendations for changes in the law, to be considered from now until future meeting of this committee.

Proposed Changes to Present Law.

We propose that a commissioner should, as a part of the procedure in the handling of building and loan associations under liquidation, make an annual report and statement of account to the superior court in the county where such association has its principal place of business.

That said report and accounting shall set forth the detail of all receipts and expenditures of such association thus taken over, and a detailed report and account of each and all of the several business concerns of properties owned and operated by such building and loan asso-

ciation, or by the Building and Loan Commissioner when he is acting as a liquidation officer.

That it shall be the duty of the Building and Loan Commissioner to publish notice of the filing of said report and account, and at the time of hearing, whether the report or account is protested or not, make proof to the satisfaction of the court that all proceedings taken by the commissioner have been for the best interests of such building and loan associations, their investors and creditors, and that the payment of any money from the funds of such building and loan associations, and the incurring of any liability to be paid out of the funds of the building and loan associations, are just and reasonable

That it shall be unlawful to give property or service chargeable to any of the properties, or out of any of the funds belonging to the building and loan associations, without adequate remuneration.

The law should further provide that any interested person, including certificate holders, stockholders, and those who were officers, including directors, of such building and loan association at the time of the take-over, shall have the right to compel the commissioner to file such report and account by a proper proceeding in the aforementioned court, and that after said account or report has been filed as herein provided, may file a protest to any and all of the facts, data, and accounts set forth by the commissioner in such report, and may at the hearing hereinbefore provided for, introduce evidence, both written and oral, in support of their protest, and the court after such hearing, will have the right and power to require the commissioner to file supplemental reports when he deems it just, to all of the interested parties.

The court shall, after the hearing, upon such petition or protest, make an order approving the report, or requiring the report to be amended, or denying the petition of the commissioner in whole or in part.

No expenditures by a commissioner shall be chargeable against such building and loan association, unless approved by the court.

Proceedings Before Take-over.

We believe the law should be amended so that before the taking over of any building and loan association under the authority of the act by a commissioner, he shall, excepting as hereinbefore provided, file a verified petition with the superior court in the county in which the principal place of business is located of the association about to be taken over; that the said petition shall set forth in detail the facts he relies upon to justify the taking, and the court shall, if such petition appears to be sufficient upon its face, make an order authorizing the taking over of such building and loan association, and thereafter within ten days, the Building and Loan Commissioner shall present to said court sufficient proof of the facts set forth in said preliminary petition to satisfy said court that the facts set forth in said preliminary petition are true, and upon the court finding that said facts are true, the court shall make an order permitting the taking over temporarily such building and loan association.

That at said hearing any interested person may present evidence in opposition to the petition of a commissioner.

That in event no protest is filed against said taking within thirty days, the order providing for temporary taking shall become final and permanent.

If there are protests filed by any certificate holder, corporation stockholder, or by any of the officers of such association, then the matter of the petition for taking over shall be set for final hearing before said court, at which time all interested parties may be heard, and the burden of proof shall be upon the commissioner to justify the said taking.

If the court shall find that the commissioner has failed to make proof to justify such taking, then the court shall make an order returning all of said properties to those from whom the commissioner received or took them.

If, on the other hand, the court finds that the facts set forth in the original petition of the commissioner are true, then the temporary order shall become final.

Costs.

We believe that the Building and Loan Commissioner should be authorized to employ an attorney whose salary should be fixed by the Legislature. Should the commissioner desire other counsel, then we think it should be the duty of the Attorney General of the State of California to furnish to the commissioner all legal assistance that he needs in the conduct of his office.

Should the court decide that the commissioner was justified in taking over an association, all court costs in connection therewith should be charged against the association. On the other hand, if the court found that the commissioner should not take over the association, then the costs should be paid out of the funds of the Building and Loan Commissioner.

If the commissioner's original petition is denied by the court, then the protestors, if any, shall be allowed their costs, including a reasonable attorney's fee to be fixed by the court in such proceeding.

Rights of Associations to Refund.

The committee feels that the Building and Loan Act should be amended to provide a procedure for the reorganization of a building and loan association in financial difficulties, and also a procedure whereby such an association might be liquidated by the parties in interest.

The committee believes that a careful study of the entire Building and Loan Act may indicate the desirability of other amendments thereto, for the protection and benefit of the certificate holders.

Custodian.

The committee further recommends that the appointment of any custodian of the assets of a building and loan association taken over by the commissioner shall be approved by the Superior Court of the county in which such association has its principal place of business, and the court shall require of such custodian a bond in an amount commensurate with the value of the assets so taken over.

We believe there is no reason why investments in building and loan associations should not be considered among the most secure, and we believe that proper amendment to the present building and loan statute will greatly add security to these investments.

It should be understood that this Preliminary Report is not in any way an attempt to reduce the suggestions herein to the form of a bill, or bills, and

That your committee intends to continue a study of the status of building and loan associations in the State, both those under liquidation, and otherwise.

Respectfully submitted.

SENATE BUILDING AND LOAN EXPENDITURE INVESTIGATING COMMITTEE.

BRADFORD S. CRITTENDEN, Chairman
WILLIAM P. RICH.
JOHN F. SHELLEY.
JOHN D. FOLEY.

Dated: May 24, 1940.

Message from the Assembly.

The following message from the Assembly was received and read:

ASSEMBLY CHAMBER, SACRAMENTO, May 24, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Assembly Concurrent Resolution No. 26—Relative to the Fact-Finding Committee created by Senate Concurrent Resolution No. 10, and further defining its powers and duties in relation to Home Defense and the bearing thereof upon the solution of the problem of relief and unemployment;

Assembly Concurrent Resolution No. 27—Relative to the establishment of a legislative budget bureau.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Concurrent Resolutions Nos. 26 and 27 ordered referred to Committee on Rules.

Report of Standing Committee.

The following report of standing committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, May 24, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Concurrent Resolution No 16—Relative to a recess of the Senate and Assembly of the State of California;

Senate Concurrent Resolution No. 17—Relative to legislative printing;

Senate Concurrent Resolution No. 18—Relative to Legislative Bill Room Equipment;

Senate Concurrent Resolution No. 19—Relative to leave of absence of the Secretary of State;

Senate Bill No. 91—An act to amend sections 232 and 377.5 of the Vehicle Code and to repeal an act entitled "An act to amend sections 232 and 377.5 of the Vehicle Code, relating to the installation of motor vehicle engines or motors," approved February 16, 1940, relating to the installation of motor vehicle engines or motors, to take effect immediately;

Senate Bill No. 92—An act to amend sections 210 and 252 of the Vehicle Code to repeal sections 211, 212, 213 and 214 thereof, and to repeal an act entitled "An act to amend sections 210 and 252 of the Vehicle Code, and to repeal sections 211, 212, 213 and 214 thereof, relating to permits to nonresident owners of motor vehicles," approved February 24, 1940, relating to permits to nonresident owners of motor vehicles, to take effect immediately;

Senate Bill No. 93—An act to amend section 164 of the Vehicle Code and to repeal an act entitled "An act to amend section 164 of the Vehicle Code, relating to renewal of registration of vehicles," approved February 28, 1940, relating to renewal of registration of vehicles, to take effect immediately;

And reports that the same have been correctly enrolled and presented to the Governor on the twenty-fourth day of May, 1940, at eleven o'clock a.m

SEAWELL, Chairman

Approval of Journals.

The Senate Journals of the fifty-third (extraordinary) session of Monday, May 20, 1940; Tuesday, May 21, 1940; Wednesday, May 22, 1940; and Thursday, May 23, 1940, were on motion of Senator Seawell approved as corrected by the Journal Clerk and the Minute Clerk.

Committee of the Whole.

Senator Seawell moved that the Senate resolve itself into a Committee of the Whole for the purpose of discussion of the proposed revision of the Standing Rules of the Senate.

Motion carried.

SENATE MEETS AS COMMITTEE OF THE WHOLE.

At twelve o'clock and fifteen minutes p.m., the Senate met as a Committee of the Whole.

Committee of the Whole Arises.

At one o'clock and fifteen minutes p.m., on motion of Senator Seawell, the Committee of the Whole arose.

IN SENATE.

Lieutenant Governor Ellis E. Patterson, President of the Senate, in the chair.

Assistant Secretary Maitland S. Pennington at the desk.

Message from the Assembly.

The following message from the Assembly was received and read:

ASSEMBLY CHAMBER, SACRAMENTO, May 24, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 143—An act to create a joint legislative committee to study, investigate, survey and report to the Legislature regarding motor vehicles, including needed changes in the laws relating thereto, the enforcement of existing laws and the safe operation of vehicles upon the public highways, making an appropriation to carry out the provisions of this act, and repealing Chapter 25 of the Statutes of 1940, approved February 28, 1940, to take effect immediately.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Bill No. 143 ordered referred to Committee on Rules.

Report of Standing Committee.

The following report of standing committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, May 24, 1940

MR. PRESIDENT. Your Committee on Rules, to which was referred:

Assembly Concurrent Resolution No. 26—Relative to the Fact-Finding Committee created by Senate Concurrent Resolution No. 10, and further defining its powers and duties in relation to home defense and the bearing thereof upon the solution of the problem of relief and unemployment;

Assembly Concurrent Resolution No. 27—Relative to the establishment of a legislative budget bureau;

Assembly Bill No. 143—Contains same provisions as Ch. 25 (A.B. 72) of first extraordinary session 1940, except under this bill committee can function prior to final adjournment of first extraordinary session 1940;
Has had the same under consideration, and respectfully reports the same back, and recommends that they be referred to the Committee on Governmental Efficiency.
Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Concurrent Resolutions Nos. 26 and 27 read, and referred to Committee on Governmental Efficiency.

Assembly Bill No. 143 read first time, and referred to Committee on Governmental Efficiency.

Motion to Revise Standing Rules of the Senate.

Senator Seawell moved that the Standing Rules of the Senate be revised to read as follows and said revised rules to take effect at four o'clock p.m. today, May 24, 1940:

STANDING RULES OF THE SENATE.

Convening and Sessions.

Hour of Meeting.

1. The Senate shall meet at eleven o'clock a.m. daily, except Sundays, unless otherwise ordered by the Senate.

Calling to Order.

2. The President, President pro tempore, or senior member present shall call the Senate to order at the hour stated, and if a quorum be present shall proceed with the order of business.

Attendance of Members.

3. No Senator shall absent himself from attendance upon the Senate without leave first obtained. A less number than a quorum of the Senate is hereby authorized to send the Sergeant-at-Arms, or any other person, for any and all absent Senators at the expense of such absent Senators, respectively, unless such excuse for nonattendance as shall be made to the Senate when a quorum is convened, shall be judged sufficient, and in that case the expense shall be paid out of the Contingent Fund of the Senate. The President or Acting President of the Senate, or less than a quorum present, shall have the power to issue process directly to the Sergeant-at-Arms, or to any other person, to compel the attendance of Senators absent without leave. Any Senator who shall refuse to obey such process unless sick or unable to attend, shall be deemed guilty of contempt of the Senate, and the Sergeant-at-Arms, or any other person, to whom such process may be directed, shall have power to use such force as may be necessary to compel the attendance of such absent Senator, and for this purpose he may command the force of the county, or of any county in the State.

Order of Business.

4. The order of business shall be as follows:

1. Roll Call.
2. Prayer by the Chaplain.
3. Reading and approval of the Journal of the preceding day.
4. Presentation of petitions.

5. Messages from the Governor.
6. Messages from the Assembly.
7. Reports of standing committees.
8. Reports of select committees.
9. Motions, resolutions and notices.
10. Introduction, first reading, and reference of bills.
11. Special orders.
12. Unfinished business.
13. Consideration of daily file.
14. Announcement of committee meetings.
15. Adjournment.

Executive Sessions.

5. When a motion is adopted to close the doors of the Senate, on the discussion of any business which may, in the opinion of the Senate, require an executive session, the President shall require all persons, except the Senators, President of the Senate, Secretary, Minute Clerk, and Sergeant-at-Arms, to withdraw, and during the discussion of said business the doors shall remain closed. Every Senator and officer present shall keep secret all matters and proceedings concerning which secrecy shall be enjoined by order of the Senate.

Officers of the Senate.

The President.

6. The Lieutenant Governor shall be the President of the Senate. He shall have a casting vote when the vote is equally divided and his vote will decide the issue.

The President shall maintain order in the Senate Chamber and in case of a disturbance or disorderly conduct in the lobbies, the President (or Chairman of the Committee of the Whole) shall have the power to order the same cleared.

The President Pro Tempore.

7. The President pro tempore shall, in the absence of the President, take the chair and call the Senate to order, at the hour of the meetings of the Senate, and shall have the same powers as the President.

It shall be the particular responsibility of the President pro tempore to secure the prompt and businesslike disposition of bills and other business before the Senate.

Presiding by Senators.

8. The President, or President pro tempore in the absence of the President, may name any Senator to perform the duties of the Chair. The Senator so named shall be vested, during such time, with all the powers of the President.

Secretary of the Senate.

9. It shall be the duty of the Secretary of the Senate to attend every session, call the roll, read all bills, amendments, resolutions, and all papers ordered read by the Senate or the presiding officer.

He shall superintend all printing and clerical work to be done for the Senate and shall have supervision over all attaches and employees of the Senate. He shall assign, reassign or transfer all attaches or employees to their respective duties.

He shall certify to and transmit to the Assembly all bills, joint and concurrent resolutions, constitutional amendments and papers requiring the concurrence of the Assembly, immediately after their passage or adoption by the Senate.

He shall also keep a correct Journal of the proceedings of the Senate, and shall notify the Assembly of the action by the Senate on all matters originating in the Assembly, and requiring action on the part of the Senate.

The Secretary of the Senate shall have custody of all bills, documents, papers and records of the Senate and shall not permit any such bills, records or papers to be taken from the desk or out of his custody by any person, except in the regular course of the business of the Senate.

All employees on the pay roll of the Senate are employees of the Senate and not of individual members and they are under the direct control of the Secretary of the Senate. Any insubordination or inefficiency on the part of any employee shall be reported by the Secretary to the Committee on Rules or if a Committee on Attaches be appointed, then to that committee.

Sergeant-at-Arms of the Senate.

10. The Sergeant-at-Arms shall attend the Senate during all of its sittings, execute the commands of the Senate from time to time, together with all such process issued by authority thereof, as shall be directed to him by the President. The Sergeant-at-Arms is authorized to arrest for contempt all persons outside the bar, or in the gallery, found in loud conversation, or otherwise making a noise to the disturbance of the Senate. The actual expenses of the Sergeant-at-Arms for every arrest, for each day's custody and releasement, and the traveling expenses for himself and special messenger going and returning shall be paid out of the contingent fund, and no other fees shall be paid him beyond his per diem. It shall also be the duty of the Sergeant-at-Arms to keep the accounts for pay and mileage of Senators.

The Sergeant-at-Arms shall place copies of all bills, joint and concurrent resolutions, constitutional amendments, and Journals, Histories and Files, when printed, on the desks of Senators, at least one hour previous to the opening of session.

Committees of the Senate.

Appointment of Committees.

11. The Committee on Rules shall consist of the President pro tempore of the Senate, who shall be the chairman of the committee, and four other members of the Senate to be elected by the Senate.

The Committee on Rules shall appoint all other committees of the Senate unless otherwise directed by the Senate and shall designate a chairman of each committee so appointed and a vice chairman of each standing committee.

Ten days before the commencement of any regular session of the Legislature, the Secretary of the Senate shall mail to each member a blank, in a form approved by the Rules Committee, on which the member may indicate his committee preferences and with such blank shall be mailed a stamped envelope addressed to the Rules Committee, care

of the secretary, for the convenience of the member in returning such form with his preferences thereon All such communications shall be retained by the secretary unopened and shall be delivered to the Rules Committee immediately upon the organization of the Senate.

Standing Committees.

12. The Standing Committees of the Senate, the number of members, and subjects to be referred to each are as follows:

1 Agriculture, 11 members—
All bills amending the Agricultural Code and uncodified legislation relating to the same subject.

2 Business and Professions, 11 members—
All bills amending the Business and Professions Code and uncodified legislation relating to the same subjects

3 Natural Resources, 11 members—
All bills amending the Public Resources Code and uncodified legislation relating to mines and mining, oil, forestry, parks and to the public domain.

4 Education, 11 members—
All bills amending the School Code or relating to the University of California and any uncodified legislation relating to either.

5. Elections, 11 members—
All bills amending the Elections Code or uncodified legislation relating to the same subject and Constitutional Amendments, after consideration by committees having jurisdiction of the appropriate subjects, for consideration of any question relating to submission to the voters.

6 Finance, 11 members—
All appropriation bills including the budget bill and claim bills but excepting appropriations from the funds of the Senate made by resolution.

7 Financial Institutions, 11 members—
All bills amending the Insurance Code and bills amending the Bank Act, Building and Loan Act, Corporate Securities Act and acts relating to the loan of money and credit unions, and any other legislation relating to these subjects.

8. Fish and Game, 11 members—
All bills amending the Fish and Game Code, and uncodified legislation relating to the same subject.

9 Governmental Efficiency, 11 members—
All legislation not specifically referred to another committee relating to:
a. State policy
b New State functions
c. State property
d Reorganization
e. State employees

10. Judiciary, 11 members—
All bills amending the following codes:
a. Civil Code
b. Code of Civil Procedure

c. Probate Code
d. Penal Code, and
e. All statutes of a penal nature not related closely to a subject embraced in some other code.

11. Labor, 11 members—
All bills amending the Labor Code and uncodified legislation relating to the same subject.

12. Local Government, 11 members—
All bills relating to
a. County government
b. Municipal corporations
c. Special assessment and other local districts when not regulated by the provisions of some other code and uncodified legislation on the above subjects.

13. Military and Veterans Affairs, 11 members—
All bills amending the Military and Veterans Code and uncodified legislation relating to the same subjects.

14 Public Health and Safety, 11 members—
All bills amending the Health and Safety Code and uncodified legislation relating to the same subjects.

15 Public Utilities, 11 members—
All legislation relating to public utilities and their regulation and not embraced within any other code.

16 Revenue and Taxation, 11 members—
All bills amending the Revenue and Taxation Code and other uncodified legislation relating to State and county taxes.

17. Rules, 5 members—
All proposed amendments to the rules, and all resolutions relating to the business of the Senate which are not acted upon without reference to committee.

18. Transportation, 11 members—
All bills amending the
a. Vehicle Code
b. Streets and Highways Code
c. Harbors and Navigation Code, and
d. Uncodified legislation relating to the same subjects or to aviation.

19. Water Resources, 11 members—
All bills amending the Water Code and uncodified legislation relating to the same subject.

20. Welfare and Institutions, 11 members—
All bills amending the Welfare and Institutions Code and uncodified legislation relating to the same subject or to public aid.

Committee on Rules.

13. The Committee on Rules is charged with the general responsibility for the administrative functioning of the Senate. The committee shall also have the duty of making recommendations designed to promote, improve and expedite the business and procedure of the Senate, and of proposing any amendments to the rules deemed necessary to accomplish such purposes.

The Committee on Rules will constitute the Committee on Introduction of Bills after the recess and shall have charge of engrossment and enrollment of bills, contingent expenses of the Senate and legislative printing except in so far as these functions are delegated to the Secretary of the Senate, and of attaches unless a Committee on Attaches is appointed.

The rooms, passages and buildings set apart for the use of the Senate shall be under the direction of the Committee on Rules and the committee may assign the press desks in the Senate Chamber to accredited newspaper representatives.

Executive communication of nominations sent by the Governor to the Senate for their confirmation, shall be referred to the Committee on Rules, unless otherwise ordered by the Senate, without debate.

Schedule of Committee Meetings.

14. The Committee on Rules shall propose to the Senate such schedules for regular meetings of the standing committees as will permit a full attendance of their members without conflict of committee engagements.

The committee may also propose such special committee meetings or special schedules of committee meetings as will facilitate the business of the Senate. Such schedules may provide a special schedule of committee meetings following the constitutional recess or upon certain days of the week or to meet any special condition which may arise.

Quorum of Standing Committees—Vote.

15. Each standing committee shall determine (a) its own quorum, and (b) the number of votes necessary to take any action upon any bill, resolution, or other matter referred to it.

The vote by the number of ayes and noes on each bill reported back on all committee reports shall be noted in such reports and recorded in the Journal.

Powers of Standing Committees.

16. Each standing committee of the Senate to which a proposed law or bill is assigned shall have full power and authority, during the session of the Legislature at which such proposed law or bill is so assigned, to make such investigation and study of and concerning any such proposed law or bill as such committee shall determine necessary to enable it to properly act thereon.

In the exercise of the power granted by this rule, each committee may appoint a secretary and adopt such rules as may appear necessary and proper to carry out the powers granted and duties imposed under this rule. It may employ such clerical, legal and technical assistants as may appear necessary when money has been made available therefor by the Senate.

Each standing committee is authorized and empowered to summon and subpena witnesses, require the production of papers, books, accounts, reports, documents, records and papers of every kind and description, to issue subpenas and to take all necessary means to compel the attendance of witnesses and to procure testimony, oral and documentary.

The members of such committees are, and each of them is, authorized and empowered to administer oaths, and all of the provisions of Article VIII, Chapter II, Title I, Part III of the Political Code, relating to the attendance and examination of witnesses before the Legislature and the committees thereof, shall apply to such committees.

The Sergeant-at-Arms of the Senate, or other person designated by the Sergeant-at-Arms or by the committee, shall serve any and all subpenas, orders and other process that may be issued by the committee, when directed to do so upon a vote of the majority of the membership of the committee.

All officers of this State, including the Legislative Counsel and the heads of each department, agency and subdivision thereof, and all employees of such departments, agencies and subdivisions, and all other persons whether connected with the State Government or not, shall give and furnish to these committees upon request such information, records and documents as the committees deem necessary or proper for the achievement of the purposes for which each standing committee was created.

Each standing committee may either during the session or during the constitutional recess, meet at the State Capitol and do any and all things necessary or convenient to enable it to exercise the powers and perform the duties herein granted to it and may expend such money as may be made available by the Senate for such purpose; but no committee shall incur any indebtedness unless money shall have been first made available therefor.

Special Investigating Committees.

17. No committee for the investigation of any special subject shall be appointed except pursuant to a resolution which shall be entered in the Journal and referred to the Committee on Rules, and which shall be approved by a vote of a majority of the members elected to the Senate. The subject and purposes of the investigations shall be expressed in the title of the resolution and the scope of the investigations shall be consistent with the subject and purposes so expressed. No such committee shall have authority to extend its investigations to subjects not so expressed, nor beyond the scope indicated in the resolution. Unless otherwise directed by the resolution any committee so authorized shall be appointed within twenty days after the adoption of the resolution.

No Committee Expenditures Permitted.

18. No member of any committee shall be permitted to incur any expense chargeable to the Senate unless authorized by resolution of the Senate.

Procedure and Rules.

Joint and Concurrent Resolutions and Constitutional Amendments.

20. Joint and concurrent resolutions and constitutional amendments shall be treated the same as bills; except, that they shall have but one official reading, which reading shall occur after they have been reported by committee.

Parliamentary Rules.

21. In all cases not provided for by the Constitution, these rules, or by the Joint Rules of Senate and Assembly the authority shall be Mason's Manual.

Suspension or Amendment of Rules.

22. Except as in these Rules otherwise expressly permitted no standing rule or order of the Senate shall be rescinded or changed without a vote of a majority of the members of the Senate, and one day's notice being given of the motion therefor; but a rule or order may be suspended temporarily by a vote of a majority of the members of the Senate. All proposed amendments to these rules shall, upon presentation, be referred to the Committee on Rules without debate

Introduction and Reference of Bills.

Introduction, First Reading and Reference of Bills.

24. Any Senator desiring to introduce a bill shall send it to the Senate desk.

The Committee on Rules shall check all Senate bills prior to introduction and all Assembly bills before reference to committee and shall designate the committees to which they shall be referred.

Under the order of introduction of bills, the Secretary shall assign a number to each Senate bill, shall read it the first time, and unless otherwise ordered by the Senate without debate it shall be referred to the committee designated by the Committee on Rules.

Under the order of Messages from the Assembly the Secretary shall read each Assembly bill the first time and unless otherwise ordered by the Senate, without debate, it shall be referred to the committee designated by the Committee on Rules.

Introduction of Bills by a Committee.

25. Any committee may introduce a bill germane to any subject within the proper consideration of such committee in the same manner as any member.

Introduction of Bills After the Constitutional Recess.

26. Whenever a request for leave to introduce a bill is received at the desk, under the order of Introduction of Bills, bearing the approval of the Committee on Rules and accompanied by the bill, the request shall be read, the question of permission to introduce the bill shall be put to a roll call vote and if there shall be thirty affirmative votes the bill shall be assigned a number by the Secretary, be read first time, and referred to the committee recommended by the Committee on Rules unless otherwise referred on motion without debate.

No more than two bills may be introduced by any one member after the constitutional recess. Joint and concurrent resolutions and constitutional amendments shall not require a vote to authorize their introduction, nor shall the number to be introduced by any one member be limited.

Senate Resolutions.

27. All Senate resolutions upon being presented shall be given a number by the Secretary. Such resolutions shall be printed in the Journal and indexed in the History and Journal.

Bills in Committee.

Committee Hearings.

28. During the constitutional recess or as soon thereafter as practicable the chairman of each committee shall prepare a schedule of hearings concerning bills referred to the committee. The schedules shall be arranged according to subjects in so far as may be convenient.

The schedules and any changes therein shall be delivered to the Senate as soon as convenient in order that due notice may be given to persons interested in the legislation.

Substitute Committee Bills.

29. A committee may amend into one bill related provisions germane to the subject and embraced within the title; and with the consent of the author the committee may constitute such bill a committee bill by striking out of the heading of the bill the line "Introduced by" and the name of the author and substituting therefor "Substitute committee bill of the Committee on" and the name of the committee.

Recalling a Bill from Committee.

30. The Senate may at any time by twenty-one votes recall a bill from committee.

Consideration of Bills.

Order of Making Files.

31. When bills are reported from committee they shall be placed upon the General File, to be kept by the secretary as follows: All bills when reported to the Senate by the committee shall be placed at the foot of the second-reading Senate or Assembly file, in the order in which the reports are made, and after the second reading they shall be placed at the foot of the Senate or Assembly third-reading file, in the order of reading. Unless otherwise ordered by the Senate the file shall be taken up in the following order: Senate second-reading file, Assembly second-reading file and Senate third-reading file, Assembly third-reading file. The bills upon third reading shall be considered in the order in which they appear upon the file, unless otherwise ordered by the Senate.

An inactive file shall be kept to which bills may be transferred at the request of the author, or on motion, and they shall be so transferred when they have been passed on third-reading file without action three successive times. Bills may be carried on the inactive file by author and bill number without setting forth the title.

Bills may be transferred from the inactive file to the second-reading file on motion, and after being read the second time such bills will take their place regularly on third-reading file and be available for consideration and passage.

Notices of committee hearings shall be published in the file whenever presented by chairmen of committees to the secretary for that pur-

pose. For such purpose bills will be identified by subject or by number.

Special Order.

32. Any measure or subject may, by vote of a majority of those voting, be made a special order, and when the time fixed for its consideration arrives, the presiding officer shall lay it before the Senate.

Messages from the Governor or Assembly.

33. Messages from the Governor or from the Assembly may be introduced at any stage of business except while a question is being put, while the ayes and noes are being called, or while a Senator is addressing the Senate.

Messages from the Governor or from the Assembly may be considered when indicated in the order of business or at any other time by unanimous consent or upon motion.

Engrossing Bills.

34. All Senate bills, constitutional amendments and joint or concurrent resolutions shall be engrossed before final action is taken on them in the Senate. Engrossment shall consist of comparing the printed engrossed bill with the original bill introduced and any amendments adopted to ascertain that it is correct. When a bill is reported correctly engrossed it shall be substituted on the file for the original bill.

Enrolling Bills.

35. All Senate bills shall be enrolled immediately following their final passage and receipt from the Assembly. An enrolled copy of every such bill, amendment or resolution shall be printed and examined to ascertain that it is a true and accurate copy of the measure as it was passed. It shall then be authenticated by the signatures of the President or President Pro Tempore of the Senate and the Secretary or an assistant secretary of the Senate and by the corresponding officers of the Assembly and transmitted without delay to the Governor.

Debate.

Statement of Motion.

37. No motion shall be debated until the same be distinctly announced by the President; and it shall be reduced to writing if desired by the President or any Senator, and read by the Secretary, before the same shall be debated

Regulations as to Speaking.

38. 1. When a Senator desires to address the Senate, he shall rise in his place, address the President, and when recognized he may proceed to speak.

2. No Senator shall speak more than twice in any one debate on the same day, and at the same stage of the bill, without leave; and Senators who have once spoken shall not again be entitled to the floor (except for explanation) so long as any Senator who has not spoken desires to speak.

3. When two or more Senators arise at the same time to address the Senate, the presiding officer shall designate the Senator who is entitled to the floor.

4. No Senator shall be interrupted when speaking, and no question shall be asked him except through the presiding officer.

5. The author of a bill, motion, or resolution shall have the privilege of closing the debate.

Order of Debate.

40. When a Senator shall be called to order he shall sit down until the President shall have determined whether he is in order or not; and every question of order shall be decided by the President, subject to an appeal to the Senate by any Senator. If a Senator be called to order for words spoken, the objectionable language shall immediately be taken down in writing by the Secretary of the Senate.

Right to Address the Senate.

41. No person other than a member of the Senate or the President thereof, shall address the Senate while it is in session but the Senate may resolve itself into a Committee of the Whole and while sitting as such committee may be addressed by persons other than members.

Questions and Motions.

Amendments to Bills.

42. When amendments to a bill are reported by a committee or offered from the floor, such amendments shall be submitted in triplicate.

Adoption of amendments to any bill in the Senate prior to third reading, other than by roll call, shall not preclude subsequent consideration in committee or on the third reading of the bill, of such amendments or any part thereof, by the Senate

Motion to Lay on the Table.

43. When an amendment proposed to any pending measure shall be laid on the table, it shall not carry with it or prejudice such measure.

Division of a Question

44. If a question in debate contains more than one distinct proposition, any Senator may have the same divided.

The Previous Question.

45. The previous question shall be put in the following form: "Shall the question be now put?" It shall require a majority vote of the Senators present; and its effect shall be to put an end to all debate except that the author of the bill or the amendment shall have the right to close, and the question under discussion shall thereupon be immediately put to a vote.

Call of the Senate.

46. Upon a motion being carried for a call of the Senate, the President shall immediately order the doors to be closed, and shall direct the Secretary to call the names of the absentees as disclosed by the last previous roll call. Thereupon, no member shall be permitted to leave the Senate Chamber except by written permission of the presiding

officer. Those members who are found to be absent and for whom no excuse or insufficient excuses are made, may, by order of those present, be taken into custody, as they appear, or may be sent for and then taken into custody by the Sergeant-at-Arms wherever found, or by special messenger to be appointed for that purpose. In the absence of a quorum, a majority of the members present may order a roll call of the Senate and compel the attendance of absentees in the manner above provided.

A call of the Senate may be ordered after the roll has been called and prior to the announcement of the vote.

No recess can be taken during a call of the Senate. During a call, the Senate may consider and transact any matter or business that the Senators then present shall unanimously decide to consider, but no call of the Senate shall be had during a call of the Senate. When a call of the Senate is ordered, pending the announcement of the vote upon the completion of a roll call, the pending roll call shall become unfinished business, the consideration of which shall be continued until further proceedings under the call of the Senate are dispensed with, when it will forthwith become the order of business before the Senate.

Reconsideration.

47. On the day on which a vote has been taken on any question a motion to reconsider the vote may be made by any member.

The motion may be considered on the day made or on the succeeding legislative day but may not be further postponed without the concurrence of twenty-seven members.

No vote on a Senate bill may be reconsidered on or after the last day fixed for the consideration of Senate bills prior to adjournment and no vote may be reconsidered on the last day of the session.

When reconsideration of the vote by which any bill was passed has been demanded the Secretary shall not transmit it to the Assembly until the demand has been disposed of or the time for reconsideration has expired, but if the bill has already been transmitted to the Assembly the demand for reconsideration shall be preceded by a motion to request the Assembly to return the bill This motion shall be put to vote immediately without debate and if not adopted shall preclude a demand for reconsideration

A demand to reconsider the vote on any debatable question opens the main question to debate and the vote on the reconsideration shall be on the merits of such main question.

Voting by Senate.

Voting on Roll Call

48. Whenever a roll call is required by the constitution or rules, or is ordered by the Senate or demanded by three members, every member within the Senate shall without debate answer "Aye" or "No" when his name is called.

The names of members shall be called alphabetically.

No Senator shall be permitted to vote or change his vote after the announcement of the vote by the presiding officer.

Excused from Voting.

49. When a Senator declines or fails to vote on call of his name he may, after completion of the roll call, and before the announcement of the vote be required to assign his reasons therefor, and having assigned them, the presiding officer shall submit the question to the Senate: "Shall the Senator, for the reasons assigned by him, be excused from voting?" which question shall be decided without debate. Unless the Senator is excused from voting he shall be required to vote.

Voting by Presiding Senator.

50. When the President pro tempore or any other member of the Senate is presiding over the Senate he shall vote on roll call the same as though he were not presiding.

Vote Required.

51. Unless otherwise required by the Constitution, the Joint Rules of the Senate and Assembly or by these rules, any action which can be taken by the Senate requires only a majority vote of the Senate, a quorum being present.

The following actions require thirty votes:

1. To introduce bills after the constitutional recess—(Constitution, Art. IV, Sec. 2).
2. To consider Senate bills during last fourteen days.

The following actions require twenty-seven votes:

3. To pass urgency measures—(Constitution, Art. IV, Sec. 1).
4. To suspend constitutional provision requiring reading bills on three several days—(Constitution, Art. IV, Sec. 15).
5. To pass bills over the Governor's veto—(Constitution, Art. IV, Sec. 16).
6. To increase or diminish the number of superior court judges or to remove judges—(Constitution, Art. VI, Secs. 9, 10).
7. To propose constitutional amendments or revision of the Constitution—(Constitution, Art. XVIII, Secs. 1, 2).
8. To change rate of taxation for State purposes—(Constitution, Art. XIII, Secs. 14, 16).
9. To authorize deposit of public money in banks—(Constitution, Art. XI, Sec. 16½).
10. To remove Railroad Commissioners—(Constitution, Art. XII, Sec. 22).
11. To change rates or conditions under the State Employees Retirement System—(Constitution, Art. IV, Sec. 22a).
12. To propose change in location of State capital—(Constitution, Art. XX, Sec. 1).
13. To reconsider the vote by which a concurrent resolution proposing a constitutional amendment is defeated.
14. To suspend the rule against lobbying in the Senate Chamber.
15. To amend or suspend the rules.

The following actions require twenty-one votes:

16. To pass bills, unless under some other rule a larger vote is required—(Constitution, Art IV, Sec. 15).

17. To adopt a concurrent resolution approving a county or city charter or amendments thereto—(Constitution, Art. XI, Secs. 7½ and 8).
18. To adopt joint and concurrent resolutions.
19. To reconsider bills, joint and concurrent resolutions.
20. To confirm appointments by the Governor or to reconsider the same.
21. To recall a bill from committee.
22. To concur in Assembly amendments or to adopt a report of a Committee on Free Conference.

Actions requiring fourteen votes:

23. To reconsider a vote by which a concurrent resolution proposing a constitutional amendment was adopted.

Vote Required for Amendments.

52. A constitutional amendment or bill requiring a vote of two-thirds of the members elected to the Senate for final adoption or passage may be amended by a majority of those voting.

Contents of Senate Journal.

Proceedings to Be Printed.

53. The proceedings of the Senate, when not acting as a Committee of the Whole, shall be entered in the Journal as concisely as possible, care being taken to record a true and accurate account of the proceedings.

Every vote of the Senate shall be recorded in the Journal. The committee vote on each bill reported back by a committee, and if a bill is signed out that fact also shall be recorded in the Journal.

Titles of Bills to Be Printed.

54 The titles of all bills, joint and concurrent resolutions, and constitutional amendments when introduced and when acted upon by the Senate, and a brief statement of the contents of each petition, memorial or paper presented to the Senate shall be printed in the Journal.

Other Matter to Be Printed.

55. Messages from the Governor (other than biennial messages and inaugural addresses) and joint and concurrent resolutions and constitutional amendments, when adopted, shall be printed in the Journal in full except that in case of a concurrent resolution approving a charter or charter amendments, the text of such charter or charter amendments shall not be printed in the Journal.

Legislative Printing.

Duty of Secretary to Order Printing.

56. It shall be the duty of the Secretary of the Senate and he is hereby directed during and between sessions of the Legislature to order for the Senate the necessary printing including stationery for the members, and to audit and approve all bills for printing to be charged to the Senate. The Secretary shall order from the State

Printer such number of copies of bills, Journals, Histories, Files, forms and other printing as shall be necessary.

It shall further be the duty of the Secretary to order bills and other legislative publications for which there is a demand printed before the supply of same shall become exhausted.

Printing Only on Written Orders. Rush Orders.

57. The State Printer shall not charge any printing or other work to the Senate except as required by law unless he has a written order from the Secretary of the Senate prior to the beginning of the printing or other work. All printing ordered by the Secretary shall be delivered as directed by him. The Secretary may, when necessity requires it, order from the State Printer such printing as he deems necessary to be printed in advance of the regular order of business, under specially prepared written order, to be known as a "Rush Order."

Form of Printing Amendments.

58 When any bill of either house is amended it shall be immediately reprinted; new matter shall be printed in italics in the printed bill; and matter to be omitted shall be printed in type bearing a single horizontal line through the center and commonly known as "strike-out" type. When a bill is enrolled, all such italics and "strike-out" type shall be omitted and the bill shall be printed in the usual Roman type.

The Senate Chamber.

Admission Within Bar of Senate.

59. It shall be the duty of the Sergeant-at-Arms to prevent all persons except Senators, ex-Senators, members of the Assembly, State officers, officers of the two houses, and such accredited newspaper representatives as have seats assigned to them from coming within the bar of the Senate unless upon the invitation of the President or a Senator. No visitor shall be allowed upon the floor while the Senate is in session.

Regulations for Lobbyists.

60. All persons appearing, or being, or desiring to appear, or be, at or in the Senate Chamber, or at or in any committee room of the Senate for the purpose of advocating the adoption, or defeat of any bill, measure or resolution, introduced in, pending before, or being considered by the Senate, or by any committee thereof, or for the purpose of soliciting the vote of any member of the Senate upon any such bill, measure, or resolution, or upon any anticipated or proposed bill, measure, or resolution, shall register with the Sergeant-at-Arms, his name and address, together with a statement of the person or persons, corporation or corporations, or interest represented by or intended to be represented by him, and shall file with the Sergeant-at-Arms his written authority to represent such person, corporation or interest, and thereupon the Sergeant-at-Arms shall issue to such person a certificate that he has so registered in conformity with this rule, which certificate shall be exhibited to the chairman of a committee upon request. A complete record of all persons so registered, together with

their respective addresses, and the persons, corporations or interest represented by them, shall be kept, and preserved by the Sergeant-at-Arms, and shall be open at all times to public inspection.

No person shall appear at or enter the Senate Chamber, or any committee room of the Senate, for the purpose of advocating the adoption or defeat of any bill, measure, or resolution, without first having registered and secured the certificate as herein provided.

This rule shall not apply to members of either house of the Legislature, officers of the State or other public agencies, or citizens of the State of California appearing in their own interest or behalf who are not representing any group, organization or corporation.

No person engaged in presenting to the Senate or any of its committees any business, claim, or legislation, shall be permitted to engage in such business in the Senate Chamber or be permitted on the floor of the Senate at any time while the Senate is in session. Any person transgressing this rule shall be removed from the floor of the Senate and shall be debarred from the privilege of the floor during the remainder of the entire session. The President and the President pro tempore are charged with the enforcement of this rule, and this rule can not be suspended except by a two-thirds vote of the entire Senate.

The question being on the adoption of the revised Rules.

The roll was called, and the revised Standing Rules adopted by the following vote:

AYES—Senators Breed, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Quinn, Rich, Seawell, Shelley, Slater Tickle, and Wagy—28.

NOES—None.

Recess.

At one o'clock and twenty minutes p.m., on motion of Senator Seawell, the President of the Senate declared recess until three o'clock p.m.

Reconvened.

At three o'clock p.m., the Senate reconvened.

Lieutenant Governor Ellis E. Patterson, President of the Senate, in the chair.

Assistant Secretary Maitland S. Pennington at the desk.

Leave of Absence.

Senator Metzger was, on motion of Senator DeLap, granted leave of absence for this day.

Request for Permission to Offer a Concurrent Resolution.

The following request for permission to offer a concurrent resolution was presented:

By Senator Tickle:

SENATE CHAMBER, SACRAMENTO, May 24, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to offer a concurrent resolution, the title of which is set forth below:

Relative to the organization of citizens' guard rifle clubs to aid in national defense.

Respectfully submitted.

SENATOR TICKLE.

Request referred to Committee on Rules.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, May 24, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Senate Bill No. 84—An act to validate the organization, boundaries, governing officers or boards, acts, proceedings, and bonds of school districts, to take effect immediately.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Senate Bill No. 84 ordered to enrollment.

ASSEMBLY CHAMBER, SACRAMENTO, May 24, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Assembly Concurrent Resolution No. 24—Relative to requesting the Governor to proclaim February 12 and 22 holidays on which the public schools shall be closed;

Assembly Concurrent Resolution No. 29—Relative to the intention of the Legislature in using the term "Mackinaw cutthroat trout" in section 619.5 of the Fish and Game Code, as added by Chapter 778, Statutes of 1939.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Concurrent Resolutions Nos. 24 and 29 ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, May 24, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 141—An act to amend section 1914 of the Harbors and Navigation Code, relating to San Francisco Harbor and the powers and duties of the Board of State Harbor Commissioners for San Francisco Harbor, "declaring the urgency thereof, to take effect immediately."

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Bill No. 141 ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, May 24, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Assembly Joint Resolution No. 28—Relative to condemnation of the "smear campaign" against the Federal Bureau of Investigation, and memorializing Congress to increase the appropriation for the bureau;

Assembly Concurrent Resolution No. 28—Relative to preparation of the budget bill to be submitted to the Legislature in 1941.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

The above resolutions ordered referred to Committee on Rules.

Reports of Standing Committees.

The following reports of standing committees were received and read:

On Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, May 24, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Assembly Concurrent Resolution No. 26—Relative to the fact-finding committee created by Senate Concurrent Resolution No. 10, and further defining its powers and duties in relation to home defense and the bearing thereof upon the solution of the problem of relief and unemployment;

Assembly Concurrent Resolution No. 27—Relative to the establishment of a legislative budget bureau;

Has had the same under consideration, and respectfully reports the same back, and recommends that they be adopted.

Committee membership—11; committee vote: Ayes—9; absent—2.

HAYS, Chairman.

SENATE CHAMBER, SACRAMENTO, May 24, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Assembly Bill No. 143—An act to create a joint legislative committee to study, investigate, survey and report to the Legislature regarding motor vehicles, including needed changes in the laws relating thereto, the enforcement of existing laws and the safe operation of vehicles upon the public highways, making an appropriation to carry out the provisions of this act, and repealing Chapter 25 of the Statutes of 1940, approved February 28, 1940, to take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that it do pass.

Committee membership—11; committee vote: Ayes—7; absent—4.

HAYS, Chairman.

SENATE CHAMBER, SACRAMENTO, May 24, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Assembly Concurrent Resolution No. 28—Relative to preparation of the budget bill to be submitted to the Legislature in 1941;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be adopted.

Committee membership—11; committee vote: Ayes—7; absent—4.

HAYS, Chairman.

On Rules.

SENATE CHAMBER, SACRAMENTO, May 24, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the following request by Senator Tickle for permission to offer a concurrent resolution:

Relative to the organization of citizens' guard rifle clubs to aid in the national defense;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the concurrent resolution offered, and placed on file.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, May 24, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Concurrent Resolution No. 29—Relative to the intention of the Legislature in using the term "Mackinaw cutthroat trout" in section 619.5 of the Fish and Game Code, as added by Chapter 778, Statutes of 1939;

Has had the same under consideration, and respectfully reports the same back, and recommends that the concurrent resolution be placed on file.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

SENATE CHAMBER, SACRAMENTO, May 24, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Joint Resolution No. 28—Relative to condemnation of the "smear campaign" against the Federal Bureau of Investigation, and memorializing Congress to increase the appropriation for the bureau:

Has had the same under consideration, and respectfully reports the same back, and recommends that it be re-referred to the Committee on Governmental Efficiency.

Committee membership—5, committee vote. Ayes—5.

SEAWELL, Chairman

Assembly Joint Resolution No. 28 read, and referred to Committee on Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, May 24, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 141—An act to amend section 1914 of the Harbors and Navigation Code, relating to San Francisco Harbor and the powers and duties of the Board of State Harbor Commissioners for San Francisco Harbor, declaring the urgency thereof, to take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be re-referred to the Committee on Governmental Efficiency.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Bill No. 141 read first time, and referred to Committee on Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, May 24, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Concurrent Resolution No. 24—Requesting the Governor to proclaim February 12 and 22 holidays on which the public schools shall be closed;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be referred to Committee on Governmental Efficiency.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Assembly Concurrent Resolution No. 24 read, and referred to Committee on Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, May 24, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Concurrent Resolution No. 28—Relative to preparation of the budget bill to be submitted to the Legislature in 1941;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be referred to Committee on Governmental Efficiency.

Committee membership—5; committee vote Ayes—5.

SEAWELL, Chairman.

Assembly Concurrent Resolution No. 28 read, and referred to Committee on Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, May 24, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Bill No. 87—An act amending sections 3 and 5 of an act entitled "An act creating the Colorado River Board of California and the office of Colorado River Commissioner of California, prescribing the powers and duties of said board and commissioner," approved July 1, 1937, relating to powers and duties of the board and commissioner, to repeal Chapter 14 of the statutes of the first extraordinary session of 1940, convened on January 29, 1940, declaring the urgency thereof, and providing this act shall take effect immediately;

Senate Bill No. 88—An act relating to parks and making an appropriation from the State Park Maintenance and Acquisition Fund for the operation, maintenance and extension of the State park system, to repeal an act entitled "An act relating to parks and making an appropriation from the State Park Maintenance and Acquisition Fund for the operation, maintenance and extension of the State park system," approved February 28, 1940, and providing that this act shall take effect immediately;

Senate Bill No. 84—An act to validate the organization, boundaries, governing officers or boards, acts, proceedings, and bonds of school districts, to take effect immediately;

Senate Concurrent Resolution No. 15—Relative to the operation, maintenance, and extension of the State park system;

And reports that the same have been correctly enrolled and presented to the Governor on the twenty-fourth day of May, 1940, at three o'clock p.m.

SEAWELL, Chairman.

Introduction, First Reading and Reference of Bills.

The following bill was introduced:

Senate Concurrent Resolution No. 20: By Senator Tickle—Relative to the organization of citizens' guard rifle clubs to aid in the national defense.

Consideration of Senate Concurrent Resolution No. 20.

Senate Concurrent Resolution No. 20.

Relative to the organization of citizens' guard rifle clubs to aid in the national defense.

WHEREAS, A movement has recently been instituted for the organization of citizens' guard rifle clubs to offer their services for the national defense; and

WHEREAS, Such groups will undoubtedly be applying for licenses as military companies pursuant to the provisions of the Military and Veterans Code; and

WHEREAS, It is proposed that these citizens' guard rifle clubs shall be composed of men 35 years of age and older with a nucleus of World War veterans; and

WHEREAS, Such units will undoubtedly be of great benefit in coping with fifth column activities in the United States and the protection of airports, water works and communication lines should the United States be attacked by a foreign power; now, therefore, be it

Resolved by the Senate of the State of California, the Assembly concurring, That the Legislature hereby commends the organization of such citizens' guard rifle clubs and respectfully directs the attention of all persons interested in the national defense to such organizations; and be it further

Resolved, That should application be made to the Governor for the licensing of such organizations as licensed military companies in accordance with the provisions of the Military and Veterans Code, the Governor is hereby respectfully requested to grant such licenses.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Concurrent Resolution No. 20 adopted by the following vote:

AYES—Senators Breed, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Hays, Holohan, Keating, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Seawell, Slater, Tickle, and Wagy—26.

NOES—None.

Senate Concurrent Resolution No. 20 ordered transmitted to the Assembly.

Leave of Absence.

Senator Brown was, on motion of Senator Foley, granted leave of absence for the balance of this legislative day.

Privilege of Floor of Senate Extended.

On request of Senator McBride, the privilege of the floor of the Senate Chamber for this day was unanimously extended to the Misses Marie Cochran, Clarion Moidel, Mabel Sorem and Kathryn Cyper of Ventura, Mrs. Elsie Roderick of Fillmore, Mrs. T. Turner, Mrs. L. Hawk and Mrs. James McBride of Glendale.

On request of Senator Mixter, the privilege of the floor of the Senate Chamber for this day was unanimously extended to R. E. Combs of Visalia.

On request of Senator Gordon, the privilege of the floor of the Senate Chamber for this day was unanimously extended to J. Curry of San Francisco.

Consideration of Assembly Concurrent Resolution No. 26.

Assembly Concurrent Resolution No. 26.

Relative to the fact-finding committee created by Senate Concurrent Resolution No. 10, and further defining its powers and duties in relation to home defense and the bearing thereof upon the solution of the problem of relief and unemployment.

WHEREAS, The President has launched a national defense program to meet any possible national emergency, in which he is accorded the full cooperation and sympathy of the people; and

WHEREAS, In the light of disclosures of military tactics and methods employed in the great war in Europe it has been demonstrated that home defense on the part of civilians is imperative when the organized military forces are in the field actively engaging the enemy on far-flung fronts; and

WHEREAS, Home defense, in view of the intensive mechanization of modern military units, comprehends the planning, coordination and expansion of all phases of the industrial, manufacturing and transportation processes and facilities, State and Nation, including also intensive training of personnel in all the arts and skills involved, all of which has a definite and crucial bearing upon the problems of relief, employment, unemployment, necessary governmental expenditures, needed State revenues and means of collection thereof, and other problems committed to the Legislature for consideration and action by the gubernatorial proclamation of January 26, 1940, convening the Legislature in extraordinary session, and especially within the scope of the subjects committed to the fact-finding committee of the Senate and Assembly (by Senate Concurrent Resolution No. 10 this session adopted) for study and report; now, therefore, be it

Resolved by the Assembly of the State of California, the Senate thereof concurring, That Senate Concurrent Resolution No 10 of the first extraordinary session of 1940 is hereby supplemented, and the fact-finding committee by that resolution created is charged with the duty of studying and reporting to the Legislature as to needed legislation upon subjects of this Assembly concurrent resolution, and matters related thereto, including the need for industrial plant expansion and the fostering of new industries and the reduction of unemployment thereby, which the committee shall undertake as a part of the studies committed to it by said Senate Concurrent Resolution No. 10, to which end:

(1) Said committee, in carrying out the provisions of this resolution, shall have and exercise all of the powers, duties, jurisdiction and authority vested in it by said Senate Concurrent Resolution No. 10, as fully as if all of the provisions of said resolution were herein set forth at length;

(2) An advisory committee to the fact-finding committee is hereby created, to consist of fifteen nonlegislator members, appointed by the fact-finding committee, the appointees to include industrial, military, naval, aeronautical, transportation, employment, vocational training and scientific experts, and representatives of labor, to advise, aid and counsel the fact-finding committee in the studies conducted by the latter in carrying out the purposes of this resolution;

(3) The advisory committee shall have and exercise such powers and duties as shall be defined from time to time by the fact-finding committee, within the scope of the powers and duties committed to the latter by this resolution; and

(4) The actual and necessary expenses of the advisory committee, and of its members, shall be paid out of moneys allotted to the fact-finding committee, disbursed and paid from the same funds, in the same manner and upon like certification as the expenses of the fact-finding committee and its members are disbursed and paid.

Resolution read.

The question being on the adoption of the resolution

The roll was called, and Assembly Concurrent Resolution No. 26 adopted by the following vote:

AYES—Senators Breed, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Gordon, Hays, Holohan, Keating, Mayo, McCormack, Mixter, Myhand, Nielsen, Parkman, Powers, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—25.
NOES—None.

Assembly Concurrent Resolution No. 26 ordered transmitted to the Assembly.

Consideration of Assembly Concurrent Resolution No. 27.

Assembly Concurrent Resolution No. 27.

Relative to the establishment of a legislative budget bureau.

WHEREAS, It appears necessary and desirable that the Legislature provide for the establishment of a legislative budget bureau or like agency, the duties of which shall be to study the State budget while it is in course of preparation and to report thereon to the Legislature at the time it is submitted and to compile and submit to the Legislature impartial and accurate information as to the fiscal needs of the State; and

WHEREAS, It is necessary that careful consideration be given to the preparation of legislation designed to accomplish this purpose; now, therefore, be it

Resolved by the Assembly of the State of California, the Senate thereof concurring, That the Legislative Counsel of California is hereby requested and directed to consider and prepare a draft, or alternative drafts, of a measure designed effectually to accomplish the foregoing purposes and to transmit such draft or drafts together with such recommendations as he may desire to make to the chairman of the Assembly committee on ways and means and the chairman of the Senate committee on finance upon the convening of the Legislature in regular session in 1941.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Concurrent Resolution No. 27 adopted by the following vote:

AYES—Senators Breed, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Gordon, Hays, Holohan, Keating, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Shelley, Slater, Tickle, and Wagy—25.

NOES—None.

Assembly Concurrent Resolution No. 27 ordered transmitted to the Assembly.

Consideration of Assembly Concurrent Resolution No. 28.

Assembly Concurrent Resolution No. 28.

Relative to preparation of the budget bill to be submitted to the Legislature in 1941.

WHEREAS, It is the desire of the Legislature to exercise a greater degree of control over appropriations made by budget bills for the support of the several State departments, agencies, and officers; and

WHEREAS, It has been the practice in the past to provide for the support of such departments, agencies, and officers through blanket appropriation items in the bill, without regard to the purposes for which the money is specifically to be used; now, therefore, be it

Resolved by the Assembly of the State of California, the Senate thereof concurring, That the Governor of the State of California and the Director of Finance are hereby requested, in the preparation of the budget bill to be submitted to the Legislature in 1941, to follow the recommendations made by the subcommittee on budgetary control of the Assembly interim committee on revenue and taxation, as set forth in the report of the subcommittee appearing at page 559 of the Assembly Journal for May 21, 1940; and be it further

Resolved, That the Chief Clerk of the Assembly transmit a copy of this resolution to the Governor of the State of California and to the Director of Finance.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Concurrent Resolution No. 28 adopted by the following vote:

AYES—Senators Breed, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Gordon, Hays, Holohan, Keating, Kenny, Mayo, McBride, McCormack,

Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Shelley, Slater, Tickle, and Wagy—27.
NOES—None.

Assembly Concurrent Resolution No. 28 ordered transmitted to the Assembly.

Consideration of Assembly Concurrent Resolution No. 29.

Assembly Concurrent Resolution No. 29.

Relative to the intention of the Legislature in using the term "Mackinaw cutthroat trout" in section 619.5 of the Fish and Game Code, as added by Chapter 778, Statutes of 1939

WHEREAS, Some confusion has arisen from the use of the term "Mackinaw cutthroat trout" in section 619.5 of the Fish and Game Code as added by Chapter 778, Statutes of 1939, and certain enforcing officers are reported to have declared an *intention to disregard the provisions of said section 619.5 which establish a bag limit* of 5 such trout per day regardless of size and to enforce the general bag limit for trout which is 25 trout but not more than 10 pounds and 1 trout; and

WHEREAS, The fish designated as the Mackinaw cutthroat trout is a large fish which frequently attains a weight of 20 or more pounds and under the general bag limit for trout the limit would ordinarily be two fish; and

WHEREAS, The Legislature intended to increase the bag limit as to the fish designated by it as the Mackinaw cutthroat trout to 5 fish per day; now, therefore, be it

Resolved by the Assembly of the State of California, the Senate thereof concurring, That in using the term "Mackinaw cutthroat trout" in section 619.5 of the Fish and Game Code, as added by Chapter 778, Statutes of 1939, the Legislature intended to designate the fish commonly designated by fishermen fishing in the waters of Lake Tahoe and vicinity as the Mackinaw.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Concurrent Resolution No. 29 adopted by the following vote:

AYES—Senators Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Gordon, Hays, Holohan, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Quinn, Rich, Seawell, Shelley, Slater, and Wagy—24.
NOES—None.

Assembly Concurrent Resolution No. 29 ordered transmitted to the Assembly.

Resolution.

The following resolution was offered:

By Senator Breed:

Resolved, That Assembly Bill No. 143 presents a case of urgency, as that term is used in Section 15 of Article IV of the Constitution, and the provision of that section requiring that the bill shall be read on three several days in each House is hereby dispensed with, and it is ordered that said bill be read the second and third times, and placed upon its passage.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and the Resolution adopted by the following vote:

AYES—Senators Breed, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Gordon, Hays, Holohan, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Seawell, Shelley, Slater, and Wagy—27.
NOES—None.

Whereupon the President declared the provisions of Section 15, Article IV of the Constitution suspended for the purpose of considering, at this time, Assembly Bill No. 143.

Consideration of Assembly Bill No. 143.

Assembly Bill No. 143—An act to create a joint legislative committee to study, investigate, survey and report to the Legislature regarding motor vehicles, including needed changes in the laws relating thereto, the enforcement of existing laws and the safe operation of vehicles upon the public highways, making an appropriation to carry out the provisions of this act, and repealing Chapter 25 of the Statutes of 1940, approved February 28, 1940, to take effect immediately.

Bill read second time.

Bill read third time.

Urgency Clause.

SEC. 8. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the State Constitution and shall, therefore, go into immediate effect. A statement of the facts constituting such necessity is as follows:

A swelling stream of traffic over the highways of this State has created problems that require an early solution.

Traffic accidents have increased to alarming proportions, reckless and careless driving have taken a huge and appalling toll in life and property, traffic law enforcement has become more and more complicated. In desperation citizens everywhere are calling out to the Legislature for succor and relief.

The gravity of the situation necessitates a thorough study and complete investigation of its underlying causes, on the basis of which this Legislature can act wisely and judiciously in framing corrective legislation in 1941. As a consequence, and because the time remaining for such study and investigation is so short, it is imperative that this act go into effect at the earliest possible date.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Breed, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Gordon, Hays, Holohan, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Parkman, Powers, Quinn, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—27.

NOES—None.

The question being on the passage of the bill.

The roll was called.

Call of the Senate.

Pending the announcement of the vote, Senator Seawell moved a call of the Senate.

Motion carried.

The Secretary was directed to call the roll.

The roll was called, and the following answered to their names:

Senators Breed, Collier, Crittenden, Cunningham, DeLap, Fletcher, Foley, Gordon, Hays, Holohan, Keating, Kenny, Mayo, Mixter, Myhand, Nielsen, Parkman, Powers, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—24.

The Secretary announced the absentees.

Time, three o'clock and fifteen minutes p.m.

The President of the Senate directed the Sergeant-at-Arms to close the doors.

The Sergeant-at-Arms having been furnished with the names of the absentees, was directed to bring them to the bar of the Senate.

Proceedings Under Call of the Senate.

Motion.

Senator Seawell moved that no further leaves of absence be granted for this legislative day.

Motion carried, and such was the order.

Senate Resolution No. 54.

The following resolution was offered:

By Senator Seawell:

Resolved by the Senate of the State of California, That the Legislative Counsel is hereby directed to prepare a summary digest of all statutes heretofore enacted and all constitutional amendments heretofore proposed at the first and second extraordinary sessions of the Fifty-third Legislature, and also to prepare a subject list of all bills, constitutional amendments and resolutions heretofore introduced in either the Senate or the Assembly at the first and second extraordinary sessions of the Fifty-third Legislature; and be it further

Resolved, That copies of said subject list and said summary digest be mailed to the members of the Legislature as soon as possible after the printing thereof; and be it further

Resolved, That the Secretary of the Senate is hereby instructed to cause to be printed not to exceed one thousand copies each of the summary digest and of the subject list, the cost thereof to be paid from the legislative printing appropriation.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 54 adopted by the following vote:

AYES—Senators Breed, Collier, Crittenden, Cunningham, DeLap, Fletcher, Foley, Gordon, Hays, Holohan, Keating, Kenny, Mayo, Mixter, Myhand, Nielsen, Parkman, Powers, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—24.

NOES—None.

Request for Permission to Offer a Concurrent Resolution.

The following request for permission to offer a concurrent resolution was presented:

By Senator Nielsen:

SENATE CHAMBER, SACRAMENTO, May 24, 1940.

MR. PRESIDENT: In accordance with the provisions of the standing rules of the Senate, I request permission to offer a concurrent resolution, the title of which is set forth below:

Relative to the appointment of a joint committee to investigate the appointment and commissioning of officers of the California National Guard.

Respectfully submitted.

SENATOR NIELSEN.

Request referred to Committee on Rules.

Report of Standing Committee.

The following report of standing committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, May 24, 1940.

MR. PRESIDENT. Your Committee on Rules, to which was referred the following request by Senator Nielsen for permission to offer a concurrent resolution:

Relative to the appointment of a joint committee to investigate the appointment and commissioning of officers of the California National Guard;

Has had the same under consideration, and respectfully reports the same back, and recommends that permission be granted, the concurrent resolution offered, and placed on file.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Introduction, First Reading and Reference of Bills.

The following concurrent resolution was introduced:

Senate Concurrent Resolution No. 21: By Senator Nielsen—Relative to the appointment of a joint committee to investigate the appointment and commissioning of officers of the California National Guard.

Consideration of Senate Concurrent Resolution No. 21.

Senate Concurrent Resolution No. 21.

Relative to the appointment of a joint committee to investigate the appointment and commissioning of officers of the California National Guard.

WHEREAS, The appointment and commissioning of officers in the California National Guard is required to be based upon the fitness of the person commissioned; and

WHEREAS, It is reported that persons are being commissioned as officers in the California National Guard who do not possess the training and fitness requisite to the position; and

WHEREAS, The fitness and ability of the commissioned personnel of the California National Guard is a matter vitally related to the welfare of the people of the State; now, therefore, be it

Resolved by the Senate of the State of California, the Assembly thereof concurring, That there is hereby created a joint legislative committee to investigate appointments and commissions in the California National Guard, to consist of five members, two of which are to be appointed by the President Pro Tempore of the Senate and three by the Speaker of the Assembly; and be it further

Resolved, That said committee is hereby empowered to make a complete study, survey and investigation of every phase of the subject of this resolution; and be it further

Resolved, That the committee, each of its members, and any representative of the committee thereunto authorized by the committee or by its chairman, is authorized and empowered to administer oaths; and all of the provisions of Article VIII, Chapter II, Title I, Part III of the Political Code, relating to the attendance and examination of witnesses before the Legislature and committees thereof, apply to the committee hereby created; and be it further

Resolved, That every department, commission, board, agency, officer and employee of the State Government and of any political subdivision, county, city, or public district of or in this State shall furnish the committee, upon request, any and all such assistance, and information, records and documents as the committee deems proper for the accomplishment of the purposes for which the committee is created.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Concurrent Resolution No. 21 adopted by the following vote:

AYES—Senators Breed, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Gordon, Hays, Holohan, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Seawell, Slater, Tickle, and Wagy—24.

NOES—Senators Garrison, Kenny, and Shelley—3.

Senate Concurrent Resolution No. 21 ordered transmitted to the Assembly.

Senate Resolution No. 55.

The following resolution was offered:

By Senator Shelley:

Resolved, That the President of the Senate appoint a committee of three to notify the Governor that the Senate is ready to recess in accordance with the provisions of Senate Concurrent Resolution No. 16 and to ask His Excellency if he has any further communications to transmit to the Senate.

Resolution read, and on motion of Senator Shelley adopted.

Appointment of Special Committee.

The President announced, in accordance with the above resolution, the appointment of Senators Shelley, McBride, and Tickle.

Senate Resolution No. 56.

The following resolution was offered:

By Senator DeLap:

Resolved, That the President of the Senate appoint a committee of three to notify the Assembly that the Senate is ready to recess in accordance with the provisions of Senate Concurrent Resolution No. 16 and to ask the Assembly if it has any further communication to submit to the Senate

Resolution read, and on motion of Senator DeLap adopted.

Appointment of Special Committee.

The President announced, in accordance with the above resolution, the appointment of Senators DeLap, Garrison, and Breed.

Further Proceedings Under Call of the Senate Dispensed With.

At three o'clock and thirty minutes p.m., further proceedings under the call of the Senate were dispensed with, on motion of Senator Seawell

The names of the absentees were called, and Assembly Bill No. 143 passed by the following vote:

AYES—Senators Breed, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Seawell, Shelley, Slater, Tickle, and Wagy—29

NOES—None.

Title read and approved. Assembly Bill No. 143 ordered transmitted to the Assembly.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, May 24, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly adopted:

Senate Concurrent Resolution No. 21—Relative to the appointment of a joint committee to investigate the appointment and commissioning of officers of the California National Guard

JACK CARL GREENBURG, Chief Clerk of Assembly
By C. W. BOOTH, Assistant Clerk.

Senate Concurrent Resolution No. 21 ordered to enrollment.

ASSEMBLY CHAMBER, SACRAMENTO, May 24, 1940

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Senate Concurrent Resolution No. 20—Relative to the organization of citizens' guard rifle clubs to aid in the national defense.

JACK CARL GREENBURG, Chief Clerk of Assembly
By C. W. BOOTH, Assistant Clerk.

Senate Concurrent Resolution No. 20 ordered to enrollment

Approval of Minutes.

The minutes of this legislative day, Friday, May 24, 1940, were, on motion of Senator Seawell, approved as corrected by the Minute Clerk.

President Pro Tempore in the Chair.

At three o'clock and forty-five minutes p m., Hon Jerrold L. Seawell, President Pro Tempore of the Senate, in the chair.

Report of Standing Committee.

The following report of standing committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO May 24, 1940.

MR PRESIDENT Your Committee on Rules has examined:

Senate Bill No. 90—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment and for the administration thereof, providing the conditions and terms upon which any expenditure for such relief may be made and declaring that this act shall take effect immediately;

Senate Concurrent Resolution No. 21—Relative to the appointment of a joint committee to investigate the appointment and commissioning of officers of the California National Guard;

Senate Concurrent Resolution No 20—Relative to the organization of citizens' guard rifle clubs to aid in the national defense,

And reports that the same have been correctly enrolled and presented to the Governor on the twenty-fourth day of May, 1940, at three o'clock p m

SEAWELL, Chairman.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, May 24, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Assembly Joint Resolution No 24—Relative to legislation by the Federal Government for a uniform system of old age pensions throughout the United States.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Joint Resolution No 24 ordered referred to Committee on Rules

ASSEMBLY CHAMBER, SACRAMENTO, May 24, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted.

Assembly Concurrent Resolution No 30—Relative to the construction of a dam in Rector Canyon.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Concurrent Resolution No 30 ordered referred to Committee on Rules.

ASSEMBLY CHAMBER, SACRAMENTO, May 22, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day concurred in Senate amendments to

Assembly Bill No 122

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Report of Committee.

Senator DeLap, as chairman of the committee appointed to inform the Assembly of the readiness of the Senate to adjourn for the recess,

as provided in Senate Concurrent Resolution No. 16, reported that the committee had delivered the message to the Assembly and had been requested by the Assembly to inform the Senate that the Assembly had no further communications to transmit, as they were prepared to adjourn for the recess.

Report of Committee.

Senator Shelley, as chairman of the committee appointed to wait upon the Governor and inform him of the readiness of the Senate to adjourn for the recess, as provided in Senate Concurrent Resolution No. 16, reported that they had performed their duty.

Adjournment.

Whereupon at four o'clock p.m., on motion of Senator Nielsen, in accordance with the provisions of Senate Concurrent Resolution No. 16, the President Pro Tempore of the Senate declared the fifty-third (extraordinary) session of the Senate adjourned until twelve o'clock noon Monday, December 2, 1940, unless sooner reconvened in accordance with the provisions of Senate Concurrent Resolution No. 16.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER, SACRAMENTO,
Saturday, September 21, 1940.

The Senate met at eleven o'clock a.m., pursuant to the notice of Jerrold L. Seawell, President pro tempore of the Senate, and Gordon H. Garland, Speaker of the Assembly, issued under the authority of Senate Concurrent Resolution No. 16, dated May 22, 1940, convening the Legislature of the State of California on this day in extraordinary session.

Lieutenant Governor Ellis E. Patterson, President of the Senate of the fifty-third session, in the chair, called the Senate to order.

Pursuant to the provisions of section 237 of the Political Code, Joseph A. Beek, Secretary of the Senate, James Boyd Garrison, Minute Clerk, and Joseph F. Nolan, Sergeant-at-Arms, were present and occupied their respective positions.

Roll Call.

The roll was called, and the following Senators answered to their names:

Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holoban, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—35.

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev. A. Raymond Grant.

Notice of the President pro tempore and Speaker.

The President of the Senate directed the Secretary of the Senate to read the notice of the President pro tempore and Speaker convening the Legislature in extraordinary session.

Whereupon the following Certificate of the Secretary of the Senate was read and ordered printed in the Journal:

CERTIFICATE OF SECRETARY OF SENATE.

This is to certify that on the sixth day of September, 1940, the following notice was filed with me by Jerrold L. Seawell, known to me to be President pro tempore of the Senate and Gordon H. Garland, known to me to be the Speaker of the Assembly,

"Notice of Reconvening of the First Extraordinary Session of the Fifty-third Legislature and the Senate and Assembly thereof.

To the Members of the Senate and Assembly of the California Legislature

You and each of you are hereby notified that we, Jerrold L. Seawell, President pro tempore of the Senate, and Gordon H. Garland, Speaker of the Assembly, believe that it will be for the best interests of the State that the first extraordinary session of the Fifty-third Legislature and the Senate and

Assembly thereof reconvene in accordance with the provisions of Senate Concurrent Resolution No. 16, Resolution Chapter 53, of the first extraordinary session of the Fifty-third Legislature, on a day prior to the second day of December, 1940.

Therefore, we, Jerrold L. Seawell, President pro tempore of the Senate, and Gordon H. Garland, Speaker of the Assembly, by virtue of the power and authority vested in us by Senate Concurrent Resolution No 16, Resolution Chapter 53, of the first extraordinary session of the Fifty-third Legislature, do hereby call the first extraordinary session of the Fifty-third Legislature and the Senate and Assembly thereof together to meet and assemble at Sacramento, California, on the twenty-first day of September, 1940, at eleven o'clock a.m of that day, and the first extraordinary session of the Fifty-third Legislature and the Senate and Assembly thereof shall by virtue hereof reconvene at the time and place hereinbefore designated

In witness whereof, we have hereunto subscribed our names this sixth day of September, 1940

JERROLD L. SEAWELL,
President pro tempore of the Senate
GORDON H. GARLAND,
Speaker of the Assembly"

and that following the receipt of such certificate I forwarded a certified copy thereof to each member of the Senate

J. A. BEEK,
Secretary of the Senate

The following certification and authentication by the Secretary of State, bearing on the foregoing notice, was ordered printed in the Journal:

STATE OF CALIFORNIA, DEPARTMENT OF STATE.

I, PAUL PEEK, Secretary of State of the State of California, do hereby certify:

That J A. BEEK, whose name is subscribed to the annexed certificate, is, and was at the time of such subscription, the duly appointed, qualified and acting Secretary of the Senate of the California Legislature;

That the signature as appears on the said annexed certificate is the signature of the aforesaid J. A Beek, and that the said certificate is entitled to full faith and credit

I further certify that this authentication is made by me as the proper officer.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of California this twenty-first day of September, 1940.

PAUL PEEK, Secretary of State.
[SEAL] By CHAS J. HAGERTY, Deputy.

Privilege of Floor of Senate Extended.

On request of Senator Collier, the privilege of the floor of the Senate Chamber for this day was unanimously extended to B. F. Decker, Horse Creek; Mrs Louis Johnson, Horse Creek; Louis Johnson, Horse Creek; J. J. McNamara, Chairman of Board of Supervisors, Crescent City.

On request of Senator Fletcher, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mrs. Lena Van Harten and Mr. and Mrs. Ed Fletcher, Jr., all of San Diego.

On request of Senator McBride, the privilege of the floor of the Senate Chamber for this day was unanimously extended to former Senator W. H. Duval and J. F. Leavens, both of Santa Paula.

On request of Senator Foley, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mrs. George E. Shaw of Palo Alto and Mr. Alfred Aram of San Jose.

On request of Senator Tickle, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mary V. Orr of Hollister.

On request of Senator Brown, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Geo Wiebert of Bishop.

On request of Senator Garrison, the privilege of the floor of the Senate Chamber for this day was unanimously extended to James H. Corley, Jr., Acting Comptroller University of California, Berkeley.

On request of the President of the Senate, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mr. and Mrs. Lloyd Peterson of Duluth, Minnesota, and Miss Ruth Peterson of Sacramento.

Senate Resolution No. 57.

The following resolution was offered:

By Senator Kenny:

Resolved, That the President of the Senate appoint a Special Committee of Three to notify the Governor that the Senate has reconvened the fifty-third (first extraordinary) session pursuant to Senate Concurrent Resolution No. 16, and is now ready to receive any communication he may have to make

Resolution read, and on motion of Senator Kenny adopted

Appointment of Special Committee.

The President announced, in accordance with the above resolution, the appointment of Senators Kenny, Hollister and Rich.

Senate Resolution No. 58.

The following resolution was offered:

By Senator Breed:

Resolved, That the President of the Senate appoint a Special Committee of Three to notify the Assembly that the Senate has reconvened the fifty-third (first extraordinary) session pursuant to Senate Concurrent Resolution No. 16, and is ready to proceed with the business of the State.

Resolution read, and on motion of Senator Breed adopted.

Appointment of Special Committee.

The President announced, in accordance with the above resolution, the appointment of Senators Breed, Mayo, and McBride.

Communication.

The following communication was received, read, and ordered printed in the Journal:

STATE OF CALIFORNIA, OFFICE OF THE CONTROLLER,
SACRAMENTO, September 18, 1940.

To the Honorable Members of the Senate,
State Capitol, Sacramento, California

GREETINGS: Your resolution of September 13th requested me to submit a statement of the expenditures made from and the balance remaining in the Emergency Fund created by the Budget Act of 1939 This statement has been prepared, and is attached.

The amount appropriated to the Emergency Fund in the Budget Act of 1939 was $1,750,000. The present unallotted balance is $745,802.02. Thus, the allotments made since July 1, 1939, from this fund have totaled $1,004,197 98 These allotments are classified into two general groups. These groups are non-repayable allotments and repayable allotments. Allotments in the latter group are made as loans, and according to the terms of the allotment, are to be repaid to the Emergency Fund. The non-repayable allotments, net after certain cancellations, total $549,006.37; the net repayable allotments total $455,191 61.

Loans to the State Relief Administrator in the amount of $350,000, for the purpose of establishing Federal Food stamp and cash revolving funds, constitute a great part of the repayable allotments. According to the terms of the amendments made by the Legislature on September 13, 1940, to the Unemployment Relief Appropriation Act of 1940, these loans are not to be repaid by the State Relief Administrator until on or about March 31, 1941

The Director of Finance may have promised to set up allotments out of the Emergency Fund to cover certain contingencies, if such allotments become necessary. If so, these promises are not reflected upon the Controller's records, and are not included in the attached statement. The unallotted balance in the Emergency Fund, as shown on our records, will have to be reduced to the extent that these promises, if any, require the issuance of an executive order creating an allotment.

Respectfully submitted.
HARRY B. RILEY,
Controller.

Enclosure.

STATE OF CALIFORNIA.

Emergency Fund, Chapter 486, Statutes of 1939

July 1, 1939, to September 12, 1940.

Recapitulation

Emergency Fund Appropriation, Ch. 486/39, July 1, 1949		$1,750,000 00
Less—		
Allotments Made 7/1/39 to 9/12/40		
Non-Repayable Allotments	$564,988 75	
Repayable Allotments	496,166 21	1,061,154 96
Balance		$688,845 04
Plus—		
Allotments Canceled 7/1/39 to 9/12/40		
Non-Repayable Allotments	$15,982 38	
Repayable Allotments	40,974 60	$56,956 98
Emergency Fund, Unalloted Balance, 9/12/40		$745,802 02

Amount Available for Future Allotments from Emergency Fund, Ch. 486/39, Upon Repayment to Emergency Fund of Present Repayable Allotments Outstanding

Emergency Fund, Unalloted Balance, 9/12/40		$745,802 02
Plus—		
Repayable Allotments Outstanding, 9/12/40		
Gross Allotments through 9/12/40	$496,166 21	
Less—		
Cancellation of Allotments through 9/12/40	40,974 60	
Net Allotments Repayable, 9/12/40		455,191 61
Total Available for Future Allotments, per above		$1,200,993 63

Compiled under the direction of Harry B. Riley, State Controller, September 12, 1940.

ALLOTMENTS FROM EMERGENCY FUND.

Chapter 486, Statutes of 1939.
Period July 1, 1939, to September 12, 1940.

E. O. No.	Purpose	Non-Repayable Allotments				Repayable Allotments			
		Allotted During Period	Canceled During Period	Expenditures (Net)	Balance 9/12/40	Allotted During Period	Canceled During Period	Expenditures (Net)	Balance 9/12/40
E-402	Controller, Inheritance Tax Division, Support (Repayable from Gift Tax Fund)					$20,000 00	$20,000 00	---------	--------
E-412	Department of Penology, Support	$6,600 00	--------	$6,598 41	$1 59				
E-413	San Francisco State College, Appraisal of Land	582 76	--------	582 76	-------				
E-416	State Relief Administration, Revolving Fund (Repayable from SERA Fund)					25,000 00	---------	$25,000 00	--------
E-421	Railroad Commission, Enforcement and Administration of Itinerant Merchants Act (Repayable from Itinerant Merchants Fund)					3,000 00	---------	1,107 72	$1,892 28
E-422	Department of Public Health, Wine and Brandy Standardization	3,107 98	$3,107 98	---------	-------				
E-432	Division of Parks, Additional Support	15,950 00	--------	15,950 00	-------				
E-433	Premiums on Auto Liability Insurance (Repayable by Department of Finance)					10,000 00	10,000 00	---------	--------
E-434	State Relief Administration, Food Stamp Revolving Fund (Repayable from SERA Fund)					75,000 00	---------	75,000 00	--------
E-435	State Relief Administration. Food Stamp Revolving Fund (Repayable from SERA Fund)					100,000 00	---------	100,000 00	--------
E-437	State Relief Administration, Food Stamp Revolving Fund (Repayable from SERA Fund)					50,000 00	---------	50,000 00	--------
E-438	Division of Narcotic Enforcement, Support	30,000 00	6,500 00	17,153 86	6,346 14				
E-439	Department of Penology, Support	1,200 00	--------	1,189 24	10 76				

ALLOTMENTS FROM EMERGENCY FUND—Continued.

Chapter 486, Statutes of 1939.

Period July 1, 1939, to September 12, 1940.

E. O. No.	Purpose	Non-Repayable Allotments: Allotted During Period	Canceled During Period	Expenditures (Net)	Balance 9/12/40	Repayable Allotments: Allotted During Period	Canceled During Period	Expenditures (Net)	Balance 9/12/40
E-441	State Relief Administration, Food Stamp Revolving Fund (Repayable from SERA Fund)					$50,000 00	----------	$50,000 00	---------
E-442	Department of Professional and Vocational Standards, Support of Business and Professions Building (Repayable from Building Rentals)					10,000 00	$10,000 00	----------	---------
E-443	Lieutenant Governor, Support	$2,210 72	---------	$2,188 84	$21 88				
E-444	State Employees Retirement Board, Support	8,000 00	---------	508 39	7,491 61				
E 115	Advisory Pardon Board, Support	2,000 00	---------	1,999 05	95				
E-446	Loan to Printing Fund					25,000 00	974 60	24,025 40	---------
E-447	Farm Debt Adjustment Commission, Support	80 00	---------	68 72	11 28				
E-448	Lieutenant Governor, Support	1,400 00	---------	1,386 46	13 54				
E 449	State Relief Administration, Food Stamp Revolving Fund (Repayable from SERA Fund)					50,000 00	----------	50,000 00	---------
E-450	Department of Natural Resources, Support	31,749 00	---------	30,016 53	1,732 47				
E-451	Department of Natural Resources, Support	145,875 45	---------	145,470 43	405 02				
E-452	Loan to Printing Fund					14,000 00	----------	----------	$14,000 00
E-453	Printing California State Park Bonds	684 45	---------	684 45	-------				
E-454	California School for the Blind, Construction	10,000 00	---------	10,000 00	-------				
E-455	Department of Penology, Support	6,374 40	$6,374 40	----------	-------				
E-456	Legislative Counsel Bureau, Support	3,600 00	---------	3,567 22	32 78				
E-457	Attorney General, Support (Repayable by Attorney General)					20,000 00	----------	4,089 52	15,910 48
E-458	Loan to Printing Fund					12,800 00	----------	12,136 02	663 98

ALLOTMENTS FROM EMERGENCY FUND—Continued.

Chapter 486, Statutes of 1939.
Period July 1, 1939, to September 12, 1940.

E. O. No.	Purpose	Non-Repayable Allotments: Allotted During Period	Canceled During Period	Expenditures (Net)	Balance 9/12/40	Repayable Allotments: Allotted During Period	Canceled During Period	Expenditures (Net)	Balance 9/12/40
E-459	Division of Water Resources, Support	$4,000 00	--------	$468 94	$3,531 06				
E-460	State Employees Retirement Board, Support	1,415 00	--------	1,415 00	-------				
E-461	Lieutenant Governor, Support	1,600 00	--------	580 00	1,020 00				
E-462	Department of Education, Elementary and Secondary Education, Buildings	12,750 00	--------	12,750 00	-------				
E-463	Department of Natural Resources, Support	153,695 40	--------	150,106 33	3,589 07				
E-465	Advisory Pardon Board, Support	375 00	--------	342 61	32 39				
E-466	Division of Water Resources Support	22,600 00	--------	4,587 94	18,012 06				
E-467	State Library, Support	568 59	--------	568 59	-------				
E-468	Department of Penology, Support	1,000 00	--------	765 11	234 89				
E-469	Napa State Farm, Purchase of Cattle (Repayable from Napa State Farm Revolving Fund)					$8,640 00	---------	$8,640 00	--------
E-470	Third District Court of Appeal, Support	250 00	--------	249 43	57				
E-471	Division of Water Resources, Support	90,600 00	--------	---------	90,600 00				
E-472	Department of Penology, Support	6,220 00	--------	---------	6,220 00				
E-474	Folsom Prison, Support	500 00	--------	173 86	326 14				
E-475	Premiums on Auto Liability Insurance (Repayable by Department of Finance)					22,726 21	---------	22,726 21	--------
	Grand Totals	$564,988 75	$15,982 38	$409,372 17	$139,634 20	$496,166 21	$40,974 60	$422,724 87	$32,466 74

Messages from the Governor.

The following messages from the Governor were received, read, and referred to the Committee on Rules:

STATE OF CALIFORNIA, GOVERNOR'S OFFICE,
SACRAMENTO, September 21, 1940

To the Honorable Members of the Senate,
State Capitol, Sacramento, California

GREETINGS: Will the Senate advise and consent to the following appointments to the State Board of Prison Directors:

Chris Merchant, San Francisco, vice John D McGilvray, removed, for the term ending Jan 12, 1948;

Dr. W. Earle Smith, San Francisco, vice Ed L Abbott, removed, for the term ending Jan. 12, 1946,

Hugh Lovett Spears, Grapevine, vice T N. Harvey, removed, for the term ending Jan. 12, 1944;

George A Briggs, Los Angeles, vice A R O'Brien, removed, for the term ending Jan. 12, 1942.

Very truly yours,

CULBERT L OLSON,
Governor of California

CLO:a.

STATE OF CALIFORNIA, GOVERNOR'S OFFICE,
SACRAMENTO, September 21, 1940

To the Honorable Members of the Senate,
State Capitol, Sacramento, California

GREETINGS: Will the Senate advise and consent to the following appointments to the State Board of Education:

Lois E Souter, Los Angeles, vice Eleanor Lloyd Smith, appointment not confirmed, for the term ending January 15, 1943,

Alice H Dougherty, Oakland, vice self, term expired, for the term ending January 15, 1944;

James M. Tadlock, Eureka, vice Henry S Grossman, appointment not confirmed, for the term ending January 15, 1944.

Very truly yours,

CULBERT L OLSON,
Governor of California

CLO:a.

Introduction, First Reading and Reference of Bills.

The following bills were introduced:

Senate Bill No. 94: By Senator Phillips—An act to add section 3.9 to the Unemployment Relief Appropriation Act of 1940, relating to the money available and the uses to which it may be put under the Federal Stamp Plan.

Request for Unanimous Consent.

Senator Seawell asked for, and was granted, unanimous consent for the consideration of Senate Bill No 94, without reference to committee for purpose of passage

Senate Bill No. 94 ordered to print and on file.

Senate Concurrent Resolution No. 22: By Senator Seawell—Relative to an additional appropriation to the Joint Fact-finding Committee on Employment and its advisory committee

Request for Unanimous Consent.

Senator Seawell asked for, and was granted, unanimous consent for the consideration of Senate Concurrent Resolution No. 22, without reference to committee for purposes of adoption

Senate Concurrent Resolution No. 22 ordered to print and on file.

Senate Concurrent Resolution No. 23: By Senator Phillips—Relative to securing a survey of the potential industrial development of the West.

Consideration of Senate Concurrent Resolution No. 23.

Senator Phillips asked for, and was granted, unanimous consent for the consideration of Senate Concurrent Resolution No. 23, without reference to committee for purpose of adoption.

Senate Concurrent Resolution No. 23.

Relative to securing a survey of the potential industrial development of the West.

WHEREAS, The Legislature has heretofore created a Joint Fact-Finding Committee on Employment, to gather, assemble, study and analyze all facts relating to any and every phase of employment, with a view to formulating such a plan and preparing and submitting such legislative measures as will enable the State to bring about and assure the gainful employment in private enterprise of all its able bodied citizens; and

WHEREAS, The Legislature is advised that a survey of the basic factual data and information upon which a constructive industrial development in the eleven Western States can be based, has been made by the Industrial West, Inc; and

WHEREAS, The cost of the survey to the Industrial West, Inc., has been in excess of $150,000; and

WHEREAS, The material showing the result of this survey will be of great value to this Legislature and its Joint Fact-Finding Committee on Employment, now, therefore, be it

Resolved by the Senate of the State of California, the Assembly thereof concurring, That an Industrial Committee of three members is hereby created, to consist of Paul Smith, General Manager of the San Francisco Chronicle, H. C. Maginn of the Calaveras Cement Company, and George W. Malone, Consulting Engineer-Manager of the Industrial West, Inc., which shall review and collate the material referred to in this resolution, if made available by the Industrial West, Inc., and recommend to the Joint Fact-Finding Committee on Employment the advisability of securing the material for the use of such Joint Fact-Finding Committee.

Resolution read.

The question being on the adoption of the resolution

The roll was called, and Senate Concurrent Resolution No. 23 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Rich, Seawell, Shelley, Swing, Tickle, and Wagy—32.

NOES—None.

Senate Concurrent Resolution No. 23 ordered transmitted to the Assembly.

Reports of Special Committees.

The following reports of Special Committees were received.

Senators Kenny, Hollister and Rich, the Special Committee appointed to wait upon the Governor and inform him of the organization of the Senate, reported they had performed their duty.

Senators Breed, Mayo and McBride, the Special Committee appointed to notify the Assembly of the organization of the Senate, reported that they had performed their duty.

Message from the Assembly.

At eleven o'clock and thirty minutes a m., a committee from the Assembly, consisting of Messrs. Doyle, Phillips and Corwin, appeared at the bar of the Senate, and announced that the Assembly was duly organized and ready to proceed with the business of the State.

Message from the Assembly.

The following message from the Assembly was received and read:

ASSEMBLY CHAMBER, SACRAMENTO, September 21, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly has reconvened pursuant to Senate Concurrent Resolution No. 16, and is ready to proceed with the business of the State with all officers heretofore elected present, to wit.

Hon. Gordon H. Garland ---------- *Speaker*
Hon. Gardiner Johnson ---------- *Speaker pro tempore*
Jack Carl Greenburg ---------- *Chief Clerk*
David V. Oliver ---------- *Minute Clerk*
Rev. Raymond L. Bailey ---------- *Chaplain*
Wilkie Ogg ---------- *Sergeant-at-Arms*

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Introduction, First Reading and Reference of Bills.

The following bills were introduced:

Senate Concurrent Resolution No. 24: By Senator Keating—Relative to Legislative Bill Room equipment.

Request for Unanimous Consent.

Senator Keating asked for, and was granted, unanimous consent for the consideration of Senate Concurrent Resolution No. 24, without reference to committee for purpose of adoption.

Senate Concurrent Resolution No. 24 ordered to print and on file.

Senate Bill No. 95: By Senators Kenny, Quinn and Biggar—An act making an additional appropriation for support of the Division of Parks, Department of Natural Resources, from the State Park Maintenance and Acquisition Fund for operating and maintaining the State park system, and providing that this act shall take effect immediately.

Request for Unanimous Consent.

Senator Kenny asked for, and was granted, unanimous consent for the consideration of Senate Bill No. 95, without reference to committee for purpose of passage.

Senate Bill No. 95 ordered to print and on file.

Recess.

At eleven o'clock and fifty-five minutes a m., on motion of Senator Seawell, the President of the Senate declared recess until twelve o'clock and fifty-five minutes p.m

Reconvened.

At twelve o'clock and fifty-five minutes p.m., the Senate reconvened.

Lieutenant Governor Ellis E. Patterson, President of the Senate, in the chair.

Secretary Joseph A. Beek at the desk.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, September 21, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly adopted:

Senate Concurrent Resolution No. 23—Relative to securing a survey of the potential industrial development of the West.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Senate Concurrent Resolution No. 23 ordered to enrollment.

ASSEMBLY CHAMBER, SACRAMENTO, September 21, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly adopted:

Assembly Concurrent Resolution No. 31—Relative to the investigation of work relief projects for the State Relief Administration

JACK CARL GREENBURG, Chief Clerk of Assembly
By C. W. BOOTH, Assistant Clerk.

Assembly Concurrent Resolution No. 31 read, and referred to the Joint Committee on Employment.

Report of Standing Committee.

The following report of Standing Committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, September 21, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Concurrent Resolution No. 24—Relative to Legislative Bill Room equipment;

And reports that the same has been correctly engrossed

SEAWELL, Chairman.

Re-reference of Senate Concurrent Resolution No. 24.

Senator Seawell moved that Senate Concurrent Resolution No. 24 be re-referred to Committee on Rules.

Motion carried, and such was the order.

Adjournment.

At twelve o'clock and fifty-nine minutes p m., on motion of Senator Seawell, the President of the Senate declared the Senate adjourned, until ten o'clock a.m, Sunday, September 22, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER, SACRAMENTO,
Sunday, September 22, 1940.

The Senate met at ten o'clock a m
Hon. Ellis E Patterson, President of the Senate, in the chair.
Secretary Joseph A. Beek at the desk

Roll Call.

The roll was called, and the following answered to their names.

Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—32

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev A. Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Saturday, September 21, 1940, the further reading was dispensed with, on motion of Senator Slater.

Message from the Assembly.

The following message from the Assembly was received and read:

ASSEMBLY CHAMBER, SACRAMENTO, September 21, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly respectfully requests the return of Assembly Concurrent Resolution No 31 to the Assembly

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W BOOTH, Assistant Clerk.

Motion.

Assembly Concurrent Resolution No. 31 was, on motion of Senator Seawell, ordered returned to the Assembly in compliance with their request.

Report of Standing Committee.

The following report of Standing Committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, September 21, 1940

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Concurrent Resolution No. 22—Relative to an additional appropriation to the Joint Fact-finding Committee on Employment and its Advisory Committee;

Senate Bill No. 94—An act to add section 3.9 to the Unemployment Relief Appropriation Act of 1940, relating to the money available and the uses to which it may be put under the Federal Stamp Plan;

Senate Bill No. 95—An act making an additional appropriation for support of the Division of Parks, Department of Natural Resources, from the State Park Maintenance and Acquisition Fund for operating and maintaining the State Park System, and providing that this act shall take effect immediately;

And reports that the same have been correctly engrossed.

SEAWELL, Chairman.

Introduction, First Reading and Reference of Bills.

The following bill was introduced:

Senate Bill No. 96: By Senator Kenny—An act to amend section 8 of the Unemployment Relief Appropriation Act of 1940, relating to relief allowances, declaring the urgency thereof, to take effect immediately.

Senate Bill No. 96 read first time, and referred to Committee on Social Problems.

Senate Concurrent Resolution No. 25—Relative to a recess of the Senate and Assembly of the State of California.

Considered without reference to committee.

Recess.

At ten o'clock and thirty minutes a.m., on motion of Senator Seawell, the President of the Senate declared recess until one o'clock p.m.

Reconvened.

At one o'clock p.m., the Senate reconvened.

Lieutenant Governor Ellis E. Patterson, President of the Senate, in the chair.

Secretary Joseph A. Beek at the desk.

Message from the Assembly.

The following message from the Assembly was received and read:

ASSEMBLY CHAMBER, SACRAMENTO, September 21, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 146—An act making an appropriation to meet a deficiency in the appropriation for legislative printing, binding, etc., to take effect immediately;

Assembly Concurrent Resolution No. 32—Relative to the investigation of work relief projects for the State Relief Administration at Chino, California.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk

Assembly Bill No. 146 read first time, and ordered held at desk without reference to committee.

Assembly Concurrent Resolution No. 32 read, and ordered held at desk without reference to committee.

Report of Standing Committee.

The following report of standing committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, September 22, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Concurrent Resolution No. 23—Relative to securing a survey of the potential industrial development of the West;

And reports that the same has been correctly enrolled, and presented to the Governor on the twenty-second day of September, 1940, at eleven o'clock a.m.

SEAWELL, Chairman

Recess.

At one o'clock and fifteen minutes p.m., on motion of Senator Seawell, the President of the Senate declared recess until two o'clock and thirty minutes p.m.

Reconvened.

At two o'clock and thirty minutes p.m., the Senate reconvened.

Lieutenant Governor Ellis E. Patterson, President of the Senate, in the chair.

Secretary Joseph A. Beek at the desk.

Consideration of Daily File.

Second Reading of Senate Bills.

Senate Bill No. 94—An act to add section 3.9 to the Unemployment Relief Appropriation Act of 1940, relating to the money available and the uses to which it may be put under the Federal Stamp Plan.

Amendments from the Floor.

During second reading of Senate Bill No. 94, the following amendments, offered by Senator Phillips, were read and adopted:

Amendment No. 1.

In line 1 of the title of the printed bill, strike out "section 3.9", and insert in lieu thereof the following: "sections 3.1 and 3.9"

Amendment No. 2.

In line 2 of the title of the printed bill, strike out "and", and strike out all of lines 3 and 4, and insert in lieu thereof the following: "for unemployment relief and the purposes for which it may be expended, declaring the urgency thereof to take effect immediately."

Amendment No. 3.

On page 1, line 1, of the printed bill, after "Section 1.", insert the following:

"Section 3.1 is hereby added to the act cited in the title to read as follows:

Sec. 3.1. (a) Money appropriated for the relief of hardship and destitution due to and caused by unemployment to be expended by the Relief Administrator and the Relief Commission shall continue available for expenditure during such time as the person holding the office of Relief Administrator on September 21, 1940, continues to hold that office and during a period of time following his leaving the office of Relief Administrator but not to exceed a continuous period of fifteen days immediately following the next session of the Senate.

(b) None of the said money shall be available for expenditure after the fifteen day period, unless the appointee is approved by the Senate. Upon the approval of a succeeding appointee, the money shall continue available thereafter so long as each of the said approved appointees continues to hold the office of Relief Administrator and during a period of time following his leaving the office of Relief Administrator but not to exceed a continuous period of fifteen days immediately following the next session of the Senate after the appointment.

(c) The approval of the Senate required under this section shall be given by a Senate single house resolution, passed by a majority vote of the members elected, one copy of which shall be filed in the office of the Controller.

(d) No provision of this section affects or applies to the administrative allotment of the State Controller.

(e) If any subdivision of this section is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining subdivisions of this section. The Legislature hereby declares that it would have passed this section irrespective of the fact that any one or more subdivisions be declared unconstitutional.

Sec. 1.5."

Amendment No. 4.

On page 1 of the printed bill, strike out lines 14 to 23, inclusive, and insert in lieu thereof the following:

"The Legislature has provided large sums of money for unemployment relief and for the distribution of food and commodities in connection therewith, which sums, it desires to have administered, by persons appointed with Senate approval, in order to insure expenditure completely in accord with the spirit and intent of the appropriation statutes so that the causes of unrest will be minimized and the dangers immediately affecting the public peace, health and safety will be removed"

Bill read second time, ordered to print, engrossment, and on file for third reading.

Senate Bill No. 95—An act making an additional appropriation for support of the Division of Parks, Department of Natural Resources, from the State Park Maintenance and Acquisition Fund for operating and maintaining the State Park System and providing that this act shall take effect immediately.

Bill read second time, ordered to engrossment, and on file for third reading.

Consideration of Assembly Concurrent Resolution No. 32.

Assembly Concurrent Resolution No. 32.

Relative to the investigation of work relief projects for the State Relief Administration at Chino, California.

WHEREAS, The Governor of the State of California in his proclamation convening this first extraordinary session of the Fifty-third Legislature has specified for the consideration of the Legislature an additional appropriation for the relief of hardship and destitution due to and caused by unemployment; and

WHEREAS, The State of California in its endeavor to secure for all persons a reasonable subsistence compatible with decency and health, has expended more than $179,000,000 for unemployment relief since 1933 until this session convened; and

WHEREAS, Under these appropriations the Relief Commission and the Relief Administrator have carried on work relief projects in an endeavor to sustain the habits and morale of those adversely affected by our economic system; and

WHEREAS, Relief labor has been used throughout the State on numerous public maintenance projects, under the sponsorship of State and local governmental agencies and subdivisions; and

WHEREAS, The Legislature has heretofore appropriated $2,400,000 for the construction of the Southern California Prison at Chino, California; and

WHEREAS, There appears to be a potential field for the utilization of relief labor in the construction of this prison; and

WHEREAS, The value of such work to the participants and to the public has been questioned due to rumors of inefficiency and lack of coordination among the workers and of negligent disregard of the public's interest by public officials of agencies sponsoring these projects; and

WHEREAS, It is imperative that all pertinent facts bearing upon these problems be found, assembled and analyzed, to the end that the Senate and Assembly and the members of each may be enabled to act advisedly in the formulation of a comprehensive and effective plan for the utilization of relief labor and in the consideration and enactment of legislation calculated to inaugurate such a plan and put it into immediate operation; and

WHEREAS, The facts can best and most expeditiously be ascertained and analyzed and such a plan formulated by the Legislature through a Joint Fact-Finding Committee of the Senate and Assembly charged with the study of every phase of this subject during this session of the Legislature and any recesses thereof, reporting to the Legislature as soon as may be, now, therefore, be it

Resolved by the Assembly of the State of California, the Senate thereof concurring, That a Joint Fact-finding Committee of nine members, to consist of five members of the Assembly to be appointed by the Speaker of the Assembly, and four members of the Senate to be appointed by the President pro tempore of the Senate, is hereby created, which committee is authorized and directed to gather, assemble, study and analyze all facts relating to any phase of present and potential employment of relief labor in the construction of the Southern California Prison at Chino, California, and the maintenance of public property in and about Chino, California, with a view to formulating a plan for the employment of relief labor at the Southern California Prison and preparing and submitting such legislative measures, as will enable the State to proceed with the construction of that prison with maximum efficiency, and to administer unemployment relief at a minimum cost, to which end the committee shall have and exercise the duty and power:

(1) To select a chairman from its membership and to employ and fix the compensation of a secretary and such clerical, expert and technical assistants as it may deem necessary;

(2) To create subcommittees from its membership, assigning to the subcommittee any study, inquiry, investigation or hearing which the committee itself has authority to undertake or hold, and the subcommittee for the purpose of this assignment shall have and exercise all of the powers conferred upon the committee limited by the express terms of the resolution or resolutions of the latter defining the powers and duties of the subcommittee, which powers may be withdrawn or terminated at any time by the committee;

(3) To adopt and from time to time amend such rules governing its procedure (including the fixing of its own quorum and the number of votes necessary to take action on any matter) as may to it appear appropriate;

(4) To contract with such other agencies, public or private, as it deems necessary for the rendition and affording of such services, facilities, studies and reports to the committee as will best assist it to carry out the purposes for which it is created;

(5) To hold public hearings at and in the vicinity of Chino and at Los Angeles, at which hearings the people are to have an opportunity to present their views to the committee;

(6) To make a complete study, survey and investigation of every phase of the subject of this resolution, including the capabilities of the management and administration of the Southern California Prison at Chino, California, to employ relief labor under conditions beneficial to relief workers and not injurious to the public welfare, and the operation and efficiency of laws and regulations relating to the employment of labor on the project;

(7) To meet at any and all times during this session of the Legislature, whether the Senate or Assembly be actually then sitting or not, and at any and all places within the State, in the performance of its duties and in carrying out the objects and purposes of this resolution;

(8) To summon and subpena witnesses, require the production of papers, books, accounts, reports, documents, and records of every kind and description, to issue subpenas, and to take all necessary means to compel the attendance of witnesses and procure testimony;

(9) To report its findings and recommendations to the Senate and Assembly and to the people from time to time and at any time; and

(10) To do any and all other things necessary or convenient to enable it fully and adequately to exercise its powers, perform its duties, and accomplish the objects and purposes of this resolution; and be it further

Resolved, That the committee, each of its members, and any representative of the committee thereunto authorized by the committee or by its chairman, is authorized and empowered to administer oaths; and all of the provisions of Article VIII, Chapter II, Title I, Part III of the Political Code, relating to the attendance and examination of witnesses before the Legislature and committees thereof, apply to the committee hereby created; and be it further

Resolved, That the Sergeant-at-Arms of the Senate and of the Assembly and each of them or other officers designated by either of them, are hereby directed to serve any and all subpenas, orders and other process issued by the committee, when directed so to do by the chairman or by a majority of the membership of the committee; and be it further

Resolved, That every department, commission, board, agency, officer and employee of the State Government and of any political subdivision, county, city, or public district of or in this State shall furnish the committee and any subcommittee, upon request, any and all such assistance, and information, records and documents as the committee or subcommittee deems proper for the accomplishment of the purposes for which the committee is created; and be it further

Resolved, That the members of the committee shall serve without compensation but shall be allowed mileage at the rate of 5½ cents per mile each way incurred in connection with their services upon the committee and other actual and necessary expenses for living accommodations and meals, incurred in connection with their services upon the committee, or in lieu of such expenses for accommodations and meals an allowance of $8 per day; and be it further

Resolved, That the sum of $5,000 or so much thereof as may be necessary is hereby made available from the contingent funds of the Senate and of the Assembly for the expenses of the committee and its members and for any charges, expenses or claims it may incur under this resolution, to be paid equally from the contingent funds of the Senate and of the Assembly and disbursed, after certification by the chairman of the committee, upon warrants drawn by the State Controller upon the State Treasurer; and be it further

Resolved, That neither the adoption of this resolution nor anything herein contained is in derogation of Senate Concurrent Resolution No. 10, Assembly Concurrent Resolution No. 26, or Assembly House Resolutions No. 9 or 29, of this session, which resolutions continue effective and operative with the same full force and effect they would have had not this resolution been adopted.

Resolution read.

The question being on the adoption of the resolution

The roll was called, and Assembly Concurrent Resolution No. 32 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, Deuel, Fletcher, Foley, Gordon, Hays, Hollister, Keating, Kenny, Mayo, McBride, McCormack, Mixter, Nielsen, Parkman, Phillips, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—28.

NOES—None.

Assembly Concurrent Resolution No. 32 ordered transmitted to the Assembly.

Senate Resolution No. 59.

The following resolution was offered:

By Senator Gordon:

WHEREAS, The Governor of California in his proclamation convening this extraordinary session specified for its consideration legislation providing additional revenues for the State Government; and

WHEREAS, In order to determine the actual need for additional revenues it is necessary to determine the extent to which existing departments and agencies are operated efficiently or inefficiently, and the extent to which their activities and expenditures result in a waste of the taxpayers' money; and

WHEREAS, It has been charged that the Napa State Farm, for many years self-supporting and a source of revenue to State institutions, which are general fund agencies, has this year failed to achieve the financial success expected of it; and

WHEREAS, The reasons for this asserted failure, important in their implications to the whole financial structure of the State, may best be determined by an impartial inquiry by public officers; now, therefore, be it

Resolved by the Senate of the State of California, That a committee to be known as the Committee Investigating the Efficiency of the Operation of the Napa State Farm is hereby created, which committee shall assemble, analyze and report on all facts relating to the manner and method of administration of the Napa State Farm, with a view to presenting to the Legislature at its next regular session a plan whereby this former source of revenue may be restored, and an additional drain upon the revenues of the State prevented; and be it further

Resolved, That the committee shall consist of five members of the Senate appointed by the Committee on Committees of the Senate. Vacancies in the membership of the committee occurring at any time shall be filled by the Committee on Committees of the Senate; and be it further

Resolved, That the committee is hereby authorized to create subcommittees of one or more members and to delegate to such subcommittees all of the powers, purposes, responsibilities, duties and jurisdiction conferred upon such committee, and that such subcommittees are hereby expressly authorized to administer oaths and to issue subpenas requiring the attendance of witnesses and the production of books, papers and documents, and to do all other acts and things that may be done by the committee as a whole, or that may be delegated to it by the full committee; and be it further

Resolved, That the committee may adopt, and from time to time amend, such rules as may appear necessary and proper to exercise the powers hereby granted and to perform the duties imposed. It may select a chairman and a secretary from its membership; and be it further

Resolved, That the committee may employ, prescribe the duties and fix the compensation of such professional assistants, clerical and other employees as it finds necessary for the conduct of its work and it may contract with such other agencies, public or private, as it deems necessary for the rendition of such services, studies

and reports to it as will best assist it to effectuate the purposes for which it was created; and be it further

Resolved, That the committee is authorized to hold public hearings at Sacramento and at any place in California at which hearings the people are to have an opportunity to present their views to the committee; and be it further

Resolved, That the committee is authorized and empowered to summon and subpena witnesses, require the production of papers, books, accounts, reports, documents, records and papers of every kind and description, to issue subpenas and to take all necessary means to compel the attendance of witnesses and to procure testimony; and be it further

Resolved, That the committee, each of its members and any representative of the committee thereunto authorized by the committee or by its chairman is authorized and empowered to administer oaths. All of the provisions of Article VIII, Chapter II, Title I, Part III of the Political Code, relating to the attendance and examination of witnesses before the Legislature and committees thereof, apply to the committee hereby created; and be it further

Resolved, That every department, commission, board, agency, officer, and employee of the State Government and of the political subdivisions, the counties, the cities and the districts shall furnish the committee, upon request, such information, records and documents as the committee deems proper for the effectuation of the purposes for which it was created; and be it further

Resolved, That the committee is further authorized and empowered to make a complete investigation and study of every phase of the subject hereinabove mentioned and any and all matters incidental thereto and to do any and all things necessary or convenient to enable it fully and completely to exercise its powers and perform its duties; and be it further

Resolved, That the Sergeant-at-Arms of the Senate and the Deputies Sergeant-at-Arms of the Senate are hereby directed to serve any and all subpenas, orders and other process that may be issued by the committee, when directed so to do by the chairman or upon a vote of the majority of the membership of the committee; and be it further

Resolved, That the members of the committee shall serve without compensation but shall be allowed mileage at the rate of 5½ cents per mile each way, incurred in connection with their services upon the committee, and other actual and necessary expenses for living accommodations and meals, incurred in connection with their services upon the committee or in lieu of such expenses for accommodations and meals, an allowance of eight dollars per day; and be it further

Resolved, That the sum of three hundred dollars ($300) or so much thereof as may be necessary is hereby made available from the contingent fund of the Senate for expenses of the committee and its members, and for any charges, expenses or claims it may incur under this resolution, to be disbursed, after certification by the chairman of the committee, upon warrants drawn by the Controller upon the Treasurer.

Resolution read.

Consideration of Senate Resolution No. 59.

Senator Gordon asked for, and was granted, unanimous consent for the consideration of Senate Resolution No. 59, without reference to Committee on Rules for purpose of adoption.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 59 adopted by the following vote:

AYES—Senators Biggar, Breed, Crittenden, Cunningham, Fletcher, Foley, Garrison, Gordon, Hays, Hollister, Holohan, Keating, Kenny, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Phillips, Quinn, Rich, Shelley, Slater, Swing, Tickle, and Wagy—27.

NOES—None.

Senate Resolution No. 60.

The following resolution was offered, and referred to Committee on Rules:

By Senator Mayo:

WHEREAS, It appears that efforts have been and are being made to interfere with the independence of the Legislative Department during this and other extraordinary sessions of the Legislature; and

WHEREAS, Certain officers and members of the Legislature have been threatened directly and indirectly by persons outside the Legislature in an endeavor to coerce their actions as officers and members of the Legislature and to interfere with their freedom of action as representatives of the people of the State of California, and

WHEREAS, It appears that certain officers and employees of the Executive Department have been and are attempting to make the Legislative Department of the State Government obedient and subservient to the Executive Department, contrary to the doctrine of separation of powers enunciated in section 1 of Article III of the State Constitution; and

WHEREAS, It has been reported that certain officers and employees of the Executive Department of the Government have threatened to deprive certain districts of the State of certain benefits normally supplied by the State and in which benefits such districts are by law entitled to participate, unless the legislative representatives of such districts act in their capacities as legislators in a manner compatible with the desires of certain officers and employees of the Executive Department of the State irrespective of the best interests of the State as a whole, now, therefore, be it

Resolved by the Senate of the State of California, That there is hereby established an investigating committee to be known as the Senate Investigating Committee on Interference with the Independence of the Legislative Department, which committee is to exercise the powers and perform the duties hereby granted to and imposed upon it during the sessions and any recess or recesses of the special session of the Legislature which convened on January 29, 1940, but in no event beyond the final adjournment thereof, and be it further

Resolved, That the committee shall study and investigate accurately and in detail, any and all phases of the matters referred to herein, including any and all things connected with interference or attempted interference with the freedom of the legislative process, attempts to coerce officers and members of the Senate and Assembly in the performance of their legislative duties, whether by directly or indirectly threatening such officers and members, or by threatening to deprive the districts represented by such officers and members of any benefits to which such districts are by law entitled, or otherwise, and be it further

Resolved, That said committee shall report to the Senate and the Legislature its findings and recommendations with reference thereto, and be it further

Resolved, That the committee shall consist of three members of the Senate appointed by the President pro tempore of the Senate. Vacancies in the membership of the committee occurring at any time shall be filled by the President pro tempore of the Senate; and be it further

Resolved, That the committee may adopt and from time to time amend, such rules as may appear necessary and proper to exercise the powers hereby granted and to perform the duties imposed. It may select a chairman and a secretary from its membership; and be it further

Resolved, That the committee may employ, prescribe the duties and fix the compensation of such professional assistants, clerical and other employees as it finds necessary for the conduct of its work and it may contract with such other agencies, public or private, as it deems necessary for the rendition of such services, studies and reports to it as will best assist it to effectuate the purposes for which it was created; and be it further

Resolved, That the committee is authorized to hold public hearings at Sacramento and at any place in California at which hearings the people are to have an opportunity to present their views to the committee; and be it further

Resolved, That the committee is authorized and empowered to summon and subpena witnesses, require the production of papers, books, accounts, reports, documents, records and papers of every kind and description, to issue subpenas and to take all necessary means to compel the attendance of witnesses and to procure testimony; and be it further

Resolved, That the committee, each of its members and any representative of the committee thereunto authorized by the committee or by its chairman is authorized and empowered to administer oaths. All of the provisions of Article VIII, Chapter II, Title I, Part III of the Political Code, relating to the attendance and examination of witnesses before the Legislature and committees thereof, apply to the committee hereby created; and be it further

Resolved, That every department, commission, board, agency, officer, and employee of the State Government and of the political subdivisions, the counties, the cities and the districts shall furnish the committee, upon request, such information, records and documents as the committee deems proper for the effectuation of the purposes for which it was created; and be it further

Resolved, That the committee is further authorized and empowered to make a complete investigation and study of every phase of the subject hereinabove mentioned and any and all matters incidental thereto and to do any and all things necessary or convenient to enable it fully and completely to exercise its powers and perform its duties; and be it further

Resolved, That the Sergeant-at-Arms of the Senate or any person designated by him is hereby directed to serve any and all subpenas, orders and other process

that may be issued by the committee, when directed so to do by the chairman or upon a vote of the majority of the membership of the committee; and be it further

Resolved, That the members of the committee shall serve without compensation but shall be allowed mileage at the rate of 5½ cents per mile each way, incurred in connection with their services upon the committee, and other actual and necessary expenses for living accommodations and meals, incurred in connection with their services upon the committee or in lieu of such expenses for accommodations and meals, an allowance of $8 per day; and be it further

Resolved, That the sum of fifteen hundred dollars ($1,500) or so much thereof as may be necessary is hereby made available from the contingent fund of the Senate for expenses of the committee and its members, and for any charges, expenses or claims it may incur under this resolution, to be disbursed, after certification by the chairman of the committee, upon warrants drawn by the Controller upon the Treasurer.

Senate Resolution No. 61.

The following resolution was offered, and referred to Committee on Rules:

By Senator Seawell:

Resolved, That the Governmental Efficiency Standing Committee of the Senate of the first extraordinary session of the Fifty-third Legislature is hereby authorized to meet during any recess of that session, at the State Capitol, or elsewhere in the State, and to perform the duties and to exercise all of the powers vested in it by the Standing Rules of the Senate for that session; and be it further

Resolved, That the sum of fifteen hundred dollars ($1,500) is hereby appropriated to the Governmental Efficiency Standing Committee of the Senate from the contingent fund of the Senate for the purpose of paying the expenses of the committee in connection with its duties, including costs of any records and transcripts, and an allowance of eight dollars ($8) per day (in lieu of expenses for living accommodations and meals) and 5½ cents per mile each way for each member of said committee, incurred in connection with the powers granted and duties imposed by this resolution and the rules of the Senate, and for the paying of the expenses of the necessary assistants of said committee, the sum so appropriated to be disbursed upon the certification of the chairman of the committee, upon warrants drawn by the Controller upon the Treasurer.

Recess.

At two o'clock and thirty-five minutes p m., on motion of Senator Seawell, the President of the Senate declared recess until seven o'clock and fifteen minutes p m

Reconvened.

At seven o'clock and fifteen minutes p m , the Senate reconvened.

Lieutenant Governor Ellis E. Patterson, President of the Senate, in the chair.

Secretary Joseph A Beek at the desk

Report.

The following report was received, and on motion of Senator Phillips, ordered printed in the Journal:

REPORT OF CHAIRMAN OF SUBCOMMITTEE ON EMPLOYMENT SERVICE.

Adopted by Legislative Advisory Committee on Defense and Employment.

Mobilization for Employment.

In the report of the Joint Legislative Fact-finding Committee on Employment it was pointed out that "The major factor in solving California's relief problem must be a '*Mobilization for Employment*'" And that "in this the State, which hitherto has done little or nothing, must become an aggressive leader. Business must be made to understand the choice between cooperation and taxation; between mobilization to meet an emergency as serious as war, and moral and financial bankruptcy." It then comments on the plan developed in Pennsylvania and continues "The com-

mittee recommends that the Legislature keep constantly in touch with the Pennsylvania mobilization."

It is the purpose, therefore, of this report (1) to give an account of the Pennsylvania Plan; (2) to report on the unemployment problem in California; and (3) to recommend a plan of mobilization for employment to be carried out in the State

The Pennsylvania Plan.

History—When the Pennsylvania Plan was introduced, relief costs in that State had risen from $7,500,000 for the year 1931-1932 to $132,000,000 for the year 1938-1939. By mid-September of 1939, more than 273,129 cases were on relief (828,195 persons were included in this number)

At this point the Joint State Government Commission, a *nonpartisan* board of State Legislators, agreed that the relief burden must be reduced and that EMPLOYMENT was the soundest method.

This Legislative Commission and the Governor (Arthur H. James), and members of the Governor's Cabinet agreed the responsibility of any reemployment effort should rest upon those best fitted to know about the subject, to wit: The businessmen of the State. They, therefore, proceeded to take the following steps.

A subcommittee of the State Legislature called on Mr. Walter D. Fuller, President of the Curtis Publishing Company, and urged him to organize and head a reemployment movement. This was agreed to on the three following conditions:

1—That the "grass roots" methods be applied and the solution found in the local knowledge and responsibility of unemployment, relief and taxation

2—That business be encouraged and stimulated in every proper way so as to create jobs in private business in contrast to temporary expedients such as "give-a-job" pleas or high-pressure ballyhoo.

3—That no one be misled into expecting a miracle, but that the campaign be an honest and hopeful effort to do as much good as possible, in view of the business recession and other handicaps.

The following is a copy of letter dated September 12, 1940, from Mr. Walter D. Fuller, explaining the exact organization of the Mobilization Plan:

"This is in reply to your recent letter relative to the Pennsylvania Job Mobilization Movement.

"This particular activity was not created by act of the Legislature, nor did we have any appropriation to meet the cost. It was started by a so-called 'Joint Legislative Committee of the House and Senate,' who asked me to form a committee to see what could be done about reemployment. The Governor joined with the Joint Legislative Committee in this connection.

"A very large organization was then built up and it became quickly evident that we must have money About $12,000 was raised among businessmen by a Finance Committee which I established This paid the salaries of the director and of certain of his most active assistants, that is, a publicity man, radio specialist, statistician, etc It also covered my traveling expenses and a few other items of this nature.

"We secured a loan of employees from the Department of Public Assistance and a further loan from the Labor Department, which controls the employment offices of the State. These people were loaned to us and the Department of Public Assistance paid the bills for printed matter, office equipment, postage, etc. Altogether, about $44,000 of the State's money was spent, this money being part of the appropriations of these two departments, and in addition we spent the $12,000 which we raised. Since the matter was handled in this fashion, there were no legislative enactments of any kind

"Thank you very much for the kind things you say about the Pennsylvania effort. It was really remarkably successful—far more so than any of us thought possible when we began"

Result of Pennsylvania Plan—Five months' work resulted in at least 100,000 new jobs in private industry. "That the effect on the relief situation of this movement, which benefited all types of unemployed, was great is indicated by the fact that at the end of the first four months of 1940 there were 51,508 fewer cases, or 154,240 fewer persons on the State's general assistance rolls than for the same period of 1939, and the monthly cost was $1,483,325 lower. The net reduction in relief expenditure during these four months in 1940 compared with the same period a year ago amounted to $5,722,331."

It was found that although there were more than a million unemployed in the State, 12,000 job opportunities could not be filled as no qualified workers were available through the State Employment Service Studies indicated a definite shortage of skilled workers in Pennsylvania in approximately 300 occupational classifications. Vocational training was stimulated—a little known plan in use in Williamsport was brought to light and followed in other districts.

The Pennsylvania Committee found that the State was in great need of "a more complete placement service in the local or county offices of the Department of Public Assistance to supplement the work of the State Employment Service"

They recommended too that such employees be given "a merit rating on the basis of placements made." "And that stress should be placed on securing employment for the relief recipient rather than focusing major attention on the purely administrative detail of disbursing assistance funds."

They also stressed vocational training, and because of the over-supply of teachers in that State, suggested that from three to six of the teachers colleges be turned into junior vocational colleges.

They recommended that the Department of Labor should inaugurate a field service to facilitate and expand the Pennsylvania Apprenticeship Council and to encourage the reopening of apprenticeship training opportunities in industry

They asked for a complete retraining study of employables on relief and a study of so-called "unemployables" to determine who among them might be rehabilitated for employment.

They advocated a State Employment Council composed of Secretaries of Labor, Commerce, Public Assistance and Public Instruction which council would have under it local councils made up of private citizens and representatives of public departments to serve as a clearing house for all matters relating to employment and relief.

The California Problem.

A plan such as that put into effect in Pennsylvania could be somewhat modified to meet present needs in California where the problems are in some respects simpler and in others far more complex than they were in Pennsylvania last November.

Due to the increased employment and industrial expansion going on at this time, the program as it relates to industry would be far easier here today as actual jobs would not have to be created as they were in Pennsylvania. The program would, therefore, consist of an educational campaign among employers to employ persons on relief in this State wherever possible This could be done by an explanation of the tax and social problems which will be created if, under this vast defense program which will require such heavy taxation, the relief costs are not reduced to a minimum, and if thousands of our citizens remain idle. It appears that industry in this State has been allergic to persons on relief—probably with good reasons when the slack eligibility rules allowed people to be supported with no effort made to get them to work and when relief costs always rose, no matter what industry did

A program also would have to be instituted within the SRA, vigorously to place relief recipients in private employment, through the California State Employment Service and through other means. At present the SRA has little or no reemployment program, and while it is true that relief recipients are registered with the Employment Service, it is generally believed that they are not frequently offered the available jobs since the applicants who are more eager to get work are deemed better suited to employment. Out-of-state people, therefore, not yet eligible to relief, often get jobs instead of State residents

There is no need in this report to prove that the relief problem in California is one which is in dire need of a solution. The very excellent and comprehensive report of the Legislative Fact-finding Committee shows that the Legislature is keenly aware of the evils in the present system, many of which the Legislature has already taken steps to correct. It appears, however, that a program of this kind is greatly needed to shift the emphasis from relief to work and to introduce into the program a new philosophy of work and self-reliance.

The principal problem is one of how the securing of private employment can best be accomplished and in this regard I submit the following recommendations:

(1) That the Joint Legislative Committee appoint an outstanding California industrialist to head a mobilization for employment campaign and, with his approval, a group of competent men and women representing various activities such as organized labor, education, business, etc., to serve with him;

(2) That the SRA and the State Department of Employment be asked to cooperate in this plan and wherever necessary to assign certain workers to carry it out;

(3) That local committees be formed to develop the program to suit the local communities under supervision of the State group;

(4) That such State committee report its findings to this committee in December so that changes in the Employment Service and the SRA can be recommended to the Legislature in 1941.

MILDRED PRINCE, Chairman.

Consideration of Senate Concurrent Resolution No. 25.

Senate Concurrent Resolution No. 25.

Relative to a recess of the Senate and Assembly of the State of California.

WHEREAS, The Legislature of the State of California is convened in extraordinary session, which commenced on the twenty-ninth day of January, 1940, pursuant to a proclamation of the Governor of the State of California, as provided by section 9 of Article V of the Constitution of the State of California; and

WHEREAS, The Senate and the Assembly of the State of California find it necessary and desirable to recess until not later than the second day of December, 1940; and

WHEREAS, It may be necessary in the interests of the State for such recess of the Senate and the Assembly to terminate prior to said second day of December, 1940; and

WHEREAS, The Constitution of the State of California provides that neither house shall, without the consent of the other, adjourn for more than three days; now, therefore, be it

Resolved by the Senate of the State of California, the Assembly thereof concurring, That the Senate hereby consents to the adjournment of the Assembly for a period of more than three days, as more particularly herein set forth, and be it further

Resolved, That the Assembly hereby consents to the adjournment of the Senate for a period of more than three days, as more particularly herein set forth; and be it further

Resolved, That the Senate and the Assembly of the State of California shall adjourn at nine o'clock and thirty minutes p m, on the twenty-second day of September, 1940, and the Legislature and each house thereof shall thereupon recess until the second day of December, 1940, and shall convene at twelve o'clock noon on said second day of December, 1940, unless sooner reconvened as hereinafter provided, and be it further

Resolved, That in the event it appears to the President pro tempore of the Senate and to the Speaker of the Assembly to be for the best interests of the State that the Legislature and the Senate and Assembly thereof reconvene on a day prior to said second day of December, 1940 they are expressly authorized and directed to call the Legislature and the Senate and Assembly thereof together to convene on a day and at an hour to be specified by them jointly in a notice of reconvening of the Legislature and the Senate and Assembly thereof Duplicate copies of such notice shall be prepared and signed by the President pro tempore of the Senate and by the Speaker of the Assembly One copy shall be delivered to the Secretary of the Senate and the other copy shall be delivered to the Chief Clerk of the Assembly. Such delivery shall be made at least three days prior to the day set in the notice for such reconvening Copies of the notice forthwith shall be mailed by the Secretary of the Senate to each member of the Senate at the home address for such member as shown by the records of the Secretary and copies shall be mailed by the Chief Clerk of the Assembly to each member of the Assembly at the home address for such member as shown by the records of the Chief Clerk Following the giving of such notice of reconvening and the mailing of copies thereof, as herein provided, the Legislature and the Senate and Assembly thereof shall thereupon reconvene on the day and at the hour specified in such notice The affidavits of the Secretary of the Senate and of the Chief Clerk of the Assembly that copies of any such notice were severally received by them and mailed to the members as herein provided shall be conclusive evidence of the facts therein stated

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Concurrent Resolution No 25 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, Deuel, Fletcher, Foley, Gordon, Hays, Holohan, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Tickle, and Wagy—28

NOES—Senator Garrison—1

Senate Concurrent Resolution No. 25 ordered transmitted to the Assembly.

Senate Resolution No. 62.

The following resolution was offered:

By Senator Tickle:

WHEREAS, The Legislature of the State of California assembled in extraordinary session will be at recess from September 22, 1940, to December 2, 1940; and

WHEREAS, Pursuant to adjournment it will be necessary for the Secretary of the Senate during such period of recess to conduct the business of the Senate and perform the duties provided by law, the Standing Rules of the Senate and resolutions adopted by the Senate and to employ certain necessary assistants incident thereto; therefore, be it

Resolved, That the Controller be and he is hereby authorized and directed to draw his warrants in favor of the Secretary of the Senate and in favor of officers and employees who render services to the Senate as certified weekly by the Secretary, from the fund set aside for the pay of officers and employees of the Senate at the per diem provided by law, and the Treasurer is hereby directed to pay the same.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No 62 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Keating, Mayo, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Tickle, and Wagy—28.

NOES—None.

Senate Resolution No. 63.

The following resolution was offered.

By Senator Keating:

WHEREAS, On May 23, 1940, the Senate at the Fifty-third (first extraordinary) session adopted Senate Resolution No. 51, providing the Secretary with funds for contingent and incidental expenses during the recess which began May 24th, and

WHEREAS, Such funds will soon be exhausted; now, therefore, be it

Resolved, That the Controller is hereby authorized and directed to draw his warrant on the contingent fund of the Senate in the sum of $500 in favor of the Secretary of the Senate, and the Treasurer is hereby directed to pay the same, for postage, telephone service, telegraph service, supplies, rental of typewriters, illuminating resolutions, traveling expenses and other incidental expenses in connection with conducting the business of the Senate.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No 63 adopted by the following vote:

AYES—Senators Breed, Brown, Crittenden, Cunningham, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Tickle, and Wagy—27.

NOES—None.

Senate Resolution No. 64.

The following resolution was offered:

By Senator Seawell:

WHEREAS, The Legislature of the State of California is convened in extraordinary session to consider and act upon numerous legislative measures upon subjects set forth in the proclamation of the Governor of the State of California convening the Legislature, the contents of which proclamation are incorporated herein by reference as if set forth at length; and

WHEREAS, Under said proclamation numerous bills have been introduced into the Legislature many of which are still pending before said body, particularly measures involving the revenues of the State and affecting the efficient operation of its departments and agencies; and

WHEREAS, In order to enable the Legislature to act intelligently upon this extensive program of proposed legislation it is imperative that all pertinent facts directly or indirectly related thereto be found, assembled, and analyzed and that such facts be reported to the Senate and the Legislature for consideration by its members; now, therefore, be it

Resolved by the Senate of the State of California, That the Governmental Efficiency Standing Committee of the Senate of the first extraordinary session is hereby authorized and directed to gather, assemble, study, and analyze all facts relating to the expenditure of public funds, the organization, functions and administration of the State Government and of any department, agency, or subdivision thereof, the activities and costs of administration of each and all the various departments and agencies of the State, the extent to which they appear to be operated

efficiently or inefficiently, whether or not such departments or agencies are engaged in activities or are making expenditures resulting in waste of the taxpayers' money, the extent to which economies can be effected within the provisions of existing law or by legislation within the scope of the proclamation convening the Legislature in extraordinary session and the extent to which activities or practices of such departments or agencies may be curtailed or eliminated to avoid the need for expending existing appropriations and thus to reduce the amount, if any, required to be raised by additional taxes; and be it further

Resolved, That the Governmental Efficiency Standing Committee of the Senate of the first extraordinary session of the Fifty-third Legislature is hereby authorized to meet during any recess of that session, at the State Capitol, or elsewhere in the State, and to perform all of the duties and to exercise all of the powers vested in it by the Standing Rules of the Senate for that session and by this resolution; and be it further

Resolved, That said committee is hereby authorized to consider and act upon all other matters which may be referred to it by the Senate, by resolution, motion, or otherwise; and be it further

Resolved, That the sum of twenty-five hundred dollars ($2500) is hereby appropriated to the Governmental Efficiency Standing Committee of the Senate from the contingent fund of the Senate for the purpose of paying the expenses of the committee in connection with its duties, including costs of any records and transcripts, and an allowance of eight dollars ($8) per day (in lieu of expenses for living accommodations and meals) and 5½ cents per mile each way for each member of said committee, incurred in connection with the powers granted and duties imposed by this resolution and the rules of the Senate, and for the paying of the expenses of the necessary assistants of said committee, the sum so appropriated to be disbursed upon certification of the chairman of the committee, upon warrants drawn by the Controller upon the Treasurer.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 64 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, Deuel, Fletcher, Foley, Gordon, Hays, Holohan, Keating, Mayo, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Tickle, and Wagy—27.

NOES—Senator Garrison—1.

Report of Standing Committee.

The following report of Standing Committee was received, read, and adopted:

On Rules.

SENATE CHAMBER, SACRAMENTO, September 22, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Governor's Message dated September 21st, referring to appointments to the State Board of Prison Directors;

and

Governor's Message dated September 21st, referring to appointments to the State Board of Education;

Has had the same under consideration, and respectfully reports the same back, and recommends that they be referred to the Committee on Governmental Efficiency.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Message from the Assembly.

The following message from the Assembly was received and read:

ASSEMBLY CHAMBER, SACRAMENTO, September 22, 1940

MR. PRESIDENT I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 147—An act making an additional appropriation for support of the Division of Parks, Department of Natural Resources, from the State Park Maintenance and Acquisition Fund for operating and maintaining the State Park System, and providing that this act shall take effect immediately;

Assembly Bill No. 148—An act making an appropriation for the contingent expenses of the Assembly for the Fifty-third (first extraordinary) session of the

Legislature including expenses of committees created at that session, and declaring that this act shall take effect immediately.

JACK CARL GREENBURG, Chief Clerk of Assembly.

Assembly Bills Nos 147, and 148 read first time, and referred to Committee on Rules.

Report of Standing Committee.

The following report of Standing Committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, September 22, 1940

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Bill No. 147—An act making an additional appropriation for support of the Division of Parks, Department of Natural Resources, from the State Park Maintenance and Acquisition Fund for operating and maintaining the State Park System, and providing that this act shall take effect immediately;

Assembly Bill No. 148—An act making an appropriation for the contingent expenses of the Assembly for the Fifty-third (first extraordinary) session of the Legislature including expenses of committees created at that session, and declaring that this act shall take effect immediately;

Has had the same under consideration, and respectfully reports the same back, and recommends that they be placed on file.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Resolution.

The following resolution was offered:

By Senator Seawell:

Resolved, That Assembly Bills Nos. 146, 147 and 148 present a case of urgency, as that term is used in section 15 of Article IV of the Constitution, and the provision of that section requiring that the bill shall be read on three several days in each house is hereby dispensed with, and it is ordered that said bills be read the second and third times, and placed upon their passage.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and the resolution adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Tickle, and Wagy—29

NOES—None.

Whereupon the President declared the provisions of section 15, Article IV of the Constitution suspended for the purpose of considering, at this time, Assembly Bills Nos 146, 147, and 148.

Consideration of Assembly Bill No. 146.

Assembly Bill No. 146—An act making an appropriation to meet a deficiency in the appropriation for legislative printing, binding, etc., to take effect immediately.

Bill read second time.

Bill read third time.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 146 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Tickle, and Wagy—29
NOES—None.

Title read and approved.
Assembly Bill No. 146 ordered transmitted to the Assembly.

Consideration of Assembly Bill No. 147.

Assembly Bill No. 147—An act making an additional appropriation for support of the Division of Parks, Department of Natural Resources, from the State Park Maintenance and Acquisition Fund for operating and maintaining the State Park System, and providing that this act shall take effect immediately.

Bill read second time.
Bill read third time.
The question being on the passage of the bill.
The roll was called, and Assembly Bill No. 147 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Keating, Mayo, McBride, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Tickle, and Wagy—28
NOES—Senator McCormack—1

Title read and approved.
Assembly Bill No. 147 ordered transmitted to the Assembly

Consideration of Assembly Bill No. 148.

Assembly Bill No. 148—An act making an appropriation for the contingent expenses of the Assembly for the Fifty-third (first extraordinary) session of the Legislature including expenses of committees created at that session, and declaring that this act shall take effect immediately.

Bill read second time.
Bill read third time
The question being on the passage of the bill.
The roll was called, and Assembly Bill No. 148 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, Deuel, Fletcher, Foley, Gordon, Hays, Holohan, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Tickle, and Wagy—28
NOES—Senator Garrison—1

Title read and approved.
Assembly Bill No 148 ordered transmitted to the Assembly.

Report of Standing Committee.

The following report of Standing Committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, September 22, 1940

MR. PRESIDENT Your Committee on Rules, to which was referred Senate Resolution No 60;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be placed on file

Committee membership—5, committee vote, Ayes—5

SEAWELL, Chairman

Consideration of Senate Resolution No. 60.

WHEREAS, It appears that efforts have been and are being made to interfere with the independence of the Legislative Department during this and other extraordinary sessions of the Legislature; and

WHEREAS, Certain officers and members of the Legislature have been threatened directly and indirectly by persons outside the Legislature in an endeavor to coerce their actions as officers and members of the Legislature and to interfere with their freedom of action as representatives of the people of the State of California; and

WHEREAS, It appears that certain officers and employees of the Executive Department have been and are attempting to make the Legislative Department of the State Government obedient and subservient to the Executive Department, contrary to the doctrine of separation of powers enunciated in section 1 of Article III of the State Constitution; and

WHEREAS, It has been reported that certain officers and employees of the Executive Department of the Government have threatened to deprive certain districts of the State of certain benefits normally supplied by the State and in which benefits such districts are by law entitled to participate, unless the legislative representatives of such districts act in their capacities as legislators in a manner compatible with the desires of certain officers and employees of the Executive Department of the State irrespective of the best interests of the State as a whole; now, therefore, be it

Resolved by the Senate of the State of California, That there is hereby established an investigating committee to be known as the Senate Investigating Committee on Interference with the Independence of the Legislative Department, which committee is to exercise the powers and perform the duties hereby granted to and imposed upon it during the sessions and any recess or recesses of the special session of the Legislature which convened on January 29, 1940, but in no event beyond the final adjournment thereof; and be it further

Resolved That the committee shall study and investigate accurately and in detail, any and all phases of the matters referred to herein, including any and all things connected with interference or attempted interference with the freedom of the legislative process, attempts to coerce officers and members of the Senate and Assembly in the performance of their legislative duties, whether by directly or indirectly threatening such officers and members, or by threatening to deprive the districts represented by such officers and members of any benefits to which such districts are by law entitled, or otherwise; and be it further

Resolved, That said committee shall report to the Senate and the Legislature its findings and recommendations with reference thereto; and be it further

Resolved, That the committee shall consist of three members of the Senate appointed by the President pro tempore of the Senate Vacancies in the membership of the committee occurring at any time shall be filled by the President pro tempore of the Senate; and be it further

Resolved, That the committee may adopt and from time to time amend, such rules as may appear necessary and proper to exercise the powers hereby granted and to perform the duties imposed. It may select a chairman and a secretary from its membership; and be it further

Resolved, That the committee may employ, prescribe the duties and fix the compensation of such professional assistants, clerical and other employees as it finds necessary for the conduct of its work and it may contract with such other agencies, public or private, as it deems necessary for the rendition of such services, studies and reports to it as will best assist it to effectuate the purposes for which it was created; and be it further

Resolved, That the committee is authorized to hold public hearings at Sacramento and at any place in California at which hearings the people are to have an opportunity to present their views to the committee; and be it further

Resolved That the committee is authorized and empowered to summon and subpena witnesses, require the production of papers, books, accounts, reports, documents, records and papers of every kind and description, to issue subpenas and to

take all necessary means to compel the attendance of witnesses and to procure testimony; and be it further

Resolved, That the committee, each of its members and any representative of the committee thereunto authorized by the committee or by its chairman is authorized and empowered to administer oaths. All of the provisions of Article VIII, Chapter II, Title I, Part III of the Political Code, relating to the attendance and examination of witnesses before the Legislature and committees thereof, apply to the committee hereby created; and be it further

Resolved, That every department, commission, board, agency, officer, and employee of the State Government and of the political subdivisions, the counties, the cities and the districts shall furnish the committee, upon request, such information, records and documents as the committee deems proper for the effectuation of the purposes for which it was created; and be it further

Resolved, That the committee is further authorized and empowered to make a complete investigation and study of every phase of the subjects hereinabove mentioned and any and all matters incidental thereto and to do any and all things necessary or convenient to enable it fully and completely to exercise its powers and perform its duties; and be it further

Resolved, That the Sergeant-at-Arms of the Senate or any person designated by him is hereby directed to serve any and all subpenas, orders and other process that may be issued by the committee, when directed so to do by the chairman or upon a vote of the majority of the membership of the committee; and be it further

Resolved, That the members of the committee shall serve without compensation but shall be allowed mileage at the rate of 5½ cents per mile each way, incurred in connection with their services upon the committee, and other actual and necessary expenses for living accommodations and meals, incurred in connection with their services upon the committee or in lieu of such expenses for accommodations and meals, an allowance of $8 per day; and be it further

Resolved, That the sum of fifteen hundred dollars ($1,500) or so much thereof as may be necessary is hereby made available from the contingent fund of the Senate for expenses of the committee and its members, and for any charges, expenses or claims it may incur under this resolution, to be disbursed, after certification by the chairman of the committee, upon warrants drawn by the Controller upon the Treasurer

Resolution read

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No 60 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden Cunningham, Deuel, Fletcher, Foley, Gordon, Hays, Holohan, Mayo, McBride, McCormack, Metzger, Mixter Myhand, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Tickle, and Wagy—26.

NOES—Senators Garrison, and Keating—2.

Consideration of Senate Concurrent Resolution No. 22.

Senate Concurrent Resolution No. 22.

Relative to an additional appropriation to the Joint Fact-finding Committee on Employment and its Advisory Committee

Resolved by the Senate of the State of California, the Assembly thereof concurring, That in addition to other moneys heretofore made available the sum of $10,000 or so much thereof as may be necessary is hereby made available from the contingent funds of the Senate and of the Assembly for the expenses of the Joint Fact-finding Committee on Employment and its Advisory Committee incurred under Resolutions Chapters 30 and 49 of this session of the Legislature, to be paid equally from the contingent funds of the Senate and of the Assembly, and disbursed, after certification by the Chairman of the Joint Fact-finding Committee on Employment, upon warrants drawn by the State Controller upon the State Treasurer.

Resolution read.

The question being on the adoption of the resolution

The roll was called, and Senate Concurrent Resolution No 22 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Hays, Holohan, Keating, Mayo, McBride, McCormack, Metzger,

Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Seawell, Slater, Tickle, and Wagy—27.
NOES—None.

Senate Concurrent Resolution No. 22 ordered transmitted to the Assembly.

Recess.

At eight o'clock p.m., on motion of Senator Seawell, the President of the Senate declared recess until nine o'clock p.m.

Reconvened.

At nine o'clock p.m., the Senate reconvened.

Lieutenant Governor Ellis E. Patterson, President of the Senate, in the chair.

Secretary Joseph A. Beek at the desk.

Consideration of Senate Bill No. 94.

Senate Bill No. 94—An act to add section 3.9 to the Unemployment Relief Appropriation Act of 1940, relating to the money available and the uses to which it may be put under the Federal Stamp Plan.

Resolution.

The following resolution was offered.

By Senator Phillips:

Resolved, That Senate Bill No. 94 presents a case of urgency, as that term is used in section 15 of Article IV of the Constitution, and the provision of that section requiring that the bill shall be read on three several days in each house is hereby dispensed with, and it is ordered that said bill be read the third time, and placed upon its passage.

Resolution read

The question being on the adoption of the resolution.

The roll was called, and the resolution adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Cluttenden, Cunningham, Deuel, Fletcher, Foley, Gordon, Hays, Holohan, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, and Wagy—27.
NOES—Senator Garrison—1.

Whereupon the President declared the provisions of section 15, Article IV of the Constitution suspended for the purpose of considering, at this time, Senate Bill No. 94

Urgency Clause.

SEC. 2. This act is hereby declared to be an urgency measure, necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution and as such shall take effect immediately. The facts constituting such necessity are as follows:

The Legislature has provided large sums of money for unemployment relief and for the distribution of food and commodities in connection therewith, which sums, it desires to have administered, by persons appointed with Senate approval, in order to insure expenditure completely in accord with the spirit and intent of the Appropriation

Statutes so that the causes of unrest will be minimized and the dangers immediately affecting the public peace, health and safety will be removed

Urgency clause read.

The question being on the adoption of the urgency clause

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, Fletcher, Foley, Gordon, Hays, Holohan, Keating, McBride, McCormack, Metzger, Mixter, Myhand, Parkman, Phillips, Quinn, Rich, Seawell, Slater, Tickle, and Wagy—24

NOES—Senators Deuel, Garrison, Mayo, and Powers—4

Third Reading of Senate Bill No. 94.

Senate Bill No. 94—An act to add section 3.9 to the Unemployment Relief Appropriation Act of 1940, relating to the money available and the uses to which it may be put under the Federal Stamp Plan.

Bill read third time.

The question being on the passage of the bill.

The roll was called, and Senate Bill No 94 refused passage by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, Fletcher, Foley, Gordon, Hays, Holohan, Keating, McBride, McCormack, Metzger, Mixter, Myhand, Parkman, Phillips, Quinn, Rich, Seawell, Slater, and Wagy—23

NOES—Senators Deuel, Garrison, Mayo, Nielsen, and Powers—5

Motion to Reconsider.

Senator Phillips moved to reconsider the vote whereby Senate Bill No. 94 was refused passage.

Postponement of Reconsideration.

On motion of Senator Phillips, the further consideration of the motion to reconsider the vote whereby Senate Bill No. 94 was refused passage, was continued until the next legislative day.

Consideration of Senate Concurrent Resolution No. 24.

Senate Concurrent Resolution No. 24.

Relative to Legislative Bill Room equipment.

WHEREAS, Certain additional equipment is required for the Legislative Bill Room; and

WHEREAS, Such equipment should properly be paid for out of the contingent fund of the two houses of the Legislature rather than from the Legislative Printing Fund; now, therefore, be it

Resolved by the Senate of the State of California, the Assembly thereof concurring, That the sum of $2,000 be and the same is hereby appropriated, one-half to be payable from the contingent fund of the Senate and one-half from the contingent fund of the Assembly for the purpose of acquiring for the Legislative Bill Room such additional equipment; and be it further

Resolved, That the Controller be and he is hereby directed to draw his warrants in favor of such firms or individuals supplying the equipment above provided for as are certified to him by the Secretary of the Senate and the Chief Clerk of the Assembly and the Treasurer is directed to pay the same, but in no event shall the total amount expended exceed the sum of $2,000.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Concurrent Resolution No. 24 adopted by the following vote:

AYES—Senators Crittenden, Cunningham, Deuel, Foley, Garrison, Hays, Holohan, Keating, Mayo, McBride, McCormack, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, and Wagy—22.

NOES—Senators Biggar, Gordon, and Metzger—3

Senate Concurrent Resolution No. 24 ordered transmitted to the Assembly.

Resolution.

The following resolution was offered:

By Senator Quinn:

Resolved, That Senate Bill No. 95 presents a case of urgency, as that term is used in section 15 of Article IV of the Constitution, and the provision of that section requiring that the bill shall be read on three several days in each house is hereby dispensed with, and it is ordered that said bill be read the third time, and placed upon its passage

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and the resolution adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, Deuel, Foley, Garrison, Gordon, Hays, Holohan, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, and Wagy—27.

NOES—None.

Whereupon the President declared the provisions of section 15, Article IV of the Constitution suspended for the purpose of considering, at this time, Senate Bill No. 95.

Motion to Strike from File.

On motion of Senator Seawell, Senate Bill No. 95 was ordered stricken from the file.

Appointment of Special Committee.

The President pro tempore announced, in accordance with Senate Resolution No. 60, the appointment of Senators Mayo, Rich and Crittenden as members of a Special Investigating Committee created under Senate Resolution No. 60.

Report of Standing Committee.

The following report of Standing Committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, September 22, 1940.

MR. PRESIDENT: Your Committee on Rules has appointed Senators Myhand, Gordon, Metzger, Collier and Cunningham as members of a Special Investigating Committee created under Senate Resolution No. 59.

SEAWELL, Chairman.

Senate Resolution No. 65.

The following resolution was offered:
By Senator Seawell:

Resolved, That the President of the Senate appoint a Committee of Three to notify the Assembly that the Senate is ready to recess in accordance with the provisions of Senate Concurrent Resolution No. 25, and to ask the Assembly if it has any further communication to submit to the Senate

Resolution read, and on motion of Senator Seawell, adopted.

Appointment of Special Committee.

The President announced, in accordance with the above resolution, the appointment of Senators Quinn, Mayo and Breed.

Senate Resolution No. 66.

The following resolution was offered:
By Senator Seawell:

Resolved, That the President of the Senate appoint a Committee of Three to notify the Governor that the Senate is ready to recess in accordance with the provisions of Senate Concurrent Resolution No. 25, and to ask His Excellency if he has any further communications to transmit to the Senate.

Resolution read, and on motion of Senator Seawell, adopted.

Appointment of Special Committee.

The President announced, in accordance with the above resolution, the appointment of Senators Powers, Rich and McBride.

Approval of Journal.

The Senate Journal of the Fifty-third (extraordinary) session of Saturday, September 21, 1940, was, on motion of Senator Seawell, approved as corrected by the Journal Clerk and Minute Clerk.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, September 22, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Senate Concurrent Resolution No. 25—Relative to a recess of the Senate and the Assembly of the State of California.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Senate Concurrent Resolution No. 25 ordered to enrollment.

ASSEMBLY CHAMBER, SACRAMENTO, September 22, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted

Senate Concurrent Resolution No. 24—Relative to Legislative Bill Room equipment.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Senate Concurrent Resolution No. 24 ordered to enrollment.

ASSEMBLY CHAMBER, SACRAMENTO, September 22, 1940

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Senate Concurrent Resolution No. 22—Relative to an additional appropriation to the Joint Fact-finding Committee on Unemployment and its Advisory Committee.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Senate Concurrent Resolution No 22 ordered to enrollment.

Report of Standing Committee.

The following report of Standing Committee was received and read.

On Rules.

SENATE CHAMBER, SACRAMENTO, September 22, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Concurrent Resolution No 22—Relative to an additional appropriation to the Joint Fact-finding Committee on Employment and its Advisory Committee;

Senate Concurrent Resolution No 24—Relative to Legislative Bill Room equipment;

Senate Concurrent Resolution No. 25—Relative to a recess of the Senate and the Assembly of the State of California;

And reports that the same have been correctly enrolled, and presented to the Governor on the twenty-second day of September, 1940, at nine o'clock p.m.

SEAWELL, Chairman.

Approval of Minutes.

The minutes of this legislative day, Sunday, September 22, 1940, were, on motion of Senator Seawell, approved as corrected by the Minute Clerk.

Message from the Assembly.

At nine o'clock and twenty-five minutes p.m., a committee from the Assembly, consisting of Messrs Field, Robertson and Heisinger, appeared at the bar of the Senate, and announced that the Assembly was prepared to adjourn for the recess and had no further communications to transmit to the Senate.

Report of Committee.

Senator Quinn, as chairman of the committee appointed to inform the Assembly of the readiness of the Senate to adjourn for the recess, as provided in Senate Concurrent Resolution No. 25, reported that the committee had delivered the message to the Assembly, and had been requested by the Assembly to inform the Senate that the Assembly had no further communications to transmit, as they were prepared to adjourn for the recess.

Report of Committee.

Senator Powers, as chairman of the committee appointed to wait upon the Governor and inform him of the readiness of the Senate to adjourn for the recess, as provided in Senate Concurrent Resolution No. 25, reported that they had performed their duty.

Adjournment.

Whereupon, at nine o'clock and thirty minutes p.m., on motion of Senator Nielsen, in accordance with the provisions of Senate Concurrent Resolution No 25, the President of the Senate declared the Fifty-third (extraordinary) session of the Senate adjourned until twelve o'clock noon Monday, December 2, 1940, unless sooner reconvened in accordance with the provisions of Senate Concurrent Resolution No. 25.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER, SACRAMENTO,
Monday, December 2, 1940.

The Senate met at twelve o'clock noon, pursuant to the provisions of Senate Concurrent Resolution No. 25, reconvening the Legislature after the recess

Lieutenant Governor Ellis E. Patterson, President of the Senate of the fifty-third session, in the chair, called the Senate to order.

Joseph A. Beek, Secretary of the Senate, James Boyd Garrison, Minute Clerk, and Joseph F. Nolan, Sergeant-at-Arms, were present and occupied their respective positions.

Roll Call.

The roll was called, and the following Senators answered to their names:

Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—33.

Quorum present.

Prayer.

Prayer was offered by Alfred Tonness, Executive Secretary, Church Council of Sacramento.

Senate Resolution No. 67.

The following resolution was offered:

By Senator Biggar:

Resolved, That the President of the Senate appoint a Special Committee of Three to notify the Governor that the Senate has reconvened the fifty-third (first extraordinary) session pursuant to Senate Concurrent Resolution No. 25, and is now ready to receive any communication he may have to make.

Resolution read, and on motion of Senator Seawell adopted.

Appointment of Special Committee.

The President announced, in accordance with the above resolution, the appointment of Senators Biggar, Keating and Powers.

Senate Resolution No. 68.

The following resolution was offered:

By Senator McBride:

Resolved, That the President of the Senate appoint a Special Committee of Three to notify the Assembly that the Senate has reconvened the fifty-third (extraordinary) session pursuant to Senate Concurrent Resolution No. 25, and is ready to proceed with the business of the State

Resolution read, and on motion of Senator Seawell adopted

Appointment of Special Committee.

The President announced, in accordance with the above resolution, the appointment of Senators McBride, Rich and Jespersen.

Senate Resolution No. 69.

The following resolution was offered:

By Senator Tickle:

Resolved, That the following named persons previously elected to the statutory offices set forth below be and the same are hereby directed to reassume their official duties. The compensation set opposite their names is to be payable weekly and the Controller is hereby directed to draw his warrants for the same amounts and the Treasurer is hereby directed to pay the same:

	Per Day
Joseph F. Nolan, Sergeant-at-Arms	$8 00
J. Boyd Garrison, Minute Clerk	9 00
Rev. A. Raymond Grant, Chaplain	4 00

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 69 adopted by the following vote:

AYES—Senators Breed, Collier, Crittenden, Cunningham, DeLap, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Mayo, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Quinn, Rich, Seawell, Slater, Tickle, and Wagy—25.

NOES—None.

Introduction, First Reading and Reference of Bill.

The following bill was introduced:

Senate Concurrent Resolution No. 26: By Senator Breed—Relative to approving certain amendments to the charter of the county of Alameda, State of California.

Senate Concurrent Resolution No 26 read, and referred to Committee on Rules.

Report of Standing Committee.

The following report of standing committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, December 2, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Senate Concurrent Resolution No. 26—Relative to approving certain amendments to the charter of the county of Alameda, State of California;

Has had the same under consideration, and respectfully reports the same back, and recommends that it be adopted.

Committee membership—5; committee vote: Ayes—5.

SEAWELL, Chairman.

Consideration of Senate Concurrent Resolution No. 26.

Senate Concurrent Resolution No. 26—Relative to approving certain amendments to the charter of the county of Alameda, State of California.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Concurrent Resolution No. 26 adopted by the following vote:

AYES—Senators Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Fletcher, Foley, Garrison, Gordon, Holohan, Jespersen, Kenny, Mayo, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Tickle, and Wagy—28.

NOES—None.

Senate Resolution No. 26 ordered transmitted to the Assembly.

Motion to Strike from the File.

On motion of Senator Seawell, Senate Bill No. 94 was ordered stricken from the file.

Recess.

At twelve o'clock and fifteen minutes p.m., on motion of Senator Seawell, the President of the Senate declared recess until three o'clock and fifty minutes p.m.

Reconvened.

At three o'clock and fifty minutes p.m., the Senate reconvened.

Lieutenant Governor Ellis E. Patterson, President of the Senate, in the chair.

Secretary Joseph A. Beek at the desk.

Message from the Assembly.

The following message from the Assembly was received and read.

ASSEMBLY CHAMBER, SACRAMENTO, December 2, 1940

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Senate Concurrent Resolution No. 26—Relative to approving certain amendments to the charter of the county of Alameda, State of California.

JACK CARL GREENBURG, Chief Clerk of Assembly

Senate Concurrent Resolution No. 26 ordered to enrollment.

Introduction, First Reading and Reference of Bills.

The following bill was introduced:

Senate Concurrent Resolution No. 27: By Senator Seawell—Relative to Joint Rules of the Senate and Assembly.

Senate Concurrent Resolution No. 27 read, and ordered held at desk without reference to committee.

Reports of Special Committees.

The following reports of Special Committees were received:

Senators Biggar, Keating and Powers, the Special Committee appointed to wait upon the Governor and inform him of the organization of the Senate, reported they had performed their duty.

Senators McBride, Rich and Jespersen, the Special Committee appointed to notify the Assembly of the organization of the Senate, reported that they had performed their duty.

Adjournment.

At three o'clock and fifty-five minutes p.m., on motion of Senator Seawell, the President of the Senate declared the Senate adjourned, until eleven o'clock and thirty minutes a.m., Tuesday, December 3, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER, SACRAMENTO,
Tuesday, December 3, 1940.

The Senate met at eleven o'clock and thirty minutes a m.
Hon. Ellis E. Patterson, President of the Senate, in the chair.
Secretary Joseph A. Beek at the desk.

Roll Call.

The roll was called. and the following answered to their names:

Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Rich, Seawell, Slater, Swing, Tickle, and Wagy—32.

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev. A. Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Monday, December 2, 1940, the further reading was dispensed with, on motion of Senator Slater.

Leaves of Absence.

Senator Shelley was, on motion of Senator Slater, granted leave of absence for this day.

Senator McCormack was, on motion of Senator DeLap, granted leave of absence for this day.

Privilege of Floor of Senate Extended.

On request of Senator Garrison, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mr. and Mrs. W Joseph McFarland of Los Angeles.

Message from the Assembly.

The following message from the Assembly was received and read:

ASSEMBLY CHAMBER, SACRAMENTO, December 2, 1940.

MR. PRESIDENT. I am directed to inform your honorable body that the Assembly on this day adopted:

Assembly Concurrent Resolution No. 33—Approving certain amendments to the charter of the county of Sacramento, State of California, submitted to, voted for, and ratified by the electors of said county at the general election held on the fifth day of November, 1940.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Concurrent Resolution No. 33 read, and referred to Committee on Rules.

Communications.

The following communications were received, read, and ordered printed in the Journal:

STATE OF CALIFORNIA, DEPARTMENT OF PUBLIC WORKS,
SACRAMENTO, October 1, 1940

To the Honorable Members of the Senate of the State of California,
State Capitol, Sacramento, California.

GENTLEMEN: Pursuant to the provisions of Assembly Concurrent Resolution No. 5, 1939 Session, I have the honor and pleasure to transmit herewith the report of a survey and study made of the best possible and feasible routings for traffic in the following described area, lying and being in the county of Los Angeles, viz.:

The Arroyo Seco and adjacent areas, from State Highway Route 205 in and near the northerly city limits of the city of Los Angeles to State Highway Route 9 in the general vicinity of Devils Gate Reservoir.

Conclusions and recommendations may be summarized as follows:

It is quite obvious in our opinion from studies made there is a manifest lack of any evidence indicating an urgent or pressing need for an extension of Arroyo Seco Parkway up the Arroyo Bottom to Devils Gate Reservoir. As a matter of fact the data accumulated seems to conclusively prove that neither now, nor for many years to come, will such an expensive improvement be justified.

In direct answer to the wording of the Assembly Concurrent Resolution No. 5 "to study and report on the best possible and feasible route for traffic in Arroyo Seco and adjacent areas from State Highway Route 205 in and near the northerly city limits of Los Angeles to State Highway Route 9 in the general vicinity of Devils Gate Reservoir," it is submitted that the best and most feasible solution consistent with good engineering judgment and the economic factors involved, is to use the present existing streets and highways, with the proviso that the present State highway and street system in this area is in need of improvement at many points, and should be improved as soon as funds are available for such purpose.

Very sincerely yours,

FRANK W. CLARK,
Director of Public Works

STATE OF CALIFORNIA, DEPARTMENT OF PUBLIC WORKS,
SACRAMENTO, October 22, 1940.

Hon. Joseph A. Beek, Secretary of the Senate,
State Capitol Building, Sacramento, California.

Subject: *Filing of State Engineer reports pursuant to Ch. 1, Stats. 1940, 2d Extra Session, as amended by Ch. 1, Stats. 1940, 4th Extra Session.*

DEAR SIR: Handed you herewith for filing are the following reports of the State Engineer:

1. A-7 Meridian Farms Water Company. File No. Sut. 40-2. Repair and restoration of irrigation system.
2. A-17 Calaveras Public Utility District. File No. Cal. 40-1. Repair and restoration of spillway structure of the Middle Fork dam of the Calaveras Public Utility District.

3. A-18 Reclamation District No. 70. File No. Sut. 40-1. Repair and restoration of drainage system and levees.

These reports are upon work proposed under authority of said Chapter 1, Statutes of 1940, as amended, and are transmitted to you pursuant to the requirements of section 1 thereof. A copy of said Chapter 1 is inclosed for your information.

Very truly yours,

EDWARD HYATT,
State Engineer.

STATE OF CALIFORNIA, DEPARTMENT OF PUBLIC WORKS,
SACRAMENTO, October 25, 1940.

Hon. Joseph A. Beck, Secretary of the Senate,
State Capitol Building, Sacramento, California.

Subject: *Filing of State Engineer report pursuant to Ch. 1, Stats. 1940, 2d Extra Session, as amended by Ch. 1, Stats. 1940, 4th Extra Session*

DEAR SIR: Handed you herewith for filing is the following report of the State Engineer:

A-32 Holly Sugar Corporation File Gle. 40-3 Restoration of levee.

This report is upon work proposed under authority of said Chapter 1, Statutes of 1940, as amended, and is transmitted to you pursuant to the requirements of section 1 thereof.

Very truly yours,

EDWARD HYATT, State Engineer
By A. D EDMONDSTON, Deputy State Engineer

enc.

STATE OF CALIFORNIA, DEPARTMENT OF PUBLIC WORKS,
SACRAMENTO, October 29, 1940

Hon. Joseph A. Beek, Secretary of the Senate,
State Capitol Building, Sacramento, California

Subject. *Filing of State Engineer reports pursuant to Ch 1, Stats. 1940, 2d Extra Session, as amended by Ch 1, Stats 1940, 4th Extra Session.*

DEAR SIR: Handed you herewith for filing are the following reports of the State Engineer:

1. A-44-a County of Yolo, File No. Yol. 40-2. Repair and restoration of Esparto Bridge over Cache Creek.
2. A-47 Reclamation District No. 999 File No. Yol. 40-5. Repair and restoration of levee.

These reports are upon work proposed under authority of said Chapter 1, Statutes of 1940, as amended, and are transmitted to you pursuant to the requirements of section 1 thereof

Very truly yours,

EDWARD HYATT, State Engineer.
By A. D EDMONDSTON, Deputy State Engineer.

enc.

STATE OF CALIFORNIA, DEPARTMENT OF PUBLIC WORKS,
SACRAMENTO, November 4, 1940

Hon. Joseph A. Beek, Secretary of the Senate.
State Capitol Building, Sacramento, California.

Subject. *Filing of State Engineer reports pursuant to Ch. 1, Stats 1940, 2d extra session, as amended by Ch. 1, Stats. 1940, 4th extra session.*

DEAR SIR: Handed you herewith for filing are the following reports of the State Engineer:

A-40 County of Tehama. File No. Teh 40-1. Repair and restoration of the levees of the Gerber Levee District.

A-86 Winship School District. File No. Sut. 40-11. Repair and restoration of the schoolhouse and appurtenant structures of Winship School District.

These reports are upon work proposed under authority of said Chapter 1, Statutes of 1940, as amended, and are transmitted to you pursuant to the requirements of section 1 thereof.

Very truly yours,

EDWARD HYATT, State Engineer.
By A. D. EDMONDSTON, Deputy State Engineer.

STATE OF CALIFORNIA, DEPARTMENT OF PUBLIC WORKS,
SACRAMENTO, November 8, 1940.

Hon Joseph A. Beek, Secretary of the Senate,
State Capitol Building, Sacramento, California.

Subject: *Filing of State Engineer reports pursuant to Ch. 1, Stats. 1940, 2d extra session, as amended by Ch. 1, Stats. 1940, 4th extra session.*

DEAR SIR: Handed you herewith for filing are the following reports of the State Engineer:

A-6 County of Sonoma. File No. Son. 40-1. Repair and restoration of the Cloverdale Levee.

A-16 Reclamation District No. 1660. File No. Sut. 40-7. Rehabilitation of the drainage canals of the District.

A-46 Reclamation District No. 900. File No. Yol. 40-4. Repair of west levee of the District.

A-88 Reclamation District No. 10. File No. Yub. 40-4. Repair and restoration of levees of the District.

These reports are upon work proposed under authority of said Chapter 1, Statutes of 1940, as amended, and are transmitted to you pursuant to the requirements of section 1 thereof.

Very truly yours,

EDWARD HYATT, State Engineer.
By A. D. EDMONDSTON, Deputy State Engineer.

STATE OF CALIFORNIA, DEPARTMENT OF PUBLIC WORKS,
SACRAMENTO, November 30, 1940.

Hon Joseph A. Beek, Secretary of the Senate,
State Capitol Building, Sacramento, California.

Subject: *Filing of State Engineer reports pursuant to Ch. 1, Stats. 1940, 2d extra session, as amended by Ch. 1, Stats. 1940, 4th extra session.*

DEAR MR BEEK: Handed you herewith for filing is the following report of the State Engineer which is disapproved:

A-12 Mr. T. B. Roberson, Mr. Lorenzo Zerillo, Giovanetti Estate, et al. Stanislaus Levee Repairs. File No. Sta. 40-3

This report is upon work proposed under authority of said Chapter 1, Statutes of 1940, as amended, and is transmitted to you pursuant to the requirements of section 1 thereof

Very truly yours,

EDWARD HYATT, State Engineer.
By A. D. EDMONDSTON, Deputy State Engineer

Report of Standing Committee.

The following report of Standing Committee was received, read, and on motion of Senator Seawell adopted:

SACRAMENTO, CALIFORNIA, December 3, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred the Governor's messages of December 2, appointing Chris Merchant, Dr. W. Earle Smith, Hugh Lovett Spears and George A. Briggs to the State Board of Prison Directors, has had the same under consideration and, acting upon the advice of the Committee on Governmental Efficiency, to whom previous like communications regarding these appointments were referred for consideration, reports them back and recommends that the Secretary of the Senate be instructed to return said communications to the Governor without prejudice, advising him that the Senate does not believe it advisable to act upon these appointments because a court case is now pending to determine the legality of this board.

Respectfully submitted

SEAWELL, Chairman.

Senate Resolution No. 70.

The following resolution was offered:
By Senator Mayo:

WHEREAS, It appears that efforts have been and are being made to interfere with the independence of the Legislative Department during this and other sessions of the Legislature; and

WHEREAS, The Senate Investigating Committee on Interference with the Independence of the Legislative Department was created by Senate Resolution No. 60 adopted this session to investigate this interference with the freedom of the legislative process; and

WHEREAS, It appears that the best interests of the people of this State will be served by permitting that committee to function after final adjournment of this session; and

WHEREAS, The people on November 5, 1940, adopted an amendment to the Constitution of this State authorizing the Legislature or either house thereof to provide for the appointment of committees to act after final adjournment of the session creating them; now, therefore, be it

Resolved by the Senate of the State of California, That a committee of the Senate, designated "The Senate Investigating Committee on Interference with the Independence of the Legislative Department" is hereby created, which committee consists of those persons who on December 1, 1940, were members of the Senate Investigating Committee on Interference with the Independence of the Legislative Department created by Senate Resolution No. 60 adopted this session, and shall have and exercise all of the powers, duties and functions conferred upon said former committee by said Senate Resolution No. 60 adopted this session, and all of the provisions of said Senate Resolution No 60 are incorporated herein by reference and made applicable to the committee hereby created except as herein otherwise provided; and be it further

Resolved, That the Senate Investigating Committee on Interference with the Independence of the Legislative Department created by this resolution is hereby authorized to act during this session of the Legislature, including any recess hereof, and after final adjournment hereof, until the commencement of the regular session of the Fifty-fourth Legislature, and may file a report at said regular session as well as at this session; and be it further

Resolved, That the unexpended balance of any moneys heretofore appropriated or made available to the committee created by said Senate Resolution No. 60 is hereby appropriated and made available from the contingent fund of the Senate for the expenses of the Senate Investigating Committee on Interference with the Independence of the Legislative Department hereby created, and its members, and for any charges, expenses or claims it may incur under this resolution, to be paid from said contingent fund and disbursed, after certification by the chairman of the Senate Investigating Committee on Interference with the Independence of the Legislative Department, upon warrants drawn by the State Controller upon the State Treasurer.

Senate Resolution No. 70 read and ordered held at the desk.

Senate Resolution No. 71.

The following resolution was offered:
By Senator Seawell:

WHEREAS, The laws of this State require the Senate to confirm and approve a considerable number of appointments to State offices made by the Governor; and

WHEREAS, In submitting such matters to the Senate it has heretofore been the practice of the Governor to transmit to the Senate only the name and address of the person appointed with his request that the Senate advise and consent to the appointment; and

WHEREAS, The members of the Senate frequently have little or no personal information as to the qualifications of such appointees to fulfill the duties of the offices to which they are appointed, and it therefore becomes necessary, in order for the Senate adequately to fulfill the duty imposed upon it by law, to delay action with reference to such appointment until such time as adequate information regarding the appointee can be obtained; now, therefore, be it

Resolved by the Senate of the State of California, That the Senate hereby requests the Governor to transmit with all requests for confirmation of his appointments such information as he may have regarding the experience and qualifications

of each appointee, and particularly the facts regarding the appointee upon which the Governor bases his belief that the appointee is qualified for the particular position to which he is appointed and as to which the Governor requests confirmation of his action by the Senate.

Resolution read, and on motion of Senator Seawell adopted.

Communication.

The following communication was received, and on motion of Senator Seawell, ordered printed in the Journal:

Memorandum re Interpretation of Advice and Consent.

"*By and with the advice.*" This phrase and others of similar import, when used in constitutional, statutory or testamentary provisions, as where authority or power is given to a person to do something "by and with the advice," or "by and with the advice and consent," or "with the advice," or "with the advice and consent" of another person, or body of persons, have been uniformly construed as conferring the power to act, and laying the primary responsibility for the action, upon the person so first authorized, subject to the restriction that such act, once he has determined upon it, is to receive the approval of the second person or body referred to, whose connection therewith is purely advisory and to whom is not given a coordinate authority or power to initiate the action.

In re Opinion of Justices, 78 N. E. 311, 190 Mass 616, 619;

Norcum v. *D'Œnch*, 17 Mo. 98, 119;

Commonwealth v. *Lane*, 13 Wkly. N. C. (Pa.) 29, 32 2 C. J. S 892

"Where the Constitution declares that the power to act is in the Governor or that the act may be done by the Governor 'by and with the advice of council' or 'by and with the advice and consent of the council,' we are of opinion that the responsibility rests primarily upon the Governor to determine, as the supreme executive magistrate, whether any action is called for and what act, if any, is desirable, and that the provision for advice of council is a requirement that their approval and concurrence shall accompany the affirmative act and enter into it before it becomes complete and effective. We do not think that these different phrases, used in different parts of the Constitution, namely, 'by and with the advice of council,' 'by and with the advice and consent of the council,' 'with the advice and consent of the council,' 'with advice of council,' and 'with advice of the council,' differ at all in legal effect. They all recognize the fact that the act first of all, and afterwards for all time, is to be the act of the Governor. The only connection that the council can have with it is advisory. Whether the Governor takes advice or not, his conclusion must rest finally upon his own judgment Inasmuch as the responsibility for his determination, with or without advice, must rest upon him, both in the beginning and forever after, the natural course of proceeding would seem to be that he would seek such aid as he might desire from any proper source and not be obliged to ask advice, in the first instance, from an official body whose opinion could never relieve him from the duty of deciding." In re Opinion of the Justices 78 N. E. 311, 312, 190 Mass. 616.

Advice and Consent.

Under statute providing that a public officer, if appointed by Governor with the advice and consent of council, may be removed by Governor for cause, with council's advice and consent, the words "advice and consent" do not infer that before giving or refusing its sanction the council is compelled to hold hearings and to listen to the testimony of witnesses, but the council may adopt any reasonable methods of forming a proper judgment on the matter before it, including the holding of a hearing at which witnesses are called. G. L., Ter. Ed., c. 30, Sec. 9 *Murphy* v *Casey*, Mass., 15 N. E. 2d 268, 271.

Introduction, First Reading and Reference of Bills.

The following bills were introduced.

Senate Concurrent Resolution No. 28: By Senator Breed—Relative to approving certain amendments to the charter of the city of San Leandro, a municipal corporation of the county of Alameda, State of

California, voted for and ratified by the qualified electors of said city at a special municipal election held therein on the fifth day of November, 1940.

Senate Concurrent Resolution No 28 read, and ordered held at desk without reference to committee.

Senate Concurrent Resolution No. 29: By Senators Phillips, Brown, Deuel, Mayo, Mixter, Nielsen, Seawell and Wagy—Relative to a Fact-Finding Committee on Employment.

Senate Bill No. 29 read first time, and ordered held at desk without reference to committee.

Senate Concurrent Resolution No. 30: By Senator Parkman—Relative to approving certain amendments to the charter of the county of San Mateo, State of California, submitted to, voted for, and ratified by, the electors of said county at a special election held in said county for that purpose on the fifth day of November, 1940.

Senate Concurrent Resolution No. 30 read, and ordered held at desk without reference to committee.

Consideration of Senate Concurrent Resolution No. 28.

Senate Concurrent Resolution No. 28—Relative to approving certain amendments to the charter of the city of San Leandro, a municipal corporation of the county of Alameda, State of California, voted for and ratified by the qualified electors of said city at a special municipal election held therein on the fifth day of November, 1940.

Resolution read

The question being on the adoption of the resolution.

The roll was called, and Senate Concurrent Resolution No. 28 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Hays, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, Metzger, Mixter, Myhand, Nielsen, Parkman, Rich, Seawell, Slater, Swing, Tickle, and Wagy—29.

NOES—None.

Senate Concurrent Resolution No. 28 ordered transmitted to the Assembly.

Consideration of Senate Concurrent Resolution No. 30.

Senate Concurrent Resolution No. 30—Relative to approving certain amendments to the charter of the county of San Mateo, State of California, submitted to, voted for, and ratified by, the electors of said county at a special election held in said county for that purpose on the fifth day of November, 1940.

Resolution read.

The question being on the adoption of the resolution

The roll was called, and Senate Concurrent Resolution No. 30 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Gordon, Hays, Holohan, Jespersen, Keating, Kenny, Mayo, McBride, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—32.
NOES—None.

Senate Concurrent Resolution No. 30 ordered transmitted to the Assembly.

Consideration of Assembly Concurrent Resolution No. 33.

Assembly Concurrent Resolution No. 33—Approving certain amendments to the charter of the county of Sacramento, State of California, submitted to, voted for, and ratified by the electors of said county at the general election held on the fifth day of November, 1940.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Concurrent Resolution No. 33 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Holohan, Keating, Kenny, Mayo, McBride, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Slater, Swing, Tickle, and Wagy—31.
NOES—None.

Assembly Concurrent Resolution No. 33 ordered transmitted to the Assembly.

Recess.

At twelve o'clock noon, on motion of Senator Seawell, the President of the Senate declared recess until five o'clock p.m.

Reconvened.

At five o'clock p.m., the Senate reconvened.

Lieutenant Governor Ellis E. Patterson, President of the Senate, in the chair.

Secretary Joseph A. Beek at the desk.

Report.

The following report was received, read, and ordered printed in the Journal:

FINAL REPORT TO THE SENATE OF THE STATE OF CALIFORNIA BY THE COMMITTEE ON HORSE RACING.

Your Committee for the Investigation of Horse Racing on May 15, 1940, in its preliminary report to the Senate, made the following recommendation:

> "It is the province of the Legislature, not the Executive, to raise the revenues of the State, and order their expenditure by budget appropriation. However, during the past year the Racing Commission, at the request of the present Governor, has arbitrarily insisted that the various tracks donate the proceeds of certain days to the general funds of the State. The purpose back of this move may be entirely laudable but purity of motive can never justify a deed that is evil in effect. This move has set the stage for imposition of similar 'extra-legislative' taxes upon other 'privilege' businesses—liquor, fishing,

et cetera. Confidence of those who would invest in such business is destroyed since they are deprived of the safeguard of the constitutional provision that the Legislature alone may impose taxes."

The committee is now pleased to report to the Senate that at a meeting of the committee held in San Francisco on November 28 and November 29, 1940, the Honorable Jerry Giesler, Chairman of the Racing Board, testified that the future policy of the Racing Board would follow these recommendations of the committee, to wit:

1. That no more "Charity Days" would be imposed by the board upon California tracks as a condition to their operation, and

2. That money hitherto set aside by the tracks, as the result of the imposition of "Charity Days" upon them, would be ordered deposited in the General Fund of the State of California subject to the appropriation of the Legislature, and not to the uncontrolled disposal of Executive power.

The committee is gratified at this action by the Chairman of the Racing Board and, believing that this action removes further necessity for its continuation of its investigation regarding "Charity Days"

THE SENATE COMMITTEE ON HORSE RACING,
D. JACK METZGER.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, December 3, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Bill No. 150—An act to amend section 33 of an act entitled "An act to amend sections 124, 127, 3591, 3594, 3616, 3651, 3659, 3661, 3691, 3807, 4101, 4111, 4112, 4113 and 4147 of, to amend the title of Chapter 8 of Part 6 of Division I of, to repeal sections 3614, 3707 and 4108 of, to add sections 3511 5, 3521, 3662 and 3663 to, to add Chapter 4 3, consisting of sections 3534 to 3562, and Chapter 4 6, consisting of sections 3571 to 3578, to Part 6 of Division I of, the Revenue and Taxation Code, and to amend sections 3833 3, 3857 2 and 3859 20 of, to repeal sections 3773 1, 3833 and 3859 18 of, and to add sections 3773 1, 3773 2, 3785 4, 3785 5 and 3785 6 to, and to add Chapter IXb, consisting of sections 3860 01 to 3860.32, and Chapter IXc, consisting of sections 3861 1 to 3861.8, to Title IX of Part III of, the Political Code, relating to property taxation, including the right of redemption and the classification and control of tax deeded property, and making an appropriation," approved June 1, 1940, relating to the effective date of the provisions thereof;

Assembly Bill No. 149—An act to add section 3 9 to the Unemployment Relief Appropriation Act of 1940, relating to the money available and the uses to which it may be put under the Federal Stamp Plan, to take effect immediately;

Assembly Concurrent Resolution No 34—Relative to the investigation of work relief projects for the State Relief Administration at Chino, California.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Assembly Bill No. 150 read first time, and referred to Committee on Finance.

Assembly Bill No. 149 read first time, and referred to Committee on Finance.

Assembly Concurrent Resolution No. 34 read, and ordered held at desk without reference to committee.

ASSEMBLY CHAMBER, SACRAMENTO, December 3, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:

Senate Concurrent Resolution No 28—Relative to approving certain amendments to the charter of the city of San Leandro, a municipal corporation of the county of Alameda, State of California, voted for and ratified by the qualified electors of said city at a special municipal election held therein on the fifth day of November, 1940;

Senate Concurrent Resolution No 30—Relative to approving certain amendments to the charter of the county of San Mateo, State of California, submitted to, voted

for, and ratified by, the electors of said county at a special election held in said county for that purpose on the fifth day of November, 1940

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Senate Concurrent Resolutions Nos. 28 and 30 ordered to enrollment.

Consideration of Senate Concurrent Resolution No. 27.

Senate Concurrent Resolution No. 27—Relative to Joint Rules of the Senate and Assembly.

Amendment from the Floor.

During the reading of Senate Concurrent Resolution No. 27, the following amendment, offered by Senator Seawell, was read and adopted:

Amendment No. 1.

On page 9 of the printed resolution, after line 38, insert the following.

Investigating Committees.

No. 35.

In order to expedite the work of the Legislature either house, or both houses jointly may by resolution provide for the appointment of committees to ascertain facts and to make recommendations as to any subject within the scope of legislative regulation or control.

The resolution providing for the appointment of a committee shall state the purpose of the committee, and the scope of subject with which it is to act and may authorize it to act either during sessions of the Legislature or after final adjournment.

In the exercise of the power granted by this Rule, each committee may appoint a secretary and adopt such Rules as may appear necessary and proper to carry out the powers granted and duties imposed under this Rule. It may employ such clerical, legal and technical assistants as may appear necessary when money has been made available therefor.

Each such committee is authorized and empowered to summon and subpena witnesses, require the production of papers, books, accounts, reports, documents, records and papers of every kind and description, to issue subpenas and to take all necessary means to compel the attendance of witnesses and to procure testimony, oral and documentary.

The members of such committees are, and each of them is, authorized and empowered to administer oaths, and all of the provisions of Article VIII, Chapter II, Title I, Part III of the Political Code, relating to the attendance and examination of witnesses before the Legislature and the committees thereof, shall apply to such committees.

The Sergeant-at-Arms of the Senate or Assembly or other person designated by such Sergeant-at-Arms or by the committee, shall serve any and all subpenas, orders and other process that may be issued by the committee, when directed to do so upon a vote of the majority of the membership of the committee.

All officers of the State, including the Legislative Counsel and the heads of each department, agency and subdivision thereof, and all employees of such departments, agencies and subdivisions, and all other persons whether connected with the State Government or not, shall give and furnish to these committees upon request such information, records and documents as the committees deem necessary or proper for the achievement of the purposes for which each such committee was created.

Each such committee may either during the session or during the constitutional recess, meet at the State Capitol or at any other place in the State of California and do any and all things necessary or convenient to enable it to exercise the powers and perform the duties herein granted to it and may expend such money as may be made available to it for such purpose; but no committee shall incur any indebtedness unless money shall have been first made available therefor. Members shall not be entitled to any salary because of membership on any such committee but shall be entitled to actual necessary expenses, not to exceed eight dollars per day and actual travel expenses which shall be deemed to be five and one-half cents per mile. The chairman of each committee shall audit and approve the expense claims of the members of the committee and shall certify the amount

approved to the Controller, and the Controller shall draw his warrants upon the certification of the chairman.

Bill read, ordered to reprint, re-engrossment, and on file.

Senate Resolution No. 72.

The following resolution was offered:

By Senator Tickle:

WHEREAS, The Senate of the California Legislature reassembled in the Fifty-third (first extraordinary) session on December 2, 1940, pursuant to the provisions of Senate Concurrent Resolution No. 25 and in the conduct of its business has necessitated the services of certain clerical, stenographic and other assistants, the services of certain of whom will be required during further recess or upon adjournment of such extraordinary session, now, therefore, be it

Resolved, That the Controller be and he is hereby authorized and directed during this Fifty-third (first extraordinary) session and during any recess which may be taken or after adjournment thereof to draw his warrants in favor of the Secretary of the Senate and in favor of such officers and employees who render services to the Senate as certified weekly by the Secretary of the Senate at the per diem provided by law from the funds set aside for the pay of officers and employees of the Senate, and the Treasurer is hereby directed to pay the same.

Resolution read

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 72 adopted by the following vote:

AYES—Senators Biggar, Brown, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Jespersen, Keating, Mayo, McBride, Metzger, Mixter, Myhand, Nielsen, Seawell, Shelley, Slater, and Wagy—22

NOES—None.

Consideration of Senate Resolution No. 70.

WHEREAS, It appears that efforts have been and are being made to interfere with the independence of the Legislative Department during this and other sessions of the Legislature; and

WHEREAS, The Senate Investigating Committee on Interference with the Independence of the Legislative Department was created by Senate Resolution No. 60, adopted this session to investigate this interference with the freedom of the legislative process, and

WHEREAS, It appears that the best interests of the people of this State will be served by permitting that committee to function after final adjournment of this session; and

WHEREAS, The people on November 5, 1940, adopted an amendment to the Constitution of this State authorizing the Legislature or either house thereof to provide for the appointment of committees to act after final adjournment of the session creating them; now, therefore, be it

Resolved by the Senate of the State of California, That a committee of the Senate, designated "The Senate Investigating Committee on Interference with the Independence of the Legislative Department" is hereby created, which committee consists of those persons who on December 1, 1940, were members of the Senate Investigating Committee on Interference with the Independence of the Legislative Department created by Senate Resolution No. 60, adopted this session, and shall have and exercise all of the powers, duties and functions conferred upon said former committee by said Senate Resolution No. 60, adopted this session, and all of the provisions of said Senate Resolution No. 60 are incorporated herein by reference and made applicable to the committee hereby created except as herein otherwise provided; and be it further

Resolved, That the Senate Investigating Committee on Interference with the Independence of the Legislative Department, created by this resolution, is hereby authorized to act during this session of the Legislature, including any recess hereof, and after final adjournment hereof, until the commencement of the regular session of the Fifty-fourth Legislature and may file a report at said regular session as well as at this session; and be it further

Resolved, That the unexpended balance of any moneys heretofore appropriated or made available to the committee created by said Senate Resolution No. 60 is hereby appropriated and made available from the contingent fund of the Senate for the expenses of the Senate Investigating Committee on Interference with the Independence of the Legislative Department, hereby created, and its members, and for any charges, expenses or claims it may incur under this resolution, to be paid from said contingent fund and disbursed, after certification by the chairman of the Senate Investigating Committee on Interference with the Independence of the Legislative Department, upon warrants drawn by the State Controller upon the State Treasurer

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 70 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Gordon, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, and Wagy—30.

NOES—None.

Consideration of Senate Concurrent Resolution No. 29.

Senate Concurrent Resolution No. 29.

Relative to a Fact-Finding Committee on Employment.

WHEREAS, The Fact-Finding Committee on Employment created by Resolutions Chapter No. 30 of this session has heretofore exercised the functions conferred upon it, and has made report to the Legislature on the result of its investigations; and

WHEREAS, It appears from those investigations and reports that the best interests of the people of this State will be served by permitting that committee to function after final adjournment of this session; and

WHEREAS, The people on November 5, 1940, adopted an amendment to the Constitution of this State authorizing the Legislature or either house thereof to provide for the appointment of committees to act after final adjournment of the session creating them; now, therefore, be it

Resolved by the Senate of the State of California, the Assembly thereof concurring, That a committee on employment, designated "The Fact-Finding Committee," is hereby created, which committee consists of those persons who on December 1, 1940, were members of the Fact-Finding Committee created by Senate Concurrent Resolution No. 10 adopted this session, and shall have and exercise all of the powers, duties and functions conferred upon said former committee by said Senate Concurrent Resolution No. 10 and by Assembly Concurrent Resolution No. 26 adopted this session, and all of the provisions of said Resolutions No. 10 and No. 26 are incorporated herein by reference and made applicable to the committee hereby created except as herein otherwise provided; and be it further

Resolved, That the Fact-Finding Committee created by this resolution is hereby authorized to act during this session of the Legislature, including any recess hereof, and after final adjournment hereof, until the commencement of the regular session of the Fifty-fourth Legislature, and may file a report at said regular session as well as at this session; and be it further

Resolved, That the persons who on December 1, 1940, constituted the advisory committee to said former Fact-Finding Committee shall constitute an advisory committee to the Fact-Finding Committee hereby created, to advise, aid and counsel the latter in the studies conducted by it in carrying out the purposes of this resolution; the advisory committee to have and exercise such powers and duties as shall be defined from time to time by the Fact-Finding Committee within the scope of the powers and duties of the latter described in said Assembly Concurrent Resolution No. 26; the actual and necessary expenses of the advisory committee and its members to be paid out of the moneys allotted to the Fact-Finding Committee disbursed and paid from the same funds, in the same manner and upon like certification as expenses of the Fact-Finding Committee and its members are paid; and be it further

Resolved, That the unexpended balance of any moneys heretofore appropriated or made available to the committee created by said Senate Concurrent Resolution No. 10 is hereby appropriated and made available from the contingent funds of the Senate and of the Assembly for the expenses of the Fact-Finding Committee hereby created, and its members, and for any charges, expenses or claims it may

incur under this resolution, to be paid equally from said contingent funds and disbursed, after certification by the chairman of the Fact-Finding Committee, upon warrants drawn by the State Controller upon the State Treasurer.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Concurrent Resolution No. 29 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Garrison, Hays, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, and Wagy—30.

NOES—None.

Senate Concurrent Resolution No. 29 ordered transmitted to the Assembly.

Consideration of Assembly Concurrent Resolution No. 34.

Assembly Concurrent Resolution No. 34.

Relative to the investigation of work relief projects for the State Relief Administration at Chino, California.

WHEREAS, The Joint Fact-Finding Committee created by Assembly Concurrent Resolution No. 32 adopted this session is authorized and directed to gather, assemble, study and analyze all facts relating to any phase of present and potential employment of relief labor in the construction of the Southern California Prison at Chino, California, and the maintenance of public property in and about Chino, California, with a view to formulating a plan for the employment of relief labor at the Southern California Prison and preparing and submitting such legislative measures as will enable the State to proceed with the construction of that prison with maximum efficiency, and to administer unemployment relief at a minimum cost; and

WHEREAS, It appears that the best interests of the people of this State will be served by permitting that committee to function after final adjournment of this session; and

WHEREAS, The people on November 5, 1940, adopted an amendment to the Constitution of this State authorizing the Legislature or either house thereof to provide for the appointment of committees to act after final adjournment of the session creating them; now, therefore, be it

Resolved by the Assembly of the State of California, the Senate thereof concurring, That a committee designated "The Joint Fact-Finding Committee," is hereby created, which committee consists of those persons who on December 1, 1940, were members of the Joint Fact-Finding Committee created by Assembly Concurrent Resolution No. 32 adopted this session, and shall have and exercise all of the powers, duties and functions conferred upon said former committee by said Assembly Concurrent Resolution No. 32, and all of the provisions of said Assembly Concurrent Resolution No. 32 are incorporated herein by reference and made applicable to the committee hereby created, except as herein otherwise provided; and be it further

Resolved, That the Joint Fact-Finding Committee created by this resolution is hereby authorized to act during this session of the Legislature, including any recess hereof, and after final adjournment hereof, until the commencement of the regular session of the Fifty-fourth Legislature, and may file a report at said regular session as well as at this session; and be it further

Resolved, That the unexpended balance of any moneys heretofore appropriated or made available to the committee created by Assembly Concurrent Resolution No. 32 is hereby appropriated and made available from the contingent funds of the Senate and of the Assembly for the expenses of the Joint Fact-Finding Committee hereby created, and its members, and for any charges, expenses or claims it may incur under this resolution, to be paid equally from said contingent funds and disbursed, after certification by the chairman of the Joint Fact-Finding Committee, upon warrants drawn by the State Controller upon the State Treasurer.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Concurrent Resolution No 34 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, Deuel, Fletcher, Garrison, Hays, Jespersen, Keating, Kenny, Mayo, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley Slater, Swing, and Wagy—29.
NOES—None.

Assembly Concurrent Resolution No. 34 ordered transmitted to the Assembly.

Withdrawal from Committee of Assembly Bill No. 149.

Senator Seawell moved that Assembly Bill No. 149 be withdrawn from the Committee on Finance for purpose of passage.

Motion carried, and such was the order.

Resolution.

The following resolution was offered:

By Senator Phillips:

Resolved, That Assembly Bill No. 149 presents a case of urgency, as that term is used in section 15 of Article IV of the Constitution, and the provision of that section requiring that the bill shall be read on three several days in each house is hereby dispensed with, and it is ordered that said bill be read the second and third times, and placed upon its passage.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and the resolution adopted by the following vote

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, and Wagy—33
NOES—None.

Whereupon, the President declared the provisions of section 15, Article IV of the Constitution suspended for the purpose of considering, at this time, Assembly Bill No. 149.

Consideration of Assembly Bill No. 149.

Assembly Bill No. 149—An act to add section 3.9 to the Unemployment Relief Appropriation Act of 1940, relating to the money available and the uses to which it may be put under the Federal Stamp Plan.

Bill read second time.

Bill read third time.

Urgency Clause.

SEC. 2. This act is hereby declared to be an urgency measure, necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution and as such shall take effect immediately. The facts constituting such necessity are as follows:

The Federal Government has established a stamp plan, not only for the distribution of food, but also of other commodities, goods and personal property to persons eligible for unemployment relief Under present legislation, the money made available by the State is not fully available for the complete, state-wide operation of the Federal Stamp Plan. This act, by taking effect immediately, will make money

available for the complete, state-wide operation thereby reducing the causes of unrest throughout the State and removing dangers to the public peace, health and safety.

Urgency clause read.

The question being on the adoption of the urgency clause.

The roll was called, and the urgency clause adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Hays, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, and Wagy—32.

NOES—None

The question being on the passage of the bill.

The roll was called, and Assembly Bill No 149 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, and Wagy—33

NOES—None.

Title read and approved.

Assembly Bill No. 149 ordered transmitted to the Assembly.

Recess.

At five o'clock and thirty minutes p.m., on motion of Senator Seawell, the President of the Senate declared recess until five o'clock and forty-two minutes p.m.

Reconvened.

At five o'clock and forty-two minutes p.m., the Senate reconvened. Lieutenant Governor Ellis E Patterson, President of the Senate, in the chair.

Secretary Joseph A. Beek at the desk.

Adjournment.

At five o'clock and forty-three minutes p m , on motion of Senator Seawell, the President of the Senate declared the Senate adjourned, until eleven o'clock and thirty minutes a.m., Wednesday, December 4, 1940.

JAMES BOYD GARRISON, Minute Clerk.

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER, SACRAMENTO,
Wednesday, December 4, 1940.

The Senate met at eleven o'clock and thirty minutes a.m.
Hon. Ellis E. Patterson, President of the Senate, in the chair.
Secretary Joseph A. Beek at the desk

Roll Call.

The roll was called, and the following answered to their names:

Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—34.

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev. A. Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Tuesday, December 3, 1940, the further reading was dispensed with, on motion of Senator Slater.

Privilege of Floor of Senate Extended.

On request of Senator Phillips, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Mr. and Mrs. Irwin E. Farrar of Hemet

Message from the Governor.

The following message from the Governor was received and read:

STATE OF CALIFORNIA, GOVERNOR'S OFFICE,
SACRAMENTO, December 4, 1940.

To the Honorable Members of the Senate of the State of California.

GREETINGS: I have received Senate Resolution No. 71, regarding appointments by the Governor that are to be confirmed by the Senate.

I heartily agree with the purpose of this resolution, and instead of continuing to follow the procedure heretofore established of submitting merely the names and addresses of appointees, I shall hereafter supplement the same with information furnished me as to the experience and qualifications of each appointee and my reasons for considering them qualified for the positions to which they are appointed.

Please accept my thanks for this resolution.

Very respectfully yours,

CULBERT L. OLSON,
Governor of California

CLO:M

Report of Standing Committee.

The following report of Standing Committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, December 4, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Concurrent Resolution No. 26—Approving certain amendments to the charter of the county of Alameda, State of California;

And reports that the same has been correctly enrolled and presented to the Governor on the fourth day of December, 1940, at eleven o'clock a.m.

SEAWELL, Chairman.

Report.

The following report was received, and on motion of Senator Phillips ordered printed in the Journal:

Report of Senator J. I. Wagy, on hearings held by a Congressional Committee on National Migratory Problems; in San Francisco, September 24th and 25th, and continued in Los Angeles on September 28, 1940.

Personnel of the Committee:

Honorable John H. Tolan, Chairman, California;
Claude W. Parsons, Illinois;
John J. Sparkman, Alabama;
Frank C. Osmer, Jr., New Jersey;
Carl T. Curtis, Nebraska.

The committee had sent out special field investigators who seemed to have covered midwestern and Pacific Coast States pretty thoroughly and brought in some thirty-four witnesses from various parts of the territory covered, who testified as to why they came to California. The great majority of these migrants were farmers or farm workers who stated that on account of drought, and other economic factors in their locality, they just starved out and had to go somewhere else or starve to death where they were. Many of them migrated to other States before coming to California, while others admitted they came directly to California as they had been informed by friends and relatives residing here that wages were much better in California.

One man stated that he received 45¢ per hundred pounds more for picking cotton in California than he received at home and that he could pick nearly double the amount of pounds of cotton here per day, and remarked, "Why should I not come to California when I could do so much better here in earning sufficient money to take care of my family?" None of the witnesses would admit that the easier and higher relief checks in California influenced them to come here; however, it was very apparent that the field investigators had picked their witnesses and did not bring any of the professional reliefers, to testify before the committee. None of the witnesses had seen or heard of any "help wanted" advertisements from California.

There were a number of prominent people that appeared and testified before the committee and they were all agreed on one phase of the subject, namely, that the migratory problem was a national one and could not be considered as a local problem, but were very much divided as to method of solving the problem.

Governor Olson presented his ideas on the subject and made the following recommendations:

I. A unified legislative program to be organized through cooperation of the 11 western States or those affected by migration.

II. Planned resettlement through Farm Security Administration, using the U. S. Housing Authority to do away with the slums and prevent the spread of the slum evils.

III. Investigate the private employment services and labor contractors

IV. Inclusion of agricultural labor under proper legislation through wages and hours, social security and the National Labor Relations Act
V. Maintenance of border stations to check the flow of migrants from east to west through affected States.
VI. Uniform provisions as to residence requirements and relief standards
VII. Works program jointly by the States and Federal Government

PHILIP FERNANDEZ, a licensed labor contractor for canners, stated that he usually employed migrant help and found them very satisfactory when not dominated by agitators, that general run of migrant help was not easily influenced in joining the agitator group, but were afraid of them and often left their work through fear of bodily harm for themselves and members of their family.

VARDEN FULLER, expert from the Bureau of Agricultural Economics of Berkeley stated that the migrant to California was merely the latest stage of a westward migration.

WILLIAM S HOPKINS, Associate Professor of Economics, Stanford University, stated that the migratory labor problem we now have is directly related to the disorganized labor market, and also stated that agricultural labor should have the right to organize as industrial labor.

HELEN GAHAGAN, wife of movie actor Melvyn Douglas, gave quite a lengthy discourse on migratory labor and its problems which dealt with the problem more from a sentimental or Utopian aspect, than from a business or practical standpoint

JOHN S. WATSON, President of Associated Farmers of California, criticized further encouragement of the bureaucratic method of administration of Federal aids such as the Farm Security Administration and migrant camps, claiming that the migrants are set apart from the community, with no chance of assimilation and that the camps are placed in communities without consulting the residents and that these camps become a rendezvous for radical and subversive elements Mr Watson also stated that California farmers are not opposed to assimilating these migrants but that we can not assimilate them fast enough under present economic conditions.

MRS. WALTER KNAPP, of the California Congress of Parents and Teachers, pointed out the educational responsibility to the migrant children

WILLIAM P. SHEPARD, western chief of the American Public Health Association, claimed that the migrants' living conditions created the greatest health problem

R. B. ROBERTSON, associate director of industrial relations for Lockheed Aircraft Corporation, Burbank, stated that from 35 to 50 per cent of job applicants are out of State people and that 75 per cent of these people are unemployable and that the company is compelled to recruit the majority of its skilled workers from eastern centers.

DEAN CLAUDE B. HUTCHISON of the University of California College of Agriculture, stated that it was useless to split up California's huge industrial farms into family size farms to aid in solving the migrant problem, stating that family sized farms can not succeed in California if the State continues to grow specialized crops

ROY T. PIKE, a practical farmer on a large scale, takes issue with Dean Hutchison and stated positively and emphatically that the family sized farms succeed and compete with the large industrialized farms especially in times like the present as the family can grow practically the greater portion of their food supplies and by doing their own work their overhead costs are practically nil.

There were many statements filed with the committee by individuals and organizations giving their views on various aspects of the subject and I was able to procure a copy of a portion of them which I attach hereto and make a part of this report

STATEMENT OF S G. RUBINOW, the problem of interstate migration as it affects the California State Relief Administration.

Statement of the migrant situation by Thomas W. McManus

Statement of the Farm Security Administration by Dwain Pearson

Statement relative to the effect of interstate migration on California community life by Rev Clarence Wagner.

Statement by California State Chamber of Commerce.

Respectfully submitted.

(signed) J. I. WAGY, Chairman Subcommittee of the Legislative Fact-Finding Committee

Consideration of Senate Concurrent Resolution No. 27.

Senate Concurrent Resolution No. 27.

Relative to Joint Rules of the Senate and Assembly

Resolved by the Senate of the State of California, the Assembly concurring That the following be, and the same are, hereby adopted as the Joint Rules of the Senate and Assembly of the State of California for the Fifty-third (first extraordinary) session:

JOINT RULES OF THE SENATE AND ASSEMBLY.

COMMITTEES AND COMMITTEE MEETINGS.

Standing Committees.

1. Each house shall appoint such standing committees as the business of the house may require, the committees, the number of members and the manner of selection to be determined by the rules of each house.

Joint Committees.

2. The Rules Committees of each house shall constitute the Joint Standing Committee on Joint Rules of the Senate and the Assembly.

Joint Meeting of Committees.

3. Whenever any bill has been referred by the Senate to one of its committees, and the same or a like bill has been referred by the Assembly to one of its committees, the chairmen of the respective committees, when in their judgment the interests of legislation or the expedition of business will be better served thereby, shall arrange for a joint meeting of their committees for the consideration of such bill.

BILLS AND RESOLUTIONS

Definition of Word Bill.

4. Whenever the word "bill" is used in these Rules, it shall include constitutional amendments, concurrent and joint resolutions.

Concurrent and Joint Resolutions.

5. Concurrent resolutions relate to matters to be treated by both houses of the Legislature

Joint resolutions are those which relate to matters connected with the Federal Government.

Resolutions Treated as Bills

6. Constitutional amendments, concurrent and joint resolutions shall be treated in all respects as bills; except that they shall be given only one formal reading in each house and that they shall not be deemed bills within the meaning of section 2 of Article IV of the Constitution, and shall not be referred to the Committee on Introduction of Bills, and shall not require a vote to authorize their introduction. As in the case of bills, they shall be engrossed in the house in which they originate before being voted upon.

PREPARATION AND INTRODUCTION OF BILLS.

Title of Bill.

7. The title of every bill introduced shall convey an accurate idea of the contents of the bill and shall be indicative of the scope of the act and the object to be accomplished. In amending a code section, the mere reference to the section by number shall not be deemed sufficient.

Division of Bill Into Sections.

8. A bill amending more than one section of an existing law shall contain a separate section for each section amended.

Bills which are not amendatory of existing laws shall be divided into short sections, where this can be done without destroying the sense of any particular section, to the end that future amendments may be made without the necessity of setting forth and repeating sections of unnecessary length

Restrictions as to Amendments.

9 A substitute or amendment must relate to the same subject as the original bill, constitutional amendment or resolution under consideration.

Changes in Existing Law to Be Marked by Author.

10. In a bill amending a code section or a general law, any new matter shall be underlined and any matter to be omitted shall be in type bearing a horizontal line through the center and commonly known as "strikeout" type. When printed the new matter shall be printed in italics, and the matter to be omitted shall be printed in "strikeout" type.

In any amendment to a bill which sets out for the first time a section being amended, any new matter to be added and any matter to be omitted shall be indicated by the author and shall be printed in the same manner as though the section as amended were a part of the original bill and was being printed for the first time.

Printing of Amendments

11 All bills amended by either house shall be immediately reprinted; in the case new matter is added by the amendment such new matter shall be printed in italics in the printed bill, and in the case of matter being omitted, the matter to be omitted shall be printed in strikeout type. When a bill is amended in either house, the first or previous markings shall be omitted

Printing and Distribution of Bills—Manner of Printing Bills.

12 The State Printer shall observe the following directions in printing all bills, constitutional amendments, concurrent and joint resolutions:

(a) The body of such bills shall be printed in solid unspaced form in ten-point Roman type so that the same type shall be used both before and after enrollment. Concurrent resolutions approving city or county charters or amendments thereto may be set in smaller type.

(b) All titles of bills shall be set in italics, statute form and the length of the lines used in the titles shall not exceed that of the body of the bill.

(c) The lines of all printed bills shall be numbered by page and not by sections, and amendments shall be identified by reference to title, page and line only.

Distribution of Legislative Publications.

13. All requests for mailing or distribution of bills and legislative publications shall be filed with the Secretary of the Senate or the Chief Clerk of the Assembly Each member of the Senate and Assembly shall be permitted to submit a list of ten libraries, chambers of commerce or individuals The Secretary of the Senate and the Chief Clerk of the Assembly shall order a sufficient number of bills and legislative publications to supply this list together with such number as may be necessary for legislative requirements

Except as hereinabove provided, no complete list of bills shall be delivered except upon payment therefor of the sum of $45, nor shall more than five copies of bills or other legislative publications be distributed free except to members of the Legislature, the Secretary of the Senate and the Chief Clerk of the Assembly for the proper functioning of their respective houses; the Legislative Counsel Bureau; Attorney General's office; Secretary of State's office; Controller's office; Governor's office; the Clerk of the Supreme Court; the Clerk of the District Court of Appeal for each district; the Library of Congress and to libraries of the University of California at Berkeley and at Los Angeles; and accredited members of the press. The State Printer shall fix the cost of such bills and publications, and such moneys as may be received by him, shall after deducting the cost of handling and mailing, be remitted on the first day of each month, one-half each to the Secretary of the Senate and the Chief Clerk of the Assembly for credit to legislative printing. Unless otherwise provided for, the total number of each bill to be printed shall be not more than 2,500

OTHER LEGISLATIVE PRINTING.

Printing of the Daily Journal

14 The State Printer shall print in such quantity as directed by the Secretary of the Senate and the Chief Clerk of the Assembly, copies of the Journal of each day's proceedings of each house At the end of the session he shall also print, as directed by the Secretary of the Senate and the Chief Clerk of the Assembly a sufficient number of copies properly paged after being corrected and indexed by the Secretary of the Senate and the Chief Clerk of the Assembly, to bind in book form as the Journal of the respective houses of the Legislature

What Shall Be Printed in the Journal

15 The following shall always be printed in the Journal of each house:

(a) Messages from the Governor and messages from the other house, and the titles of all bills, joint and concurrent resolutions and constitutional amendments when introduced in, offered to, or acted upon by the house, and the titles of joint and concurrent resolutions and constitutional amendments when adopted by the house.

(b) Every vote taken in the house, and a statement of the contents of each petition, memorial or paper presented to the house.

(c) A true and accurate account of the proceedings of the house, when not acting as a Committee of the Whole

Printing of the Daily File

16. A daily File of bills ready for consideration shall be printed each legislative day for each house.

The material to be printed in the File and the form and arrangement shall be determined by the respective houses.

Printing of History.

17. Each house shall cause to be printed once each week, during the session, a complete History of all bills, constitutional amendments, concurrent, joint and house resolutions originating in or acted upon by the respective houses. A regular form shall be prescribed by the Secretary of the Senate and the Chief Clerk of the Assembly. Such History shall show the action taken upon each measure up to and including the legislative day preceding its issuance. For each legislative day intervening there shall be printed a Supplementary History showing the action taken upon any measure since the issuance of the complete History.

Immediately following the adjournment for the constitutional recess, the History shall be compiled and printed to date of recess by the Secretary of the Senate and the Chief Clerk of the Assembly.

Authority for Printing Orders.

18. The Superintendent of State Printing shall not print for use of either house nor charge to legislative printing any matter other than provided by law or by the rules, except upon a written order signed by the Secretary of the Senate or the Chief Clerk of the Assembly. The Secretary of the Senate and the Chief Clerk of the Assembly may, when necessity requires it, order certain matter printed in advance of the regular order, by the issuance of a rush order.

The Secretary of the Senate and the Chief Clerk of the Assembly are hereby authorized and directed between sessions to order and distribute for the members stationery and legislative publications for which there is a demand, and, subject to the Rules of their respective houses, to approve the bills covering such orders. All bills for printing must be presented by the State Printer within thirty days after the completion of said printing.

RECORD OF BILLS.

Secretary and Chief Clerk to Keep Records.

19. The Secretary of the Senate and the Chief Clerk of the Assembly shall keep a complete and accurate record of every action taken by the Senate and Assembly on every bill.

Secretary and Chief Clerk Shall Indorse Bills.

20. The Secretary of the Senate and the Chief Clerk of the Assembly shall indorse on every original or engrossed bill a statement of any action taken by the Senate or Assembly concerning such bill.

ACTION IN ONE HOUSE ON BILL TRANSMITTED FROM THE OTHER.

After a Bill Has Been Passed by the Senate or Assembly.

21. When a bill has been passed by either house it shall be transmitted promptly to the other unless a motion to reconsider or a notice of motion to reconsider has been made or it is held pursuant to some rule or order of the house.

The procedure of referring bills to committees shall be determined by the respective houses.

Messages to Be in Writing Under Proper Signatures.

22. Notice of the action of either house to the other shall be in writing and under the signature of the Secretary of the Senate or the Chief Clerk of the Assembly from which such message is to be conveyed. A receipt shall be taken from the officer to whom such message is delivered.

PASSAGE AND ENROLLING OF BILLS.

Passage of Bills Preceding Final Adjournment.

23. No Senate bill shall be passed by the Senate, and no Assembly bill shall be passed by the Assembly within the time specified in the resolution prior to the adjournment sine die of the two houses of the Legislature at a regular session, unless permission to vote on such bill shall be granted by a three-fourths vote of the house of its origin after being recommended by the Committee on Rules (if it be a Senate bill) or by the Speaker of the Assembly (if it be an Assembly bill).

Enrollment of Bill After Passage.

24. After a bill has passed both houses it shall be printed in enrolled form, omitting symbols indicating amendments, and shall be compared by the Engrossing and Enrolling Clerk and the proper committee of the house where it originated to determine that it is in the form approved by the houses. The enrolled bill shall thereupon be signed by the presiding officers of both houses and the Secretary of the Senate and Chief Clerk of the Assembly and presented without delay to the Governor. The committee shall report the time of presentation of the bill to the Governor to the house and the record shall be entered in the Journal.

AMENDMENTS AND CONFERENCES.

Amendments to Amended Bills Must Be Attached.

25 Whenever a bill or resolution which shall have been passed in one house shall be amended in the other, it shall immediately be reprinted as amended by the house making such amendment or amendments. Such amendment or amendments shall be attached to the bill or resolution so amended, and indorsed "adopted" and such amendment or amendments, if concurred in by the house in which such bill or resolution originated, shall be indorsed "concurred in," and such indorsement shall be signed by the Secretary or Assistant Secretary of the Senate, or the Chief Clerk or Assistant Clerk of the Assembly as the case may be; provided, however, that an amendment to the title of a bill adopted after the passage of such bill shall not necessitate reprinting, but such amendment must be concurred in by the house in which such bill originated

To Concur or Refuse to Concur in Amendments

26. In case the Senate amend and pass an Assembly bill, or the Assembly amend and pass a Senate bill, the Senate (if it be a Senate bill) or the Assembly (if it be an Assembly bill) must either "concur" or "refuse to concur" in the amendments. If the Senate concur (if it be a Senate bill), or the Assembly concur (if it be an Assembly bill), the Secretary or Chief Clerk shall notify the house making the amendments and the bill shall be ordered to enrollment

Concurring in Amendments Adding Urgency Section

27. When a bill which has been passed in one house is amended in the other by the addition of a section providing that the act shall take effect immediately as an urgency measure, and is returned to the house in which it originated for concurrence in the amendment or amendments thereto, the procedure and vote thereon shall be as follows:

The presiding officer shall first direct that the urgency section be read and put to a vote If two-thirds of the members elected to the house vote in the affirmative the presiding officer shall then direct that the question of whether the house shall concur in the amendment or amendments shall be put to a vote If two-thirds of all the members elected to the house vote in the affirmative, concurrence in the amendments shall be effective

If the affirmative vote on either of such questions is less than two-thirds of all the members elected to such house, the effect is a refusal to concur in the amendment or amendments, and the procedure thereupon shall be as provided in Joint Rule No 28

When Senate or Assembly Refuse to Concur

28. If the Senate or the Assembly refuse to concur in the amendments, the Committee on Rules (if it be a Senate bill) or the Speaker of the Assembly (if it be an Assembly bill) shall appoint a committee of three (3) on conference and the Secretary or the Chief Clerk shall immediately notify the other house of the action taken and request the appointment of a like committee. Two of the members comprising such committee from each house shall be selected from those voting with the majority on the point about which the difference has arisen, and the other member from each house of such committee shall be selected from the minority, in the event there is a minority vote The first Senator named on the Conference Committee shall act as chairman of the committee from the Senate, and the first Assemblyman named on such committee shall act as chairman of the committee from the Assembly and the chairman thus selected shall arrange the time and place of all meetings and prepare or direct the preparation of reports The Committee on Conference shall report to both the Senate and Assembly

Report of Committee on Conference

29 The report of the Committee on Conference shall not be subject to amendment, and if either house refuse to adopt such report the conferees may be discharged and other conferees appointed; provided, however, that no more than three different Conference Committees shall be appointed on any one bill.

It shall require the affirmative vote of not less than four of the members constituting the committee to agree upon a report No member who has served on a Committee on Conference shall be appointed a member of another Committee on Conference on the same bill

When Conference Committee Report Is in Order

30 The presentation of the report of a Committee on Conference shall always be in order, except when the Journal is being read or a question of order or a motion to adjourn is pending, or during roll call, and, when received, the question of proceeding to the consideration of the report, if raised, shall be immediately passed upon, and shall be determined without debate

MISCELLANEOUS PROVISIONS.

Authority When Rules Do Not Govern

31. All relations between the houses which are not covered by these Rules shall be governed by Mason's Manual.

Press Rules

32. (a) Desks may be assigned to the representatives of the press in the Senate and Assembly in such manner as shall be directed by the house or by the Rules thereof.

(b) One or more rooms shall be assigned for the exclusive use of correspondents during the legislative session, which room shall be known as the Press Room The Press Room shall be under the control of the Chief of the Bureau of Building and Grounds: provided, that all rules and regulations shall be approved by the Senate Committee on Rules and the Speaker of the Assembly.

Adjournment.

33. Adjournment for the constitutional recess and adjournment sine die shall be made only by concurrent resolution.

Dispensing With Joint Rules.

34. No joint rule shall be dispensed with except by a vote of two-thirds of each house; and Joint Rule No 23 can be dispensed with only in the manner provided for in said Joint Rules. If either house shall violate a joint rule a question of order may be raised in the other house and decided in the same manner as in the case of the violation of the Rules of such house; and if it shall be decided that the Joint Rules have been violated, the bill involving such violations shall be returned to the house in which it originated, and such disputed matter be considered in like manner as in Conference Committee.

INVESTIGATING COMMITTEES

35 In order to expedite the work of the Legislature either house, or both houses jointly may by resolution provide for the appointment of committees to ascertain facts and to make recommendations as to any subject within the scope of legislative regulation or control

The resolution providing for the appointment of a committee shall state the purpose of the committee, and the scope of subject with which it is to act and may authorize it to act either during sessions of the Legislature or after final adjournment.

In the exercise of the power granted by this Rule, each committee may appoint a secretary and adopt such Rules as may appear necessary and proper to carry out the powers granted and duties imposed under this Rule It may employ such clerical, legal and technical assistants as may appear necessary when money has been made available therefor.

Each such committee is authorized and empowered to summon and subpena witnesses, require the production of papers, books, accounts, reports, documents, records and papers of every kind and description, to issue subpenas and to take all necessary means to compel the attendance of witnesses and to procure testimony, oral and documentary.

The members of such committees are, and each of them is, authorized and empowered to administer oaths, and all of the provisions of Article VIII, Chapter II, Title I, Part III of the Political Code, relating to the attendance and examination of witnesses before the Legislature and the committees thereof, shall apply to such committees

The Sergeant-at-Arms of the Senate or Assembly, or other person designated by such Sergeant-at-Arms or by the committee, shall serve any and all subpenas, orders and other process that may be issued by the committee, when directed to do so upon a vote of the majority of the membership of the committee

All officers of the State, including the Legislative Counsel and the heads of each department, agency and subdivision thereof, and all employees of such departments, agencies and subdivisions, and all other persons whether connected with the State Government or not, shall give and furnish to these committees upon request such information, records and documents as the committees deem necessary or proper for the achievement of the purposes for which each such committee was created.

Each such committee may either during the session or during the constitutional recess, meet at the State Capitol or at any other place in the State of California and do any and all things necessary or convenient to enable it to exercise the powers and perform the duties herein granted to it and may expend such money as may be made available to it for such purpose, but no committee shall incur any indebtedness unless money shall have been first made available therefor Members shall not be entitled to any salary because of membership on any such committee but shall be entitled to actual necessary expenses, not to exceed eight dollars

per day and actual travel expenses which shall be deemed to be five and one-half cents per mile. The chairman of each committee shall audit and approve the expense claims of the members of the committee and shall certify the amount approved to the Controller, and the Controller shall draw his warrants upon the certification of the chairman

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Concurrent Resolution No. 27 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Jespersen, Keating, Kenny, McBride, McCormack, Metzger, Mixter, Myhand, Parkman, Phillips, Powers, Quinn, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—31.

NOES—None.

Senate Concurrent Resolution No. 27 ordered transmitted to the Assembly.

Senate Resolution No. 73.

The following resolution was offered:

By Senator Seawell:

WHEREAS, The Standing Rules of the Senate for this session vest certain specified powers in and require the performance of certain specified duties by the Governmental Efficiency Standing Committee of the Senate of the first extraordinary session; and

WHEREAS, Senate Resolution No. 64 of this session authorized the Governmental Efficiency Standing Committee of the Senate of the first extraordinary session to perform additional duties and exercise additional powers as vested in that committee by Senate Resolution No. 64; and

WHEREAS, It appears that the best interests of the people of this State will be served by permitting that committee to function after final adjournment of this session; and

WHEREAS, The people on November 5, 1940, adopted an amendment to the Constitution of this State authorizing the Legislature or either house thereof, to provide for the appointment of committees to act after final adjournment of the session creating them; now, therefore, be it

Resolved by the Senate of the State of California, That a committee designated "The Governmental Efficiency Committee of the Senate of the First Extraordinary Session" is hereby created, which committee consists of those persons who on December 1, 1940, were members of the Governmental Efficiency Standing Committee of the Senate of the first extraordinary session, and shall have and exercise all of the powers, duties, and functions conferred upon such standing committee by the Standing Rules of the Senate for this session and by Senate Resolution No. 64 adopted this session, and all of the pertinent provisions of said Standing Rules of the Senate and all of the provisions of Senate Resolution No. 64 are incorporated herein by reference and made applicable to the committee hereby created except as otherwise provided herein; and be it further

Resolved, That the Governmental Efficiency Committee of the Senate of the first extraordinary session created by this resolution is hereby authorized to act during this session of the Legislature, including any recess hereof, and after final adjournment hereof until the commencement of the regular session of the Fifty-fourth Legislature, and may file a report at said regular session as well as at this session; and be it further

Resolved, That the unexpended balance of any moneys heretofore appropriated or made available to the standing committee by Senate Resolution No. 64 is hereby appropriated and made available from the contingent fund of the Senate for the expenses of the Governmental Efficiency Committee of the Senate of the first extraordinary session hereby created, and its members, and for any charges, expenses or claims it may incur under this resolution to be paid from said contingent fund and disbursed, after certification by the chairman of the committee, upon warrants drawn by the State Controller upon the State Treasurer

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 73 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Fletcher, Foley, Garrison, Gordon, Hays, Jespersen, Keating, Kenny, McBride, McCormack, Metzger, Mixter, Myhand, Parkman, Phillips, Powers, Quinn, Seawell, Shelley, Slater, Swing, and Wagy—28.

NOES—None

Recess.

At eleven o'clock and forty-five minutes a m., on motion of Senator Seawell, the President of the Senate declared recess until three o'clock and five minutes p m.

Reconvened.

At three o'clock and five minutes p m., the Senate reconvened.

Hon Jerrold L. Seawell, President pro tempore of the Senate, in the chair.

Secretary Joseph A. Beek at the desk.

Report of Standing Committee.

The following report of Standing Committee was received, read, and on motion of Senator Hays, adopted:

On Rules.

SENATE CHAMBER, SACRAMENTO, December 4, 1940

MR PRESIDENT Your Committee on Rules, to which was referred the Governor's messages appointing Lois E Souter, Alice H Dougherty, and James M Tadlock to the State Board of Education;

Has had the same under consideration and reports them back and recommends that, as the brevity of the session did not permit proper and adequate consideration by the Senate of the qualifications of the several appointees, the Secretary of the Senate be instructed to return said communications to the Governor, without prejudice, advising him that the Senate does not believe it advisable to act upon these appointments, and to respectfully request that the appointments be submitted to the Senate at another session of the Legislature

Respectfully submitted

SEAWELL, Chairman.

Senate Resolution No. 74.

The following resolution was offered:

By Senator Metzger:

WHEREAS, The Senate Special Committee on Horse Racing has heretofore exercised the powers conferred upon it by Senate Resolution No. 29, adopted this session, and has made investigations and held hearings; and

WHEREAS, It appears from the testimony adduced there and from other events subsequently occurring that the best interests of the people of this State will be served by permitting that committee to function after adjournment of this session; and

WHEREAS, The people on November 5, 1940, adopted an amendment to the Constitution of this State authorizing the Legislature or either house thereof to provide for the appointment of committees to act after final adjournment of the session creating them; now, therefore, be it

Resolved by the Senate of the State of California, That there is hereby created a Senate Special Committee on Horse Racing which consists of those persons who on December 1, 1940, were members of the committee created by Senate Resolution No. 29, adopted this session, and which shall have and exercise all of the powers, duties and functions conferred upon said former committee by said Senate Resolution No. 29 and all of the provisions of said Senate Resolution No 29 are incorporated herein by reference and made applicable to the committee hereby created except as herein otherwise provided; and be it further

Resolved, That the committee created by this resolution is hereby authorized to act during this session of the Legislature, including any recess hereof, and after final adjournment hereof, until the commencement of the regular session of the Fifty-fourth Legislature, and may file a report at said regular session as well as at this session; and be it further

Resolved, That the unexpended balance of any moneys heretofore appropriated or made available to the committee created by Senate Resolution No. 29, adopted this session, is hereby appropriated and made available from the contingent fund of the Senate for the expenses of the committee hereby created, and its members, and for any charges, expenses or claims it may receive under this resolution, to be disbursed, after certification by the chairman, upon warrants drawn by the State Controller upon the State Treasurer.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 74 adopted by the following vote:

AYES—Senators Biggar, Breed, Collier, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Keating, Kenny, Mayo, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—29.

NOES—None.

Reports of Standing Committee.

The following reports of standing committee were received and read:

On Finance.

SENATE CHAMBER, SACRAMENTO, December 4, 1940.

MR. PRESIDENT: Your Committee on Finance, to which was referred:

Assembly Bill No. 150—An act to amend section 33 of an act entitled "An act to amend sections 124, 127, 3591, 3594, 3616, 3651, 3659, 3661, 3691, 3807, 4101, 4111, 4112, 4113 and 4147 of, to amend the title of Chapter 8 of Part 6 of Division I of, to repeal sections 3614, 3707 and 4108 of, to add sections 3511.5, 3521, 3662 and 3663 to, to add Chapter 4.3, consisting of sections 3534 to 3562, and Chapter 4.6, consisting of sections 3571 to 3578, to Part 6 of Division I of, the Revenue and Taxation Code, and to amend sections 3833.3, 3857.2 and 3859.20 of, to repeal sections 3773.1, 3833 and 3859.18 of, and to add sections 3773.1, 3773.2, 3785.4, 3785.5 and 3785.6 to, and to add Chapter IXb, consisting of sections 3860.01 to 3860.32, and Chapter IXc, consisting of sections 3861.1 to 3861.8, to Title IX of Part III of, the Political Code, relating to property taxation, including the right of redemption and the classification and control of tax deeded property, and making an appropriation," approved June 1, 1940, relating to the effective date of the provisions thereof;

Has had the same under consideration, and respectfully reports the same back, and recommends that it do pass.

Committee membership—11, committee vote: Ayes—8; absent—3.

TICKLE, Chairman.

SENATE CHAMBER, SACRAMENTO, December 4, 1940.

MR. PRESIDENT: Your Committee on Finance, to which was referred:

Assembly Bill No. 61—An act making an appropriation to the emergency fund specified in Item 212 of the Budget Act of 1939 for the purpose of augmenting appropriations for the support of the Government of the State, in order to provide for salary and wage adjustments for State employees receiving less than one hundred fifty dollars per month and providing that this act shall take effect immediately;

Has had the same under consideration, and respectfully reports the same back with amendments, and recommends that the amendments be adopted, and that it do pass as amended.

Committee membership—11, committee vote: Ayes—8; absent—3.

TICKLE, Chairman.

Consideration of Committee Amendment.

Pursuant to the report of the Committee on Finance, the following amendment to Assembly Bill No. 61 was read and adopted:

Amendment No. 1.

On page 1, line 2, of the printed bill, as amended, strike out "$525,000", and insert in lieu thereof the following: "$393,282".

Bill read second time, ordered to print, and on file for third reading.

Resolution.

The following resolution was offered:

By Senator Tickle:

Resolved, That Assembly Bill No. 150 presents a case of urgency, as that term is used in section 15 of Article IV of the Constitution, and the provision of that section requiring that the bill shall be read on three several days in each house is hereby dispensed with, and it is ordered that said bill be read the second and third times, and placed upon its passage.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and the resolution adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Collier, Crittenden, Deuel, Fletcher, Foley, Garrison, Gordon, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—30.

NOES—None.

Whereupon, the President declared the provisions of section 15, Article IV of the Constitution suspended for the purpose of considering, at this time, Assembly Bill No. 150.

Consideration of Assembly Bill No. 150.

Assembly Bill No. 150—An act to amend section 33 of an act entitled "An act to amend sections 124, 127, 3591, 3594, 3616, 3651, 3659, 3661, 3691, 3807, 4101, 4111, 4112, 4113 and 4147 of, to amend the title of Chapter 8 of Part 6 of Division I of, to repeal sections 3614, 3707 and 4108 of, to add sections 3511.5, 3521, 3662 and 3663 to, to add Chapter 4.3, consisting of sections 3534 to 3562, and Chapter 4.6, consisting of sections 3571 to 3578, to Part 6 of Division I of, the Revenue and Taxation Code, and to amend sections 3833.3, 3857.2 and 3859.20 of, to repeal sections 3773.1, 3833 and 3859.18 of, and to add sections 3773.1, 3773.2, 3785.4, 3785.5 and 3785.6 to, and to add Chapter IXb, consisting of sections 3860.01 to 3860.32, and Chapter IXc, consisting of sections 3861.1 to 3861.8, to Title IX of Part III of, the Political Code, relating to property taxation, including the right of redemption and the classification and control of tax deeded property, and making an appropriation," approved June 1, 1940, relating to the effective date of the provisions thereof.

Bill read second time.

Bill read third time.

The question being on the passage of the bill.

The roll was called, and Assembly Bill No. 150 passed by the following vote:

AYES—Senators Biggar, Breed, Collier, Crittenden, Cunningham, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Keating, Mayo, McBride, Metzger, Mixter, Myhand,

Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, Tickle, and Wagy—29.
NOES—None.

Title read and approved.
Assembly Bill No. 150 ordered transmitted to the Assembly.

Recess.

At three o'clock and twenty-five minutes p.m., on motion of Senator Swing, the President pro tempore of the Senate declared recess until five o'clock and fifty-five minutes p.m.

Reconvened.

At five o'clock and fifty-five minutes p.m., the Senate reconvened.
Lieutenant Governor Ellis E Patterson, President of the Senate, in the chair.
Assistant Secretary Howard McIntire at the desk.

Third Reading of Assembly Bills.

Assembly Bill No. 61—An act making an appropriation to the Emergency Fund specified in Item 212 of the Budget Act of 1939 for the purpose of augmenting appropriations for the support of the government of the State, in order to provide for salary and wage adjustments for State employees receiving less than one hundred and fifty dollars per month and providing that this act shall take effect immediately.

Bill read third time.
The question being on the passage of the bill.
The roll was called, and Assembly Bill No. 61 passed by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, and Wagy—31
NOES—None.

Title read and approved.
Assembly Bill No. 61 ordered transmitted to the Assembly.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, December 4, 1940.
MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day adopted:
Senate Concurrent Resolution No. 29—Relative to a Fact-Finding Committee on Employment.
JACK CARL GREENBURG, Chief Clerk of Assembly
By C. W. BOOTH, Assistant Clerk.

Senate Concurrent Resolution No. 29 ordered to enrollment.

ASSEMBLY CHAMBER, SACRAMENTO, December 4, 1940.
MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Concurrent Resolution No. 36—Relative to approving certain amendments to the charter of the city of Sacramento, a municipal corporation of the State of California, voted for and ratified by the qualified electors of said city at a special municipal election held therein on the fifth day of November, 1940

JACK CARL GREENBURG, Chief Clerk of Assembly
By C. W. BOOTH, Assistant Clerk

Assembly Concurrent Resolution No. 36 read, and ordered held at desk without reference to committee.

Notice of Motion to Amend the Standing Rules of the Senate.

Senator Seawell gave notice that on the next legislative day he would move to amend the Standing Rules of the Senate as follows.

Senate Rule No. 4 be amended to read as follows:

4. The order of business shall be as follows:
   1. Roll Call.
   2. Prayer by the Chaplain.
   3. Leaves of absence.
   4. Privileges of the floor.
   5. Communications and petitions.
   6. Messages from the Governor.
   7. Messages from the Assembly.
   8. Reports of committees.
   9. Motions, resolutions and notices.
   10. Introduction and first reading of bills
   11. Special orders.
   12. Unfinished business.
   13. Consideration of daily file.
   14. Announcement of committee meetings.
   15. Adjournment.

Reports.

The following reports were received, and ordered printed in the Journal:

Report to the Senate of the State of California by the Committee Created by Senate Resolution Number 59, September 22, 1940, for the Purpose of Making an Investigation of the Napa State Farm.

The Napa State Farm has been slaughtering the cattle since 1917 for the institutions in the State, viz.: Folsom Prison, San Quentin Prison, Napa Hospital, Veterans' Home, and other institutions. They have been farming the low lands on the farm and, like most all other farming operations for the past ten years, they show that it has not been a profitable venture.

Your committee learned from the witnesses heard that the farm had not been using their slaughtering establishment for the last year and because of this the institutions heard complain that the meats that they have been receiving on their contracts were far inferior to the meats received when animals were being slaughtered at the farm. In other words, it is your committee's opinion, from the testimony, that slaughtering of meat animals at the Napa State Farm, and keeping the slaughterhouse in repair and ready for operation is economically sound even though it does not show a profit, but the hidden profit comes from the millions of pounds of meat contracted for by the institutions and a safeguard against prices that may be out of line; therefore, your committee recommends that the slaughtering of meat animals be continued at the Napa State Farm.

With reference to the farming land itself, this can be let on shares as a dry-farm and if and when a dam is constructed in Napa County and the farm is furnished with adequate water for irrigation purposes it can be operated at a profit to the State. The water at present is being sold to other institutions and no credit has been given the farm. If the credit was forthcoming to the farm's account, the farm account would not show such a discouraging statement

If the 500 tillable acres of the farm were leased on shares, the State's take of its share would pay for any loss incurred by keeping the slaughterhouse in readiness for operation. Six hundred head of cattle can be fattened on the balance of 2400 acres and sheep and cattle can be fattened on the by-products of the stubble of

the 500 acres of tillable land, stubble or by-products should at all times be retained for pasture by the State and should be a part of the lease to the share cropper This would permit the State to prepare live stock for slaughter at very little expense, and it is your committee's opinion that a trial should be given the above recommendation.

COMMITTEE ON INVESTIGATION OF THE
NAPA STATE FARM,

PETER P. MYHAND, Chairman.
D. JACK METZGER.
R. R. CUNNINGHAM.
F. L. GORDON.

Minority Report to the Senate of the State of California by the Committee Created by Senate Resolution Number 59, September 22, 1940, for the Purpose of Making an Investigation of the Napa State Farm.

I desire to make a minority report on the Napa State Farm in Napa County, California, for the following reasons.

I do not agree with the majority of the committee on the grounds that I think it is impossible for the State to run a farm profitably and pay wages and salaries under civil service; I do not think it is possible for the State to run this farm where they take the water needed from the farm lands of the farm to other institutions for drinking purposes.

It is my thought that this farm should be run as a penal farm and for the same purposes for which it was purchased in 1917 by the State. The farm is ideally situated and could be run profitably by using prison help and in this way men could be released from our crowded prisons and be rehabilitated, and the various institutions could be supplied vegetables and meat at a price lower than they are now purchasing it.

I also feel that prison labor could be used in constructing a dirt dam at Rector Canyon and in this way money could be saved for the State, and at the same time the water could be supplied to the institutions for drinking purposes.

I also object very strenuously to the present use of the water of Rector Canyon that belongs to the Napa State Farm being used by the other institutions and being taken away from the land belonging to the Napa State Farm. The reason for my objection to this is that taking the water from this farm might jeopardize the water rights of the State and it certainly jeopardizes the productivity of this farm and keeps it from being a profitable farm. The water belongs to this farm and should be used entirely on the farm, except in the case where Rector Dam is built, and the surplus water could then be piped to the institutions

It is my observance that one of the reasons why this farm is not showing a profit is that the Veterans' Home and the Napa State Hospital are taking the majority of the water from this farm and using it for drinking purposes, consequently the farm at present is being farmed as a dry farm while the property should be farmed as an irrigated farm

Hoping that the Legislature will have the Napa State Farm in the future used as a penal farm and a place to raise vegetables and meats for the use of the State institutions.

Respectfully submitted.

RANDOLPH COLLIER,
One of the Committee on Investigation of the Napa State Farm.

Introduction, First Reading and Reference of Bills.

The following concurrent resolution was introduced:

Senate Concurrent Resolution No. 31: By Senator Seawell—Relative to adjournment sine die of the first extraordinary session of the Fifty-third Legislature of the State of California.

Consideration of Senate Concurrent Resolution No. 31.

Senate Concurrent Resolution No. 31.

Relative to adjournment sine die of the first extraordinary session of the Fifty-third Legislature of the State of California.

Resolved by the Senate of the State of California, the Assembly thereof concurring, That the first extraordinary session of the Fifty-third Legislature of the

State of California, which convened at ten o'clock a.m. on the twenty-ninth day of January, 1940, pursuant to a proclamation issued by the Governor of the State of California under date of January 26, 1940, shall adjourn sine die at two o'clock and thirty minutes p.m., December 5, 1940.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Concurrent Resolution No. 31 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Cluffenden, Cunningham, DeLap, Fletcher, Foley, Gordon, Hays, Jespersen, Keating, Kenny, McBride, McCormack, Mixter, Myhand, Parkman, Phillips, Powers, Quinn, Rich, Seawell, Shelley, Slater, Swing, and Wagy—27.

NOES—None.

Senate Concurrent Resolution No. 31 ordered transmitted to the Assembly.

Adjournment.

At six o'clock and ten minutes p.m., on motion of Senator Seawell, the President of the Senate declared the Senate adjourned, until eleven o'clock and thirty minutes a.m., Thursday, December 5, 1940.

JAMES BOYD GARRISON, Minute Clerk

CALIFORNIA LEGISLATURE
FIFTY-THIRD (EXTRAORDINARY) SESSION

SENATE DAILY JOURNAL

IN SENATE

SENATE CHAMBER, SACRAMENTO,
Thursday, December 5, 1940.

The Senate met at eleven o'clock and thirty minutes a.m.
Senator Nielsen of the Nineteenth District in the chair.
Secretary Joseph A. Beek at the desk.

Roll Call.

The roll was called, and the following answered to their names:

Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Keating, Kenny, Mayo, McBride, Metzger, Mixter, Nielsen, Phillips, Powers, Rich, Seawell, Slater, and Wagy—25.

Quorum present.

Prayer.

Prayer was offered by the Chaplain, Rev. A. Raymond Grant.

Reading of the Journal.

During the reading of the Journal of Wednesday, December 4, 1940, the further reading was dispensed with, on motion of Senator Slater.

Approval of Journals.

The Senate Journals of the Fifty-third (extraordinary) session of Monday, December 2, 1940; Tuesday, December 3, 1940, and Wednesday, December 4, 1940, were, on motion of Senator Seawell, approved as corrected by the Journal Clerk and the Minute Clerk.

Report of Standing Committee.

The following report of Standing Committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, December 5, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Concurrent Resolution No. 29—Relative to a Fact-Finding Committee on Employment;

Senate Concurrent Resolution No. 28—Approving certain amendments to the charter of the city of San Leandro, a municipal corporation of the county of Ala-

meda, State of California, voted for and ratified by the qualified electors of said city at a special municipal election held therein on the fifth day of November, 1940;

Senate Concurrent Resolution No. 30—Approving certain amendments to the charter of the county of San Mateo, State of California, submitted to, voted for, and ratified by, the electors of said county at a special election held in said county for that purpose on the fifth day of November, 1940;

And reports that the same have been correctly enrolled and presented to the Governor on the fifth day of December, 1940, at eleven o'clock a.m.

SEAWELL, Chairman.

Senate Resolution No. 75.

The following resolution was offered:

By Committee on Rules:

WHEREAS, There are certain incidental expenses necessary in conducting the business of this extraordinary session of the Legislature; and

WHEREAS, Senate Resolution No. 63, adopted by the Senate September 22, 1940, providing funds for such purpose during the recess which concluded on December 2, 1940, expired on that date and is of no further force and effect; now, therefore, be it

Resolved, That the Controller is hereby authorized and directed to draw his warrant on the contingent fund of the Senate in the sum of $250 in favor of the Secretary of the Senate, and the Treasurer is hereby directed to pay the same, for postage, telephone service, telegraph service, supplies, rental of typewriters, illuminating resolutions, traveling expenses and other incidental expenses in connection with conducting the business of the Senate, during this session and pursuant to adjournment hereof.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 75 adopted by the following vote:

AYES—Senators Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Keating, Kenny, McBride, Metzger, Mixter, Nielsen, Phillips, Powers, Rich, Seawell, Slater, and Wagy—22.

NOES—None.

Senate Resolution No. 76.

The following resolution was offered:

By Committee on Rules:

WHEREAS, Pursuant to the provisions of Senate Resolution No. 129 of the Fifty-third session, the Secretary of the Senate has compiled information relating to the California Legislature and has had the school edition of the Constitution published by the Senate, brought down to date; and

WHEREAS, The supply of such Constitution on hand is practically exhausted; therefore, be it

Resolved, That the Secretary of the Senate be and he is authorized and directed to have published the Constitution and the book on the California Legislature, under separate cover for distribution as provided in Senate Resolution No. 129 above referred to.

Resolution read, and on motion of Senator Seawell adopted.

Senate Resolution No. 77.

The following resolution was offered:

By Senator Seawell:

Resolved, That Senate Rule No. 4 be amended to read as follows:

4. The order of business shall be as follows:
   1. Roll Call.
   2. Prayer by the Chaplain.
   3. Leaves of absence.
   4. Privileges of the floor.
   5. Communications and petitions.

6. Messages from the Governor.
7. Messages from the Assembly.
8. Reports of committees.
9. Motions, resolutions, and notices.
10. Introduction and first reading of bills.
11. Special orders.
12. Unfinished business.
13. Consideration of daily file.
14. Announcement of committee meetings.
15. Adjournment.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 77 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Foley, Garrison, Gordon, Hays, Jespersen, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Parkman, Phillips, Powers, Rich, Seawell Slater, and Wagy—27.
NOES—Senator Fletcher—1.

Introduction, First Reading and Reference of Bills.

The following concurrent resolutions were introduced:

Senate Concurrent Resolution No. 32: By Senator Deuel—Relative to approving amendments to the charter of the county of Butte, State of California, voted for and ratified by the electors of such county at a general election held therein on November 5, 1940.

Senate Concurrent Resolution No. 33: By Senator Kenny—Relative to approving two certain amendments to the charter of the city of Los Angeles, in the county of Los Angeles, State of California, voted for and ratified by the electors of such city at a special election held therein on the fifth day of November, 1940.

Consideration of Senate Concurrent Resolution No. 32.

Senate Concurrent Resolution No. 32—Relative to approving amendments to the charter of the county of Butte, State of California, voted for and ratified by the electors of such county at a general election held therein on November 5, 1940.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 32 adopted by the following vote:

AYES—Senators Breed, Brown, Crittenden, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Jespersen, Keating, Kenny, Mayo, McBride, Metzger, Mixter, Nielsen, Phillips, Powers, Rich, Seawell, Slater, and Wagy—24.
NOES—None.

Senate Concurrent Resolution No. 32 ordered transmitted to the Assembly.

Consideration of Senate Concurrent Resolution No. 33.

Senate Concurrent Resolution No. 33—Relative to approving two certain amendments to the charter of the city of Los Angeles, in the county of Los Angeles, State of California, voted for and ratified by the electors of such city at a special election held therein on the fifth day of November, 1940.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Senate Resolution No. 33 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Cunningham, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Jespersen, Keating, Kenny, Mayo, McBride, Metzger, Mixter, Nielsen, Phillips, Powers, Rich, Seawell, Slater, and Wagy—25.
NOES—None.

Senate Concurrent Resolution No. 33 ordered transmitted to the Assembly.

Consideration of Assembly Concurrent Resolution No. 36.

Assembly Concurrent Resolution No. 36—Relative to approving certain amendments to the charter of the city of Sacramento, a municipal corporation of the State of California, voted for and ratified by the qualified electors of said city at a special municipal election held therein on the fifth day of November, 1940.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Concurrent Resolution No. 36 adopted by the following vote:

AYES—Senators Biggar, Breed, Brown, Crittenden, Cunningham, DeLap, Fletcher, Foley, Garrison, Gordon, Hays, Jespersen, Keating, Kenny, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Phillips, Powers, Rich, Seawell, Slater, and Wagy—27.
NOES—None.

Assembly Concurrent Resolution No. 36 ordered transmitted to the Assembly.

Privilege of Floor of Senate Extended.

On request of Senator Myhand, the privilege of the floor of the Senate Chamber for this day was unanimously extended to Superior Judge James D. Garibaldi of Merced.

Recess.

At eleven o'clock and forty minutes a.m., on motion of Senator Seawell, the Acting President of the Senate declared recess until three o'clock p.m.

Reconvened.

At three o'clock p.m., the Senate reconvened.

Lieutenant Governor Ellis E. Patterson, President of the Senate, in the chair.

Secretary Joseph A. Beek at the desk.

Communication.

The following communication was received, read, and ordered printed in the Journal:

STATE OF CALIFORNIA, OFFICE OF LEGISLATIVE COUNSEL,
December 4, 1940.

Honorable Jerrold L. Seawell,
Senate Chamber, Sacramento, California.
Subject: *Confirmation of Appointments.*
Request: *No. 8585.*

DEAR SENATOR SEAWELL: You have requested that we advise you if the persons appointed to the State Board of Education when the Legislature was not in session, and whose names have been submitted to the Senate for confirmation, continue to serve as members of the State Board of Education if the Senate fails to confirm or reject such appointments prior to its adjournment sine die.

It is our opinion that the persons appointed to the State Board of Education when the Legislature was not in session will continue to act as members of the board should the Senate adjourn sine die without acting upon the appointments. The remainder of this letter will consider the principles upon which our conclusion is based.

Under section 2.1370 of the School Code, members of the State Board of Education are appointed by the Governor with the advice and consent of two-thirds of the Senate. Section 2.1371 of the same code fixes the term of office at four years and requires that the members of the board shall hold office until the appointment and qualification of their successors. In the School Code no provision is found for appointment to the Board of Education on vacancy occurring while the Legislature is not in session or appointment upon the expiration of a term while the Legislature is not in session. It would therefore appear that Political Code section 1000 is applicable, with the result that the persons appointed were lawfully appointed and hold office until the adjournment of the next session of the Legislature. Political Code section 1000 reads as follows:

> "Whenever an office, the appointment to which is vested in the Governor and Senate, or in the Legislature, either becomes vacant or the term of the incumbent of which expires during the recess of the Legislature, the Governor has power to appoint a person to such office; but the person so appointed can only hold the office until the adjournment of the next session of the Legislature."

When the appointments were made to the State Board of Education, section 2.1371 of the School Code operated to extend these interim appointments until such time as successors are appointed and qualify in accordance with law. (*People* vs *Tyrrell* (1891), 87 Cal. 475.) Until the unexpired terms for the three offices now filled by appointees are filled by appointment by the Governor with the consent of the Senate, the interim appointees are required by law to perform all the duties of the office of members of the State Board of Education.

It would appear that the law contemplates that the unexpired terms should be filled at the next session of the Legislature pursuant to section 1000, and at that time it would be in order for the Governor to submit names for confirmation by the Senate. Likewise, it would appear to be in order to submit the names of the persons appointed and now holding the offices as interim appointees. This was the procedure followed in submitting to the Senate for confirmation at the fifth special session the names of the persons appointed to the State Board of Education after the third special session of the Fifty-third Legislature failed to act upon the appointments of the same persons which were submitted to it.

Yours very truly,

FRED B. WOOD, Legislative Counsel
By NORMAN MELLER, Assistant Counsel.

NM/w

Senate Resolution No. 78.

The following resolution was offered:

By Senator Crittenden:

WHEREAS, This Senate has learned with extreme regret of the recent death of the Honorable F. C. Clowdsley, former member of the Assembly representing the fifteenth district; and

WHEREAS, Mr. Clowdsley was first elected to the Assembly in 1926 and served there continuously until 1935; and

WHEREAS, He was elected Speaker pro tempore of the Assembly at the 1933 session of the Legislature and was in the succeeding year chosen by the people of San Joaquin County as their district attorney, a position in which he became widely recognized as an able prosecutor who sought justice in all cases; and

WHEREAS, He led and fostered much important and controversial legislation with success; and

WHEREAS, When he dissented upon matters of importance, this Senate frequently came to realize at a later date that his opinions were correct; and

WHEREAS, The members of the Legislature who served with "Tod" Clowdsley remember him as an outstanding liberal with a deep, underlying interest in the humanities, a high sense of justice and of duty and a sincere interest in the problems of his fellow men; now, therefore, be it

Resolved by the Senate of the State of California, That when we adjourn this day we do so in respect to the memory of the Honorable F. C. Clowdsley, former member of the Assembly and Speaker pro tempore of the Assembly; and be it further

Resolved, That the Secretary of the Senate is hereby directed to convey to the family a suitably prepared copy of this expression of tribute from the Senate of the State of California

Resolution read, and on motion of Senator Crittenden, unanimously adopted by a rising vote of the Senate.

Messages from the Assembly.

The following messages from the Assembly were received and read:

ASSEMBLY CHAMBER, SACRAMENTO, December 5, 1940

MR. PRESIDENT. I am directed to inform your honorable body that the Assembly on this day concurred in Senate amendments to

Assembly Bill No. 61—An act making an appropriation to the Emergency Fund specified in Item 212 of the Budget Act of 1939 for the purpose of augmenting appropriations for the support of the government of the State, in order to provide for salary adjustments or increases for State officers and employees, and providing that this act shall take effect immediately.

JACK CARL GREENBURG, Chief Clerk of Assembly
By C. W. BOOTH, Assistant Clerk

ASSEMBLY CHAMBER, SACRAMENTO, December 5, 1940

MR. PRESIDENT. I am directed to inform your honorable body that the Assembly on this day adopted:

Senate Concurrent Resolution No. 27—Relative to the Joint Rules of the Senate and Assembly;

Senate Concurrent Resolution No. 32—Relative to approving amendments to the charter of the county of Butte, State of California, voted for and ratified by the electors of such county at a general election held therein on November 5, 1940;

Senate Concurrent Resolution No. 33—Relative to approving two certain amendments to the charter of the city of Los Angeles, in the county of Los Angeles, State of California, voted for and ratified by the electors of such city at a special election held therein on the fifth day of November, 1940

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Senate Concurrent Resolutions Nos. 27, 32 and 33 ordered to enrollment.

ASSEMBLY CHAMBER, SACRAMENTO, December 5, 1940

MR. PRESIDENT. I am directed to inform your honorable body that the Assembly on this day adopted:

Assembly Concurrent Resolution No. 37—Relative to the creation of a Welfare Personnel Policies Investigating Committee

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Consideration of Assembly Concurrent Resolution No. 37.

Assembly Concurrent Resolution No. 37.

Relative to the creation of a Welfare Personnel Policies Investigating Committee.

WHEREAS, The Legislature has been convened in extraordinary session by proclamation of the Governor; and

WHEREAS, Among the subjects specified for consideration in the proclamation is an appropriation for the support of the Department of Social Welfare; and

WHEREAS, That department is at present engaged in surveying personnel procedures in the county welfare agencies and setting up required standards therefor; and

WHEREAS, These activities are permitted by expenditures from the support appropriation of the department; now, therefore, be it

Resolved by the Assembly of the State of California, the Senate thereof concurring, That there is hereby created a "Welfare Personnel Policies Investigating Committee" which consists of four members of the Assembly appointed by the Speaker of the Assembly and three members of the Senate appointed by the President pro tempore of the Senate and which is authorized and directed to gather, assemble, study and analyze all facts and acts relating to the establishment, interpretation, and enforcement of personnel policies in county welfare departments by the Department of Social Welfare, with a view toward preparing and submitting such legislative measures as will insure well considered, economic and equitable policies and requirements by the department, to which end the committee shall have and exercise the duty and power:

(1) To select a chairman from its membership and to employ and fix the compensation of a secretary and such clerical, expert and technical assistants as it may deem necessary;

(2) To create subcommittees from its membership, assigning to the subcommittee any study, inquiry, investigation or hearing which the committee itself has authority to undertake or hold, and the subcommittee for the purpose of this assignment shall have and exercise all of the powers conferred upon the committee limited by the express terms of the resolution or resolutions of the latter defining the powers and duties of the subcommittee, which powers may be withdrawn or terminated at any time by the committee;

(3) To adopt and from time to time amend such rules governing its procedure (including the fixing of its own quorum and the number of votes necessary to take action on any matter) as may to it appear appropriate;

(4) To contract with such other agencies, public or private, as it deems necessary for the rendition and affording of such services, facilities, studies and reports to the committee as will best assist it to carry out the purposes for which it is created;

(5) To hold public hearings at any place in California, at which hearings the people are to have an opportunity to present their views to the committee;

(6) To make a complete study, survey and investigation of every phase of the subject of this resolution, including but not limited to the operation, effect, administration, enforcement, and needed revision of any and all laws in any wise bearing upon or relating to personnel policies, standards and requirements of the Department of Social Welfare for county welfare departments;

(7) To meet at any and all places within the State;

(8) To summon and subpena witnesses, require the production of papers, books, accounts, reports, documents, and records of every kind and description, to issue subpenas, and to take all necessary means to compel the attendance of witnesses and procure testimony;

(9) To act during this session of the Legislature, including any recess thereof, and after final adjournment hereof;

(10) To report its findings and recommendations to the Senate and Assembly and to the people from time to time and at any time; and

(11) To do any and all other things necessary or convenient to enable it fully and adequately to exercise its powers, perform its duties, and accomplish the objects and purposes of this resolution; and be it further

Resolved, That the committee, each of its members, and any representative of the committee thereunto authorized by the committee or by its chairman, is authorized and empowered to administer oaths; and all of the provisions of Article VIII, Chapter II, Title I, Part III of the Political Code, relating to the attendance and examination of witnesses before the Legislature and committees thereof, apply to the committee hereby created; and be it further

Resolved, That the Sergeant-at-Arms of the Senate and of the Assembly and each of them or other officers designated by either of them, are hereby directed to serve any and all subpenas, orders and other process issued by the committee when directed so to do by the chairman or by a majority of the membership of the committee; and be it further

Resolved, That every department, commission, board, agency, officer and employee of the State Government and of any political subdivision, county, city, or public district of or in this State shall furnish the committee and any subcommittee, upon request, any and all such assistance, and information, records and documents as the committee or subcommittee deems proper for the accomplishment of the purposes for which the committee is created; and be it further

Resolved, That the members of the committee shall serve without compensation but shall be allowed mileage at the rate of 5½ cents per mile each way incurred in connection with their services upon the committee and other actual and necessary expenses for living accommodations and meals, incurred in connection with their services upon the committee, or in lieu of such expenses for accommodations and meals an allowance of $8 per day; and be it further

Resolved, That the sum of $500 or so much thereof as may be necessary is hereby made available from the contingent funds of the Senate and of the Assembly for the

expenses of the committee and its members and for any charges, expenses or claims it may incur under this resolution, to be paid equally from the contingent funds of the Senate and of the Assembly and disbursed, after certification by the chairman of the committee, upon warrants drawn by the State Controller upon the State Treasurer.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Concurrent Resolution No. 37 adopted by the following vote:

AYES—Senators Crittenden, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Phillips, Powers, Quinn, Rich, Seawell, Slater, and Wagy—23.

NOES—None.

Assembly Concurrent Resolution No. 37 ordered transmitted to the Assembly.

Message from the Assembly.

The following message from the Assembly was received and read:

ASSEMBLY CHAMBER, SACRAMENTO, December 5, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly on this day passed:

Assembly Concurrent Resolution No. 35—Relative to legislative printing.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Consideration of Assembly Concurrent Resolution No. 35.

Assembly Concurrent Resolution No. 35.

Relative to legislative printing.

WHEREAS, The Legislature by Senate Concurrent Resolution No. 17 of this first extraordinary session of the Fifty-third session directed the preparation of a Legislative Style Book and uniform forms and procedure for Journals, Histories and other legislative publications in order to reduce the expense of legislative printing and to secure greater uniformity in legislative publications; and

WHEREAS, Such style book and forms have been prepared pursuant to said resolution; now, therefore, be it

Resolved by the Assembly of the State of California, the Senate thereof concurring, That the Legislative Style Book and forms prepared and submitted pursuant to Senate Concurrent Resolution No 17 of the first extraordinary session of the Fifty-third session be hereby approved and established as the forms for such legislative printing and publications.

Resolution read.

The question being on the adoption of the resolution.

The roll was called, and Assembly Concurrent Resolution No. 35 adopted by the following vote:

AYES—Senators Crittenden, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Phillips, Powers, Rich, Seawell, Slater, and Wagy—22.

NOES—None.

Assembly Concurrent Resolution No. 35 ordered transmitted to the Assembly.

Message from the Assembly.

The following message from the Assembly was received and read:

ASSEMBLY CHAMBER, SACRAMENTO, December 5, 1940.

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly amended, and on this day adopted as amended:

Senate Concurrent Resolution No. 31—Relative to adjournment sine die of the first extraordinary session of the Fifty-third Legislature of the State of California; and respectfully requests your honorable body to concur in said amendment.

JACK CARL GREENBURG, Chief Clerk of Assembly.
By C. W. BOOTH, Assistant Clerk.

Consideration of Assembly Amendment.

The Senate took up for consideration Assembly amendment to Senate Concurrent Resolution No. 31.

Amendment No. 1.

In line 7 of the printed bill, strike out the numerals "2.30", and insert in lieu thereof the numerals "3.30".

The question being: Shall the Senate concur in Assembly amendment to Senate Concurrent Resolution No. 31?

The roll was called, and Assembly amendment to Senate Concurrent Resolution No. 31 concurred in by the following vote:

AYES—Senators Crittenden, DeLap, Deuel, Fletcher, Foley, Garrison, Gordon, Hays, Keating, Mayo, McBride, McCormack, Metzger, Mixter, Myhand, Nielsen, Phillips, Powers, Quinn, Rich, Seawell, Slater, and Wagy—23.
NOES—None.

Senate Concurrent Resolution No. 31 ordered to enrollment.

Senate Resolution No. 79.

The following resolution was offered:
By Senator Slater:

Resolved, That the President of the Senate appoint a Committee of Three to notify the Governor that the Senate is ready to adjourn sine die the Fifty-third (extraordinary) session of the Legislature pursuant to the provisions of Senate Concurrent Resolution No. 31 and to ask if His Excellency has any further communications to transmit to the Senate.

Resolution read, and on motion of Senator Slater adopted.

Appointment of Special Committee.

The President announced, in accordance with the above resolution, the appointment of Senators Slater, Deuel and McCormack.

Senate Resolution No. 80.

The following resolution was offered:
By Senator DeLap:

Resolved, That the President of the Senate appoint a Committee of Three to notify the Assembly that the Senate is ready to adjourn sine die the Fifty-third (extraordinary) session of the Legislature pursuant to the provisions of Senate Concurrent Resolution No. 31 and to ask if the Assembly has any further communications to transmit to the Senate.

Resolution read, and on motion of Senator DeLap adopted.

Appointment of Special Committee.

The President announced, in accordance with the above resolution, the appointment of Senators DeLap, Phillips and Mixter.

Report of Standing Committee.

The following report of Standing Committee was received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, December 5, 1940.

MR. PRESIDENT: Your Committee on Rules has examined:

Senate Concurrent Resolution No. 27—Relative to Joint Rules of the Senate and Assembly;

Senate Concurrent Resolution No. 31—Relative to adjournment sine die of the first extraordinary session of the Fifty-third Legislature of the State of California.

Senate Concurrent Resolution No. 33—Relative to approving two certain amendments to the charter of the city of Los Angeles, in the county of Los Angeles, State of California, voted for and ratified by the electors of such city at a special election held therein on the fifth day of November, 1940;

Senate Concurrent Resolution No. 32—Relative to approving amendments to the charter of the county of Butte, State of California, voted for and ratified by the electors of such county at a general election held therein on November 5, 1940;

And reports that the same have been correctly enrolled and presented to the Governor on the fifth day of December, 1940, at three o'clock and fifteen minutes p.m.

SEAWELL, Chairman.

Reports of Standing Committees.

The following reports of Standing Committees were received and read:

On Rules.

SENATE CHAMBER, SACRAMENTO, December 5, 1940.

MR. PRESIDENT: Your Committee on Rules, to which was referred:

Assembly Joint Resolution No. 24—Relative to legislation by the Federal Government for a uniform system of old age pensions throughout the United States;

Assembly Concurrent Resolution No. 30—Relating to the construction of a dam in Rector Canyon;

Has had the same under consideration, and respectfully reports the same back without recommendation for the reason no committee action has been taken.

SEAWELL, Chairman.

On Governmental Efficiency.

SENATE CHAMBER, SACRAMENTO, December 5, 1940.

MR. PRESIDENT Your Committee on Governmental Efficiency, to which was referred:

Assembly Bill No. 141—An act to amend section 1914 of the Harbors and Navigation Code, relating to San Francisco Harbor and the powers and duties of the Board of State Harbor Commissioners for San Francisco Harbor, declaring the urgency thereof, to take effect immediately;

Assembly Concurrent Resolution No. 24—Requesting the Governor to proclaim February 12 and 22 holidays on which the public schools shall be closed;

Assembly Joint Resolution No. 28—Relative to condemnation of the "smear campaign" against the Federal Bureau of Investigation, and memorializing Congress to increase the appropriation for the bureau;

Has had the same under consideration, and respectfully reports the same back without recommendation for the reason that no committee action has been taken.

HAYS, Chairman.

SENATE CHAMBER, SACRAMENTO, December 5, 1940.

MR. PRESIDENT: Your Committee on Governmental Efficiency, to which was referred:

Senate Bill No. 3—An act to add section 250 1 to the Fish and Game Code, relating to deer in Fish and Game District 1G;

Senate Bill No. 56—An act to add section 135.4 to the Vehicle Code, relating to the taking of bail upon service of warrants;

Senate Bill No. 71—An act to add Division IX to the Public Resources Code, relating to soil conservation, creating the State Soil Conservation Commission and prescribing its powers and duties, providing for the organization and operation of soil conservation districts and the establishment and enforcement of land use regulations in such districts; to repeal an act entitled "An act declaring a State policy relating to soil conservation through the prevention or control of soil erosion, creating a State Soil Conservation Committee and defining its duties and authority; providing procedure for the organization, management and dissolution of soil conservation districts and defining their powers and providing for cooperation between

the State Soil Conservation Committee, the United States, the State, counties, soil conservation districts, other public districts, and individuals and corporations," approved March 29, 1938; to validate the organization of districts and proceedings for organization taken under the act repealed and to provide for the continued operation of such districts and the completion of such proceedings under this act;

Senate Bill No. 83—An act to amend section 64 of, and to add section 54.1, the Alcoholic Beverage Control Act, relating to alcoholic beverages, to take effect immediately;

Senate Joint Resolution No. 2—Relative to discrimination in steamship service and freight rates between New York and California ports to the Panama Canal Zone;

Senate Joint Resolution No 7—Urging the enactment of House of Representatives Bill No 7447 now pending in the Congress of the United States, providing for Federal aid in the construction of the "T" tunnel project at San Pedro Harbor;

Senate Concurrent Resolution No. 13—Relative to the exemption of agricultural workers under the California Unemployment Insurance Act;

Senate Constitutional Amendment No. 1—A resolution to propose to the people of the State of California to add section 23 to Article XX of the Constitution of said State, relating to alcoholic beverages, and creating an Alcoholic Beverage Commission;

Assembly Bill No 51—An act to validate the organization, boundaries, governing officers or boards, acts, proceedings, and bonds of public bodies;

Assembly Bill No. 46—An act to add section 4383 to the Public Resources Code, relating to State forests, including areas suitable for timber production, outdoor recreation, water protection, and fish and game production;

Assembly Bill No. 100—An act to add section 1354 to the Vehicle Code, relating to the taking of bail upon service of warrants;

Assembly Concurrent Resolution No 17—Relative to veterans, and educational qualifications in the State civil service;

Assembly Concurrent Resolution No 12—Relative to commendation of Robert Chandler, Superintendent of the Industrial Home for the Adult Blind at Oakland, California;

Assembly Joint Resolution No 7—Relative to the prevention of the exportation of arms to aggressor nations;

Assembly Joint Resolution No 11—Relative to memorializing the Congress of the United States to enact legislation authorizing deportation proceedings in the Federal Courts against undesirable aliens;

Assembly Joint Resolution No. 15—Relative to the commemoration of the fiftieth anniversary of the establishment of Sequoia National Park;

Assembly Joint Resolution No 18—Relative to Kings River flood control;

Assembly Joint Resolution No 25—Relative to allocation of funds by the Congress of the United States for distribution to the various States for highway purposes;

Has had the same under consideration, and respectfully reports the same back without recommendation for the reason that no committee action has been taken.

HAYS, Chairman

On Social Problems.

SENATE CHAMBER, SACRAMENTO, December 5, 1940.

MR. PRESIDENT: Your Committee on Social Problems, to which was referred:

Assembly Bill No 58—An act to amend sections 2, 3 and 4 of the Housing Cooperation Law, relating to aid by public bodies to housing projects undertaken pursuant to the California State Housing Authority Law;

Assembly Bill No 106—An act making an appropriation to the Relief Administrator and the Relief Commission for the relief of hardship and destitution due to and caused by unemployment through the support of self-help cooperative organizations and associations, declaring the urgency thereof, to take effect immediately;

Assembly Concurrent Resolution No. 16—Calling upon the State Planning Board to make a study of housing needs in California;

Assembly Joint Resolution No 3—Relative to memorializing the President and Congress to enact legislation to secure all aged citizens against want or poverty by means of a system of Federal old-age pensions;

Has had the same under consideration, and respectfully reports the same back without recommendation for the reason that no committee action has been taken

PHILLIPS, Chairman.

SENATE CHAMBER, SACRAMENTO, December 5, 1940.

MR. PRESIDENT: Your Committee on Social Problems, to which was referred:

Senate Bill No. 96—An act to amend section 8 of the Unemployment Relief Appropriation Act of 1940, relating to relief allowances, declaring the urgency thereof, to take effect immediately;

Senate Bill No. 94—An act to add sections 3.1 and 3.9 to the Unemployment Relief Appropriation Act of 1940, relating to the money available for unemployment relief and the purposes for which it may be expended, declaring the urgency thereof to take effect immediately;

Senate Bill No. 1—An act to repeal section 2226 and to amend sections 2007, 2227 and 2229 of the Welfare and Institutions Code, relating to aid to the aged and providing for the cancellation and release of certain agreements heretofore required of recipients of aid to the aged, and declaring the urgency thereof, to take effect immediately;

Senate Bill No. 2—An act to repeal sections 2226 and 2229 of, and to amend section 2227 of the Welfare and Institutions Code, relating to aid to the aged, and providing for the cancellation and release of certain agreements affecting real property heretofore required of recipients of aid to the aged and their heirs, declaring the urgency thereof, to take effect immediately;

Senate Bill No. 49—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment and for the administration thereof, providing for the disbursement of the appropriation, declaring the urgency thereof and providing that it shall take effect immediately;

Senate Bill No. 62—An act to create a public agency of the State to be known as the California Housing Authority to undertake slum clearance and projects to provide dwelling accommodations for persons of low income in the State, to define the powers and duties of the California Housing Authority and to provide for the exercise of such powers, including acquiring property, borrowing money, issuing bonds and other obligations, and giving security therefor; to provide for a certification of the bonds by the Attorney General, to confer remedies on obligees of the California Housing Authority; to exempt the property and securities of the California Housing Authority from taxation and assessments; to authorize certain payments in lieu of such taxation and assessments, providing that this act shall take effect immediately; and making an appropriation,

Senate Bill No. 63—An act to amend sections 2, 3 and 4 of the Housing Cooperation Law, relating to aid by public bodies to housing projects undertaken pursuant to the California State Housing Authority Law, and providing that this act shall take effect immediately;

Senate Bill No. 82—An act making appropriation for the relief of hardship and destitution due to and caused by unemployment and providing for the expenditure thereof in conjunction with the Federal Government for the distribution of surplus commodities, declaring the urgency thereof, to take effect immediately;

Senate Bill No. 85—An act to submit to the people, at the general election on November 5, 1940, a proposed amendment to the Constitution of this State, relating to liens, mortgages, encumbrances and agreements taken as security for aid to the aged and to the powers of the Legislature in relation thereto, and to provide that this act shall take effect immediately,

Senate Bill No. 86—An act establishing an integrated program for State and County Public Assistance and Employment Activities, creating a California Department of Employment for the coordination thereof, defining the scope of the powers and duties of the State and the counties in regard thereto, providing for the administration thereof, apportioning funds for the costs thereof, determining eligibility for relief, authorizing a works program, prohibiting political activities, penalizing persons violating its provisions, defining the purposes for which money appropriated for relief activities may be expended, transferring the powers and duties of the Relief Commission, Relief Administrator, the Department of Social Welfare, the Social Welfare Board, the Director of the Department of Social Welfare, the State Department of Employment and the California Employment Commission to the California Department of Employment and the counties and repealing acts and parts of acts specified herein;

Has had the same under consideration, and respectfully reports the same back without recommendation for the reason that no committee action has been taken

PHILLIPS, Chairman

On Revenue and Taxation.

SENATE CHAMBER, SACRAMENTO, December 5, 1940.

MR. PRESIDENT: Your Committee on Revenue and Taxation, to which was referred:

Assembly Concurrent Resolution No. 13—Requesting the Attorney General of the State of California to intervene on behalf of the State in any litigation involving the tidelands and submerged lands heretofore granted by the State to the city of Long Beach or involving the use thereof and the revenues therefrom.

Has had the same under consideration, and respectfully reports the same back without recommendation for the reason that no committee action has been taken

TICKLE, Chairman

SENATE CHAMBER, SACRAMENTO, December 5, 1940.

MR. PRESIDENT: Your Committee on Revenue and Taxation, to which was referred:

Assembly Bill No. 6—An act to amend section 13101 of the Health and Safety Code, relating to the compensation of the State Fire Marshal;

Assembly Bill No. 7—An act to add section 13109.5 to the Health and Safety Code, relating to the powers and duties of the State Fire Marshal in the furnishing of fire protection and prevention service at the hospitals, institutions and schools in the State Department of Institutions, and making an appropriation therefor;

Assembly Bill No. 11—An act to add section 1190.5 to the Labor Code, validating orders and proceedings of the Industrial Welfare Commission;

Assembly Bill No. 52—An act relating to parks and making an appropriation from the State park maintenance and acquisition fund for the operation, maintenance and extension of the State Park System;

Assembly Bill No. 56—An act to amend the title and to add section 8 to "An act providing for a State Exhibit at the Golden Gate International Exposition to be held in the San Francisco Bay region, California, in 1939, providing for the construction of a State Building or buildings therefor and the gardening and improvement of the surrounding grounds, creating a California Commission for the Golden Gate International Exposition to have charge and control of said State Exhibit and Building or buildings, defining its powers and duties and making an appropriation therefor," approved May 25, 1937, relating to the powers and duties of the California Commission for the Golden Gate International Exposition, and making an appropriation, declaring the urgency thereof and providing that this act shall take effect immediately;

Assembly Bill No. 53—An act to add section 2 to "An act granting certain tidelands and submerged lands of the State of California to the city of Long Beach upon certain trusts and conditions," approved April 28, 1925, relating to the use of the revenues derived from such lands;

Assembly Bill No. 57—An act to create a public agency of the State to be known as the California Housing Authority to undertake slum clearance and projects to provide dwelling accommodations for persons of low income in the State; to define the powers and duties of the California Housing Authority and to provide for the exercise of such powers, including acquiring property, borrowing money, issuing bonds and other obligations, and giving security therefor; to provide for a certification of the bonds by the Attorney General; to confer remedies on obligees of the California Housing Authority; to exempt the property and securities of the California Housing Authority from taxation and assessments; and to authorize certain payments in lieu of such taxation and assessment;

Assembly Bill No. 90—An act to amend sections 5, 6 and 13 of an act entitled "An act to provide for the regulation and licensing of horse racing, horse race meetings, and the wagering on the results thereof; to create the California Horse Racing Board for the regulation, licensing and supervision of said horse racing and wagering thereon; to provide penalties for the violation of the provisions of this act, and to provide that this act shall take effect upon the adoption of a constitutional amendment ratifying its provisions," approved June 5, 1933, relating to the administration of the act, providing for the designation of a Chairman of the California Horse Racing Board and for salaries of the chairman and other members of said board, increasing the amount allocated for administration of the act, and providing for a fund to be expended at the sole discretion of the board for enforcement of the act, and increasing the salary of the secretary of said board;

Assembly Bill No. 113—An act providing for the expenditure, in conjunction with the National Youth Administration Program, of money appropriated for relief of hardship and destitution due to and caused by unemployment;

Assembly Bill No. 126—An act relating to parks and making an appropriation from the State park maintenance and acquisition fund for the operation, maintenance and extension of the State Park System, to repeal an act entitled "An act relating to parks and making an appropriation from the State park maintenance and acquisition fund for the operation, maintenance and extension of the State Park System," approved February 28, 1940, and providing that this act shall take effect immediately;

Assembly Bill No. 140—An act to add sections 3897.4 and 3897.5 to the Political Code, and to amend section 3804 of, and to add sections 3793.5 and 3793.6 to, the Revenue and Taxation Code, relating to property taxation, declaring the urgency hereof, to take effect immediately;

Has had the same under consideration, and respectfully reports the same back without recommendation for the reason that no committee action has been taken.

TICKLE, Chairman

SENATE CHAMBER, SACRAMENTO, December 5, 1940.

MR PRESIDENT: Your Committee on Revenue and Taxation, to which was referred:

Senate Bill No. 14—An act to amend section 11 of an act entitled "An act relating to licensing and taxing of vehicles, providing for license fees for the privilege of operating certain vehicles, providing for the exemption of such vehicles from all taxes according to value for State, county or municipal purposes, providing for the administration and enforcement of this act, creating a fund to be known as the motor vehicle license fee fund, and making an appropriation of the moneys therein," approved June 25, 1935, relating to the disposition of moneys collected under the provisions of said act, making an appropriation, and providing that this act shall take effect immediately;

Senate Bill No. 16—An act to amend section 5 of The Personal Income Tax Act, relating to taxes on income of individuals, estates and trusts, to take effect immediately;

Senate Bill No. 17—An act to amend section 5 of The Personal Income Tax Act, relating to rates of taxation on income of individuals, estates and trusts, to take effect immediately;

Senate Bill No. 18—An act to amend section 10 of The Personal Income Tax Act, relating to taxes on income of individuals, estates and trusts, including credits thereon and exemptions therefrom, to take effect immediately;

Senate Bill No. 19—An act to amend sections 8 and 9 3 of The Personal Income Tax Act, relating to taxes on income of individuals, estates and trusts, to take effect immediately;

Senate Bill No. 20—An act to amend sections 7 and 9 4 of The Personal Income Tax Act, relating to taxes on income of individuals, estates and trusts, to take effect immediately;

Senate Bill No. 21—An act to amend section 12 of The Personal Income Tax Act, relating to taxes on income of individuals, estates, and trusts, to take effect immediately;

Senate Bill No. 22—An act to amend sections 4, 4a, and 23 of the Bank and Corporation Franchise Tax Act, relating to taxes on banks and corporations, to take effect immediately;

Senate Bill No. 23—An act to amend sections 4 and 23 of the Bank and Corporation Franchise Tax Act, relating to taxes on banks and corporations, to take effect immediately;

Senate Bill No. 24—An act to amend section 8 of the Bank and Corporation Franchise Tax Act, relating to taxes on banks and corporations, to take effect immediately;

Senate Bill No. 25—An act to amend section 8 of the Bank and Corporation Franchise Tax Act, relating to taxes on banks and corporations, to take effect immediately;

Senate Bill No. 26—An act to amend section 14 of the Bank and Corporation Franchise Tax Act, relating to taxes on banks and corporations and to provide that this act shall take effect immediately;

Senate Bill No. 27—An act to amend section 3 of The Corporation Income Tax Act of 1937, relating to taxes on corporations, to take effect immediately;

Senate Bill No. 28—An act to amend section 7 of The Corporation Income Tax Act of 1937, relating to taxes on corporations, to take effect immediately;

Senate Bill No. 29—An act to amend section 7 of The Corporation Income Tax Act of 1937, relating to taxes on corporations, to take effect immediately;

Senate Bill No. 30—An act to amend section 14 of The Corporation Income Tax Act of 1937, relating to taxes on corporations, to take effect immediately;

Senate Bill No. 31—An act to amend section 24 of the Alcoholic Beverage Control Act, and to add thereto section 24 1, relating to an excise tax upon distilled spirits, and to provide that this act shall take effect immediately;

Senate Bill No. 32—An act to amend section 23 of the Alcoholic Beverage Control Act, relating to an excise tax upon beer and wine, and to provide that this act shall take effect immediately;

Senate Bill No. 33—An act to amend section 23 of the Alcoholic Beverage Control Act, relating to an excise tax upon beer and wine, and to provide that this act shall take effect immediately;

Senate Bill No. 34—An act to amend section 5 of the Alcoholic Beverage Control Act, relating to license fees, and to provide that this act shall take effect immediately;

Senate Bill No. 35—An act to amend sections 4 and 5 of the Inheritance Tax Act of 1935, relating to the inheritance tax, including the rates thereof, to take effect immediately;

Senate Bill No. 36—An act to amend sections 14, 15, 16, 17 and 18 of the Gift Tax Act of 1939, relating to taxes upon transfers of property by way of gift, including the rates thereof, to take effect immediately;

Senate Bill No. 37—An act imposing an excise tax for the privilege of severing petroleum, natural gas or natural gasoline from the earth, providing for permits to producers, providing for the levying, assessing, collecting, paying and disposing of such tax, making an appropriation for the administration hereof, prescribing penalties for violations hereof, and providing that this act shall take effect immediately;

Senate Bill No. 38—An act imposing a tax upon the sale of cigarettes, cigars, smoking tobacco, plug tobacco, snuff and other forms of tobacco, and making an appropriation for the administration thereof, to take effect immediately;

Senate Bill No. 39—An act imposing a tax upon the storage, use or other consumption in this State of cigarettes, cigars, smoking tobacco, plug tobacco, snuff and other forms of tobacco, and making an appropriation of the proceeds of such tax, to take effect immediately;

Senate Bill No. 40—An act to amend section 22 of an act entitled "An act imposing a license fee or tax for the transportation of persons or property for hire or compensation upon the public streets, roads and highways in the State of California by motor vehicle and providing that this act shall take effect immediately," approved May 15, 1933, relating to exemptions;

Senate Bill No. 41—An act to amend sections 9, 11, 12 and 14 of, and to add sections 12a, 13a and 20 to, an act entitled "An act to provide for the regulation and licensing of horse racing, horse race meetings, and the wagering on the results thereof; to create the California Horse Racing Board for the regulation, licensing and supervision of said horse racing and wagering thereon; to provide penalties for the violation of the provisions of this act, and to provide that this act shall take effect upon the adoption of a constitutional amendment ratifying its provisions," approved June 5, 1933, relating to the regulation and licensing of horse racing, the amount and payment of license fees, the commissions of licensees and deposits made by them under the act, providing for the retroactive operation of this act, and providing that this act shall take effect immediately;

Senate Bill No. 42—An act to add section 5.18 to the Retail Sales Tax Act of 1933, and section 4.11 to the Use Tax Act of 1935, relating to exemptions, including the exemption of live stock and poultry of a kind the products of which ordinarily constitute food for human consumption;

Senate Bill No. 45—An act to add section 3817c9 to the Political Code, and to add sections 4256.7 and 4258.7 to the Revenue and Taxation Code, relating to property taxation, including the payment of taxes in installments and redemption from tax sales, and declaring the urgency hereof, to take effect immediately;

Senate Bill No. 52—An act to amend the title and to add section 8 to "An act providing for a State Exhibit at the Golden Gate International Exposition to be held in the San Francisco Bay region, California, in 1939, providing for the construction of a State Building or buildings therefor and the gardening and improvement of the surrounding grounds, creating a California Commission for the Golden Gate International Exposition to have charge and control of said State Exhibit and Building or buildings, defining its powers and duties and making an appropriation therefor," approved May 25, 1937, relating to the powers and duties of the California Commission for the Golden Gate International Exposition, and making an appropriation, declaring the urgency thereof and providing that this act shall take effect immediately;

Senate Bill No. 53—An act to add section 18a to the Central Valley Project Act of 1933, relating to the issuance of revenue bonds by the Water Project Authority of the State of California;

Senate Bill No. 60—An act to amend the title and to add sections 5, 6, 7 and 9 to "An act providing for a State Exhibit at the Golden Gate International Exposition to be held in the San Francisco Bay region, California, in 1939, providing for the construction of a State Building or buildings therefor and the gardening and improvement of the surrounding grounds, creating a California Commission for the Golden Gate International Exposition to have charge and control of said State Exhibit and Building or buildings, defining its powers and duties and making an appropriation therefor," approved May 25, 1937, relating to the Golden Gate International Exposition, defining the powers and duties of the California Commission for the Golden Gate International Exposition, and making an appropriation, declaring the urgency thereof and providing that this act shall take effect immediately;

Senate Bill No. 66—An act making an appropriation to the emergency fund specified in Item 212 of the Budget Act of 1939 for the purpose of augmenting appropriations for the support of the Government of the State, in order to provide for salary and wage adjustments for State employees receiving less than one hundred and fifty dollars per month and providing that this act shall take effect immediately;

Senate Bill No. 70—An act to amend section 6.4 of the Alcoholic Beverage Control Act and to add section 54.1 thereto, relating to alcoholic beverages;

Senate Bill No. 73—An act imposing a tax upon the sale of cigarettes, cigars, smoking tobacco, plug tobacco, snuff and other forms of tobacco, and making an appropriation for the administration thereof, to take effect immediately;

Senate Bill No. 74—An act to amend section 2 of the Use Fuel Tax Act of 1937 relating to exemptions and definitions;

Senate Bill No. 75—An act imposing a tax upon the storage, use or other consumption in this State of cigarettes, cigars, smoking tobacco, plug tobacco, snuff and other forms of tobacco, and making an appropriation of the proceeds of such tax, to take effect immediately;

Senate Bill No. 77—An act to amend the Street Opening Act of 1903 by adding section 18b thereto, relating to the refunding, repayment and adjustment of assessments and bonds;

Senate Bill No. 78—An act to amend the Improvement Act of 1911 by adding section 28b thereto, relating to the refunding, repayment and adjustment of assessments and bonds;

Senate Bill No. 79—An act making an appropriation for relief of hardship and destitution due to and caused by unemployment, and providing for the expenditure thereof in conjunction with the National Youth Administration Program;

Senate Bill No. 80—An act making an appropriation to the Relief Administrator and the Relief Commission for the relief of hardship and destitution due to and caused by unemployment, and providing for the expenditure thereof;

Senate Bill No. 89—An act to amend sections 120, 157, 2630, 4106, 4110, 4153 and 4946 of, to repeal Chapter 4 of and to add a new Chapter 4 to Part 7, Division 1 of, and to add section 2630.5 to, the Revenue and Taxation Code, and to repeal section 3819a of and to add a new section 3819a to the Political Code, relating to the redemption of property and the transfer of tax redemption duties from the auditor and treasurer to the tax collector;

Has had the same under consideration, and respectfully reports the same back, without recommendation for the reason that no committee action has been taken

TICKLE, Chairman.

Message from the Assembly.

The following message from the Assembly was received and read:

ASSEMBLY CHAMBER, SACRAMENTO, December 5, 1940

MR. PRESIDENT: I am directed to inform your honorable body that the Assembly returns the following Senate Bills without further action.

Senate Bill No. 13—An act to amend section 70 of the State Civil Service Act, relating to salary adjustments of civil service employees, declaring the urgency thereof, and providing that this act shall take effect immediately;

Senate Bill No. 46—An act to amend sections 130 and 130.1 of the Vehicle Code, relating to the records of the Department of Motor Vehicles;

Senate Bill No. 50—An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment, and providing for the disbursement thereof;

Senate Bill No. 51—An act providing for the expenditure by the Relief Administrator and the Relief Commission through the counties under the California Unemployment Relief Act of 1935 of money appropriated for the relief of hardship and destitution due to and caused by unemployment, the conditions and procedure for the expenditure thereof, and the determination of the eligibility of persons therefor under the said California Unemployment Relief Act of 1935;

Senate Bill No. 54—An act to add section 444.2 to the Political Code, relating to money in the State treasury, including temporary loans or transfers of money in special funds or other accounts in the treasury subject to the provisions of Article XXVI of the Constitution, the use or disposition of money loaned, and the repayment of such loans;

Senate Bill No. 57—An act to repeal sections 2226 and 2229 and to amend sections 2007 and 2227 of the Welfare and Institutions Code, relating to aid to the aged and providing for the cancellation and release of certain agreements heretofore required of recipients of aid to the aged;

Senate Constitutional Amendment No. 2—A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by adding a new section numbered 13 to Article XVI thereof, relating to the powers of the Legislature in respect to the release, rescission, or remission of encumbrances and obligations taken as security for the repayment of aid to the aged, and ratifying certain acts of the Legislature relating thereto;

Senate Concurrent Resolution No. 2—Relative to the disposition of a statue of John Rodriquez Cabrillo;

Senate Concurrent Resolution No. 5—Relative to requesting certain data from the State Personnel Board;

Senate Concurrent Resolution No. 7—Relative to advertisement of the San Diego Quadri-Centennial Celebration on motor vehicle license plates;

Senate Concurrent Resolution No. 8—Relative to aid to self-help cooperative organizations and associations.

JACK CARL GREENBURG, Chief Clerk of Assembly

Report of Committees.

Senator DeLap, as chairman of the committee appointed to inform the Assembly of the readiness of the Senate to adjourn sine die, in accordance with the provisions of Senate Concurrent Resolution No. 31, reported that the committee had delivered the message to the Assembly and had been requested by the Assembly to inform the Senate that the Assembly had no further communications to transmit, as they were prepared to adjourn sine die.

Senator Slater, as chairman of the committee appointed to wait upon the Governor and inform him of the readiness of the Senate to adjourn sine die, as provided in Senate Concurrent Resolution No. 31, reported that they had performed their duty

Message from the Assembly.

At three o'clock and twenty-eight minutes p.m, a committee from the Assembly, consisting of Messrs Burns, Clarke and George P. Miller, appeared at the bar of the Senate and announced that the Assembly was prepared to adjourn the Fifty-third (extraordinary) session sine die.

Approval of Minutes.

The minutes of this legislative day, Thursday, December 5, 1940, were, on motion of Senator Seawell, approved as corrected by the Minute Clerk.

Final Adjournment.

Whereupon, at three o'clock and thirty minutes p.m., on motion of Senator Seawell, in accordance with the provisions of Senate Concurrent Resolution No 31, the President of the Senate declared the Fifty-third (extraordinary) session of the Senate of the State of California adjourned sine die.

JAMES BOYD GARRISON, Minute Clerk.